As filed with the Securities and Exchange Commission on February 9, 2011

No. 333-

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form S-4
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Radio One, Inc.*
(Exact name of registrant as specified in its charter)

Delaware	4832	52-1166660
(State or other jurisdiction of incorporation or organization)	*(Primary Standard Industrial Classification Code Number)*	*(I.R.S. Employer Identification No.)*

5900 Princess Garden Parkway
7th Floor
Lanham, Maryland 20706
Telephone: (301) 306-1111
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Alfred C. Liggins, III
President and Chief Executive Officer
Radio One, Inc.
7th Floor
Lanham, Maryland 20706
Telephone: (301) 306-1111
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies of all communications, including communications sent to agent for service, should be sent to:

Michael Plantamura
Vice President and General Counsel
Radio One, Inc.
5th Floor
Lanham, Maryland 20706
Telephone: (301) 306-1111

and

Dennis M. Myers, P.C.
Kirkland & Ellis LLP
300 North LaSalle Street
Chicago, Illinois 60654
(312) 862-2000

* The co-registrants listed on the next page are also included in this Form S-4 registration statement as additional registrants.

Approximate date of commencement of proposed sale of the securities to the public: The exchange will occur as soon as practicable after the effective date of this Registration Statement.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. ☐

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☐ Accelerated filer ☑ Non-accelerated filer ☐ (Do not check if a smaller reporting company) Smaller reporting company ☐

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer): ☐

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer): ☐

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price per Unit(1)	Amount of Registration Fee
12.5%/15.0% Senior Subordinated Notes due 2016(1)	$286,794,302	100%	$33,297
Senior Subordinated Notes Paid-in-Kind(2)	$40,241,304	100%	$4,673
Guarantees on Senior Subordinated Notes(3)	—	—	—(4)

(1) Calculated in accordance with Rule 457(f) under the Securities Act of 1933, as amended.

(2) Pursuant to the indenture governing the 12.5%/15.0% Senior Subordinated Notes due 2016 ("Senior Subordinated Notes"), Radio One, Inc. may elect to issue additional Senior Subordinated Notes in respect of interest due and payable thereon to May 15, 2012. For purposes of calculating the registration fee, the registrant estimates that up to $40,241,304 in aggregate principal amount of Senior Subordinated Notes may be issued in respect of interest thereon to May 15, 2012.

(3) Senior Subordinated Notes will be issued by Radio One, Inc. (the "Issuer") and guaranteed by certain of the Issuer's domestic subsidiaries. No separate consideration will be received for the issuance of these guarantees.

(4) Pursuant to Rule 457(n), no separate fee is payable with respect to the guarantees being registered hereby.

The Registrants hereby amend this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrants shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

Table of Additional Registrants

Exact Name of Additional Registrants*	Jurisdiction of Formation	I.R.S. Employer Identification No.
Bell Broadcasting Company	Michigan	38-1537987
Blue Chip Broadcasting Licenses, Ltd.	Ohio	31-1402186
Blue Chip Broadcasting, Ltd.	Ohio	31-1459349
Charlotte Broadcasting, LLC	Delaware	52-1166660
Community Connect Inc.	Delaware	13-3923078
Community Connect, LLC	Delaware	52-1166660
Distribution One, LLC	Delaware	52-1166660
Hawes-Saunders Broadcast Properties, Inc.	Delaware	31-1313021
Interactive One, Inc.	Delaware	30-0223248
Interactive One, LLC	Delaware	30-0451522
New Mableton Broadcasting Corporation	Delaware	58-2455006
Radio One Cable Holdings, Inc.	Delaware	20-0966592
Radio One Distribution Holdings, LLC	Delaware	52-1166660
Radio One Licenses, LLC	Delaware	52-1166660
Radio One Media Holdings, LLC	Delaware	20-2180640
Radio One of Atlanta, LLC	Delaware	52-1166660
Radio One of Boston Licenses, LLC	Delaware	52-2297366
Radio One of Boston, Inc.	Delaware	52-2297366
Radio One of Charlotte, LLC	Delaware	57-1103928
Radio One of Detroit, LLC	Delaware	38-1537987
Radio One of Indiana, L.P.	Delaware	52-2359338
Radio One of Indiana, LLC	Delaware	52-1166660
Radio One of North Carolina, LLC	Delaware	52-1166660
Radio One of Texas II, LLC	Delaware	52-2359333
ROA Licenses, LLC	Delaware	52-1166660
Satellite One, L.L.C.	Delaware	52-1166660

* The address for each of the additional registrants is c/o Radio One, Inc., 5900 Princess Garden Parkway, 7th Floor, Lanham, Maryland 20706, (301) 306-1111. The primary standard industrial classification number for each of the additional registrants is 4832. The name, address, including zip code of the agent for service for each of the additional registrants is Michael Plantamura, Vice President and General Counsel, Radio One, Inc., 5900 Princess Garden Parkway, 5th Floor, Lanham, Maryland 20706, (301) 306-1111.

The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. The prospectus is not an offer to sell these securities nor a solicitation of an offer to buy these securities in any jurisdiction where the offer and sale is not permitted.

SUBJECT TO COMPLETION, DATED FEBRUARY 9, 2011

PRELIMINARY PROSPECTUS

Radio One, Inc.

RADIO ONE

THE URBAN MEDIA SPECIALIST

Exchange Offer for up to $286,794,302 12.5%/15.0% Senior Subordinated Notes due 2016

We are offering to exchange:
up to $286,794,302 of our new 12.5%/15.0% Senior Subordinated Notes due 2016
(which we refer to as the "Exchange Notes")
for
a like amount of our outstanding 12.5%/15.0 Senior Subordinated Notes due 2016
(which we refer to as the "Old Notes" and, together with the Exchange Notes, the "Notes").

Material Terms of Exchange Offer:

- The terms of the Exchange Notes to be issued in the exchange offer are substantially identical to the Old Notes, except that the transfer restrictions and registration rights relating to the Old Notes will not apply to the Exchange Notes.
- The Exchange Notes will be unconditionally guaranteed on a senior subordinated basis by each of our existing and future direct and indirect domestic restricted subsidiaries (subject to certain exceptions) and any other of our subsidiaries that guarantee our senior credit facility.
- The exchange offer expires at 5:00 p.m., New York City time, on , 2011, unless extended by us.
- There is no existing public market for the Old Notes or the Exchange Notes. We do not intend to list the Exchange Notes on any securities exchange or seek approval for quotation through any automated trading system.
- You may withdraw your tender of Old Notes at any time before the expiration of the exchange offer. We will exchange all of the Old Notes that are validly tendered and not withdrawn.
- The exchange of Notes will not be a taxable event for U.S. federal income tax purposes.
- The exchange offer is not subject to any condition, including that it not violate applicable law or any applicable interpretation of the Staff of the Securities and Exchange Commission (the "SEC").
- We will not receive any proceeds from the exchange offer.
- Each broker-dealer that receives Exchange Notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such exchange notes. The letter of transmittal states that by so acknowledging and delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act of 1933, as amended (the "Securities Act"). This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of Exchange Notes received in exchange for Old Notes where the Old Notes were acquired by the broker-dealer as a result of market-making activities or other trading activities. We have agreed that, for a period of 180 days after the expiration date of the exchange offer, we will make this prospectus available to any broker-dealer in connection with any such resale. See "Plan of Distribution."

For a discussion of certain factors that you should consider before participating in this exchange offer, see "Risk Factors" beginning on page 12 of this prospectus.

We are not asking you for a proxy and you are requested not to send us a proxy.

Neither the SEC nor any state securities commission has approved the securities to be distributed in the exchange offer, nor have any of these organizations determined that this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

, 2011

You should rely only on the information contained in this prospectus. We have not authorized anyone to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. You should assume that the information contained in this prospectus is accurate as of the date on the front cover of this prospectus. Our business, financial condition, results of operations and prospects may have changed since then. We are not making an offer to sell the securities offered by this prospectus in any jurisdiction where the offer or sale is not permitted.

TABLE OF CONTENTS

SUMMARY	1
RISK FACTORS	12
EXCHANGE OFFER	34
USE OF PROCEEDS	41
RATIO OF EARNINGS TO FIXED CHARGES	41
CAPITALIZATION	42
SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA	43
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	45
QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK	86
DESCRIPTION OF OUR BUSINESS	87
DIRECTORS, OFFICERS AND CORPORATE GOVERNANCE	109
EXECUTIVE COMPENSATION	116
SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS	134
CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE	136
DESCRIPTION OF CERTAIN OTHER INDEBTEDNESS	138
DESCRIPTION OF NOTES	141
CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES	192
PLAN OF DISTRIBUTION	199
LEGAL MATTERS	200
EXPERTS	200
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS	F-1

In this prospectus, unless the context requires otherwise: (i) "Radio One," the "Company," "we," "us" and "our" refer to Radio One, Inc. and its subsidiaries; and (ii) "Issuer" refers to Radio One, Inc., exclusive of its subsidiaries.

Radio One, Inc. is a Delaware corporation. Our principal executive office is located at 5900 Princess Garden Parkway, 7th Floor, Lanham, Maryland 20706, and our telephone number at that address is (301) 306-1111. Our website is located at www.radio-one.com. The information on, or linked to, our website is not part of this prospectus.

NON-GAAP FINANCIAL MEASURES

We believe that our financial statements and other financial data contained in this prospectus have been prepared in a manner that complies, in all material respects, with the regulations published by the SEC and are consistent with current practice with the exception of the presentation of certain non-GAAP financial measures (as defined below), including EBITDA and Adjusted EBITDA. SEC rules regulate the use in filings with the SEC of "non-GAAP financial measures" such as EBITDA and Adjusted EBITDA that are derived on the basis

of methodologies other than in accordance with accounting principles generally accepted in the United States of America ("GAAP").

EBITDA and Adjusted EBITDA are not measurements of our financial performance under GAAP and should not be considered as alternatives to revenues, net earnings (loss) or any other performance measures derived in accordance with GAAP, or as alternatives to cash flow from operating activities as measures of our liquidity. We present EBITDA and Adjusted EBITDA because we consider these important supplemental measures of our performance and believe they are frequently used by securities analysts, investors and other interested parties in the evaluation of "high yield" issuers, many of which present EBITDA and Adjusted EBITDA when reporting their operating results. Management uses EBITDA and Adjusted EBITDA as internal measures of operating performance, to establish operational goals, to allocate resources and to analyze business trends and financial performance.

We define EBITDA as the sum of (1) net income (loss) attributable to common stockholders, (2) depreciation and amortization, (3) (benefit from) provision for income taxes and (4) interest expense less interest income. Adjusted EBITDA consists of net loss attributable to common stockholders plus (1) depreciation and amortization, income taxes, interest expense, income (loss) from discontinued operations, net of tax, noncontrolling interest in (loss) income of subsidiaries, impairment of long-lived assets, stock-based compensation and other expense, net, less (2) interest income, gain on retirement of debt and equity in income (loss) of affiliated company. Our calculation of EBITDA and Adjusted EBITDA may not be comparable to that reported by other companies.

Our EBITDA and Adjusted EBITDA measures have limitations as analytical tools, and you should not consider them in isolation, or as a substitute for analysis of our results as reported under GAAP. Some of these limitations are:

- they do not reflect our cash expenditures or future requirements for capital commitments;
- they do not reflect changes in, or cash requirements for, our working capital needs;
- they do not reflect the interest expense or cash requirements necessary to service interest or principal payments on our debt;
- they do not reflect any cash income taxes that we may be required to pay;
- they are not adjusted for all non-cash income or expense items that are reflected in our statements of cash flows;
- they do not reflect the impact of earnings or charges resulting from matters we consider not to be indicative of our ongoing operations;
- assets are depreciated or amortized over differing estimated useful lives and often have to be replaced in the future, and these measures do not reflect any cash requirements for such replacements; and
- other companies in our industry may calculate these measures differently than we do, limiting their usefulness as comparative measures.

Because of these limitations, our EBITDA and Adjusted EBITDA measures should not be considered as measures of discretionary cash available to us to invest in the growth of our business or as measures of cash that will be available to us to meet our obligations. You should compensate for these limitations by relying primarily on our GAAP results and using these non-GAAP measures only supplementally to evaluate our performance. See "Selected Historical Consolidated Financial Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and historical consolidated financial statements and accompanying notes included elsewhere in this prospectus.

CERTAIN DEFINITIONS

We use the term "local marketing agreement" ("LMA") in various places in this prospectus. An LMA is an agreement under which a Federal Communications Commission ("FCC") licensee of a radio station makes available, for a fee, air time on its station to another party. The other party provides programming to be broadcast during the airtime and collects revenues from advertising it sells for broadcast during that programming. In addition to entering into LMAs, we will from time to time enter into management or consulting agreements that provide us with the ability, as contractually specified, to assist current owners in the management of radio station assets that we have contracted to purchase, subject to FCC approval. In such arrangements, we generally receive a contractually specified management fee or consulting fee in exchange for the services provided.

INDUSTRY DATA

The industry and market data and other statistical information contained in this prospectus are based on management's own estimates, independent publications, government publications, reports by market research firms or other published independent sources, and, in each case, are believed by management to be reasonable estimates. Although we believe these sources are reliable, we have not independently verified the information. None of the independent industry publications used in this prospectus were prepared on our or our affiliates' behalf and none of the sources cited by us consented to the inclusion of any data from its reports, nor have we sought their consent.

Unless otherwise indicated:

- we obtained total radio industry revenue levels from the Radio Advertising Bureau (the "RAB");
- we obtained audience share and ranking information from Arbitron Inc. ("Arbitron"); and
- we derived historical market statistics and market revenue share percentages from data published by Miller, Kaplan, Arase & Co., LLP ("Miller Kaplan"), a public accounting firm that specializes in serving the broadcasting industry and BIA Financial Network, Inc. ("BIA"), a media and telecommunications advisory services firm.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-4 (Reg. No. 333-   ) with respect to the securities being offered hereby. This prospectus does not contain all of the information contained in the registration statement, including the exhibits and schedules. You should refer to the registration statement, including the exhibits and schedules, for further information about us and the securities being offered hereby. Statements we make in this prospectus about certain contracts or other documents are not necessarily complete. When we make such statements, we refer you to the copies of the contracts or documents that are filed as exhibits to the registration statement because those statements are qualified in all respects by reference to those exhibits. As described below, the registration statement, including exhibits and schedules, is on file at the offices of the SEC and may be inspected without charge.

We file annual, quarterly and special reports, proxy statements and other information with the SEC. You can inspect and copy these reports, proxy statements and other information at the Public Reference Room of the SEC, 100 F Street, N.E., Room 1580, Washington, D.C. 20549. You can obtain copies of these materials from the Public Reference Section of the SEC, 450 Fifth Street, N.W., Washington, D.C. 20549, at prescribed rates. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the public reference room. Our SEC filings will also be available to you on the SEC's website. The address of this site is http://www.sec.gov.

You may also obtain a copy of the exchange offer's registration statement and other information that we file with the SEC at no cost by calling us or writing to us at the following address: Radio One, Inc., 5900 Princess Garden Parkway, 7th Floor, Lanham, Maryland 20706, (301) 306-1111, Attention: Corporate Secretary.

In order to obtain timely delivery of the documents, you must request the information no later than five business days before the expiration date of the exchange offer. The exchange offer will expire at 5:00 p.m., New York City time, on , 2011.

FORWARD-LOOKING STATEMENTS

Certain statements in this prospectus which are not statements of historical fact constitute "forward-looking statements." Forward-looking statements give current expectations or forecasts of future events. Words such as "anticipate," "expect," "intend," "plan," "believe," "seek," "estimate" and other words and terms of similar meaning in connection with discussions of future operating or financial performance signify forward-looking statements. These statements reflect our current views with respect to future events and are based on assumptions and estimates, which are subject to risks and uncertainties including those discussed under the heading "Risk Factors" and elsewhere in this prospectus. Accordingly, undue reliance should not be placed on these forward-looking statements. Also, these forward-looking statements represent our estimates and assumptions only as of the date of this prospectus. We do not intend to update any of these forward-looking statements to reflect circumstances or events that occur after the statement is made and qualify all of our forward-looking statements by these cautionary statements.

You should understand that various factors, in addition to those discussed elsewhere in this prospectus, could affect our future results and could cause results to differ materially from those expressed in such forward-looking statements, including:

- the effects the global financial and economic downturn, credit and equity market volatility and continued fluctuations in the U.S. economy may continue to have on our business and financial condition and the business and financial condition of our advertisers;
- our high degree of leverage and potential inability to refinance our debt given current market conditions;
- continued fluctuations in the economy could negatively impact our ability to meet our cash needs and our ability to maintain compliance with our debt covenants;
- fluctuations in the demand for advertising across our various media given the current economic environment;
- our relationship with a significant customer has changed and we no longer have a guaranteed level of revenue from that customer;
- risks associated with the implementation and execution of our business diversification strategy;
- increased competition in our markets and in the radio broadcasting and media industries;
- changes in media audience ratings and measurement technologies and methodologies;
- regulation by the Federal Communications Commission ("FCC") relative to maintaining our broadcasting licenses, enacting media ownership rules and enforcing of indecency rules;
- changes in our key personnel and on-air talent;
- increases in the costs of our programming, including on-air talent and content acquisitions costs;
- financial losses that may be incurred due to impairment charges against our broadcasting licenses, goodwill and other intangible assets, particularly in light of the current economic environment;
- increased competition from new media and technologies;
- the impact of our acquisitions, dispositions and similar transactions; and
- other factors mentioned in our filings with the SEC.

These factors and the other risk factors discussed in this prospectus, including under the heading "Risk Factors," are not necessarily all of the important factors that could cause our actual results to differ materially from those expressed in any of our forward-looking statements. Other important factors also could have material adverse effects on our future results. Given these uncertainties, you should not place undue reliance on our forward-looking statements. Please see our periodic reports filed with the SEC for more information on these risk factors and other factors that may influence our business. The forward-looking statements included in this prospectus are made only as of the date on the front cover of this prospectus, and we expressly disclaim any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

If there is a material change to the information included in this prospectus, we will disclose such material change in the information by means of a supplement or amendment, SEC filing or press release.

SUMMARY

The following summary is qualified in its entirety by the more detailed information included in this prospectus. Because this is a summary, it may not contain all the information that may be important to you. You should read the entire prospectus before making an investment decision. Except as otherwise stated or required by the context, the terms "Issuer," "Radio One," "we," "us," "Company," "our" and "our Company" refer to Radio One, Inc. and its consolidated subsidiaries.

OUR COMPANY

Overview

Radio One is an urban-oriented, multi-media company that primarily targets African-American and urban consumers. Our core business is our radio broadcasting franchise that is the largest broadcasting operation that primarily targets African-American and urban listeners. We currently own 53 broadcast stations located in 16 urban markets in the U.S. While our primary source of revenue is the sale of local and national advertising for broadcast on our radio stations, our business strategy is to operate the premier multi-media entertainment and information content provider targeting African-American consumers. Thus, we have diversified our revenue streams by making acquisitions and investments in other complementary media properties. Our other media interests include our approximately 37% ownership interest in TV One, LLC ("TV One"), an African-American targeted cable television network that we invested in with an affiliate of Comcast Corporation and other investors; our 53.5% ownership interest in Reach Media, Inc. ("Reach Media"), which operates the Tom Joyner Morning Show; our ownership of Interactive One, LLC, an online platform serving the African-American community through social content, news, information, and entertainment, which operates a number of branded sites, including News One, UrbanDaily, HelloBeautiful; and our ownership of Community Connect, LLC (formerly Community Connect Inc.) ("CCI"), an online social networking company, which operates a number of branded websites, including BlackPlanet, MiGente and Asian Avenue. Through our national multi-media presence, we provide advertisers with a unique and powerful delivery mechanism to the African-American and urban audience.

We are incorporated as a Delaware corporation. Our principal executive offices are located at 5900 Princess Garden Parkway, 7th Floor, Lanham, Maryland 20706. Our telephone number is (301) 306-1111 and our website is http://www.radio-one.com. We make our website content available for information purposes only. Information on our website is not a part of this prospectus and should not be relied upon for investment purposes.

TV One

In July 2003, we entered into a joint venture agreement with an affiliate of Comcast Corporation (the "CC Investor") and certain other investors to create TV One, a cable television network featuring lifestyle, entertainment and news-related programming targeted primarily towards African-American viewers. At that time, we committed to make a cumulative cash investment of $74.0 million in TV One by December 31, 2006. As of April 30, 2007 and as of the date of this prospectus, $60.3 million of this commitment had been funded. No additional investment has been made since April 2007. Since April 2007, the initial commitment period for funding the capital committed has been extended on a quarterly basis, most recently to April 1, 2011, and we expect that it will be further extended in an amendment to TV One's governing agreements, due in part to TV One's lower than anticipated capital needs.

In December 2004, TV One entered into a distribution agreement with DIRECTV, Inc. ("DIRECTV") and certain affiliates of DIRECTV became investors in TV One. As of September 30, 2010, we owned approximately 37% of the outstanding equity interests of TV One on a fully-converted basis.

We entered into separate network services and advertising services agreements with TV One in 2003. Under the network services agreement, we are providing TV One with administrative and operational support services and access to Radio One personalities. This agreement was originally scheduled to expire in January

2009, but was extended to January 2010 and has been further extended to January 2011. Under the advertising services agreement, we are providing a specified amount of advertising to TV One. This agreement was also originally scheduled to expire in January 2009, and has been extended to January 2011. In consideration of providing these services, we have received equity in TV One, and receive an annual cash fee of $500,000 for providing services under the network services agreement.

Transactions

In connection with the issuance of $286,794,302 in aggregate principal amount of the Old Notes on November 24, 2010, we exchanged and then cancelled approximately $97.0 million of $101.5 million in aggregate principal amount outstanding of our 8 7/8% senior subordinated notes due 2011 (the "2011 Notes") and approximately $199.3 million of $200.0 million in aggregate principal amount outstanding of our 6 3/8% senior subordinated notes due 2013 (the "2013 Notes" and together with the 2011 Notes, the "Existing Notes") and entered into supplemental indentures in respect of each of the Existing Notes which waived any and all existing defaults and events of default that had arisen or may have arisen that may be waived and eliminated substantially all of the covenants in each indenture governing the Existing Notes, other than the covenants to pay principal of and interest on the Existing Notes when due, and eliminated or modified the related events of default. We also entered into an amendment to our senior credit facility which cured or waived all outstanding defaults or events of default thereunder. See "Description of Certain Other Indebtedness."

Subsequently, all remaining outstanding 2011 Notes were repurchased pursuant to the indenture governing the 2011 Notes, effective as of December 24, 2010. Approximately $0.75 million in aggregate principal amount of the 2013 Notes remain outstanding. Overdue interest and interest thereon was paid to holders of the 2013 Notes on December 20, 2010, thereby curing any default or event of default under the indenture governing the 2013 Notes.

We refer to the transactions described above, collectively, as the "Transactions" in this prospectus.

Recent Developments

As of September 30, 2010, Radio One, Inc. had approximately $698.6 million in broadcast licenses and $137.5 million in goodwill, which collectively represented approximately 80.1% of the Company's total assets. We are required by Accounting Standards Codification ("ASC") 350, "*Intangibles — Goodwill and Other,"* to test our goodwill and indefinite-lived intangible assets for impairment at least annually, which we do during the fourth quarter. Impairment is measured as the excess of the carrying value of the goodwill or indefinite-lived intangible asset over its fair value. Impairment may result from deterioration in our performance, changes in anticipated future cash flows, changes in business plans, adverse economic or market conditions, adverse changes in applicable laws and regulations, or other factors. The amount of any impairment must be expensed as a charge to operations.

We are currently in the process of completing our impairment testing for our reporting units. Our testing includes two steps. The first step of the testing compares the fair value of the reporting unit against the carrying value of the reporting unit. For reporting units that fail step one, we must perform a "step two" analysis which requires us to complete a hypothetical purchase price allocation of the assets and liabilities of the reporting unit. On a preliminary basis, based on the results of step one, the carrying value exceeded the fair value in three of our reporting units. We have not yet completed our "step two" analysis to determine the extent of any impairment we may have for these reporting units. The goodwill carrying value for these reporting units is $30.5 million, 5.1 million and 2.9 million at September 30, 2010. We are also completing impairment testing for our FCC licenses and for certain of our long-lived assets. The preliminary results of our impairment testing for all of these items indicate that we may need to record an impairment charge of between $20.0 million and $40.0 million in connection with our December 31, 2010 financial statements.

Fair values of FCC licenses and goodwill have been estimated using the income approach, which involves a 10-year model that incorporates several judgmental assumptions about projected revenue growth, future operating margins, discount rates and terminal values. There are inherent uncertainties related to these assumptions and our judgment in applying them to the impairment analysis. Changes in certain events or circumstances could result in changes to our estimated fair values, and may result in further write-downs to the carrying values of these assets.

Summary of Exchange Offer

On November 24, 2010, we issued $286,794,302 of our 12.5%/15.0% Senior Subordinated Notes due 2016 in a private placement (the "Private Placement"), all of which are eligible to be exchanged for Exchange Notes. We refer to these notes as "Old Notes" in this prospectus.

Simultaneously with the Private Placement, we entered into a registration rights agreement with the initial holders of the Old Notes (the "Registration Rights Agreement"). Under the Registration Rights Agreement, we are required to use our reasonable best efforts to cause a registration statement for substantially identical notes, which will be issued in exchange for the Old Notes, to be filed with the SEC within 90 days of the date of issuance of the Old Notes and to cause such registration statement to become effective within 120 days of the date of issuance of the Old Notes if the registration statement is not reviewed by the SEC or 270 days of the date of issuance of the Old Notes if the registration statement is reviewed by the SEC. We refer to the notes to be registered under this exchange offer registration statement as "Exchange Notes" and collectively with the Old Notes, we refer to them as the "Notes" in this prospectus. You may exchange your Old Notes for Exchange Notes in this exchange offer. You should read the discussion under the headings "— Summary of Exchange Offer," "Exchange Offer" and "Description of Notes" for further information regarding the Exchange Notes.

Securities Offered — $286,794,302 in aggregate principal amount of 12.5%/15.0% Senior Subordinated Notes due 2016.

Exchange Offer — We are offering to exchange the Old Notes for a like principal amount at maturity of the Exchange Notes. Old Notes may be exchanged in integral principal multiples of $1. The exchange offer is being made pursuant to the Registration Rights Agreement which grants the initial holders and any subsequent holders of the Old Notes certain exchange and registration rights. This exchange offer is intended to satisfy those exchange and registration rights with respect to the Old Notes. After the exchange offer is complete, you will no longer be entitled to any exchange or registration rights with respect to your Old Notes.

Expiration Date; Withdrawal of Tender — The exchange offer will expire 5:00 p.m., New York City time, on , 2011, or a later time if we choose to extend this exchange offer in our sole and absolute discretion. You may withdraw your tender of Old Notes at any time prior to the expiration date. All outstanding Old Notes that are validly tendered and not validly withdrawn will be exchanged. Any Old Notes not accepted by us for exchange for any reason will be returned to you at our expense as promptly as possible after the expiration or termination of the exchange offer.

Resales — We believe that you can offer for resale, resell and otherwise transfer the Exchange Notes without complying with the registration and prospectus delivery requirements of the Securities Act so long as:

- you acquire the Exchange Notes in the ordinary course of business;
- you are not participating, do not intend to participate, and have no arrangement or understanding with any person to participate, in the distribution of the Exchange Notes;
- you are not an affiliate of ours; and
- you are not a broker-dealer.

	If any of these conditions is not satisfied and you transfer any Exchange Notes without delivering a proper prospectus or without qualifying for a registration exemption, you may incur liability under the Securities Act. We do not assume, or indemnify you against, any such liability.
Broker-Dealer	Each broker-dealer acquiring Exchange Notes issued for its own account in exchange for Old Notes, which it acquired through market-making activities or other trading activities, must acknowledge that it will deliver a proper prospectus when any Exchange Notes issued in the exchange offer are transferred. A broker-dealer may use this prospectus for an offer to resell, a resale or other retransfer of the Exchange Notes issued in the exchange offer.
Conditions to the Exchange Offer	Our obligation to accept for exchange, or to issue the Exchange Notes in exchange for, any Old Notes is subject to certain customary conditions. See "Exchange Offer — Conditions to the Exchange Offer."
Procedures for Tendering Old Notes Held in the Form of Book-Entry Interests	The Old Notes were issued as global securities and were deposited upon issuance with Wilmington Trust Company, which issued uncertificated depositary interests in those outstanding Old Notes, which represent a 100% interest in those Old Notes, to The Depositary Trust Company ("DTC"). Beneficial interests in the outstanding Old Notes, which are held by direct or indirect participants in DTC, are shown on, and transfers of the Old Notes can only be made through, records maintained in book-entry form by DTC. You may tender your outstanding Old Notes by instructing your broker or bank where you keep the Old Notes to tender them for you. In some cases you may be asked to submit the letter of transmittal that may accompany this prospectus. By tendering your Old Notes you will be deemed to have acknowledged and agreed to be bound by the terms set forth under "Exchange Offer." Your outstanding Old Notes may be tendered in multiples of $1. In order for your tender to be considered valid, the exchange agent must receive a confirmation of book-entry transfer of your outstanding Old Notes into the exchange agent's account at DTC, under the procedure described in this prospectus under the heading "Exchange Offer," on or before 5:00 p.m., New York City time, on the expiration date of the exchange offer.
U.S. Federal Income Tax Considerations	For a summary of the material U.S. federal income tax consequences of the exchange offer, see "Certain U.S. Federal Income Tax Consequences."
Use Of Proceeds	We will not receive any proceeds from the issuance of the Exchange Notes in the exchange offer.
Exchange Agent	Wilmington Trust Company is serving as the exchange agent for the exchange offer.

Shelf Registration Statement	In limited circumstances, holders of Old Notes may require us to register their Old Notes under a shelf registration statement.

Consequences of Not Exchanging Old Notes

If you do not exchange your Old Notes in the exchange offer, your Old Notes will continue to be subject to the restrictions on transfer currently applicable to the Old Notes. In general, you may offer or sell your Old Notes only:

- if they are registered under the Securities Act and applicable state securities laws;
- if they are offered or sold under an exemption from registration under the Securities Act and applicable state securities laws; or
- if they are offered or sold in a transaction not subject to the Securities Act and applicable state securities laws.

We do not currently intend to register the Old Notes under the Securities Act. Under some circumstances, however, holders of the Old Notes, including holders who are not permitted to participate in the exchange offer or who may not freely resell Exchange Notes received in the exchange offer, may require us to file, and to cause to become effective, a shelf registration statement covering resales of Old Notes by these holders. For more information regarding the consequences of not tendering your Old Notes and our obligation to file a shelf registration statement, see "Exchange Offer — Consequences of Failure to Exchange" and "Description of Notes — Registration Rights; Special Interest."

Summary of Terms of Exchange Notes

The form and terms of the Exchange Notes are the same as the form and terms of the Old Notes, except that the Exchange Notes will be registered under the Securities Act. As a result, the Exchange Notes will not bear legends restricting their transfer and will not contain the registration rights and special interest provisions contained in the Old Notes. The Exchange Notes represent the same debt as the Old Notes. All of the Old Notes and the corresponding Exchange Notes are governed by the same indenture. The following is a summary of some of the terms of the Exchange Notes. For a more complete description, see "Description of Notes."

Issuer	Radio One, Inc.
Securities Offered	Up to $286,994,302 in aggregate principal amount of Exchange Notes in connection with the exchange offer and additional Exchange Notes issued in respect of interest payments on any such Exchange Notes.
Maturity Date	May 24, 2016.
Interest Rates and Payment Dates	Interest on the Exchange Notes will be payable in cash, or at our election, partially in cash and partially through the issuance of additional Exchange Notes (a "PIK Election") on a quarterly basis in arrears on February 15, May 15, August 15 and November 15, commencing on February 15, 2011. We may make a PIK Election only with respect to interest accruing up to but not including May 15, 2012, and with respect to interest accruing from and after May 15, 2012 such interest shall accrue at a rate of 12.5% per annum and shall be payable in cash. A PIK Election is currently in effect.
	Interest on the Exchange Notes will accrue from the date of original issuance or, if interest has already been paid, from the date it was most recently paid. Interest will accrue for each quarterly period at a rate of 12.5% per annum if the interest for such quarterly period is paid fully in cash. In the event of a PIK Election, including the PIK Election currently in effect, the interest paid in cash and the interest paid-in-kind by issuance of additional Exchange Notes ("PIK Notes") will accrue for such quarterly period at 6.0% per annum and 9.0% per annum, respectively.
	In the absence of an election for any interest period, interest on the Exchange Notes shall be payable according to the election for the previous interest period; provided that interest accruing from and after May 15, 2012 shall accrue at a rate of 12.5% per annum and shall be payable in cash.
Optional Redemption	We may redeem some or all of the Exchange Notes upon not less than 30 nor more than 60 days' notice, at the redemption prices set forth under the caption "Description of Notes — Optional Redemption" plus accrued and unpaid interest on the Exchange Notes redeemed to the applicable redemption date.
Ranking	The Exchange Notes will be our senior subordinated obligations and will rank:
	• senior to any of our and our guarantors' future debt that expressly provides that it is subordinated to the Exchange Notes;

- senior in right of payment to the Existing Notes and to any of our and our guarantors' existing and future subordinated obligations; and
- junior to all of our and our guarantors' existing and future senior debt under our senior credit facility, any other obligations under our senior credit facility and all hedging obligations related thereto.

As of December 31, 2010, there was approximately $353.7 million of our senior debt outstanding under our senior credit facility.

Guarantees

The Exchange Notes will be unconditionally guaranteed on a senior subordinated basis by each of our existing and future direct and indirect domestic restricted subsidiaries (other than certain immaterial restricted subsidiaries and passive foreign holding companies) and any other of our subsidiaries that guarantee our Existing Credit Facility. If we cannot make payments on the Exchange Notes when they are due, our guarantors must make them instead.

Asset Sale Offer

If we or our restricted subsidiaries sell assets under certain circumstances, we must offer to repurchase the Exchange Notes at a repurchase price equal to 100% of the principal amount of the Exchange Notes repurchased, plus accrued and unpaid interest, if any, to the applicable repurchase date. See "Description of Notes — Repurchase at the Option of Holders — Asset Sales."

Change of Control

If we experience a change of control, we may be required to offer to repurchase the Exchange Notes at the repurchase prices set forth under the caption "Description of Notes — Repurchase at the Option of Holders — Change of Control," plus accrued and unpaid interest to the repurchase date, if any.

Certain Covenants

The indenture governing the Notes contains covenants that will limit our ability and the ability of our restricted subsidiaries to, among other things:

- incur additional indebtedness or issue disqualified stock or preferred stock;
- pay dividends or make other distributions or repurchase or redeem our stock or subordinated indebtedness or make investments;
- sell assets and issue capital stock of restricted subsidiaries;
- incur liens;
- enter into agreements restricting our subsidiaries' ability to pay dividends;
- enter into transactions with affiliates;
- engage in new lines of business;
- have any subsidiary other than Radio One Cable Holdings, Inc. ("ROCH") hold any equity interests in TV One; and
- consolidate, merge or sell all or substantially all of our assets.

	These covenants are subject to important exceptions and qualifications, which are described under the heading "Description of Notes — Certain Covenants."
Trustee	Wilmington Trust Company.
Use of Proceeds	We will not receive any cash proceeds from the exchange offer. Old Notes that are validly tendered and exchanged for Exchange Notes pursuant to the exchange offer will be retired and cancelled.

You should refer to the section entitled "Risk Factors" for an explanation of certain risks of participating in the exchange offer.

Summary Historical Consolidated Financial Data

We derived the following summary historical consolidated financial data from our consolidated financial statements as of and for the fiscal years ended December 31, 2005, 2006, 2007, 2008 and 2009. Ernst & Young LLP's report on the consolidated financial statements for the year ended December 31, 2009, which is included elsewhere in this prospectus, included an explanatory paragraph which describes an uncertainty about Radio One, Inc.'s ability to continue as a going concern. The uncertainty was due to certain violations of our loan agreements, which ultimately could have resulted in significant amounts of our outstanding debt becoming callable by our lenders. These violations were cured as a part of the Transactions. The summary historical financial and operating data presented below as of and for the nine months ended September 30, 2009 and 2010 has been derived from our unaudited consolidated financial statements included elsewhere in this prospectus. In the opinion of management, such unaudited consolidated financial statements include all recurring adjustments and normal accruals necessary for a fair statement of such unaudited consolidated financial data. The results of operations from these interim periods are not necessarily indicative of the results to be expected for the full year or any future periods.

The following summary historical financial and operating data should be read in conjunction with "Selected Historical Consolidated Financial Data," "Capitalization," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the historical consolidated financial statements and accompanying notes included elsewhere in this prospectus.

On July 22, 2010, management and the Audit Committee of the Board of Directors of Radio One concluded that: (1) it was necessary to restate our consolidated financial statements for the years ended December 31, 2009, 2008 and 2007 and for each quarterly financial reporting period from January 1, 2009 through March 31, 2010; and (2) our previously filed consolidated financial statements and any related reports of Ernst & Young LLP for these periods should no longer be relied upon. The Company included its restated consolidated financial statements for the years ended December 31, 2009, 2008 and 2007 in the Annual Report on Form 10-K/A filed with the SEC on August 23, 2010. The Company included its restated consolidated financial statements for the quarters ended March 31, 2010, September 30, 2009, June 30, 2009 and March 31, 2009 in Quarterly Reports on Forms 10-Q/A that it filed with the SEC on August 23, 2010. All financial information set forth below and the audited and unaudited consolidated financial statements and accompanying notes included elsewhere in this prospectus reflects these restatements.

	Nine Months Ended September 30,		Year Ended December 31,		
	2010	2009	2009	2008	2007
	(As adjusted — see note 1 below) (In thousands)				
Statement of Operations Data(1):					
Net revenue	$ 208,703	$ 204,835	$ 272,092	$ 313,443	$ 316,398
Programming and technical expenses including stock-based compensation	56,736	56,856	75,635	79,304	70,463
Selling, general and administrative expenses including stock-based compensation	78,290	68,828	91,016	103,108	100,620
Corporate selling, general and administrative expenses, including stock-based compensation	24,581	16,048	24,732	36,356	28,396
Depreciation and amortization	14,195	15,804	21,011	19,022	14,680
Impairment of long-lived assets	—	48,953	65,937	423,220	211,051
Operating income (loss)	34,901	(1,654)	(6,239)	(347,567)	(108,812)
Interest income	95	98	144	491	1,242
Interest expense(2)	31,059	29,036	38,404	59,689	72,770
Gain on retirement of debt	—	1,221	1,221	74,017	—
Equity in income (loss) of affiliated company	3,832	3,294	3,653	(3,652)	(15,836)
Other expense, net	2,934	96	104	316	290

	Nine Months Ended September 30,		Year Ended December 31,		
	2010	2009	2009	2008	2007
		(As adjusted — see note 1 below) (In thousands)			
Income (loss) before provision for (benefit from) income taxes, noncontrolling interest in (loss) income of subsidiaries and discontinued operations	4,835	(26,173)	(39,729)	(336,716)	(196,466)
Provision for (benefit from) income taxes	4,685	7,340	7,014	(45,183)	54,083
Income (loss) from continuing operations	150	(33,513)	(46,743)	(291,533)	(250,549)
(Loss) income from discontinued operations, net of tax	(205)	(835)	(1,815)	(7,414)	(137,041)
Consolidated net loss	(55)	(34,348)	(48,558)	(298,947)	(387,590)
Noncontrolling interest in income (loss) of subsidiaries	1,427	3,650	4,329	3,997	3,910
Consolidated net loss attributable to common stockholders	$ (1,482)	$ (37,998)	$ (52,887)	$ (302,944)	$ (391,500)
Balance Sheet Data (at end of period):					
Cash and cash equivalents	$ 21,571	$ 14,775	$ 19,963	$ 22,289	$ 24,247
Intangible assets, net	872,794	889,121	871,221	944,858	1,310,168
Total assets	1,044,384	1,056,883	1,035,542	1,125,477	1,648,354
Total debt (including current portion)	653,138	659,037	653,534	675,362	815,504
Total liabilities	791,183	784,692	787,489	810,002	1,015,747
Redeemable noncontrolling interests	44,047	49,690	52,225	43,423	58,738
Total stockholders' equity	209,154	222,501	195,828	272,052	573,870
Statement of Cash Flow Data(1):					
Cash flow from (used in):					
Operating activities	$ 16,775	$ 21,864	$ 45,443	$ 13,832	$ 44,014
Investing activities	(3,592)	(3,640)	(4,871)	66,031	78,468
Financing activities	(11,575)	(25,738)	(42,898)	(81,821)	(130,641)
Other Financial Data:					
EBITDA(3)	$ 48,362	$ 14,084	$ 13,398	$ (269,907)	$ (251,209)
Adjusted EBITDA(3)	53,973	64,490	82,358	96,452	119,910
Cash interest expense(4)	28,510	33,346	36,568	68,611	70,798
Capital expenditures	3,251	3,368	4,528	12,597	10,203

(1) Year-to-year comparisons are significantly affected by Radio One's acquisitions and dispositions during the periods covered. Certain reclassifications associated with accounting for discontinued operations have been made to prior year balances to conform to the current year presentation. These reclassifications had no effect on any other previously reported net income or loss or any other statement of operations, balance sheet or cash flow amounts.

(2) Interest expense includes non-cash interest, such as the accretion of principal, local marketing agreement ("LMA") fees, the amortization of discounts on debt and the amortization of deferred financing costs.

(3) *"Adjusted EBITDA"* consists of net loss attributable to common stockholders plus (1) depreciation, amortization, income taxes, interest expense, income (loss) from discontinued operations, net of tax, noncontrolling interest in (loss) income of subsidiaries, impairment of long-lived assets, stock-based compensation and other expense, net, less (2) interest income, gain on retirement of debt and equity in income (loss) of affiliated company. Net income before interest expense less interest income, income taxes, and depreciation and amortization is commonly referred to in our business as "EBITDA." Adjusted EBITDA and EBITDA are not measures of financial performance under generally accepted accounting principles. We believe Adjusted EBITDA is often a useful measure of a company's operating performance and is a significant basis used by our management to measure the operating performance of our business because Adjusted EBITDA excludes charges for depreciation, amortization and interest expense that have resulted from our acquisitions and debt financing, our taxes, impairment charges, as well as our equity in income

(loss) of our affiliated company, gain on retirements of debt, and any discontinued operations. Accordingly, we believe that Adjusted EBITDA provides useful information about the operating performance of our business, apart from the expenses associated with our physical plant, capital structure or the results of our affiliated company. Adjusted EBITDA is frequently used as one of the bases for comparing businesses in our industry, although our measure of Adjusted EBITDA may not be comparable to similarly titled measures of other companies. Adjusted EBITDA and EBITDA do not purport to represent operating income or cash flow from operating activities, as those terms are defined under generally accepted accounting principles, and should not be considered as alternatives to those measurements as an indicator of our performance. See "Non-GAAP Financial Measures." A reconciliation of net income to EBITDA and Adjusted EBITDA has been provided below.

	Nine Months Ended September 30,		Year Ended December 31,		
	2010	2009	2009	2008	2007
			(In thousands)		
Net loss attributable to common stockholders	$ (1,482)	$ (37,998)	$ (52,887)	$ (302,944)	$ (391,500)
Plus: Depreciation and amortization	14,195	15,804	21,011	19,022	14,680
Plus: Provision for (benefit from) income taxes	4,685	7,340	7,014	(45,183)	54,083
Plus: Interest expense	31,059	29,036	38,404	59,689	72,770
Less: Interest income	(95)	(98)	(144)	(491)	(1,242)
EBITDA	$ 48,362	$ 14,084	$ 13,398	$ (269,907)	$ (251,209)
Plus: Equity in (income) loss of affiliated company	(3,832)	(3,294)	(3,653)	3,652	15,836
Plus: Noncontrolling interest in income of subsidiaries	1,427	3,650	4,329	3,997	3,910
Plus: Impairment of long-lived assets	—	48,953	65,937	423,220	211,051
Plus: Stock-based compensation	4,877	1,387	1,649	1,777	2,991
Plus: Other expense, net	2,934	96	104	316	290
Less: Gain on retirement of debt	—	(1,221)	(1,221)	(74,017)	—
Less: Loss from discontinued operations, net of tax	205	835	1,815	7,414	137,041
Adjusted EBITDA	$ 53,973	$ 64,490	$ 82,358	$ 96,452	$ 119,910

(4) Cash interest expense is calculated as interest expense less non-cash interest, including the accretion of principal, LMA fees, the amortization of discounts on debt and the amortization of deferred financing costs for the indicated period.

RISK FACTORS

An investment in the Notes involves significant risks. You should carefully consider the risks and uncertainties described below and the other information included in this prospectus before deciding to invest in the Notes. The risks and uncertainties described below are not the only ones relating to our business, financial condition or operating results or the notes. Additional risks and uncertainties that are not currently known to us or that we do not currently believe to be material also could materially and adversely affect our business, financial condition or operating results and the value of the Notes. The occurrence of any of the following risks could significantly harm our business, financial condition or operating results or the Notes. In that case, you could lose part or all of the value of your investment in the Notes.

Risks Related to the Notes

Our substantial level of indebtedness could adversely affect our financial condition and prevent us from fulfilling our obligations.

We have substantial indebtedness. As of December 31, 2010, we had approximately $642.2 million of total indebtedness, which included approximately $0.7 million related to our 2013 Notes and approximately $286.8 million related to our Old Notes. As of September 30, 2010, we had approximately $653.1 million of total indebtedness, which included approximately $301.5 million related to our Existing Notes. As of September 30, 2010, on a pro forma basis giving effect to the Transactions, we would have had approximately $646.2 million of total indebtedness. In addition, subject to restrictions in our senior credit facility and the indenture governing the Notes, we may incur additional indebtedness. The high level of our indebtedness could have important consequences to the holders of our Existing Notes, the Notes and other indebtedness, including the following:

- it may be more difficult for us to satisfy our obligations with respect to the Notes, the senior credit facility and other indebtedness;
- our ability to obtain additional financing for working capital, capital expenditures, acquisitions or general corporate purposes may be impaired;
- we must use a substantial portion of our cash flow from operations to pay interest and principal on our indebtedness, which will reduce the funds available to us for other purposes, such as capital expenditures;
- we may be limited in our ability to borrow additional funds;
- we may have a higher level of indebtedness than some of our competitors, which may put us at a competitive disadvantage and reduce our flexibility in planning for, or responding to, changing conditions in our industry, including increased competition; and
- we are more vulnerable to economic downturns and adverse developments in our business.

We expect to obtain the money to pay our expenses and to pay the principal and interest on the Notes, our senior credit facility and other debt from cash flow from our operations, including our interest in TV One via distributions that may be made by TV One. Our ability to meet our expenses thus depends on our future performance, which will be affected by financial, business, economic and other factors. We will not be able to control many of these factors, such as economic conditions in the markets where we operate and pressure from competitors. Further, the TV One distributions require the consent of third parties. While these third parties did approve TV One distributions for the fourth quarter of 2009 and the first, second, third and fourth quarters of 2010, there is no assurance that such third-party consents will be granted in the future. Our cash flow may not be sufficient to allow us to pay principal and interest on our debt and meet our other obligations. If we do not have enough liquidity, we may be required to refinance all or part of our existing debt, sell assets or borrow more money. We may not be able to do so on terms acceptable to us, if at all. In addition, the terms of existing or future debt agreements, including our senior credit facility and the indenture governing the Notes may restrict us from pursuing any of these alternatives.

Our failure to comply with restrictive covenants contained in our senior credit facility or the indenture governing the Notes could lead to an event of default under such instruments.

Our senior credit facility and the indenture governing the Notes impose significant covenants on us. The agreement governing our senior credit facility also requires us to achieve specified financial and operating results and maintain compliance with specified financial ratios and satisfy other financial condition tests. Our ability to comply with these ratios may be affected by events beyond our control. Our breach of any restrictive covenants in the agreement governing our senior credit facility or the indenture governing the Notes or our inability to comply with the required financial ratios could result in a default under the agreement governing our senior credit facility. If a default occurs, the lenders under our senior credit facility may elect to declare all borrowings outstanding, together with all accrued interest and other fees, to be immediately due and payable which would result in an event of default under the Notes. The lenders would also have the right in these circumstances to terminate any commitments they have to provide further borrowings. If we are unable to repay outstanding borrowings when due, the lenders under our senior credit facility will also have the right to proceed against our collateral, including our available cash and owned real property, granted to them to secure the indebtedness. If the indebtedness under our senior credit facility or the Notes were to be accelerated, we cannot assure you that our assets would be sufficient to repay in full that indebtedness and our other indebtedness.

Despite current anticipated indebtedness levels and restrictive covenants, we may incur additional indebtedness in the future.

Despite our current level of indebtedness, we may be able to incur additional indebtedness, including additional secured or unsecured indebtedness. Although our senior credit facility and the indenture governing the Notes contain restrictions on our ability to incur additional indebtedness, these restrictions are subject to important exceptions and qualifications. If we or our subsidiaries incur additional indebtedness which is permitted under these agreements, the risks that we and they now face as a result of our leverage could intensify. If our financial condition or operating results deteriorate, our relations with our creditors, including the holders of the Notes, the lenders under our senior credit facility and our suppliers, may be materially and adversely affected.

We may be unable to repay or repurchase the Notes.

At maturity, the entire outstanding principal amount of the Notes, together with accrued and unpaid interest, will become due and payable. We may not have the funds to fulfill this obligation or the ability to refinance this obligation. If the maturity date occurs at a time when other arrangements prohibit us from repaying the Notes, we would try to obtain waivers of such prohibitions from the lenders thereunder, or we could attempt to refinance the borrowings that contain the restrictions. If we could not obtain the waivers or refinance these borrowings, we would be unable to repay the Notes.

To service our indebtedness, we will require a significant amount of cash. Our ability to generate cash depends on many factors beyond our control, and any failure to meet our debt service obligations could harm our business, financial condition and results of operations.

Our ability to make payments on and to refinance our indebtedness, including the Notes, and to fund working capital needs and planned capital expenditures will depend on our ability to generate cash in the future. This, to a certain extent, is subject to general economic, financial, competitive, business, legislative, regulatory and other factors that are beyond our control.

If our business does not generate sufficient cash flow from operations or if future borrowings are not available to us in an amount sufficient to enable us to pay our indebtedness, including the Notes, or to fund our other liquidity needs, we may need to refinance all or a portion of our indebtedness, including the Notes, on or before the maturity thereof, reduce or delay capital investments or seek to raise additional capital, any of which could have a material adverse effect on our operations. In addition, we may not be able to effect any of these actions, if necessary, on commercially reasonable terms or at all. Our ability to restructure or refinance

our indebtedness, including the Notes, will depend on the condition of the capital markets and our financial condition at such time. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. The terms of existing or future debt instruments, including the indenture governing the Notes offered hereby, may limit or prevent us from taking any of these actions. In addition, any failure to make scheduled payments of interest and principal on our outstanding indebtedness would likely result in a reduction of our credit rating, which could harm our ability to incur additional indebtedness on commercially reasonable terms or at all. Our inability to generate sufficient cash flow to satisfy our debt service obligations, or to refinance or restructure our obligations on commercially reasonable terms or at all, would have an adverse effect, which could be material, on our business, financial condition and results of operations, as well as on our ability to satisfy our obligations in respect of the Notes.

In addition, if we are unable to meet our debt service obligations under the Notes, the holders of the Notes would have the right following a cure period to cause the entire principal amount of the Notes to become immediately due and payable. If the amounts outstanding under these instruments are accelerated, we cannot assure you that our assets will be sufficient to repay in full the money owed to our debt holders, including holders of the Notes.

Restrictive covenants in our senior credit facility and the indenture governing the Notes may limit our current and future operations, particularly our ability to respond to changes in our business or to pursue our business strategies.

Our senior credit facility and the indenture governing the Notes contain, and any future indebtedness of ours may contain, a number of restrictive covenants that impose significant operating and financial restrictions, including restrictions on our ability to take actions that we believe may be in our interest. Our senior credit facility and the indenture governing the Notes will, among other things, limit our ability to:

- incur additional indebtedness or issue preferred stock;
- pay dividends or make other distributions or repurchase or redeem our stock or prepay or redeem certain indebtedness;
- sell assets and issue capital stock of restricted subsidiaries;
- incur liens;
- enter into agreements restricting our subsidiaries' ability to pay dividends;
- enter into transactions with affiliates;
- engage in new lines of business;
- consolidate, merge or sell our assets;
- make investments; and
- engage in certain intercompany matters.

Also, the senior credit facility requires us to maintain compliance with certain financial covenants at all times and a minimum liquidity covenant that is tested weekly. Our ability to comply with these ratios may be affected by events beyond our control, and we cannot assure you that we will meet these ratios.

The restrictions contained in our senior credit facility and in the indenture governing the Notes could adversely affect our ability to:

- finance our operations;
- make needed capital expenditures;
- make strategic acquisitions or investments or enter into alliances;
- withstand a future downturn in our business or the economy in general;

- engage in business activities, including future opportunities, that may be in our interest; and
- plan for or react to market conditions or otherwise execute our business strategies.

A breach of any of the restrictive covenants could, or our inability to comply with the maintenance financial covenants would, result in an event of default under our senior credit facility. In each of 2006, 2007 and 2010, we were required to enter into amendments to our senior credit facility to modify or waive compliance with financial covenants thereunder. If, when required, we are unable to repay or refinance our indebtedness under, or amend the covenants contained in, our senior credit facility, or if a default otherwise occurs that is not cured or waived, the lenders under the senior credit facility could elect to declare all borrowings outstanding, together with accrued interest and other fees, to be immediately due and payable or institute foreclosure proceedings against those assets that secure the borrowings under our senior credit facility. Should the outstanding obligations under our senior credit facility be accelerated and become due and payable because of our failure to comply with the applicable debt covenants in the future, we would be required to search for alternative measures to finance current and ongoing obligations of our business. There can be no assurance that such financing will be available on acceptable terms, if at all. Our ability to obtain future financing or to sell assets could be adversely affected because a very large majority of our assets have been secured as collateral under our senior credit facility. In addition, our financial results, our substantial indebtedness and our credit ratings could adversely affect the availability and terms of our financing. In addition, there are other situations (including certain changes in the ownership and voting interest in Radio One of our Chairperson and the CEO) where our debt may be accelerated and we may be unable to repay such debt. Any of these scenarios could adversely impact our liquidity and results of operations.

Not all of our subsidiaries are guarantors of the Notes and, therefore, the Notes will be structurally subordinated in right of payment to the indebtedness and other liabilities of our existing and future subsidiaries that do not guarantee the Notes. Your right to receive payments on the Notes could be adversely affected if any of these non-guarantor subsidiaries declare bankruptcy, liquidate or reorganize.

The guarantors of the Notes will include each of our existing and future direct or indirect domestic restricted subsidiaries (other than certain immaterial restricted subsidiaries and passive foreign holding companies) and any other of our subsidiaries that guarantee our senior credit facility. As a result, any subsidiary that we properly designate as an unrestricted subsidiary or as an immaterial subsidiary under the Indenture, and any entity in which we control less than a majority of the voting rights, will not provide guarantees of the Notes. As of November 24, 2010, the issue date of the Old Notes, Reach Media is an unrestricted subsidiary under the indenture governing the Notes and, as a result, will not be required to guarantee the Exchange Notes unless it becomes a restricted subsidiary. In the event TV One becomes a subsidiary, it will also be an unrestricted subsidiary under the indenture governing the Notes, unless designated otherwise as a restricted subsidiary.

The Notes guarantees will be structurally subordinated to all of the liabilities of any of our subsidiaries that do not guarantee the Notes and will be required to be paid before the holders of the Notes have a claim, if any, against those subsidiaries and their assets. Therefore, if there was a dissolution, bankruptcy, liquidation or reorganization of any such subsidiary, the holders would not receive any amounts with respect to the Notes from the assets of such subsidiary until after the payment in full of the claims of creditors, including trade creditors and preferred stockholders, of such subsidiary.

The guarantors of the Notes are substantially the same subsidiaries that guarantee the Existing Notes. We include condensed consolidating financial information regarding our guaranteeing subsidiaries in the notes to our financial statements included elsewhere in this prospectus.

Our ability to meet our obligations under our debt, in part, depends on the earnings and cash flows of our subsidiaries and the ability of our subsidiaries to pay dividends or advance or repay funds to us.

We conduct a significant portion of our business operations through our subsidiaries and joint ventures. In servicing payments to be made on the Notes, we will rely, in part, on cash flows from these subsidiaries and joint ventures, mainly dividend payments. The ability of these subsidiaries and joint ventures to make dividend

payments to our Company will be affected by, among other factors, the obligations of these entities to their creditors, requirements of corporate and other law, and restrictions contained in agreements entered into by or relating to these entities. For example, the joint venture agreement (and related agreements) that created and governs TV One contains certain limited conditions under which distributions may be made.

We may be unable to repurchase the Notes upon a change of control or asset sale.

Upon the occurrence of specified kinds of change of control events, we will be required to offer to repurchase all outstanding Notes at the repurchase prices set forth under the caption "Description of Notes — Repurchase at the Option of Holders — Change of Control," together with accrued and unpaid interest, if any, to the date of repurchase.

However, it is possible that we will not have sufficient funds when required under the indenture governing the Notes to make the required repurchase of the Notes and restrictions under our senior credit facility may not allow such repurchase. If we fail to repurchase the Notes in that circumstance, we will be in default under the indenture governing the Notes, and, in turn, under our senior credit facility. If we are required to repurchase a significant portion of the Notes, we may require third party financing. We cannot be sure that we would be able to obtain such third party financing on acceptable terms, or at all.

One of the circumstances under which a change of control may occur is upon the sale or disposition of all or substantially all of our assets. However, the phrase "all or substantially all" will likely be interpreted under applicable state law and will be dependent upon particular facts and circumstances. As a result, there may be a degree of uncertainty in ascertaining whether a sale or disposition of "all or substantially all" of our capital stock or assets has occurred, in which case, the ability of a holder of the Notes to obtain the benefit of an offer to repurchase all of a portion of the Notes held by such holder may be impaired.

It is also possible that the events that constitute a change of control may also be events of default under our senior credit facility. These events may permit the lenders under our senior credit facility to accelerate the indebtedness outstanding thereunder.

The agreements governing our other indebtedness, including the senior credit facility, and future agreements may contain prohibitions of certain events, including events that would constitute a change of control or an asset sale and including repurchases of or other prepayments in respect of the Notes. The exercise by the holders of the Notes of their right to require us to repurchase the Notes pursuant to a change of control offer or an asset sale offer could cause a default under these other agreements, even if the change of control or asset sale, if applicable, itself does not, due to the financial effect of such repurchases on us. In the event a change of control offer or an asset sale offer is required to be made at a time when we are prohibited from repurchasing Notes, we could seek the consent of our lenders under the senior credit facility to the repurchase of Notes or could attempt to refinance the borrowings that contain such prohibition. If we do not obtain such consent or repay those borrowings, we will remain prohibited from repurchasing the Notes. In that case, our failure to repurchase tendered Notes would constitute an event of default under the indenture governing the Notes which could, in turn, constitute a default under the senior credit facility or the other indebtedness. Finally, our ability to pay cash to the holders of the Notes upon a repurchase may be limited by our then existing financial resources.

We must refinance existing indebtedness prior to the maturity of the Notes and our failure to do so could have a material adverse effect.

The senior credit facility is scheduled to mature on June 30, 2012, before the final maturity of the Notes. While we expect to refinance this indebtedness prior to or upon maturity, we may not be able to refinance this indebtedness, or refinancing may not be available on commercially reasonable terms. The financial terms or covenants of any new credit facility and/or other indebtedness may not be as favorable as those under our senior credit facility. Our ability to complete a refinancing of the loans under our senior credit facility prior to its respective maturity is subject to a number of conditions beyond our control. If we are unable to refinance the indebtedness under our senior credit facility, our alternatives would consist of negotiating an extension of our senior credit facility with the lenders and seeking or raising new capital. If we were unsuccessful, the

lenders under our senior credit facility could demand repayment of the indebtedness owed to them on the relevant maturity date. As a result, our ability to pay the principal of and interest on the Notes would be adversely affected.

Your ability to transfer the Notes may be limited by the absence of an active trading market, and an active trading market for the Notes may not develop.

The Notes are new issues of securities for which there is no established public market. We do not intend to have the Notes listed on a national securities exchange.

Therefore, an active market for the Notes may not develop, and if a market for the Notes does develop, that market may not continue. Historically, the market for non-investment grade debt has been subject to disruptions that have caused substantial volatility in the prices of securities similar to the Notes. The market, if any, for the Notes may be subject to similar disruptions, and any such disruptions may adversely affect the prices at which you may sell your Notes.

The trading prices for the Notes will be directly affected by many factors, including our credit rating.

Credit rating agencies continually revise their ratings for companies they follow, including us. Any ratings downgrade could adversely affect the trading price of the Notes, or the trading market for the Notes, to the extent a trading market for the Notes develops. The condition of the financial and credit markets and prevailing interest rates have fluctuated in the past and are likely to fluctuate in the future and any fluctuation may impact the trading price of the Notes.

Under certain circumstances a court could cancel the Notes or the related guarantees under fraudulent conveyance laws.

Our issuance of the Notes and the related guarantees may be subject to review under federal or state fraudulent transfer law. If we become a debtor in a case under the U.S. Bankruptcy Code or encounter other financial difficulty, a court might avoid (that is, cancel) our obligations under the Notes. The court might do so, if it found that, when we issued the Notes, (a) we received less than reasonably equivalent value or fair consideration; and (b) we either: (1) were or were rendered insolvent; (2) were left with inadequate capital to conduct our business; or (3) believed or reasonably should have believed that we would incur debts beyond our ability to pay. The court could also avoid the Notes without regard to factors (a) and (b) if it found that we issued the Notes with actual intent to hinder, delay or defraud our creditors.

Similarly, if one of our guarantors becomes a debtor in a case under the U.S. Bankruptcy Code or encounters other financial difficulty, a court might cancel its guarantee if it finds that when such guarantor issued its guarantee (or in some jurisdictions, when payments became due under the guarantee), factors (a) and (b) above applied to such guarantor, such guarantor was a defendant in an action for money damages or had a judgment for money damages docketed against it (if, in either case, after final judgment the judgment is unsatisfied), or if it found that such guarantor issued its guarantee with actual intent to hinder, delay or defraud its creditors.

In addition, a court could avoid any payment by us or any guarantor pursuant to the Notes or a guarantee, and require the return of any payment to us or the guarantor, as the case may be, or to a fund for the benefit of the creditors of us or the guarantor. In addition, under the circumstances described above, a court could subordinate rather than avoid obligations under the Notes or the guarantees. If the court were to avoid any guarantee, we cannot assure you that funds would be available to pay the Notes from another guarantor or from any other source.

The test for determining solvency for purposes of the foregoing will vary depending on the law of the jurisdiction being applied. In general, a court would consider an entity insolvent either if the sum of its existing debts exceeds the fair value of all of its property, or its assets' present fair saleable value is less than the amount required to pay the probable liability on its existing debts as they become due. For this analysis, "debts" includes contingent and unliquidated debts.

The indenture governing the Notes limits the liability of each guarantor on its guarantee to the maximum amount that such guarantor can incur without risk that its guarantee will be subject to avoidance as a fraudulent transfer. We cannot assure you that this limitation will protect such guarantees from fraudulent transfer challenges or, if it does, that the remaining amount due and collectible under the guarantees would suffice, if necessary, to pay the Notes in full when due.

If a court avoided our obligations under the Notes and the obligations of all of the guarantors under their guarantees, you would cease to be our creditor or creditor of the guarantors with respect to such obligations and likely have no source from which to recover amounts due under the Notes. Even if the guarantee of a guarantor is not avoided as a fraudulent transfer, a court may subordinate the guarantee to that guarantor's other debt. In that event, the guarantees would be structurally subordinated to all of that guarantor's other debt.

Your right to receive payment on the Notes and the guarantees is junior to all of our and the guarantors' senior debt.

The Notes are general unsecured obligations, junior in right of payment to all of our and the guarantors' existing and future senior debt under our senior credit facility, any other obligations under our senior credit facility and all hedging obligations related thereto, but senior in right of payment to the Existing Notes and any of our and our guarantors' existing and future subordinated obligations. The Notes are not secured by any of our or the guarantors' assets, and as such will be effectively subordinated to any secured debt that we or the guarantors have now, including all of the borrowings under our senior credit facility, or may incur in the future to the extent of the value of the assets securing that debt.

In the event that we or a guarantor is declared bankrupt, becomes insolvent or is liquidated or reorganized, any debt that ranks ahead of the Notes and the guarantees will be entitled to be paid in full from our assets or the assets of the guarantors, as applicable, before any payment may be made with respect to the Notes or the affected guarantees. In any of the foregoing events, we cannot assure you that we would have sufficient assets to pay amounts due on the Notes. As a result, holders of the Notes may receive less, proportionally, than the holders of debt senior to the Notes and the guarantees. The subordination provisions of the indenture governing the Notes also provide that we can make no payment to you during the continuance of payment defaults on our senior debt, and payments to you may be suspended for a period of up to 180 days if a nonpayment default exists under our senior debt. See "Description of Notes — Subordination."

As of December 31, 2010, the Notes and the guarantees were ranked junior to approximately $353.7 million of indebtedness under our senior credit facility. See "Description of Notes — Certain Covenants" and "Description of Certain Other Indebtedness."

U.S. Holders will be required to pay U.S. federal income tax on original issue discount on the Notes.

The Old Notes were issued with original issue discount for U.S. federal income tax purposes. Consequently, if you are a U.S. Holder (as defined in "Certain U.S. Federal Income Tax Considerations" herein) you will be required to include such original issue discount in gross income on a constant yield to maturity basis in advance of the receipt of any cash payment to which such income is attributable. You should read the discussion under the "Certain U.S. Federal Income Tax Considerations — Tax Consequences to U.S. Holders — Original Issue Discount" for further information about original issue discount on the Notes.

Risks Related to the Old Notes

Holders of Old Notes who fail to exchange their Old Notes in the exchange offer will continue to be subject to restrictions on transfer.

If you do not exchange your Old Notes for Exchange Notes in the exchange offer, you will continue to be subject to the restrictions on transfer applicable to the Old Notes. The restrictions on transfer of your Old Notes arise because we issued the Old Notes under exemptions from, or in transactions not subject to, the registration requirements of the Securities Act and applicable state securities laws. In general, you may only

offer or sell the Old Notes if they are registered under the Securities Act and applicable state securities laws, or offered and sold under an exemption from these requirements. We do not plan to register the Old Notes under the Securities Act. For further information regarding the consequences of failing to tender your Old Notes in the exchange offer, see the discussion below under the caption "Exchange Offer — Consequences of Failure to Exchange."

You must comply with the exchange offer procedures in order to receive new, freely tradable Exchange Notes.

Delivery of Exchange Notes in exchange for Old Notes tendered and accepted for exchange pursuant to the exchange offer will be made only after timely receipt by the exchange agent of book-entry transfer of Old Notes into the exchange agent's account at DTC, as depositary, including an agent's message (as defined herein). We are not required to notify you of defects or irregularities in tenders of Old Notes for exchange. Old Notes that are not tendered or that are tendered but we do not accept for exchange will, following consummation of the exchange offer, continue to be subject to the existing transfer restrictions under the Securities Act and, upon consummation of the exchange offer, certain registration and other rights under the Registration Rights Agreement will terminate. See "Exchange Offer — Procedures for Tendering Old Notes" and "Exchange Offer — Consequences of Failure to Exchange."

Some holders who exchange their Old Notes may be deemed to be underwriters, and these holders will be required to comply with the registration and prospectus delivery requirements in connection with any resale transaction.

If you exchange your Old Notes in the exchange offer for the purpose of participating in a distribution of the Exchange Notes, you may be deemed to have received restricted securities and, if so, will be required to comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction.

Risks Related to the Nature and Operations of Our Business

Our independent registered public accounting firm recently issued an opinion expressing substantial doubt as to our ability to continue as a going concern and, while the issues giving rise to that opinion have been cured, a similar issue could arise.

In their report dated August 23, 2010, which was included elsewhere in this prospectus along with our audited financial statements, our independent registered public accounting firm issued an opinion expressing substantial doubt as to our ability to continue as a going concern because certain covenant violations under our credit agreements could have resulted in significant portions of our outstanding debt becoming callable by our lenders. These violations were cured as a part of the Transactions. Our audited financial statements have been prepared assuming that we will continue as a going concern (which contemplates the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future). Our senior credit facility, as amended and restated, matures on June 30, 2012. Under GAAP, debt coming due within one year must be classified as a current liability. Therefore, unless we have refinanced our senior credit facility prior to July 1, 2011, we may be required to reclassify the senior credit facility as current indebtedness under GAAP. In such an event, our independent registered public accounting firm may once again express doubt as to our ability to continue as a going concern. We are currently evaluating a number of alternatives with respect to the upcoming maturity of our senior credit facility. Our ability to consummate any such alternatives will depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors, some of which may be beyond our control. Accordingly, there is no assurance that the Company will successfully enter into any definitive agreements for such financing alternatives.

Our corporate debt rating has suffered downgrades in the past and we could suffer further downgrades.

On a continuing basis, credit rating agencies such as Moody's and S&P evaluate our debt. On November 24, 2010, S&P raised the Company's long-term corporate credit rating to "CCC+" from "SD" with a positive rating outlook. In addition, S&P raised our issue-level rating on our senior secured debt to "B" from

"CCC+". S&P also rated our Old Notes "CCC-", rated the remaining portion of our 2013 Notes "CCC-" and affirmed a "CCC-" issue-level rating on the remaining portion of our 2011 Notes.

S&P's actions reflected our successful amendment of our senior credit facility and the exchange offer for our Existing Notes. S&P noted the transactions eliminated near-term refinancing risk of our senior secured debt, which was due to mature January 1, 2011 if we were unable to refinance our 2011 Notes prior to that date. S&P further noted that following the amendment, we were able to cure the default on our 2013 Notes by paying defaulted interest resulting from the August 15, 2010 nonpayment.

On June 17, 2010, Moody's placed on review the Company and its debt for a possible upgrade. On August 18, 2010, Moody's placed us on review for a possible downgrade on our corporate family rating and probability of default rating. The review was driven by our announcement that the lenders under our Senior Credit Facility blocked our August 16, 2010 interest payment on the 2013 Notes. The lenders under our Senior Credit Facility had the ability to block the interest payment as we are in violation of the total leverage covenant under our Senior Credit Facility. On September 20, 2010, Moody's repositioned our probability of default rating to Caa2/LD from Caa2, following the expiration of the 30-day grace period under the 2013 Notes.

On July 20, 2010, S&P revised our CCC+ corporate credit rating outlook from positive to developing. Revision was due to uncertainty surrounding the timing and structure of a potential refinancing. On June 17, 2010 S&P revised our CCC+ corporate credit rating outlook from negative to positive. Revision was due to our announcement of potential refinancing transactions and the proposed increase of our ownership percentage in TV One. On August 24, 2010, S&P lowered our corporate credit rating from CCC+ to SD and lowered the issue-level rating on our 2013 Notes from CCC- to D.

On June 24, 2009, S&P lowered our corporate credit rating to CCC+ from B- and the issue-level rating on our $800.0 million secured credit facility to CCC+ from B-. On March 3, 2009, S&P lowered our corporate credit rating to B- from B and the issue-level rating on our $800.0 million secured credit facility to B- from BB-. While noting that our rating outlook was negative, the ratings downgrade reflects concern over the Company's ability to maintain compliance with financial covenants due to weak radio advertising demand. On May 12, 2009, Moody's downgraded our corporate family rating to Caa1 from B1. On November 3, 2008, Moody's placed on review the Company and its debt for a possible downgrade. The review was prompted by heightened concerns that the radio broadcast sector will likely face significant revenue and cash flow deterioration given weakness in the U.S. economy.

Although reductions in our bond ratings may not have an immediate impact on our cost of debt or liquidity, they may impact our future cost of debt and liquidity. Increased debt levels and/or decreased earnings could result in further downgrades in our credit ratings, which, in turn, could impede our access to the debt markets and/or raise our long-term debt borrowing rates. Our ability to use debt to fund major new acquisitions or new business initiatives could also be limited.

The state and condition of the global financial markets and the U.S. economy may have an unpredictable impact on our business and financial condition.

The global equity and credit markets have recently been experiencing unprecedented levels of volatility and disruption. In some cases, the markets have produced downward pressure on stock prices and limited credit capacity for certain companies without regard to those companies' underlying financial strength. In addition, deterioration in the global and U.S. economies has produced a drop in consumer confidence and spending, which has impacted corporate profits and resulted in cutbacks in advertising budgets. If the economic deterioration and/or current levels of market disruption and volatility continue or worsen, there can be no assurance that we will not experience a further adverse effect, which may be material, on our business, financial condition, results of operations and our ability to access capital. For example, any worsening of the economy, a continuation of market volatility or further weakness in consumer spending could continue to adversely impact the overall demand for advertising. Such a result could have a negative effect on our revenues and results of operations. In addition, our ability to access the capital markets may be severely

restricted at a time when we would like, or need, to do so, which could have an impact on our flexibility to react to changing economic and business conditions.

Any worsening or deterioration of the economy's ongoing gradual recovery could negatively impact our ability to meet our cash needs and our ability to maintain compliance with our debt covenants.

We believe will be able to maintain compliance with the covenants contained in our senior credit facility, as amended in connection with the Transactions, for the foreseeable future. This belief is based on our most recent revenue, operating income and cash flow projections. Our projections, however, are highly dependent on the continuation of the recently improving economic and advertising environments, and any adverse fluctuations, or other unforeseen circumstances, may negatively impact our operations beyond those assumed by management. If economic conditions do not continue to improve, or deteriorate, or if other adverse factors outside our control arise, our operations could be negatively impacted, which could prevent us from maintaining compliance with our debt covenants. If it appears that we could not meet our liquidity needs or that noncompliance with debt covenants is likely, we would implement several remedial measures, which could include further operating cost and capital expenditure reductions and deferrals, seeking our share of distributions from TV One to the extent not already received (which requires the consent of third parties and cannot be assured) and/or further de-leveraging actions, which may include repurchases of discounted senior subordinated notes and other debt repayments, subject to our available liquidity and contractual ability to make such repurchases.

We have incurred net losses over the past three years which could continue into the future.

We have reported net losses in our consolidated statements of operations over the past three years, due mostly in part to recording non-cash impairment charges for write-downs to radio broadcasting licenses and goodwill, net losses incurred for discontinued operations and revenue declines caused by weakened advertising demand resulting from the current economic crisis. For the fiscal years ended December 31, 2009, 2008 and 2007, we experienced net losses of approximately $52.9 million, $302.9 million, and $391.5 million, respectively. These results have had a negative impact on our financial condition and could be exacerbated given the current economic climate. If these trends continue in the future, it could have a material adverse affect on our financial condition.

Our revenue is substantially dependent on spending and allocation decisions by advertisers, and seasonality and/or weakening economic conditions may have an impact upon our business.

Substantially all of our revenue is derived from sales of advertisements and program sponsorships to local and national advertisers. Cutbacks or changes in advertisers' spending priorities and/or allocations across different types of media may affect our results. We do not obtain long-term commitments from our advertisers and advertisers may cancel, reduce or postpone advertisements without penalty, which could adversely affect our revenue. Seasonal net revenue fluctuations are common in the media industries and are due primarily to fluctuations in advertising expenditures by local and national advertisers. In addition, advertising revenues in even-numbered years tend to benefit from advertising placed by candidates for political offices. The effects of such seasonality, combined with the severe structural changes that have occurred in the U.S. economy, make it difficult to estimate future operating results based on the previous results of any specific quarter and may adversely affect operating results.

Advertising expenditures also tend to be cyclical and reflect general economic conditions both nationally and locally. Because we derive a substantial portion of our revenues from the sale of advertising, a decline or delay in advertising expenditures could reduce our revenues or hinder our ability to increase these revenues. Advertising expenditures by companies in certain sectors of the economy, including the automotive, financial, entertainment and retail industries, represent a significant portion of our advertising revenues. Structural changes (such as the decreased number of automotive dealers and brands) and business failures in these industries have affected our revenues and continued structural changes, consolidation or business failures in any of these industries could have significant further impact on our revenues. Any political, economic, social or technological change resulting in a significant reduction in the advertising spending of these sectors could

adversely affect our advertising revenues or its ability to increase such revenues. In addition, because many of the products and services offered by our advertisers are largely discretionary items, weakening economic conditions could reduce the consumption of such products and services and, thus, reduce advertising for such products and services. Changes in advertisers' spending priorities during economic cycles (such as the current cycle) may also affect our results. Disasters, acts of terrorism, political uncertainty or hostilities also could lead to a reduction in advertising expenditures as a result of uninterrupted news coverage and economic uncertainty.

Pricing for advertising may continue to face downward pressure.

During 2009 and continuing into 2010, in response to weakness and fluctuations in the economy, advertisers increasingly purchased lower-priced inventory rather than higher-priced inventory, and increasingly demanded lower pricing, in addition to increasingly purchasing later and through advertising inventory from third-party advertising networks. If advertisers continue to demand lower-priced inventory and/or otherwise continue to put downward pressure on pricing, our operating margins and ability to generate revenue could be further adversely affected.

Our success is dependant upon audience acceptance of our content, particularly our radio programs, which is difficult to predict.

Media and radio content production and distribution are inherently risky businesses because the revenues derived from the production and distribution of media content or a radio program, and the licensing of rights to the intellectual property associated with the content or program, depend primarily upon their acceptance by the public, which is difficult to predict. The commercial success of content or a program also depends upon the quality and acceptance of other competing programs released into the marketplace at or near the same time, the availability of alternative forms of entertainment and leisure time activities, general economic conditions and other tangible and intangible factors, all of which are difficult to predict. Finally, the costs of content and programming may change significantly if new performance royalties (such as those that have been proposed by members of Congress from time to time) are imposed upon radio broadcasters or internet operators and such changes could have a material impact upon our business.

Ratings for broadcast stations and traffic or visitors on a particular website are also factors that are weighed when advertisers determine which outlets to use and in determining the advertising rates that the outlet receives. Poor ratings or traffic levels can lead to a reduction in pricing and advertising revenues. For example, if there is an event causing a change of programming at one of our stations, there could be no assurance that any replacement programming would generate the same level of ratings, revenues or profitability as the previous programming. In addition, changes in ratings methodology and technology could adversely impact our ratings and negatively affect our advertising revenues.

Arbitron, the leading supplier of ratings data for U.S. radio markets, has developed technology to passively collect data for its ratings service. The Portable People Metertm (the "PPMtm") is a small, pager-sized device that does not require any active manipulation by the end user and is capable of automatically measuring radio, television, Internet, satellite radio and satellite television signals that are encoded for the service by the broadcaster. Our Atlanta, Baltimore, Cincinnati, Cleveland, Dallas, Detroit, Houston, Philadelphia, St. Louis and Washington, DC market ratings are being measured by the PPMtm. In each market, there has been a compression in the relative ratings of all stations in the market, enhancing the competitive pressure within the market for advertising dollars. In addition, ratings for certain stations when measured by the PPMtm as opposed to the traditional diary methodology can be materially different. PPMtm based ratings are scheduled to be introduced in all of our other markets, except Richmond. Due to its smaller market size, Richmond will remain on the diary methodology. Because of the competitive factors we face and the introduction of the PPMtm, we cannot assure investors that we will be able to maintain or increase our current audience ratings and advertising revenue.

A disproportionate share of our net revenue comes from radio stations in a small number of geographic markets and from Reach Media.

Within our core radio business, four of the 16 markets in which we operate radio stations accounted for approximately 50.1% of our radio station net revenue for the year ended December 31, 2009. Revenue from the operations of Reach Media, along with revenue from both the Houston and Washington, DC markets accounted for approximately 40.8% of our total consolidated net revenue for the year ended December 31, 2009. Adverse events or conditions (economic or otherwise) could lead to declines in the contribution of Reach Media or to declines in one or more of the significant contributing markets (Houston, Washington, DC, Atlanta and Baltimore), which could have a material adverse effect on our overall financial performance and results of operations.

Our relationship with a significant customer has changed and we no longer have a guaranteed level of revenue from that customer.

We have historically derived a significant portion of our net revenue from a single customer, Radio Networks, LLC ("Radio Networks"), a media representation firm which is owned by Citadel. Prior to January 2010, Reach Media, a subsidiary of which we own 53.5%, derived a substantial majority of its net revenue from a sales representative agreement (the "Sales Representation Agreement") with Radio Networks. The Sales Representation Agreement called for Radio Networks to act as Reach Media's sales representative primarily for advertising airing on over 106 affiliate radio stations broadcasting the Tom Joyner Morning Show, and to also serve as its sales representative for internet and events sales. The Sales Representation Agreement provided for Radio Networks to retain a portion of Reach Media's advertising revenues only after satisfying certain minimum revenue guarantee obligations to Reach Media. Further, but to a lesser extent, revenue for Company owned radio stations was also generated from Radio Networks for barter agreements whereby we provided advertising time in exchange for programming content (the "RN Barter Revenue"). Net revenue attributable to the Sales Representation Agreement and the RN Barter Revenue began to account for more than 10% of our total consolidated net revenues as of the fiscal year ended December 31, 2006, and during the years ended December 31, 2009, 2008 and 2007 accounted for 11.9%, 10.6% and 10.8%, respectively, of our total consolidated net revenues.

During the quarter ended September 30, 2009, Reach Media and Citadel reached an agreement whereby the revenue guarantee obligation to Reach Media for November and December 2009 was reduced by $1.0 million each in exchange for prepayment of the reduced revenue guarantee obligation for fourth quarter of 2009. Further, the Sales Representation Agreement expired in accordance with its terms on December 31, 2009. Reach Media continues to retain Radio Networks in a sales representation capacity; however, Radio Networks is now compensated on a commission basis and Reach Media does not benefit from any guaranteed revenue under its current arrangement with Radio Networks. Further, Reach Media has established its own sales force that is primarily selling in-program advertising inventory. However, there is no assurance that we will be able to replace the lost guaranteed revenue with revenues from new or other existing customers.

We may lose audience share and advertising revenue to our competitors.

Our radio stations and other media properties compete for audiences and advertising revenue with other radio stations and station groups and other media such as broadcast television, newspapers, magazines, cable television, satellite television, satellite radio, outdoor advertising, the internet and direct mail. Adverse changes in audience ratings, internet traffic and market shares could have a material adverse effect on our revenue. Larger media companies with more financial resources than we have may enter the markets in which we operate causing competitive pressure. Further, other media and broadcast companies may change their programming format or engage in aggressive promotional campaigns to compete directly with our media properties for audiences and advertisers. This competition could result in lower ratings or traffic and, hence, lower advertising revenue for us or cause us to increase promotion and other expenses and, consequently, lower our earnings and cash flow. Changes in population, demographics, audience tastes and other factors beyond our control, including the impact of new audience measurement technology, could also cause changes in audience ratings or market share. Failure by us to respond successfully to these changes could have an

adverse effect on our business and financial performance. We cannot assure you that we will be able to maintain or increase our current audience ratings and advertising revenue.

If we are unable to successfully identify, acquire and integrate businesses pursuant to our diversification strategy, our business and prospects may be adversely impacted.

We are pursuing a strategy of acquiring and investing in other forms of media that complement our core radio business in an effort to grow and diversify our business and revenue streams. This strategy depends on our ability to find suitable opportunities and obtain acceptable financing. Negotiating transactions and integrating an acquired business could result in significant costs, including significant use of management's time and resources.

Our diversification strategy partially depends on our ability to identify attractive media properties at reasonable prices and to divest properties that are no longer strategic to our business. Further, entering new businesses may subject us to additional risk factors. Some of the material risks that could hinder our ability to implement this strategy include:

- inability to find buyers for media properties we target for sale at attractive prices due to decreasing market prices for radio stations or the inability to obtain credit in the current economic environment;
- failure or delays in completing acquisitions or divestitures due to difficulties in obtaining required regulatory approval, including possible difficulties by the seller or buyer in obtaining antitrust approval for acquisitions in markets where we already own multiple stations or establishing compliance with broadcast ownership rules;
- reduction in the number of suitable acquisition targets due to increased competition for acquisitions;
- we may lose key employees of acquired companies or stations;
- difficulty in integrating operations and systems and managing a diverse media business;
- failure of some acquisitions to prove profitable or generate sufficient cash flow; and
- inability to finance acquisitions on acceptable terms, through incurring debt or issuing stock.

We can provide no assurance that our diversification strategy will be successful.

Reach Media noncontrolling interest shareholders' put rights may have an impact upon our business and indebtedness.

On February 28, 2012 and each anniversary thereafter, for a 30-day period after each such date, the noncontrolling interest shareholders of Reach Media have the right to require Reach Media to purchase all or a portion of their shares at the then current fair market value for such shares. The purchase price for such shares may be paid in cash and/or registered Class D Common Stock of Radio One, at the discretion of Radio One. If we chose to pay for the noncontrolling interest in cash, our ability to fund business operations, new acquisitions or new business initiatives could be limited.

We must respond to the rapid changes in technology, services and standards in order to remain competitive.

Technological standards across our media properties are evolving and new media technologies are emerging. We cannot assure you that we will have the resources to acquire new technologies or to introduce new services to compete with these new technologies. Several new media technologies are being, or have been, developed, including the following:

- satellite delivered digital audio radio service, which has resulted in the introduction of several new satellite radio services with sound quality equivalent to that of compact discs;
- audio programming by cable television systems, direct broadcast satellite systems, internet content providers and other digital audio broadcast formats; and

- digital audio and video content available for listening and/or viewing on the internet and/or available for downloading to portable devices (including audio via Wi-Fi, mobile phones, smart phones, netbooks and similar portable devices, WiMAX, the Internet and MP3 players).

New media has resulted in fragmentation in the advertising market, and we cannot predict the effect, if any, that additional competition arising from new technologies may have on the radio broadcasting industry, our multi-media business or on our financial condition and results of operations, which may be adversely affected if we are not able to adapt successfully to these new media technologies.

The loss of key personnel, including certain on-air talent, could disrupt the management and operations of our business.

Our business depends upon the continued efforts, abilities and expertise of our executive officers and other key employees, including certain on-air personalities. We believe that the combination of skills and experience possessed by our executive officers could be difficult to replace, and that the loss of one or more of them could have a material adverse effect on us, including the impairment of our ability to execute our business strategy. In addition, several of our on-air personalities and syndicated radio programs hosts have large loyal audiences in their respective broadcast areas and may be significantly responsible for the ranking of a station. The loss of such on-air personalities could impact the ability of the station to sell advertising and our ability to derive revenue from syndicating programs hosted by them. We cannot be assured that these individuals will remain with us or will retain their current audiences or ratings.

As a part of our diversification strategy, we have placed emphasis on building our internet businesses. Failure to fulfill this undertaking may adversely affect our brands and business prospects.

Our diversification strategy depends to a significant degree upon the development of our internet businesses. In order for our internet businesses to grow and succeed over the long-term, we must, among other things:

- significantly increase our online traffic and revenue;
- attract and retain a base of frequent visitors to our web sites;
- expand the content, products and tools we offer on our web sites;
- respond to competitive developments while maintaining a distinct identity across each of our online brands;
- attract and retain talent for critical positions;
- maintain and form relationships with strategic partners to attract more consumers;
- continue to develop and upgrade our technologies; and
- bring new product features to market in a timely manner.

We cannot assure that we will be successful in achieving these and other necessary objectives. If we are not successful in achieving these objectives, our business, financial condition and prospects could be adversely affected.

If our interactive unit does not continue to develop and offer compelling and differentiated content, products and services, our advertising revenues could be adversely affected.

In order to attract internet consumers and generate increased activity on our internet properties, we believe that we must offer compelling and differentiated content, products and services. However, acquiring, developing and offering such content, products and services may require significant costs and time to develop, while consumer tastes may be difficult to predict and are subject to rapid change. If we are unable to provide content, products and services that are sufficiently attractive to our internet users, we may not be able to generate the increases in activity necessary to generate increased advertising revenues. In addition, although

we have access to certain content provided by our other businesses, we may be required to make substantial payments to license such content. Many of our content arrangements with third parties are non-exclusive, so competitors may be able to offer similar or identical content. If we are not able to acquire or develop compelling content and do so at reasonable prices, or if other companies offer content that is similar to that provided by our interactive unit, we may not be able to attract and increase the engagement of internet consumers on our internet properties.

Continued growth in our internet advertising business also depends on our ability to continue offering a competitive and distinctive range of advertising products and services for advertisers and publishers and our ability to maintain or increase prices for our advertising products and services. Continuing to develop and improve these products and services may require significant time and costs. If we cannot continue to develop and improve its advertising products and services or if prices for its advertising products and services decrease, our internet advertising revenues could be adversely affected.

More individuals are using devices other than personal and laptop computers to access and use the internet, and if we cannot make our products and services available and attractive to consumers via these alternative devices, our internet advertising revenues could be adversely affected.

Internet users are increasingly accessing and using the internet through devices other than a personal or laptop computer, such as personal digital assistants or mobile telephones, which differ from computers with respect to memory, functionality, resolution and screen size. In order for consumers to access and use our products and services via these alternative devices, we must ensure that our products and services are technologically compatible with such devices. We also must secure arrangements with device manufacturers and wireless carriers in order to have placement and functionality on the alternative devices and to more effectively reach consumers. If we cannot effectively make our products and services available on alternative devices, fewer internet consumers may access and use our products and services and our advertising revenue may be negatively affected.

Unrelated third parties may claim that we infringe on their rights based on the nature and content of information posted on websites maintained by us.

We host internet services that enable individuals to exchange information, generate content, comment on our content, and engage in various online activities. The law relating to the liability of providers of these online services for activities of their users is currently unsettled both within the U.S. and internationally. While we monitor postings to such websites, claims may be brought against us for defamation, negligence, copyright or trademark infringement, unlawful activity, tort, including personal injury, fraud, or other theories based on the nature and content of information that may be posted online or generated by our users. Our defense of such actions could be costly and involve significant time and attention of our management and other resources.

If we are unable to protect our domain names, our reputation and brands could be adversely affected.

We currently hold various domain name registrations relating to our brands, including radio-one.com and interactiveone.com. The registration and maintenance of domain names generally are regulated by governmental agencies and their designees. Governing bodies may establish additional top-level domains, appoint additional domain name registrars or modify the requirements for holding domain names. As a result, we may be unable to register or maintain relevant domain names. We may be unable, without significant cost or at all, to prevent third parties from registering domain names that are similar to, infringe upon or otherwise decrease the value of, our trademarks and other proprietary rights. Failure to protect our domain names could adversely affect our reputation and brands, and make it more difficult for users to find our websites and our services.

Future asset impairment to the carrying values of our FCC licenses and goodwill could adversely impact our results of operations and net worth.

FCC licenses and goodwill totaled approximately $836.2 million, or 80.7% of our total assets, at December 31, 2009, and is primarily attributable to accounting for acquisitions in past years. We are required by Accounting Standards Codification ("ASC") 350, "*Intangibles — Goodwill and Other*," to test our goodwill and indefinite-lived intangible assets for impairment at least annually, which we have traditionally done in the fourth quarter, or on an interim basis when events or changes in circumstances suggest impairment may have occurred. Impairment is measured as the excess of the carrying value of the goodwill or indefinite-lived intangible asset over its fair value. Impairment may result from deterioration in our performance, changes in anticipated future cash flows, changes in business plans, adverse economic or market conditions, adverse changes in applicable laws and regulations, or other factors. The amount of any impairment must be expensed as a charge to operations. Fair values of FCC licenses and goodwill have been estimated using the income approach, which involves a 10-year model that incorporates several judgmental assumptions about projected revenue growth, future operating margins, discount rates and terminal values. There are inherent uncertainties related to these assumptions and our judgment in applying them to the impairment analysis.

As discussed in Note 6 to our audited financial statements included elsewhere in this prospectus, the lingering economic downturn and limited credit environment has weakened advertising demand in general, and has led to declining radio and online advertising, reduced growth expectations, deteriorating profits and cash flows, debt downgrades and fewer sales transactions with lower multiples. We performed interim testing as of February 28, 2009 for all of our radio markets and as of August 31, 2009 for two of our radio markets, Reach Media and CCI. The outcome of our February 2009 interim testing was to record impairment charges of approximately $49.0 million against radio broadcasting licenses in 11 of our 16 markets during the first quarter of 2009. The results of our August 2009 interim testing indicated carrying values for the two radio markets tested, Reach Media and CCI, had not been impaired. The results of our annual impairment testing in October 2009 were to record additional impairment charges of approximately $16.1 million against radio broadcasting licenses in seven of our 16 radio markets and to impair the remaining goodwill of $628,000 in another one of our markets for that same amount. Similar to our August 2009 interim impairment testing, our October 2009 annual impairment testing indicated the carrying values for Reach Media and CCI had not been impaired. For the years ended December 31, 2009, 2008 and 2007, we recorded impairment charges against radio broadcasting licenses and goodwill of approximately $65.6 million, $420.2 million and $211.1 million, respectively.

Changes in certain events or circumstances could result in changes to our estimated fair values, and may result in further write-downs to the carrying values of these assets. Additional impairment charges could adversely affect our financial results, financial ratios and could limit our ability to obtain financing in the future.

We could incur adverse effects from our voluntary review of stock option grants and resulting financial restatements.

As described in the Explanatory Note and Note 2 to the consolidated financial statements filed with our Form 10-K for the year ended December 31, 2006, we recorded additional stock-based compensation expense and related tax effects with regard to certain past stock option grants, and restated certain previously filed financial statements included in that Form 10-K. In February 2007, we received a letter of informal inquiry from the SEC regarding the review of our stock option accounting. While we have not heard further from the SEC on this matter to date, should the SEC further inquire, we would fully cooperate with the SEC's inquiry. We are unable to predict whether a formal inquiry will be initiated or what consequences any further inquiry may have on us. We are unable to predict the likelihood of or potential outcomes from litigation, regulatory proceedings or government enforcement actions relating to our past stock option practices. The resolution of these matters could be time-consuming and expensive, further distract management from other business concerns and harm our business. Furthermore, if we were subject to adverse findings in litigation, regulatory proceedings or government enforcement actions, we could be required to pay damages or penalties or have other remedies imposed, which could harm our business and financial condition.

While we believe that we have made appropriate judgments in determining the correct measurement dates for our historical stock option grants, the SEC may disagree with the manner in which we have accounted for and reported the financial impact. Accordingly, there is a risk we may have to further restate prior financial statements, amend prior filings with the SEC, or take other actions not currently contemplated.

Risks Related to Our Investment in TV One

A decline in advertising expenditures could cause TV One's revenues and operating results to decline significantly in any given period.

TV One derives substantial revenues from the sale of advertising. A decline in the economic prospects of advertisers or the economy in general could alter current or prospective advertisers' spending priorities. Disasters, acts of terrorism, political uncertainty or hostilities could lead to a reduction in advertising expenditures as a result of economic uncertainty. Advertising expenditures may also be affected by increasing competition for the leisure time of audiences. In addition, advertising expenditures by companies in certain sectors of the economy, including the automotive and financial segments, represent a significant portion of TV One's advertising revenues. Any political, economic, social or technological change resulting in a reduction in these sectors' advertising expenditures may adversely affect TV One's revenue. Advertisers' willingness to purchase advertising may also be affected by a decline in audience ratings for TV One's programming, the inability of TV One to retain the rights to popular programming, increasing audience fragmentation caused by the proliferation of new media formats, including other cable networks, the internet and video-on-demand and the deployment of portable digital devices and new technologies which allow consumers to time shift programming, make and store digital copies and skip or fast-forward through advertisements. Any reduction in advertising expenditures could have an adverse effect on TV One's revenues and results of operations.

TV One's success is dependent upon audience acceptance of its content, which is difficult to predict.

Television content production is inherently a risky business because the revenues derived from the production and distribution of a television program and the licensing of rights to the associated intellectual property, depend primarily upon their acceptance by the public, which is difficult to predict. The commercial success of a television program also depends upon the quality and acceptance of other competing programs in the marketplace at or near the same time, the availability of alternative forms of entertainment and leisure time activities, general economic conditions and other tangible and intangible factors, all of which are difficult to predict. Rating points are also factors that are weighed when determining the advertising rates that TV One receives. The use of new ratings technologies and measurements could have an impact on TV One's program ratings. Poor ratings can lead to a reduction in pricing and advertising spending. Consequently, low public acceptance of TV One's content may have an adverse effect on TV One's results of operations.

The loss of affiliation agreements could materially adversely affect TV One's results of operations.

TV One is dependent upon the maintenance of affiliation agreements with cable and direct broadcast distributors for its revenues, and there can be no assurance that these agreements will be renewed in the future on terms acceptable to such programmers. The loss of one or more of these arrangements could reduce the distribution of TV One's programming services and reduce revenues from subscriber fees and advertising, as applicable. Further, the loss of favorable packaging, positioning, pricing or other marketing opportunities with any distributor could reduce revenues from subscriber fees. In addition, consolidation among cable distributors and increased vertical integration of such distributors into the cable or broadcast network business have provided more leverage to these distributors and could adversely affect TV One's ability to maintain or obtain distribution for its network programming on favorable or commercially reasonable terms, or at all.

The failure or destruction of satellites and transmitter facilities that TV One depends upon to distribute its programming could materially adversely affect TV One's businesses and results of operations.

TV One uses satellite systems to transmit its programming to affiliates. The distribution facilities include uplinks, communications satellites and downlinks. Transmissions may be disrupted as a result of local disasters

including extreme weather that impair on-ground uplinks or downlinks, or as a result of an impairment of a satellite. Currently, there are a limited number of communications satellites available for the transmission of programming. If a disruption occurs, TV One may not be able to secure alternate distribution facilities in a timely manner. Failure to secure alternate distribution facilities in a timely manner could have a material adverse effect on TV One's businesses and results of operations. In addition, TV One uses studio and transmitter facilities that are subject to damage or destruction. Failure to restore such facilities in a timely manner could have a material adverse effect on TV One's businesses and results of operations.

TV One's operating results are subject to seasonal variations and other factors.

TV One's business has experienced and is expected to continue to experience seasonality due to, among other things, seasonal advertising patterns and seasonal influences on people's viewing habits. Typically, TV One revenue from advertising increases in the fourth quarter. In addition, advertising revenues in even-numbered years benefit from advertising placed by candidates for political offices. The effects of such seasonality make it difficult to estimate future operating results based on the previous results of any specific quarter and may adversely affect operating results.

Economic conditions may adversely affect TV One's businesses and customers.

The U.S. has experienced a slowdown and volatility in its economy. This downturn could lead to lower consumer and business spending for TV One's products and services, particularly if customers, including advertisers, subscribers, licensees, retailers, and other consumers of TV One's offerings and services, reduce demands for TV One's products and services. In addition, in unfavorable economic environments, TV One's customers may have difficulties obtaining capital at adequate or historical levels to finance their ongoing business and operations and may face insolvency, all of which could impair their ability to make timely payments and continue operations. TV One is unable to predict the duration and severity of weakened economic conditions and such conditions and resultant effects could adversely impact TV One's businesses, operating results, and financial condition.

Increased programming and content costs may adversely affect TV One's profits.

TV One produces and acquires programming (including motion pictures) and content and incurs costs for all types of creative talent, including actors, authors, writers and producers as well as marketing and distribution. An increase in any of these costs may lead to decreased profitability.

Piracy of TV One's programming and other content, including digital and internet piracy, may decrease revenue received from the exploitation of TV One's programming and other content and adversely affect its businesses and profitability.

Piracy of programming is prevalent in many parts of the world and is made easier by the availability of digital copies of content and technological advances allowing conversion of such programming and other content into digital formats, which facilitates the creation, transmission and sharing of high quality unauthorized copies of TV One's content. The proliferation of unauthorized copies and piracy of these products has an adverse effect on TV One's businesses and profitability because these products reduce the revenue that TV One potentially could receive from the legitimate sale and distribution of its products and services. In addition, if piracy were to increase, it would have an adverse effect on TV One's businesses and profitability.

Changes in U.S. communications laws or other regulations may have an adverse effect on TV One's business.

The television and distribution industries in the U.S. are highly regulated by U.S. federal laws and regulations issued and administered by various federal agencies, including the FCC. The television broadcasting industry is subject to extensive regulation by the FCC under the Communications Act. The U.S. Congress and the FCC currently have under consideration, and may in the future adopt, new laws, regulations, and

policies regarding a wide variety of matters that could, directly or indirectly, affect the operation of TV One. For example, the FCC has initiated a proceeding to examine and potentially regulate more closely embedded advertising such as product placement and product integration. Enhanced restrictions affecting these means of delivering advertising messages may adversely affect TV One's advertising revenues. Changes to the media ownership and other FCC rules may affect the competitive landscape in ways that could increase the competition faced by TV One. Proposals have also been advanced from time to time before the U.S. Congress and the FCC to extend the program access rules (currently applicable only to those cable program services which also own or are owned by cable distribution systems) to all cable program services. TV One's ability to obtain the most favorable terms available for its content could be adversely affected should such an extension be enacted into law. TV One is unable to predict the effect that any such laws, regulations or policies may have on its operations.

Vigorous enforcement or enhancement of FCC indecency and other program content rules against the broadcast and cable industries could have an adverse effect on TV One's businesses and results of operations.

The FCC's rules prohibit the broadcast of obscene material at any time and indecent or profane material on television broadcast stations between the hours of 6 a.m. and 10 p.m. Broadcasters risk violating the prohibition against broadcasting indecent material because of the vagueness of the FCC's indecency/profanity definition, coupled with the spontaneity of live programming. The FCC vigorously enforces its indecency rules against the broadcasting industry. The FCC has stepped up its enforcement activities as they apply to indecency and has threatened to initiate license revocation proceedings against broadcast licensees for "serious" indecency violations. The FCC has found on a number of occasions that the content of television broadcasts has contained indecent material. In such instances, the FCC issued fines or advisory warnings to the offending broadcast licensees. Moreover, the FCC has in some instances imposed separate fines against broadcasters for each allegedly indecent "utterance," in contrast with its previous policy, which generally considered all indecent words or phrases within a given program as constituting a single violation. On July 13, 2010, the United States Court of Appeals for the Second Circuit ("Second Circuit") issued a decision in which it vacated the FCC's indecency policy pursuant to which any broadcast of a single "utterance" of a "fleeting expletive" would be deemed by the FCC to be presumptively indecent. In this decision, the Second Circuit also called into question the constitutionality of the FCC's indecency policy generally. On August 25, 2010, the FCC filed a petition for rehearing of the decision with the Second Circuit. It is not possible to predict the outcome of the FCC's appeal. It is also not possible to predict whether and, if so, how the FCC will revise its indecency policy in response to the Second Circuit decision, or the effect of such decision on TV One. The fines for broadcasting indecent material are a maximum of $325,000 per utterance. The determination of whether content is indecent is inherently subjective and, as such, it can be difficult to predict whether particular content could violate indecency standards. The difficulty in predicting whether individual programs, words or phrases may violate the FCC's indecency rules adds significant uncertainty to TV One's ability to comply with the rules. Violation of the indecency rules could lead to sanctions which may adversely affect TV One's business and results of operations. Some policymakers support the extension of the indecency rules that are applicable to over-the-air broadcasters to cover cable programming and/or attempts to increase enforcement of or otherwise expand existing laws and rules. If such an extension, attempt to increase enforcement or other expansion took place and was found to be constitutional, some of TV One's content could be subject to additional regulation and might not be able to attract the same subscription and viewership levels.

Our President and Chief Executive Officer has an interest in TV One that may conflict with your interests.

We have an employment agreement with our President and Chief Executive Officer, Mr. Alfred C. Liggins, III. The employment agreement provides, among other things, that in recognition of Mr. Liggins' contributions in founding TV One on our behalf, he is eligible to receive an amount equal to 8% of any dividends paid to us in respect of our investment in TV One and 8% of the proceeds from our investment in

TV One (the "TV One Award"). In both circumstances, our obligation to pay any portion of the TV One Award is only triggered after we recover the full amount of our cumulative capital contributions to TV One. Mr. Liggins will only receive the TV One Award upon the actual cash distributions or distributions of marketable securities to us. Mr. Liggins' rights to the TV One Award (i) cease if he is terminated for cause or he resigns without good reason and (ii) expire at the end of the term of his employment agreement (but similar rights could be included in the terms of a new employment agreement). As a result of this arrangement, the interest of Mr. Liggins' with respect to TV One may conflict with your interests as holders of the Exchange Notes. For example, Mr. Liggins may seek to have Radio One acquire additional equity interests in TV One using cash generated from operations or additional borrowings under the senior credit facility or have TV One itself pursue acquisitions, joint ventures, financings or other transactions that, in his judgment, could increase the amount of the TV One Award by increasing the amount of our investment in TV One or enhancing the equity value of TV One, even though such transactions might involve risks to you as a holder of the Exchange Notes.

Risks Related to Regulation

Our business depends on maintaining our licenses with the FCC. We could be prevented from operating a radio station if we fail to maintain its license.

We are required to maintain radio broadcasting licenses issued by the FCC. These licenses are ordinarily issued for a maximum term of eight years and are renewable. Our radio broadcasting licenses expire at various times, beginning October 1, 2011 through August 1, 2014. Interested third-parties may challenge our renewal applications. In addition, we are subject to extensive and changing regulation by the FCC with respect to such matters as programming, indecency standards, technical operations, employment and business practices. If we or any of our significant stockholders, officers, or directors violate the FCC's rules and regulations or the Communications Act of 1944, as amended (the "Communications Act"), or is convicted of a felony, the FCC may commence a proceeding to impose fines or sanctions upon us. Examples of possible sanctions include the imposition of fines, the renewal of one or more of our broadcasting licenses for a term of fewer than eight years or the revocation of our broadcast licenses. If the FCC were to issue an order denying a license renewal application or revoking a license, we would be required to cease operating the radio station covered by the license only after we had exhausted administrative and judicial review without success.

There is significant uncertainty regarding the FCC's media ownership rules, and such rules could restrict our ability to acquire radio stations.

The Communications Act and FCC rules and policies limit the number of broadcasting properties that any person or entity may own (directly or by attribution) in any market and require FCC approval for transfers of control and assignments of licenses. The FCC's media ownership rules remain in flux and subject to further agency and court proceedings. On May 25, 2010, the FCC instituted an inquiry as part of its 2010 quadrennial review of its media ownership rules to seek public comment on and evaluate such rules to determine whether any changes are warranted. See the information contained in "Business — Federal Regulation of Radio Broadcasting."

In addition to the FCC media ownership rules, the outside media interests of our officers and directors could limit our ability to acquire stations. The filing of petitions or complaints against Radio One or any FCC licensee from which we are acquiring a station could result in the FCC delaying the grant of, or refusing to grant or imposing conditions on its consent to the assignment or transfer of control of licenses. The Communications Act and FCC rules and policies also impose limitations on non-U.S. ownership and voting of our capital stock.

Increased enforcement by the FCC of its indecency rules against the broadcast industry could adversely affect our business operations.

In 2004, the FCC indicated that it was enhancing its enforcement efforts relating to the regulation of indecency. Congress has increased the penalties for broadcasting indecent programming and potentially subject

broadcasters to license revocation, renewal or qualification proceedings in the event that they broadcast indecent material. In addition, the FCC's heightened focus on the indecency regulatory scheme, against the broadcast industry generally, may encourage third parties to oppose our license renewal applications or applications for consent to acquire broadcast stations. The change in administration at the federal level could foster a change in the FCC's enforcement posture. See "— Vigorous enforcement or enhancement of FCC indecency and other program content rules against the broadcast and cable industries could have an adverse effect on TV One's businesses and results of operations" above.

Changes in current federal regulations could adversely affect our business operations.

Congress and the FCC have considered, and may in the future consider and adopt, new laws, regulations and policies that could, directly or indirectly, affect the profitability of our broadcast stations. In particular, Congress is considering a revocation of radio's exemption from paying royalties to performing artists for use of their recordings (radio already pays a royalty to songwriters, composers and publishers). In addition, commercial radio broadcasters and entities representing artists are negotiating agreements that could result in broadcast stations paying royalties to artists. A requirement to pay additional royalties could have an adverse effect on our business operations and financial performance.

New or changing federal, state or international privacy legislation or regulation could hinder the growth of our internet business.

A variety of federal and state laws govern the collection, use, retention, sharing and security of consumer data that our internet business uses to operate its services and to deliver certain advertisements to its customers, as well as the technologies used to collect such data. Not only are existing privacy-related laws in these jurisdictions evolving and subject to potentially disparate interpretation by governmental entities, new legislative proposals affecting privacy are now pending at both the federal and state level in the U.S. Changes to the interpretation of existing law or the adoption of new privacy-related requirements could hinder the growth of our internet business. Also, a failure or perceived failure to comply with such laws or requirements or with our own policies and procedures could result in significant liabilities, including a possible loss of consumer or investor confidence or a loss of customers or advertisers.

Our operation of various real properties and facilities could lead to environmental liability.

As the owner, lessee or operator of various real properties and facilities, we are subject to various federal, state and local environmental laws and regulations. Historically, compliance with these laws and regulations has not had a material adverse effect on our business. There can be no assurance, however, that compliance with existing or new environmental laws and regulations will not require us to make significant expenditures of funds.

Risks Related to Our Corporate Governance Structure

Two common stockholders have a majority voting interest in Radio One and have the power to control matters on which our common stockholders may vote, and their interests may conflict with yours.

As of December 31, 2010, our Chairperson and her son, our President and CEO, collectively held approximately 92% of the outstanding voting power of our common stock. As a result, our Chairperson and our CEO will control our management and policies and most decisions involving or impacting upon Radio One, including transactions involving a change of control, such as a sale or merger. The interests of these stockholders may differ from the interests of our other stockholders and our debtholders. In addition, certain covenants in our debt instruments require that our Chairperson and the CEO maintain a specified ownership and voting interest in Radio One, and prohibit other parties' voting interests from exceeding specified amounts. In addition, the TV One joint venture agreement provides for adverse consequences to Radio One in the event our Chairperson and CEO fail to maintain a specified ownership and voting interest in us. Our Chairperson

and the CEO have agreed to vote their shares together in elections of members to the board of directors of Radio One.

Further, we are a "controlled company" under rules governing the listing of our securities on the NASDAQ Stock Market because more than 50% of our voting power is held by our Chairperson and the CEO. Therefore, we are not subject to NASDAQ Stock Market listing rules that would otherwise require us to have: (i) a majority of independent directors on the board; (ii) a compensation committee composed solely of independent directors; (iii) a nominating committee composed solely of independent directors; (iv) compensation of our executive officers determined by a majority of the independent directors or a compensation committee composed solely of independent directors; and (v) director nominees selected, or recommended for the board's selection, either by a majority of the independent directors or a nominating committee composed solely of independent directors. In connection with recent legislation, the SEC must adopt, no later than July 16, 2011, new rules regarding compensation committee independence, which may impose additional requirements to the definition of "independence" determined by the applicable national exchanges.

EXCHANGE OFFER

Purpose of the Exchange Offer

The exchange offer is designed to provide holders of Old Notes with an opportunity to acquire Exchange Notes which, unlike the Old Notes, will be freely transferable at all times, subject to any restrictions on transfer imposed by state "blue sky" laws and provided that the holder is not our affiliate within the meaning of the Securities Act and represents that the Exchange Notes are being acquired in the ordinary course of the holder's business and the holder is not engaged in, and does not intend to engage in, a distribution of the Exchange Notes.

The Old Notes were originally issued and sold on November 24, 2010, to the initial holders pursuant to an Amended and Restated Exchange Offer and Consent Solicitation Statement and Offering Memorandum, dated November 5, 2010. The Old Notes were issued and sold in a transaction not registered under the Securities Act in reliance upon the exemption provided by Section 4(2) of the Securities Act. The Old Notes may not be reoffered, resold or transferred other than (i) to us or our subsidiaries, (ii) to a qualified institutional buyer in compliance with Rule 144A promulgated under the Securities Act, (iii) outside the United States to a non-U.S. person within the meaning of Regulation S under the Securities Act, (iv) pursuant to the exemption from registration provided by Rule 144 promulgated under the Securities Act (if available), (v) in accordance with another exemption from the registration requirements of the Securities Act or (vi) pursuant to an effective registration statement under the Securities Act.

In connection with the original issuance and sale of the Old Notes, we entered into the Registration Rights Agreement, pursuant to which we agreed to file with the SEC a registration statement covering the exchange by us of the Exchange Notes for the Old Notes, pursuant to the exchange offer. The Registration Rights Agreement provides that we will file with the SEC an exchange offer registration statement on an appropriate form under the Securities Act and offer to holders of Old Notes who are able to make certain representations the opportunity to exchange their Old Notes for Exchange Notes.

Based on interpretations of the SEC staff set forth in no-action letters issued to unrelated third parties, we believe that Exchange Notes issued in the exchange offer in exchange for Old Notes may be offered for resale, resold and otherwise transferred by any Exchange Note holder without compliance with the registration and prospectus delivery provisions of the Securities Act, if:

- such holder is not an "affiliate" of ours within the meaning of Rule 405 under the Securities Act;
- such Exchange Notes are acquired in the ordinary course of the holder's business; and
- the holder does not intend to participate in the distribution of such Exchange Notes.

Any holder who tenders in the exchange offer with the intention of participating in any manner in a distribution of the Exchange Notes:

- cannot rely on the position of the staff of the SEC set forth in "Exxon Capital Holdings Corporation" or similar interpretive letters; and
- must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a secondary resale transaction.

If, as stated above, a holder cannot rely on the position of the staff of the SEC set forth in "Exxon Capital Holdings Corporation" or similar interpretive letters, any effective registration statement used in connection with a secondary resale transaction must contain the selling security holder information required by Item 507 of Regulation S-K under the Securities Act.

We do not intend to seek our own interpretation regarding the exchange offer, and we cannot assure you that the staff of the SEC would make a similar determination with respect to the Exchange Notes as it has in other interpretations to third parties.

Terms of the Exchange Offer; Period for Tendering Outstanding Old Notes

Upon the terms and subject to the conditions set forth in this prospectus, we will accept any and all Old Notes validly tendered and not withdrawn prior to 5:00 p.m., New York City time, on the expiration date of the exchange offer. We will issue $1 principal amount of Exchange Notes in exchange for each $1 principal amount of Old Notes accepted in the exchange offer. Holders may tender some or all of their Old Notes pursuant to the exchange offer.

The form and terms of the Exchange Notes are the same as the form and terms of the outstanding Old Notes except that:

- the Exchange Notes will be registered under the Securities Act and will not have legends restricting their transfer; and
- the Exchange Notes will not contain the registration rights and special interest provisions contained in the outstanding Old Notes.

The Exchange Notes will evidence the same debt as the Old Notes and will be entitled to the benefits of the Indenture.

We intend to conduct the exchange offer in accordance with the applicable requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations of the SEC.

We will be deemed to have accepted validly tendered Old Notes when, as and if we have given oral (promptly confirmed in writing) or written notice of our acceptance to the exchange agent. The exchange agent will act as agent for the tendering holders for the purpose of receiving the Exchange Notes from us.

If any tendered Old Notes are not accepted for exchange because of an invalid tender or the occurrence of specified other events set forth in this prospectus, the certificates for any unaccepted Old Notes will be promptly returned, without expense, to the tendering holder.

Holders who tender Old Notes in the exchange offer will not be required to pay brokerage commissions or fees or transfer taxes with respect to the exchange of Old Notes pursuant to the exchange offer. We will pay all charges and expenses, other than transfer taxes in certain circumstances, in connection with the exchange offer. See "Fees and expenses" and "Transfer taxes" below.

The exchange offer will remain open for at least 20 full business days. The term "expiration date" will mean 5:00 p.m., New York City time, on   , 2011, unless we, in our sole discretion, extend the exchange offer, in which case the term "expiration date" will mean the latest date and time to which the exchange offer is extended.

To extend the exchange offer, prior to 9:00 a.m., New York City time, on the next business day after the previously scheduled expiration date, we will:

- notify the exchange agent of any extension by oral notice (promptly confirmed in writing) or written notice, and
- issue a notice by press release or other public announcement.

We reserve the right, in our sole discretion:

- if any of the conditions below under the heading "Conditions to the Exchange Offer" shall have not been satisfied, to delay accepting any Old Notes, to extend the exchange offer, or to terminate the exchange offer, or
- to amend the terms of the exchange offer in any manner, provided however, that if we amend the exchange offer to make a material change, including the waiver of a material condition, we will extend the exchange offer, if necessary, to keep the exchange offer open for at least five business days after such amendment or waiver; provided further, that if we amend the exchange offer to change the percentage of Notes being exchanged or the consideration being offered, we will extend the exchange

offer, if necessary, to keep the exchange offer open for at least ten business days after such amendment or waiver.

If any termination or amendment occurs, we will notify the exchange agent and will either issue a press release or give oral or written notice to you as promptly as practicable.

Deemed Representations

To participate in the exchange offer, we require that you represent to us that:

- you or any other person acquiring Exchange Notes in exchange for your Old Notes in the exchange offer is acquiring them in the ordinary course of business;
- neither you nor any other person acquiring Exchange Notes in exchange for your Old Notes in the exchange offer is engaging in or intends to engage in (or has any arrangement or understanding with any person to participate in) a distribution of the Exchange Notes within the meaning of the federal securities laws;
- neither you nor any other person acquiring Exchange Notes in exchange for your Old Notes has an arrangement or understanding with any person to participate in the distribution of Exchange Notes issued in the exchange offer;
- neither you nor any other person acquiring Exchange Notes in exchange for your Old Notes is our "affiliate" as defined under Rule 405 of the Securities Act;
- if you or another person acquiring Exchange Notes in exchange for your Old Notes is a broker-dealer and you acquired the Old Notes as a result of market-making activities or other trading activities, you acknowledge that you will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of the Exchange Notes;
- you are not a broker-dealer tendering Old Notes directly acquired from us for your own account; and
- you are not acting on behalf of any person or entity that could not truthfully make those representations.

BY TENDERING YOUR OLD NOTES YOU ARE DEEMED TO HAVE MADE THESE REPRESENTATIONS.

Broker-dealers who cannot make the representations above cannot use this exchange offer prospectus in connection with resales of the Exchange Notes issued in the exchange offer.

If you are our "affiliate," as defined under Rule 405 of the Securities Act, if you are a broker-dealer who acquired your Old Notes in the initial offering and not as a result of market-making or trading activities, or if you are engaged in or intend to engage in or have an arrangement or understanding with any person to participate in a distribution of Exchange Notes acquired in the exchange offer, you or that person:

- may not rely on the applicable interpretations of the Staff of the SEC and therefore may not participate in the exchange offer; and
- must comply with the registration and prospectus delivery requirements of the Securities Act or an exemption therefrom when reselling the Old Notes.

Procedures for Tendering Old Notes

Since the Old Notes are represented by global book-entry notes, DTC, as depositary, or its nominee is treated as the registered holder of the Old Notes and will be the only entity that can tender your Old Notes for Exchange Notes. Therefore, to tender Old Notes subject to this exchange offer and to obtain Exchange Notes, you must instruct the institution where you keep your Old Notes to tender your Old Notes on your behalf so that they are received on or prior to the expiration of this exchange offer.

The letter of transmittal that may accompany this prospectus may be used by you to give such instructions.

YOU SHOULD CONSULT YOUR ACCOUNT REPRESENTATIVE AT THE BROKER OR BANK WHERE YOU KEEP YOUR OLD NOTES TO DETERMINE THE PREFERRED PROCEDURE.

IF YOU WISH TO ACCEPT THIS EXCHANGE OFFER, PLEASE INSTRUCT YOUR BROKER OR ACCOUNT REPRESENTATIVE IN TIME FOR YOUR OLD NOTES TO BE TENDERED BEFORE THE 5:00 PM (NEW YORK CITY TIME) DEADLINE ON , 2011.

You may tender some or all of your Old Notes in this exchange offer.

When you tender your outstanding Old Notes and we accept them, the tender will be a binding agreement between you and us as described in this prospectus.

The method of delivery of outstanding Old Notes and all other required documents to the exchange agent is at your election and risk.

We will decide all questions about the validity, form, eligibility, acceptance and withdrawal of tendered Old Notes, and our determination will be final and binding on you. We reserve the absolute right to:

- reject any and all tenders of any particular Old Note not properly tendered;
- refuse to accept any Old Note if, in our judgment or the judgment of our counsel, the acceptance would be unlawful; and
- waive any defects or irregularities or conditions of the exchange offer as to any particular Old Notes before the expiration of the offer.

Our interpretation of the terms and conditions of the exchange offer will be final and binding on all parties. You must cure any defects or irregularities in connection with tenders of Old Notes as we will determine. Neither us, the exchange agent nor any other person will incur any liability for failure to notify you of any defect or irregularity with respect to your tender of Old Notes. If we waive any terms or conditions with respect to a noteholder, we will extend the same waiver to all noteholders with respect to that term or condition being waived.

Procedures for Brokers and Custodian Banks; DTC ATOP Account

In order to accept this exchange offer on behalf of a holder of Old Notes you must submit or cause your DTC participant to submit an Agent's Message as described below.

The exchange agent, on our behalf will seek to establish an Automated Tender Offer Program ("ATOP") account with respect to the outstanding Old Notes at DTC promptly after the delivery of this prospectus. Any financial institution that is a DTC participant, including your broker or bank, may make book-entry tender of outstanding Old Notes by causing the book-entry transfer of such Old Notes into our ATOP account in accordance with DTC's procedures for such transfers. Concurrently with the delivery of Old Notes, an Agent's Message in connection with such book-entry transfer must be transmitted by DTC to, and received by, the exchange agent on or prior to 5:00 pm, New York City Time on the expiration date. The confirmation of a book entry transfer into the ATOP account as described above is referred to herein as a "Book-Entry Confirmation."

The term "Agent's Message" means a message transmitted by the DTC participants to DTC, and thereafter transmitted by DTC to the exchange agent, forming a part of the Book-Entry Confirmation which states that DTC has received an express acknowledgment from the participant in DTC described in such Agent's Message stating that such participant and beneficial holder agree to be bound by the terms of this exchange offer.

Each Agent's Message must include the following information:

- Name of the beneficial owner tendering such Old Notes;

- Account number of the beneficial owner tendering such Old Notes;
- Principal amount of Old Notes tendered by such beneficial owner; and
- A confirmation that the beneficial holder of the Old Notes tendered has made the representations for our benefit set forth under "Deemed representations" above.

BY SENDING AN AGENT'S MESSAGE THE DTC PARTICIPANT IS DEEMED TO HAVE CERTIFIED THAT THE BENEFICIAL HOLDER FOR WHOM NOTES ARE BEING TENDERED HAS BEEN PROVIDED WITH A COPY OF THIS PROSPECTUS.

The delivery of Old Notes through DTC, and any transmission of an Agent's Message through ATOP, is at the election and risk of the person tendering Old Notes. We will ask the exchange agent to instruct DTC to promptly return those Old Notes that were tendered through ATOP but were not accepted by us, if any, to the DTC participant that tendered such Old Notes on behalf of holders of the Old Notes.

Acceptance of Outstanding Old Notes for Exchange; Delivery of Exchange Notes

We will accept validly tendered Old Notes when the conditions to the exchange offer have been satisfied or we have waived them. We will have accepted your validly tendered Old Notes when we have given oral (promptly confirmed in writing) or written notice to the exchange agent. The exchange agent will act as agent for the tendering holders for the purpose of receiving the Exchange Notes from us. If we do not accept any tendered Old Notes for exchange by book-entry transfer because of an invalid tender or other valid reason, we will credit the Notes to an account maintained with DTC promptly after the exchange offer terminates or expires.

THE AGENT'S MESSAGE MUST BE TRANSMITTED TO EXCHANGE AGENT ON OR BEFORE 5:00 PM, NEW YORK CITY TIME, ON THE EXPIRATION DATE.

Withdrawal Rights

You may withdraw your tender of outstanding notes at any time before 5:00 p.m., New York City time, on the expiration date.

For a withdrawal to be effective, you should contact your bank or broker where your Old Notes are held and have them send an ATOP notice of withdrawal so that it is received by the exchange agent before 5:00 p.m., New York City time, on the expiration date. Such notice of withdrawal must:

- specify the name of the person that tendered the Old Notes to be withdrawn;
- identify the Old Notes to be withdrawn, including the CUSIP number and principal amount at maturity of the Old Notes; specify the name and number of an account at the DTC to which your withdrawn Old Notes can be credited.

We will decide all questions as to the validity, form and eligibility of the notices and our determination will be final and binding on all parties. Any tendered Old Notes that you withdraw will not be considered to have been validly tendered. We will promptly return any outstanding Old Notes that have been tendered but not exchanged, or credit them to the DTC account. You may re-tender properly withdrawn Old Notes by following one of the procedures described above before the expiration date.

Conditions to the Exchange Offer

Notwithstanding any other term of the exchange offer, we will not be required to accept for exchange, or issue any Exchange Notes for, any Old Notes, and may terminate or amend the exchange offer before the expiration of the exchange offer, if:

- we determine that the exchange offer violates any law, statute, rule, regulation or interpretation by the staff of the SEC or any order of any governmental agency or court of competent jurisdiction; or

- any action or proceeding is instituted or threatened in any court or by or before any governmental agency relating to the exchange offer which, in our judgment, could reasonably be expected to impair our ability to proceed with the exchange offer.

The conditions listed above are for our sole benefit and may be asserted by us regardless of the circumstances giving rise to any of these conditions. We may waive these conditions in our discretion in whole or in part at any time and from time to time prior to the expiration date. The failure by us at any time to exercise any of the above rights shall not be considered a waiver of such right, and such right shall be considered an ongoing right which may be asserted at any time and from time to time.

Exchange Agent

We have appointed Wilmington Trust Company as the exchange agent for the exchange offer. You should direct questions, requests for assistance, and requests for additional copies of this prospectus and the letter of transmittal that may accompany this prospectus to the exchange agent addressed as follows:

WILMINGTON TRUST COMPANY, EXCHANGE AGENT

By registered or certified mail, overnight delivery:

Rodney Square North
1100 North Market Street
Wilmington, DE 19890-1600
Attention: Patrick Healy

For Information or to Confirm Call:
(302) 636-6391

For facsimile transmission (for eligible institutions only):
(302) 636-4149

Delivery to an address other than set forth above will not constitute a valid delivery.

Fees and Expenses

Wilmington Trust Company is acting as exchange agent on our behalf. We will pay the exchange agent customary fees for its services, reimburse the exchange agent for its reasonable costs and expenses (including reasonable fees, costs and expenses of its counsel) incurred in connection with the provisions of these services and pay other registration expenses, including registration and filing fees, fees and expenses of compliance with federal securities and state blue sky securities laws, printing expenses, messenger and delivery services and telephone, fees and disbursements to our counsel, application and filing fees and any fees and disbursements to our independent certified public accountants. We will not make any payment to brokers, dealers, or others soliciting acceptances of the exchange offer except for reimbursement of mailing expenses.

Additional solicitations may be made by telephone, facsimile or in person by our and our affiliates' officers and employees.

Accounting Treatment

The Exchange Notes will be recorded at the same carrying value as the existing Old Notes, as reflected in our accounting records on the date of exchange. Accordingly, we will recognize no gain or loss for accounting purposes. The expenses of the exchange offer will be capitalized and expensed over the term of the Exchange Notes.

Transfer Taxes

If you tender outstanding Old Notes for exchange you will not be obligated to pay any transfer taxes. However, if you instruct us to register Exchange Notes in the name of, or request that your Old Notes not

tendered or not accepted in the exchange offer be returned to, a person other than the registered tendering holder, you will be responsible for paying any transfer tax owed.

YOU MAY SUFFER ADVERSE CONSEQUENCES IF YOU FAIL TO EXCHANGE OUTSTANDING OLD NOTES.

If you do not tender your outstanding Old Notes, you will not have any further registration rights, except for the rights described in the Registration Rights Agreement and described above, and your Old Notes will continue to be subject to the provisions of the indenture governing the Old Notes regarding transfer and exchange of the Old Notes and the restrictions on transfer of the Old Notes imposed by the Securities Act and states securities law when we complete the exchange offer. These transfer restrictions are required because the Old Notes were issued under an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, if you do not tender your Old Notes in the exchange offer, your ability to sell your Old Notes could be adversely affected. Once we have completed the exchange offer, holders who have not tendered notes will not continue to be entitled to any increase in interest rate that the indenture governing the Old Notes provides for if we do not complete the exchange offer.

Consequences of Failure to Exchange

The Old Notes that are not exchanged for Exchange Notes pursuant to the exchange offer will remain restricted securities. Accordingly, the Old Notes may be resold only:

- to us upon redemption thereof or otherwise;
- so long as the outstanding securities are eligible for resale pursuant to Rule 144A, to a person inside the United States who is a qualified institutional buyer within the meaning of Rule 144A under the Securities Act in a transaction meeting the requirements of Rule 144A, in accordance with Rule 144 under the Securities Act, or pursuant to another exemption from the registration requirements of the Securities Act, which other exemption is based upon an opinion of counsel reasonably acceptable to us;
- outside the United States to a foreign person in a transaction meeting the requirements of Rule 904 under the Securities Act; or
- pursuant to an effective registration statement under the Securities Act, in each case in accordance with any applicable securities laws of any state of the United States.

Shelf Registration

The Registration Rights Agreement also requires that we file a shelf registration statement if:

- we cannot file a registration statement for the exchange offer because the exchange offer is not permitted by applicable law or SEC policy;
- a law or SEC policy prohibits a holder from participating in the exchange offer;
- a holder cannot resell the Exchange Notes it acquires in the exchange offer without delivering a prospectus and this prospectus is not appropriate or available for resales by the holder; or
- a holder is a broker-dealer and holds notes acquired directly from us or one of our affiliates.

USE OF PROCEEDS

This exchange offer is intended to satisfy our obligations under the Registration Rights Agreement. We will not receive any cash proceeds from the issuance of the Exchange Notes. The Old Notes properly tendered and exchanged for Exchange Notes will be retired and cancelled. Accordingly, no additional debt will result from the exchange. We have agreed to bear the expense of the exchange offer.

RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth our ratio of earnings to fixed charges for the periods presented.

	Nine Months Ended September 30,		Year Ended December 31,				
	2010	2009	2009	2008	2007	2006	2005
Earnings:							
Income (loss) from continuing operations before provision for (benefit from) income taxes(1)	$ 4,835	$(26,173)	$(39,729)	$(336,716)	$(196,466)	$ 38,499	$ 54,751
Plus: fixed charges	31,577	29,521	39,050	60,401	73,730	73,877	63,664
Less: equity in income (loss) of affiliated company	3,832	3,294	3,653	(3,652)	(15,836)	(2,341)	(1,846)
Plus: dividends received from affiliated company	6,845	—	4,826	—	—	—	—
Total	$39,425	$ 54	$ 494	$(272,663)	$(106,900)	$114,717	$120,261
Fixed Charges:							
Interest expense	$31,059	$ 29,036	$ 38,404	$ 59,689	$ 72,770	$ 72,932	$ 63,010
Estimate of the interest within operating leases(2)	518	485	646	712	960	945	654
Total	$31,577	$ 29,521	$ 39,050	$ 60,401	$ 73,730	$ 73,877	$ 63,664
Ratio of earnings to fixed charges(3)(4)	1.25	—	—	—	—	1.55	1.89

(1) For purposes of calculating the ratio of earnings to fixed charges, earnings represent income (loss) before income taxes plus fixed charges.

(2) For purposes of estimating interest within operating leases, an interest rate equal to the three month LIBOR plus a spread of 2.25% at the end of each period presented was utilized.

(3) Earnings were insufficient to cover fixed charges by approximately $196.5 million, $336.7 million and $39.7 million for the fiscal years 2007, 2008 and 2009, respectively, and approximately $26.2 million for the nine months ended September 30, 2009.

(4) On a pro forma basis giving effect to the Transactions as if they were completed at the beginning of our last fiscal year, our earnings would be insufficient to cover fixed charges for the fiscal year 2009 and the nine months ended September 30, 2010 by approximately $70.1 million and $13.6 million, respectively.

CAPITALIZATION

The following table sets forth our cash and cash equivalents and capitalization as of September 30, 2010 on an actual basis and on a *pro forma* basis to give effect to the Transactions. You should read this table together with "Selected Historical Consolidated Financial Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the historical consolidated financial statements and accompanying notes included elsewhere in this prospectus.

	As of September 30, 2010	
	Actual	**Pro Forma**
	(Dollars in thousands) (Unaudited)	
Cash and cash equivalents	$ 21,571	$ 6,808
Debt (including current portion):		
Senior Credit Facility:		
Revolving credit facility	$ 323,000	$ 7,000
Term loan	27,628	—
New term loan B	—	323,000
New term loan A	—	27,628
Notes	—	286,794
Note payable	1,000	1,000
2011 Notes	101,510	—
2013 Notes	200,000	747
Total debt	$ 653,138	$ 646,169
Stockholders' equity(1)	209,154	215,800
Total capitalization	$ 862,292	$ 861,969

(1) Pro forma stockholders' equity assumes a gain on retirement of debt due to early redemption of our 2013 Notes at 95% of face value.

SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA

We derived the following selected historical consolidated financial data from our consolidated financial statements as of and for the fiscal years ended December 31, 2005, 2006, 2007, 2008 and 2009. Ernst & Young LLP's report on the consolidated financial statements for the year ended December 31, 2009, which is included elsewhere herein, included an explanatory paragraph which describes an uncertainty about Radio One, Inc.'s ability to continue as a going concern. The uncertainty was due to certain violations of our loan agreements, which ultimately could have resulted in significant amounts of our outstanding debt becoming callable by our lenders. These violations were cured as a part of the Transactions. The selected historical financial and operating data presented below as of and for the nine months ended September 30, 2009 and 2010 has been derived from our unaudited consolidated financial statements included elsewhere in this prospectus. In the opinion of management, such unaudited consolidated financial statements include all recurring adjustments and normal accruals necessary for a fair statement of such unaudited consolidated financial data. The results of operations from these interim periods are not necessarily indicative of the results to be expected for the full year or any future periods.

The following selected historical financial and operating data should be read in conjunction with our "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the historical consolidated financial statements and accompanying notes included elsewhere in this prospectus.

On July 22, 2010, management and the Audit Committee of the Board of Directors of Radio One concluded that: (1) it was necessary to restate our consolidated financial statements for the years ended December 31, 2009, 2008 and 2007 and for each quarterly financial reporting period from January 1, 2009 through March 31, 2010; and (2) our previously filed consolidated financial statements and any related reports of Ernst & Young LLP for these periods should no longer be relied upon. The Company included its restated consolidated financial statements for the years ended December 31, 2009, 2008 and 2007 in the Annual Report on Form 10-K/A filed with the SEC on August 23, 2010. The Company included its restated consolidated financial statements for the quarters ended March 31, 2010, September 30, 2009, June 30, 2009 and March 31, 2009 in Quarterly Reports on Forms 10-Q/A that it filed with the SEC on August 23, 2010. All financial information set forth below and the audited and unaudited consolidated financial statements and accompanying notes included elsewhere in this prospectus reflects these restatements.

	Nine Months Ended September 30,		Year Ended December 31,				
	2010	2009	2009	2008	2007	2006	2005
			(As adjusted — see note 1 below) (In thousands)				
Statements of Operations Data(1):							
Net revenue	$ 208,703	$ 204,835	$ 272,092	$ 313,443	$ 316,398	$ 321,625	$ 308,098
Programming and technical expenses including stock-based compensation	56,736	56,856	75,635	79,304	70,463	68,818	57,810
Selling, general and administrative expenses including stock-based compensation	78,290	68,828	91,016	103,108	100,620	98,016	92,898
Corporate selling, general and administrative expenses including stock-based compensation	24,581	16,048	24,732	36,356	28,396	28,239	25,070
Depreciation and amortization	14,195	15,804	21,011	19,022	14,680	13,890	14,044
Impairment of long-lived assets	—	48,953	65,937	423,220	211,051	—	—
Operating income (loss)	34,901	(1,654)	(6,239)	(347,567)	(108,812)	112,662	118,276
Interest income	95	98	144	491	1,242	1,393	1,428
Interest expense(2)	31,059	29,036	38,404	59,689	72,770	72,932	63,010
Gain on retirement of debt	—	1,221	1,221	74,017	—	—	—

	Nine Months Ended September 30,		Year Ended December 31,				
	2010	2009	2009	2008	2007	2006	2005
			(As adjusted — see note 1 below) (In thousands)				
Equity in income (loss) of affiliated company	3,832	3,294	3,653	(3,652)	(15,836)	(2,341)	(1,846)
Other expense, net	2,934	96	104	316	290	283	97
Income (loss) before provision for (benefit from) income taxes, noncontrolling interest in (loss) income of subsidiaries and discontinued operations	4,835	(26,173)	(39,729)	(336,716)	(196,466)	38,499	54,751
Provision for (benefit from) income taxes	4,685	7,340	7,014	(45,183)	54,083	18,260	18,816
Income (loss) from continuing operations	150	(33,513)	(46,743)	(291,533)	(250,549)	20,239	35,935
Loss (income) from discontinued operations, net of tax	(205)	(835)	(1,815)	(7,414)	(137,041)	(23,965)	14,568
Consolidated net (loss) income	(55)	(34,348)	(48,558)	(298,947)	(387,590)	(3,726)	50,503
Noncontrolling interest in (loss) income of subsidiaries	1,427	3,650	4,329	3,997	3,910	3,004	1,868
Preferred stock dividend	—	—	—	—	—	—	2,761
Consolidated net (loss) income attributable to common stockholders(3)	$ (1,482)	$ (37,998)	$ (52,887)	$ (302,944)	$ (391,500)	$ (6,730)	$ 45,874
Balance Sheet Data (at end of period)(1):							
Cash and cash equivalents	$ 21,571	$ 14,775	$ 19,963	$ 22,289	$ 24,247	$ 32,406	$ 19,081
Intangible assets, net	872,794	889,121	871,221	944,858	1,310,168	1,521,950	1,485,576
Total assets	1,044,384	1,056,883	1,035,542	1,125,477	1,648,354	2,195,210	2,201,380
Total debt (including current portion)	653,138	659,037	653,534	675,362	815,504	937,527	952,520
Total liabilities	791,183	784,692	787,489	810,002	1,015,747	1,176,963	1,178,834
Redeemable noncontrolling interests	44,047	49,690	52,225	43,423	58,738	54,360	53,612
Total stockholders' equity	209,154	222,501	195,828	272,052	573,870	963,887	968,934
Statement of Cash Flow Data(1):							
Cash flow from (used in):							
Operating activities	$ 16,775	$ 21,864	$ 45,443	$ 13,832	$ 44,014	$ 77,460	$ 101,145
Investing activities	(3,592)	(3,640)	(4,871)	66,031	78,468	(46,227)	(28,301)
Financing activities	(11,575)	(25,738)	(42,898)	(81,821)	(130,641)	(17,908)	(64,154)
Other Financial Data:							
Cash interest expense(2)	28,510	33,346	36,568	68,611	70,798	70,876	53,753
Capital expenditures	3,251	3,368	4,528	12,597	10,203	13,601	13,816

(1) Year-to-year comparisons are significantly affected by Radio One's acquisitions and dispositions during the periods covered. Certain reclassifications associated with accounting for discontinued operations have been made to prior year and prior quarter balances to conform to the current year presentation. The reclassifications related to acquisitions and dispositions had no effect on any other previously reported net income or loss or any other statement of operations, balance sheet or cash flow amounts.

(2) Interest expense includes non-cash interest, such as the accretion of principal, LMA fees, the amortization of discounts on debt and the amortization of discounts on debt and the amortization of deferred financing costs.

(3) (Loss) income before (loss) income from discontinued operations is the reported amount, less dividends paid on Radio One's preferred securities.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This discussion summarizes the significant factors affecting our consolidated operating results, financial condition and liquidity for the three-year period ended December 31, 2009 and for the three and nine-month periods ended September 30, 2010 and 2009. This discussion should be read in conjunction with our consolidated financial statements and accompanying notes included elsewhere in this prospectus as well as the sections entitled "Forward-Looking Statements" and "Risk Factors" in this prospectus.

Introduction

Revenue

We primarily derive revenue from the sale of advertising time and program sponsorships to local and national advertisers on our radio stations. Advertising revenue is affected primarily by the advertising rates our radio stations are able to charge, as well as the overall demand for radio advertising time in a market. These rates are largely based upon a radio station's audience share in the demographic groups targeted by advertisers, the number of radio stations in the related market, and the supply of, and demand for, radio advertising time. Advertising rates are generally highest during morning and afternoon commuting hours.

During the three and nine months ended September 30, 2010, approximately 54.6% and 56.8%, respectively, of our net revenue was generated from local advertising and approximately 35.5% and 35.6%, respectively, was generated from national advertising, including network advertising. In comparison, during the three and nine months ended September 30, 2009, approximately 54.4% and 56.0%, respectively, of our net revenue was generated from local advertising and approximately 36.0% and 36.5%, respectively, was generated from national advertising, including network advertising. During the year ended December 31, 2009, approximately 56.2% of our net revenue was generated from local advertising and approximately 37.3% was generated from national advertising, including network advertising. In comparison, during the year ended December 31, 2008, approximately 56.6% of our net revenue was generated from local advertising and approximately 37.1% was generated from national advertising, including network advertising. National advertising also includes advertising revenue generated from our internet segments. The balance of revenue was generated from tower rental income, ticket sales and revenue related to our sponsored events, management fees and other revenue.

In the broadcasting industry, radio stations often utilize trade or barter agreements to reduce cash expenses by exchanging advertising time for goods or services. In order to maximize cash revenue for our spot inventory, we closely monitor the use of trade and barter agreements.

Community Connect, LLC ("CCI"), which the Company acquired in 2008, currently generates the majority of the Company's internet revenue and derives its revenue principally from advertising services, including diversity recruiting advertising. Advertising services include the sale of banner and sponsorship advertisements. Advertising revenue is recognized either as impressions (the number of times advertisements appear in viewed pages) are delivered, when "click through" purchases or leads are reported, or ratably over the contract period, where applicable. CCI has a diversity recruiting relationship with Monster, Inc. ("Monster"). Monster posts job listings and advertising on CCI websites and CCI earns revenue for displaying the images on its websites.

In December 2006, the Company acquired certain net assets ("Giant Magazine") of Giant Magazine, LLC. Giant Magazine ceased publication in December 2009 and the results of its operations have been reclassified to discontinued operations.

In February 2005, the Company acquired approximately 51% of the common stock of Reach Media for approximately $55.8 million in cash and stock. A substantial portion of Reach Media's revenue was generated from one customer under a sales representation agreement with Radio Networks. The agreement provided for an annual minimum guarantee in exchange for the advertising inventory on Reach Media's 106 affiliate radio stations broadcasting the nationally syndicated Tom Joyner Morning Show. Radio Networks also served as

sales representative for Reach Media's Internet advertising and special events. This agreement, which commenced in 2003, expired on December 31, 2009.

In November 2009, Reach Media entered into a new sales representation and redemption agreement ("the Sales Representation and Redemption Agreement") with subsidiaries of Citadel Broadcasting Corporation ("Citadel"). Under this agreement, Radio Networks will serve as sales representative for certain portions of Reach Media's advertising inventory for the period January 1, 2010 through December 31, 2012.

Expenses

Our significant broadcast expenses are: (i) employee salaries and commissions; (ii) programming expenses; (iii) marketing and promotional expenses; (iv) rental of premises for office facilities and studios; (v) rental of transmission tower space; and (vi) music license royalty fees. We strive to control these expenses by centralizing certain functions such as finance, accounting, legal, human resources and management information systems and, in certain markets, the programming management function. We also use our multiple stations, market presence and purchasing power to negotiate favorable rates with certain vendors and national representative selling agencies.

We generally incur marketing and promotional expenses to increase our radio audiences. However, because Arbitron reports ratings either monthly or quarterly, depending on the particular market, any changed ratings and the effect on advertising revenue tends to lag behind both the reporting of the ratings and the incurrence of advertising and promotional expenditures.

In addition to salaries and commissions, major expenses for our internet business include membership traffic acquisition costs, software product design, post application software development and maintenance, database and server support costs, the help desk function, data center expenses connected with internet service provider ("ISP") hosting services and other internet content delivery expenses.

Performance Metrics

We monitor and evaluate the growth and operational performance of our business using net income and the following key metrics (the "Performance Metrics"):

(a) *Net revenue:* The performance of an individual radio station or group of radio stations in a particular market is customarily measured by its ability to generate net revenue. Net revenue consists of gross revenue, net of local and national agency and outside sales representative commissions consistent with industry practice. Net revenue is recognized in the period in which advertisements are broadcast. Net revenue also includes advertising aired in exchange for goods and services, which is recorded at fair value, revenue from sponsored events and other revenue. Net revenue is recognized for our online business as impressions are delivered, as "click-throughs" are reported or ratably over contract periods, where applicable.

(b) *Station operating income:* Net income (loss) before depreciation and amortization, income taxes, interest income, interest expense, equity in income of affiliated company, noncontrolling interest in income (loss) of subsidiaries, gain on retirement of debt, other expense, corporate expenses, stock-based compensation expenses, impairment of long-lived assets and gain or loss from discontinued operations, net of tax, is commonly referred to in our industry as station operating income. Station operating income is not a measure of financial performance under generally accepted accounting principles in the United States ("GAAP"). Nevertheless, we believe station operating income is often a useful measure of a broadcasting company's operating performance and is a significant basis used by our management to measure the operating performance of our stations within the various markets. Station operating income provides helpful information about our results of operations, apart from expenses associated with our physical plant, income taxes, investments, impairment charges, debt financings and retirements, corporate overhead, stock-based compensation and discontinued operations. Station operating income is frequently used as a basis for comparing businesses in our industry, although our measure of station operating income may not be comparable to similarly titled measures of other companies. Station operating income does not represent

operating loss or cash flow from operating activities, as those terms are defined under GAAP, and should not be considered as an alternative to those measurements as an indicator of our performance.

(c) *Station operating income margin:* Station operating income margin represents station operating income as a percentage of net revenue. Station operating income margin is not a measure of financial performance under GAAP. Nevertheless, we believe that station operating income margin is a useful measure of our performance because it provides helpful information about our profitability as a percentage of our net revenue.

Results of Operations — Three and Nine-Month Periods ended September 30, 2009 and 2008

Summary of Performance

The tables below provide a summary of our performance based on Net Revenue and the Performance Metrics:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2010	2009 (As adjusted — see note 1 of our consolidated financial statements)	2010	2009 (As adjusted — see note 1 of our consolidated financial statements)
	(In thousands, except margin data)			
Net revenue	$74,491	$ 74,651	$208,703	$ 204,835
Station operating income	28,314	32,693	74,510	79,524
Station operating income margin	38.0%	43.8%	35.7%	38.8%
Consolidated net income (loss) attributable to common stockholders	1,038	14,226	(1,482)	(37,998)

The reconciliation of consolidated net income (loss) to station operating income is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2010	2009 (As adjusted — see note 1 of our consolidated financial statements)	2010	2009 (As adjusted — see note 1 of our consolidated financial statements)
	(In thousands)			
Consolidated net income (loss) attributable to common stockholders	$ 1,038	$ 14,226	$ (1,482)	$ (37,998)
Add back non-station operating income items included in net income (loss):				
Interest income	(28)	(33)	(95)	(98)
Interest expense	12,122	9,224	31,059	29,036
Provision for (benefit from) income taxes	4,760	(1,508)	4,685	7,340
Corporate selling, general and administrative, excluding non-cash and stock-based compensation	5,488	4,702	20,537	15,034
Stock-based compensation	908	302	4,877	1,387
Equity in income of affiliated company	(1,784)	(1,397)	(3,832)	(3,294)
Gain on retirement of debt	—	—	—	(1,221)
Other expense, net	50	38	2,934	96
Depreciation and amortization	4,625	5,337	14,195	15,804
Noncontrolling interests in income of subsidiaries	1,010	1,712	1,427	3,650
Impairment of long-lived assets	—	—	—	48,953
Loss from discontinued operations, net of tax	125	90	205	835
Station operating income	$28,314	$ 32,693	$74,510	$ 79,524

Three Months Ended September 30, 2010 Compared to Three Months Ended September 30, 2009 (in thousands)

	Three Months Ended September 30,		Increase/(Decrease)	
	2010	2009(1)		
	(Unaudited)			
Statements of Operations:				
Net revenue	$74,491	$74,651	$ (160)	(0.2)%
Operating expenses:				
Programming and technical, excluding stock-based compensation	18,811	17,994	817	4.5
Selling, general and administrative, excluding stock-based compensation	27,366	23,964	3,402	14.2
Corporate selling, general and administrative, excluding stock-based compensation	5,488	4,702	786	16.7
Stock-based compensation	908	302	606	200.7
Depreciation and amortization	4,625	5,337	(712)	(13.3)
Total operating expenses	57,198	52,299	4,899	9.4
Operating income	17,293	22,352	(5,059)	(22.6)
Interest income	28	33	(5)	(15.2)
Interest expense	12,122	9,224	2,898	31.4
Equity in income of affiliated company	1,784	1,397	387	27.7
Other expense, net	50	38	12	31.6
Income before provision for (benefit from) income taxes, noncontrolling interests in income of subsidiaries and discontinued operations	6,933	14,520	(7,587)	(52.3)
Provision for (benefit from) income taxes	4,760	(1,508)	6,268	(415.6)
Net income from continuing operations	2,173	16,028	(13,855)	(86.4)
Loss from discontinued operations, net of tax	(125)	(90)	35	38.9
Consolidated net income	2,048	15,938	(13,890)	(87.2)
Noncontrolling interests in income of subsidiaries	1,010	1,712	(702)	(41.0)
Consolidated net income attributable to common stockholders	$ 1,038	$ 14,226	$(13,188)	(92.7)%

(1) Certain reclassifications associated with accounting for discontinued operations have been made to the accompanying prior period financial statements to conform to the current period presentation. These reclassifications had no effect on previously reported net income or loss, or any other previously reported statements of operations, balance sheet or cash flow amounts.

Net revenue

Three Months Ended September 30,		Increase/(Decrease)	
2010	2009		
$ 74,491	$ 74,651	$ (160)	(0.2)%

During the three months ended September 30, 2010, we recognized approximately $74.5 million in net revenue compared to approximately $74.7 million during the same period in 2009. These amounts are net of agency and outside sales representative commissions, which were approximately $8.3 million during the three months ended September 30, 2010, compared to approximately $7.8 million for the comparable period in 2009. Our radio stations' net revenue decreased 0.5% over the same period in 2009. Based on reports prepared

by the independent accounting firm Miller, Kaplan, Arase & Co., LLP ("Miller Kaplan"), the markets we operate in grew 6.2% in total revenues, led by 9.7% growth in national revenues and 4.0% growth in local revenues. Our Charlotte, Columbus, Dallas, Detroit, Houston and St. Louis markets experienced the most significant net revenue growth, while our Baltimore, Cleveland and Washington, DC markets experienced the largest declines. Excluding Reach Media, net revenue for our radio division was flat versus the comparable period one year ago. Reach Media net revenue declined 3.2% during the third quarter and was impacted by the December 31, 2009 expiration of a sales representation agreement with Citadel whereby a minimum level of revenue was guaranteed over the term of the agreement. Effective January 1, 2010, Reach Media's newly established sales organization began selling its inventory on the Tom Joyner Morning Show and under a new commission based sales representation agreement with Citadel, which sells certain inventory owned by Reach Media in connection with its 106 radio station affiliate agreements. Net revenue for our internet business, which includes CCI, continues to grow, and increased 23.5% for the three months ended September 30, 2010 compared to the same period in 2009.

Operating expenses

Programming and technical, excluding stock-based compensation

Three Months Ended September 30, 2010	2009	Increase/(Decrease)	
$ 18,811	$ 17,994	$ 817	4.5%

Programming and technical expenses include expenses associated with on-air talent and the management and maintenance of the systems, tower facilities, and studios used in the creation, distribution and broadcast of programming content on our radio stations. Programming and technical expenses for radio also include expenses associated with our programming research activities and music royalties. For our internet business, programming and technical expenses include software product design, post-application software development and maintenance, database and server support costs, the help desk function, data center expenses connected with ISP hosting services and other internet content delivery expenses. Our radio division incurred most of the additional spending, primarily increased payroll and bonus expenses, higher contract labor spending, and web service fees. Increased programming and technical spending was partially offset by lower music royalties.

Selling, general and administrative, excluding stock-based compensation

Three Months Ended September 30, 2010	2009	Increase/(Decrease)	
$ 27,366	$ 23,964	$ 3,402	14.2%

Selling, general and administrative expenses include expenses associated with our sales departments, offices and facilities and personnel (outside of our corporate headquarters), marketing and promotional expenses, special events and sponsorships and back office expenses. Expenses to secure ratings data for our radio stations and visitors' data for our websites are also included in selling, general and administrative expenses. In addition, selling, general and administrative expenses for radio and internet include expenses related to the advertising traffic (scheduling and insertion) functions. Selling, general and administrative expenses also include membership traffic acquisition costs for our online business. Our radio division incurred most of the increased spending, primarily higher payroll, bonuses, commissions and national representation fees, additional research spending with Arbitron Inc. due to implementation of the Portable People Metertm ("PPM") in certain markets, and increased bad debt expense. A substantial portion of the increase was attributable to the non-recurrence of vacation expense savings from scheduled office closings and changes to the Company's vacation plan in 2009.

Corporate selling, general and administrative, excluding stock-based compensation

Three Months Ended September 30, 2010	2009	Increase/(Decrease)	
$ 5,488	$ 4,702	$ 786	16.7%

Corporate expenses consist of expenses associated with our corporate headquarters and facilities, including personnel. The increase in corporate expenses was primarily due to salaries and related payroll expenses for recently lifted salary reductions, payroll taxes, medical insurance and professional fees. In addition, part of the increase was attributable to the non-recurrence of vacation expense savings from scheduled office closings and changes to the Company's vacation plan in 2009.

Stock-based compensation

Three Months Ended September 30,			
2010	2009	Increase/(Decrease)	
$ 908	$ 302	$ 606	200.7%

The increased stock-based compensation expense was due to the implementation of a long-term incentive plan whereby officers and certain key employees were granted a total of 3,250,000 shares of restricted stock in January of 2010. Stock-based compensation requires measurement of compensation costs for all stock-based awards at fair value on date of grant and recognition of compensation over the service period for awards expected to vest.

Depreciation and amortization

Three Months Ended September 30,			
2010	2009	Increase/(Decrease)	
$ 4,625	$ 5,337	$ (712)	(13.3)%

The decrease in depreciation and amortization expense for the three months ended September 30, 2010 was due primarily to the completion of amortization for certain CCI intangible assets and the completion of useful lives for certain assets.

Interest expense

Three Months Ended September 30,			
2010	2009	Increase/(Decrease)	
$ 12,122	$ 9,224	$ 2,898	31.4%

The increase in interest expense for the three months ended September 30, 2010 was due primarily to higher principal balances and higher interest rates that took effect as a result of both entering into the third amendment to our Credit Agreement in March 2010 as well as continuing defaults under our Credit Agreement that occurred or were existing as of each of June 30, 2010, July 1, 2010 and September 30, 2010.

Equity in income of affiliated company

Three Months Ended September 30,			
2010	2009	Increase/(Decrease)	
$ 1,784	$ 1,397	$ 387	27.7%

Equity in income of affiliated company primarily reflects our estimated equity in the net income of TV One. The increase to equity in income of affiliated company for the three months ended September 30, 2010 was due primarily to additional net income generated by TV One for the third quarter of 2010 versus the comparable period in 2009. The Company's share of the net income is driven by TV One's current capital structure and the Company's percentage ownership of the equity securities of TV One.

Provision for income taxes

Three Months Ended September 30,			
2010	2009	Increase/(Decrease)	
$ 4,760	$ (1,508)	$ 6,268	415.6%

For the three months ended September 30, 2010, the provision for income taxes was $4.8 million compared to a benefit from income taxes of approximately $1.5 million for the same period in 2009. The provision for income taxes increased primarily due to an increase in the deferred tax liability ("DTL") for indefinite-lived intangibles and, to a lesser extent, a discrete income tax benefit in 2009 that did not recur in 2010. Income taxes decreased by $681,000 due to reduced pre-tax book income for Reach Media.

The Company continues to maintain a full valuation allowance for entities other than Reach Media for its deferred tax assets ("DTAs"), including the DTA associated with its net operating loss carryforward. As a result, pre-tax book income for the entities other than Reach Media does not generate any tax expense. Instead, the tax expense for these entities is based on the change in the DTL associated with certain indefinite-lived intangibles, which increases as tax amortization on these intangibles is recognized and decreases as impairments for book purposes are recorded on these assets. For the three months ended September 30, 2010 and 2009 the change in the DTL resulted in a tax expense of approximately $3.8 million and a tax benefit of approximately $1.2 million, respectively.

The consolidated effective tax rate for the three months ended September 30, 2010 and 2009 was 68.7% and (10.4%), respectively.

Loss from discontinued operations, net of tax

Three Months Ended September 30,			
2010	2009	Increase/(Decrease)	
$ (125)	$ (90)	$ 35	38.9%

Included in the loss from discontinued operations, net of tax, are the results from operations for radio station clusters sold in Los Angeles, Miami, Augusta, Louisville, Dayton, Minneapolis and a station in our Boston market (WILD-FM). Discontinued operations also include the results from operations for Giant Magazine, which ceased publication in December 2009. The loss from discontinued operations, net of tax, for the three months ended September 30, 2010 and 2009 resulted from legal and litigation expenses incurred as a result of ongoing legal activity for certain of the sold stations. The loss from discontinued operations, net of tax, also includes no tax provision for the three months ended September 30, 2010 and a benefit from income taxes of $92,000 for the three months ended September 30, 2009.

Noncontrolling interests in income of subsidiaries

Three Months Ended September 30,			
2010	2009	Increase/(Decrease)	
$ 1,010	$ 1,712	$ (702)	(41.0)%

The decrease in noncontrolling interests in income of subsidiaries is due to lower net income generated by Reach Media for the three months ended September 30, 2010 compared to the same period in 2009.

Other Data

Station operating income

Station operating income decreased to approximately $28.3 million for the three months ended September 30, 2010 compared to approximately $32.7 million for the comparable period in 2009, a decrease of $4.4 million or 13.5%. This decrease was primarily due to increased expenses with relatively flat revenues. Increased spending was primarily due to payroll related expenses from lifted salary reductions, bonuses, and commissions. Additionally, operating expenses increased due to the non-recurrence of vacation savings from 2009 vacation plan changes and forced office closings. In addition there were higher national representation fees, additional research expenses, and increased bad debt expense in 2010 compared to the corresponding 2009 period.

Station operating income margin

Station operating income margin decreased to 38.0% for the three months ended September 30, 2010 from 43.8% for the comparable period in 2009. The margin decrease was attributable to a decrease in station operating income as described above.

Nine Months Ended September 30, 2010, Compared to Nine Months Ended September 30, 2009 (in thousands)

	Nine Months Ended September 30,		Increase/(Decrease)	
	2010	2009(1)		
	(Unaudited)			
Statements of Operations:				
Net revenue	$208,703	$204,835	$ 3,868	1.9%
Operating expenses:				
Programming and technical, excluding stock-based compensation	56,736	56,768	(32)	(0.1)
Selling, general and administrative, excluding stock-based compensation	77,457	68,543	8,914	13.0
Corporate selling, general and administrative, excluding stock-based compensation	20,537	15,034	5,503	36.6
Stock-based compensation	4,877	1,387	3,490	251.6
Depreciation and amortization	14,195	15,804	(1,609)	(10.2)
Impairment of long-lived assets	—	48,953	(48,953)	(100.0)
Total operating expenses	173,802	206,489	(32,687)	(15.8)
Operating income (loss)	34,901	(1,654)	36,555	2,210.1
Interest income	95	98	(3)	(3.1)
Interest expense	31,059	29,036	2,023	7.0
Gain on retirement of debt	—	1,221	(1,221)	(100.0)
Equity in income of affiliated company	3,832	3,294	538	16.3
Other expense, net	2,934	96	2,838	2,956.3
Income (loss) before provision for income taxes, noncontrolling interests in income of subsidiaries and discontinued operations	4,835	(26,173)	31,008	118.5
Provision for income taxes	4,685	7,340	(2,655)	(36.2)
Net income (loss) from continuing operations	150	(33,513)	33,663	100.4
Loss from discontinued operations, net of tax	(205)	(835)	(630)	(75.4)
Consolidated net loss	(55)	(34,348)	(34,293)	(99.8)
Noncontrolling interests in income of subsidiaries	1,427	3,650	(2,223)	(60.9)
Consolidated net loss attributable to common stockholders	$ (1,482)	$ (37,998)	$(36,516)	(96.1)%

(1) Certain reclassifications associated with accounting for discontinued operations have been made to the accompanying prior period financial statements to conform to the current period presentation. These reclassifications had no effect on previously reported net income or loss, or any other previously reported statements of operations, balance sheet or cash flow amounts.

Net revenue

Nine Months Ended September 30,		Increase/(Decrease)	
2010	**2009**		
$208,703	$204,835	$ 3,868	1.9%

During the nine months ended September 30, 2010, we recognized approximately $208.7 million in net revenue compared to approximately $204.8 million during the same period in 2009. These amounts are net of agency and outside sales representative commissions, which were approximately $23.4 million during the nine months ended 2010, compared to approximately $20.7 million during the same period in 2009. Our radio stations' net revenue grew 3.5% for the nine months ended September 30, 2010, and based on reports prepared by Miller Kaplan, the markets we operate in increased 6.6% in total revenues, 16.7% in national revenues and 2.5% in local revenues. Our Atlanta, Charlotte, Dallas, Detroit, St. Louis and Houston markets experienced strong net revenue growth, while our Baltimore, Cleveland and Washington, DC markets declined. Reach Media net revenue declined 9.8% and was impacted by the December 31, 2009 expiration of a sales representation agreement with Citadel whereby a minimum level of revenue was guaranteed over the term of the agreement. Effective January 1, 2010, Reach Media's newly established sales organization began selling its inventory on the Tom Joyner Morning Show and under a new commission based sales representation agreement with Citadel, which sells certain inventory owned by Reach Media in connection with its 106 radio station affiliate agreements. Net revenue for our internet business, which includes CCI, increased 23.0% for the nine months ended September 30, 2010 compared to the same period in 2009.

Operating expenses

Programming and technical, excluding stock-based compensation

Nine Months Ended September 30,		Increase/(Decrease)	
2010	**2009**		
$56,736	$56,768	$ (32)	(0.1)%

Programming and technical expenses include expenses associated with on-air talent and the management and maintenance of the systems, tower facilities, and studios used in the creation, distribution and broadcast of programming content on our radio stations. Programming and technical expenses for radio also include expenses associated with our programming research activities and music royalties. For our internet business, programming and technical expenses include software product design, post-application software development and maintenance, database and server support costs, the help desk function, data center expenses connected with ISP hosting services and other internet content delivery expenses. Decreased programming and technical expenses were driven by savings in contracted on-air talent and music royalties, which more than offset increased payroll related, equipment maintenance and broadcast rights spending.

Selling, general and administrative, excluding stock-based compensation

Nine Months Ended September 30,		Increase/(Decrease)	
2010	**2009**		
$77,457	$68,543	$ 8,914	13.0%

Selling, general and administrative expenses include expenses associated with our sales departments, offices and facilities and personnel (outside of our corporate headquarters), marketing and promotional expenses, special events and sponsorships and back office expenses. Expenses to secure ratings data for our radio stations and visitors' data for our websites are also included in selling, general and administrative expenses. In addition, selling, general and administrative expenses for radio and internet include expenses related to the advertising traffic (scheduling and insertion) functions. Selling, general and administrative expenses also include membership traffic acquisition costs for our online business. Our radio division drove most of the increased spending, with additional salaries for sales new hires, higher revenue variable expenses such as commissions, bonuses and national representation fees, additional research associated with PPM implementations and additional travel and entertainment. In addition, increased selling, general and

administrative expenses resulted from the non-recurrence of vacation savings from forced office closings and changes to the Company's vacation plan in 2009.

Stock-based compensation

Nine Months Ended September 30,		Increase/(Decrease)	
2010	2009		
$4,877	$1,387	$3,490	251.6%

Increased stock-based compensation expense is due to a long-term incentive plan whereby officers and certain key employees were granted a total of 3,250,000 shares of restricted stock in January of 2010. Stock-based compensation requires measurement of compensation costs for all stock-based awards at fair value on date of grant and recognition of compensation over the service period for awards expected to vest.

Corporate selling, general and administrative, excluding stock-based compensation

Nine Months Ended September 30,		Increase/(Decrease)	
2010	2009		
$ 20,537	$ 15,034	$ 5,503	36.6%

Corporate expenses consist of expenses associated with our corporate headquarters and facilities, including personnel. The increase in corporate expenses during the nine months ended September 30, 2010 is due to the recording of bonuses for the nine months of 2010 compared to a reduction of bonuses recorded for the same period in 2009. In addition, higher spending also resulted from increased compensation expense for the Chief Executive Officer in connection with the potential payment for the TV One award element in his employment Agreement. To a lesser extent, additional spending was also due to increased salaries expense from recently lifted salary reductions, higher travel and entertainment and increased bad debt expense.

Depreciation and amortization

Nine Months Ended September 30,		Increase/(Decrease)	
2010	2009		
$14,195	$15,804	$(1,609)	(10.2)%

The decrease in depreciation and amortization expense for the nine months ended September 30, 2010 was due primarily to the completion of amortization for certain CCI intangibles and the completion of useful lives for certain assets.

Impairment of long-lived assets

Nine Months Ended September 30,		Increase/(Decrease)	
2010	2009		
$ —	$48,953	$(48,953)	(100.0)%

The impairment of long-lived assets charge of approximately $49.0 million for the nine months ended September 30, 2009 reflects a non-cash charge recorded for the impairment of radio broadcasting licenses in 11 of our 16 markets, namely Charlotte, Cincinnati, Cleveland, Columbus, Dallas, Houston, Indianapolis, Philadelphia, Raleigh-Durham, Richmond and St. Louis. The impairment was caused by the then economic downturn, and its adverse impact on radio advertising. Interim impairment testing performed in February 2009 resulted in impairment charges against radio broadcasting licenses in the amount of approximately $49.0 million in 11 of our 16 markets, namely Charlotte, Cincinnati, Cleveland, Columbus, Dallas, Houston, Indianapolis, Philadelphia, Raleigh-Durham, Richmond and St. Louis. Since 2009, the improvement to the economic environment and advertising industry has contributed to stable valuations for certain long-lived assets and to the non-recurrence of impairment for such assets for the first nine months of 2010.

Interest expense

Nine Months Ended September 30,		Increase/(Decrease)	
2010	2009		
$31,059	$29,036	$ 2,023	7.0%

The increase in interest expense for the nine months ended September 30, 2010 was due primarily to higher principal balances and higher interest rates that took effect as a result of entering into a third amendment to our Credit Agreement in March 2010 as well as continuing defaults under our credit agreement that occurred or were existing as of each of June 30, 2010, July 1, 2010 and September 30, 2010. The third amendment waived a non-monetary technical default to the Credit Agreement associated with not designating certain subsidiaries as guarantors under our indentures governing our senior subordinated notes and lowered the revolver commitment under the Company's bank facilities from $500.0 million to $400.0 million.

Gain on retirement of debt

Nine Months Ended September 30,		Increase/(Decrease)	
2010	2009		
$ —	$1,221	$(1,221)	(100.0)%

The gain on retirement of debt resulted from the early redemption of a portion of the Company's outstanding 2011 Notes. The gain for the nine months ended September 30, 2009 resulted from the early redemption of approximately $2.4 million of the senior subordinated notes at an average discount of 50.0%. As of September 30, 2010, a principal amount of approximately $101.5 million remained outstanding for the 2011 Notes.

Equity in income of affiliated company

Nine Months Ended September 30,		Increase/(Decrease)	
2010	2009		
$3,832	$3,294	$ 538	16.3%

Equity in income of affiliated company primarily reflects our estimated equity in the net income of TV One. The increase to equity in income of affiliated company for the nine months ended September 30, 2010 was due primarily to additional net income generated by TV One during 2010 versus 2009. The Company's share of the net income is driven by TV One's current capital structure and the Company's percentage ownership of the equity securities of TV One.

Other expense, net

Nine Months Ended September 30,		Increase/(Decrease)	
2010	2009		
$2,934	$96	$2,838	2,956.3%

The other expense for the nine months ended September 30, 2010 was principally due to the write off of certain debt financing and modification costs. A pro-rata portion of debt issuance costs related to our Credit Agreement were written off in connection with the lowering of the revolver commitment under the Company's bank facilities from $500.0 million to $400.0 million. The $100.0 million reduction to the revolver commitment resulted from entering into a third amendment to our Credit Agreement in March 2010. The third amendment also waived a non-monetary technical default to the Credit Agreement associated with not designating certain subsidiaries as guarantors under our indentures governing our senior subordinated notes. In addition, there were costs written off in connection with the Company's offering of Second-Priority Senior Secured Grid Notes ("Second Lien Notes"). The majority of the net proceeds from the Second Lien Notes were expected to fund the acquisition of additional equity interests in TV One. However, the subscription offer to holders of our Existing Notes for the Second Lien Notes ended in July 2010 and the Company determined not to further extend this subscription offer. The write off of the debt financing and modification costs was

partially offset by the recording of the value of translator equipment awarded to the Company as a result of a legal settlement.

Provisions for income taxes

Nine Months Ended September 30,		Increase/(Decrease)	
2010	2009		
$4,685	$7,340	$(2,655)	(36.2)%

For the nine months ended September 30, 2010, the provision for income taxes was approximately $4.7 million compared to a provision of approximately $7.3 million for the same period in 2009. Approximately $2.3 million of the decrease is due to reduced pre-tax book income for Reach Media. The remaining decrease in the income tax provision is attributable to changes in the deferred tax liability ("DTL") for indefinite lived intangibles and, to lesser extent, a discrete income tax benefit in 2009 that did recur in 2010.

The Company continues to maintain a full valuation allowance for entities other than Reach Media for its deferred tax assets ("DTAs"), including the DTA associated with its net operating loss carryforward. As a result, pre-tax book income for the entities other than Reach Media does not generate any tax expense. Instead, the tax expense for these entities is based on the change in the DTL associated with certain indefinite-lived intangibles, which increases as tax amortization on these intangibles is recognized and decreases as impairments for book purposes are recorded on these assets. For the nine months ended September 30, 2010 and 2009, tax expense of approximately $3.8 million and approximately $5.8 million was recognized for the change in the DTL, respectively.

The consolidated effective tax rate for the nine months ended September 30, 2010 and 2009 was 96.9% and (28.0%), respectively.

Loss from discontinued operations, net of tax

Nine Months Ended September 30,		Increase/(Decrease)	
2010	2009		
$(205)	$(835)	$ (630)	(75.4)%

Included in the loss from discontinued operations, net of tax, are the results of operations for radio station clusters sold in Los Angeles, Miami, Augusta, Louisville, Dayton, Minneapolis and a station in our Boston market (WILD-FM). Discontinued operations also include the results from operations for Giant Magazine, which ceased publication in December 2009. The loss incurred for the nine months ended September 30, 2010 was due to legal and litigation spending from ongoing litigation for certain previous sold stations. This spending was partially offset by the assumption of Giant Magazines subscriber liability by another publisher. The loss incurred for the nine months ended September 30, 2009 resulted from operating losses incurred by Giant Magazine in addition to legal and litigation expenses as a result of ongoing legal activity for certain station sales. The loss from discontinued operations, net of tax, also includes no tax provision for the nine months ended September 30, 2010 and a provision for income taxes of $1,000 for the nine months ended September 30, 2009.

Noncontrolling interests in income of subsidiaries

Nine Months Ended September 30,		Increase/(Decrease)	
2010	2009		
$1,427	$3,650	$(2,223)	(60.0)%

The decrease in noncontrolling interests in income of subsidiaries is due to a decrease in Reach Media's net income for the nine months ended September 30, 2010 compared to the same period in 2009.

Other Data

Station operating income

Station operating income decreased to approximately $74.5 million for the nine months ended September 30, 2010 compared to approximately $79.5 million for the comparable period in 2009, a decrease of $5.0 million or 6.3%. This decrease was primarily due to increased expenses which more than offset the increase in revenues between periods. Increased spending was primarily due to expenses that vary with increased revenue, such as commissions, bonuses and sales representation fees, the non-recurrence of vacation savings from a 2009 vacation plan change and forced office closings, increased salaries from new hires and contract labor costs, and additional research expenses, broadcast rights, promotional activities, trade spending and travel and entertainment.

Station operating income margin

Station operating income margin decreased to 35.7% for the nine months ended September 30, 2010 from 38.8% for the comparable period in 2009. The margin decrease was primarily attributable to a decrease in station operating income as described above.

Results of Operations — Three-Year Period ended December 31, 2009

Summary of Performance

The table below provides a summary of our performance based on Net Revenue and the Performance Metrics:

	For the Years Ended December 31,		
	2009	2008	2007
		(As adjusted — see note 1 of our consolidated financial statements)	
	(In thousands, except margin data)		
Net revenue	$272,092	$ 313,443	$ 316,398
Station operating income	105,850	131,731	147,238
Station operating income margin	38.9%	42.0%	46.5%
Net loss	(52,887)	(302,944)	(391,500)

The reconciliation of net loss to station operating income is as follows:

	For the Years Ended December 31,		
	2009	2008	2007
		(As adjusted — see note 1 of our consolidated financial statements)	
	(In thousands, except margin data)		
Net loss as reported	$ (52,887)	$ (302,944)	$ (391,500)
Add back non-station operating income items included in net loss:			
Interest income	(144)	(491)	(1,242)
Interest expense	38,404	59,689	72,770
Provision for (benefit from) income taxes	7,014	(45,183)	54,083
Corporate selling, general and administrative, excluding stock-based compensation	23,492	35,279	27,328
Stock-based compensation	1,649	1,777	2,991
Equity in (income) loss of affiliated company	(3,653)	3,652	15,836
Gain on retirement of debt	(1,221)	(74,017)	—
Other expense, net	104	316	290
Depreciation and amortization	21,011	19,022	14,680
Noncontrolling interests in income of subsidiaries	4,329	3,997	3,910
Impairment of long-lived assets	65,937	423,220	211,051
Loss from discontinued operations, net of tax	1,815	7,414	137,041
Station operating income	$ 105,850	$ 131,731	$ 147,238

Year Ended December 31, 2009 Compared to Year Ended December 31, 2008 (in thousands)

	For the Years Ended December 31,			
	2009	2008 (As adjusted — see note 1 below)	Increase/(Decrease)	
Statements of Operations:				
Net revenue	$272,092	$ 313,443	$ (41,351)	(13.2)%
Operating expenses:				
Programming and technical, excluding stock-based compensation	75,547	79,117	(3,570)	(4.5)
Selling, general and administrative, excluding stock-based compensation	90,695	102,595	(11,900)	(11.6)
Corporate selling, general and administrative, excluding stock-based compensation	23,492	35,279	(11,787)	(33.4)
Stock-based compensation	1,649	1,777	(128)	(7.2)
Depreciation and amortization	21,011	19,022	1,989	10.5
Impairment of long-lived assets	65,937	423,220	(357,283)	(84.4)
Total operating expenses	278,331	661,010	(382,679)	(57.9)
Operating loss	(6,239)	(347,567)	(341,328)	(98.2)
Interest income	144	491	(347)	(70.7)
Interest expense	38,404	59,689	(21,285)	(35.7)
Gain on retirement of debt	1,221	74,017	(72,796)	(98.4)
Equity in income (loss) of affiliated company	3,653	(3,652)	7,305	200.0
Other expense, net	104	316	(212)	(67.1)
Loss before provision for (benefit from) income taxes, noncontrolling interests in income of subsidiaries and loss from discontinued operations, net of tax	(39,729)	(336,716)	(296,987)	(88.2)
Provision for (benefit from) income taxes	7,014	(45,183)	52,197	115.5
Net loss from continuing operations	(46,743)	(291,533)	(244,790)	(84.0)
Loss from discontinued operations, net of tax	(1,815)	(7,414)	(5,599)	(75.5)
Consolidated net loss	(48,558)	(298,947)	(250,389)	(83.8)
Noncontrolling interests in income of subsidiaries	4,329	3,997	332	8.3
Consolidated net loss attributable to common stockholders	$ (52,887)	$ (302,944)	$(250,057)	(82.5)%

Note 1 — Certain reclassifications associated with accounting for discontinued operations have been made to prior year balances to conform to the current year presentation. These reclassifications had no effect on any other previously reported or consolidated net income or loss or any other statement of operations, balance sheet or cash flow amounts.

Net revenue

Year Ended December 31,		Increase/(Decrease)	
2009	2008		
$272,092	$313,443	$(41,351)	(13.2)%

During the year ended December 31, 2009, we recognized approximately $272.1 million in net revenue compared to approximately $313.4 million during the same period in 2008. These amounts are net of agency and outside sales representative commissions, which were approximately $28.4 million during the year ended December 31, 2009, compared to approximately $34.6 million during the same period in 2008. CCI, the social

online networking company acquired by the Company in 2008, generated approximately $13.4 million in net revenue for the year ended December 31, 2009, compared to approximately $11.7 million from the April 2008 acquisition date through December 31, 2008. Despite incremental revenue from CCI, the decrease in net revenue was due primarily to the weak economic environment which continued to weaken demand for advertising in general. For our radio business, based on reports prepared by the independent accounting firm Miller, Kaplan, Arase & Co., LLP ("Miller Kaplan"), the markets we operate in declined 18.2% in total revenues for the year ended December 31, 2009, 17.4% in national revenues and 20.5% in local revenues. While the Company's total radio net revenue outperformed that of the markets in which we operate, we nonetheless experienced considerable net revenue declines in several of our markets, notably Atlanta, Baltimore, Houston, Raleigh-Durham and Washington, DC. Excluding CCI, net revenue declined 14.3% for the year ended December 31, 2009 compared to the same period in 2008.

Operating expenses

Programming and technical, excluding stock-based compensation

Year Ended December 31,		Increase/(Decrease)	
2009	2008		
$75,547	$79,117	$ (3,570)	(4.5)%

Programming and technical expenses include expenses associated with on-air talent and the management and maintenance of the systems, tower facilities, and studios used in the creation, distribution and broadcast of programming content on our radio stations. Programming and technical expenses for radio also include expenses associated with our programming research activities and music royalties. For our internet business, programming and technical expenses include software product design, post-application software development and maintenance, database and server support costs, the help desk function, data center expenses connected with ISP hosting services and other internet content delivery expenses. Programming and technical expenses for CCI, which was acquired in April 2008, grew from approximately $5.5 million from April to December 2008, to $6.3 million for the year ended December 31, 2009. This increase was more than offset by several cost-cutting initiatives in the radio segment, specifically compensation savings from employee layoffs and salary reductions, contracted on-air talent reductions and lower facilities spending. Excluding CCI's expenses, programming and technical expenses decreased 6.0% for the year ended December 31, 2009 compared to the same period in 2008.

Selling, general and administrative, excluding stock-based compensation

Year Ended December 31,		Increase/(Decrease)	
2009	2008		
$90,695	$102,595	$(11,900)	(11.6)%

Selling, general and administrative expenses include expenses associated with our sales departments, offices and facilities and personnel (outside of our corporate headquarters), marketing and promotional expenses, special events and sponsorships and back office expenses. Expenses to secure ratings data for our radio stations and visitors' data for our websites are also included in selling, general and administrative expenses. In addition, selling, general and administrative expenses for radio and internet include expenses related to the advertising traffic (scheduling and insertion) functions. Selling, general and administrative expenses also include membership traffic acquisition costs for our online business. Our radio division realized approximately $11.3 million in savings, primarily in compensation, specifically less commissions and national representative fees due to declining revenue, lower salary expenses resulting from employee layoffs and salary cuts and less bad debt expense as a result of fewer client bankruptcies. Other radio division savings included less promotional expenses, less travel and entertainment spending and vacation benefit savings from scheduled office closings and changes to the Company's vacation policy. Our online business, excluding CCI, incurred less spending for traffic acquisition costs. These savings more than offset increased research spending. Selling, general and administrative expenses for CCI, which was acquired in April 2008, increased to approximately $8.6 million for the year ended 2009, from $5.7 million for the period April through December 2008.

Excluding CCI's expenses, selling, general and administrative expenses decreased 15.2% for the year ended December 31, 2009 compared to the same period in 2008.

Corporate selling, general and administrative, excluding stock-based compensation

Year Ended December 31,		Increase/(Decrease)	
2009	2008		
$23,492	$35,279	$(11,787)	(33.4)%

Corporate expenses consist of expenses associated with our corporate headquarters and facilities, including personnel. The decrease in corporate expenses during the year December 31, 2009 was primarily due to the non-recurrence of approximately $10.2 million in compensation costs recorded in 2008 associated the Chief Executive Officer's ("CEO") April 2008 employment agreement. Additional corporate selling, general and administrative savings resulted from our cost-cutting initiatives, specifically lower compensation due to salary reductions, lower bonuses, less severance and vacation savings from scheduled office closings and changes to the Company's vacation policy. Reduced corporate selling, general and administrative spending also resulted from lower legal and professional expenses, reduced travel and entertainment, lower bad debt expense and less public relations spending. For the year ended December 31, 2009, the Company incurred restructuring charges in the amount of $244,000 for layoffs from the consolidation of its radio division business offices, compared to restructuring charges of $485,000 for the same period in 2008 stemming from Company-wide layoffs. Excluding the approximately $10.2 million recorded for the CEO's bonuses in 2008 and the restructuring charges for both years, corporate selling, general and administrative expenses decreased 6.9% for the year ended December 31, 2009 compared to the same period in 2008.

Depreciation and amortization

Year Ended December 31,		Increase/(Decrease)	
2009	2008		
$21,011	$19,022	$ 1,989	10.5%

The increase in depreciation and amortization expense for the year ended December 31, 2009 was due primarily to the April 2008 acquisition of CCI and the depreciation and amortization of technology and intangible assets acquired, and to a lesser extent, asset additions from our June 30, 2008 acquisition of WPRS-FM, new office facilities for our Charlotte market and studio improvements for one of our syndicated shows.

Impairment of long-lived assets

Year Ended December 31,		Increase/(Decrease)	
2009	2008		
$65,937	$423,220	$(357,283)	(84.4)%

The decrease in impairment of long-lived assets for the year ended December 31, 2009 was related to non-cash impairment charges recorded to reduce the carrying value of radio broadcasting licenses, goodwill and other intangible assets to their estimated fair values. The 2009 impairments occurred in 11 of our 16 markets, namely in Charlotte, Cincinnati, Cleveland, Columbus, Dallas, Houston, Indianapolis, Philadelphia, Raleigh-Durham, Richmond and St. Louis. The 2008 impairments occurred in 12 markets and included the same markets impaired in 2009, plus Detroit. The impairments were driven in part by the economic downturn, slower radio industry and market revenue growth and resulting deteriorating cash flows, declining radio station transaction multiples and a higher cost of capital. The recent and gradual decline in values for long-lived assets such as licenses and other intangibles was neither unique nor specific to our individual markets, as this trend has impacted the valuations of the radio industry as a whole, and has impacted other broadcast and traditional media companies as well.

Interest income

Year Ended December 31,		Increase/(Decrease)	
2009	2008		
$144	$491	$ (347)	(70.7)%

The decrease in interest income for the year ended December 31, 2009 was due primarily to lower balances of cash and cash equivalents and a decline in interest rates.

Interest expense

Year Ended December 31,		Increase/(Decrease)	
2009	2008		
$38,404	$59,689	$(21,285)	(35.7)%

The decrease in interest expense for the year ended December 31, 2009 was due primarily to pay downs on outstanding debt on the Company's credit facility, early redemptions of the Company's 2011 Notes, and to a lesser extent, more favorable rates, which were favorably impacted by shifting outstanding principal debt from the term to the revolver portion of the credit facility. The reduction is also driven by the non-recurrence of local marketing agreement ("LMA") fees associated with the operation of WPRS-FM prior to our June 2008 acquisition. LMA fees are classified as interest expense.

Gain on retirement of debt

Year Ended December 31,		Increase/(Decrease)	
2009	2008		
$1,221	$74,017	$(72,796)	(98.4)%

The gain on retirement of debt for the year ended December 31, 2009 was due to the redemption of the Company's outstanding 2011 Notes at a discount. The gain for the year ended December 31, 2009 resulted from the early redemption of approximately $2.4 million of the 2011 Notes at an average discount of 50.0%. The gain for the year ended December 31, 2008 was due to the early redemption of approximately $196.1 million of the 2011 Notes at an average discount of 38.4%. As of December 31, 2009, a principal amount of approximately $101.5 million remained outstanding on the 2011 Notes.

Equity in income (loss) of affiliated company

Year Ended December 31,		Increase/(Decrease)	
2009	2008		
$3,653	$(3,652)	$7,305	200.0%

Equity in income (loss) of affiliated company primarily reflects our estimated equity in the net income or loss of TV One, LLC. The change to equity in income of affiliated company for the year ended December 31, 2009 was due primarily to net income generated by TV One in 2009. This compares to equity in loss of affiliated company for the year ended December 31, 2008, given TV One's net loss in 2008. The Company's share of the net income or loss is driven by TV One's current capital structure and the Company's ownership of the equity securities of TV One that are currently absorbing its net income or losses.

Provision for (benefit from) income taxes

Year Ended December 31,		Increase/(Decrease)	
2009	2008		
$7,014	$(45,183)	$52,197	115.5%

During the year ended December 31, 2009, the provision for income taxes increased to approximately $7.0 million compared to a benefit of $45.2 million for the same period in 2008. The tax benefit for the year ended December 31, 2008 related to an impairment of indefinite-lived intangibles which reduced the deferred tax liability ("DTL"). The impairment for the year ended December 31, 2009 was significantly less than the

impairment in 2008; hence, the benefit from the reduction of the DTL was significantly less for 2009. For the year ended December 31, 2009, the tax provision consisted of approximately $4.5 million for Reach Media and $2.5 million for all other operations. The Company continues to maintain a full valuation allowance for its net deferred tax assets ("DTAs").

The tax provisions and offsetting valuation allowances resulted in effective tax rates of (17.7)% and 13.4% for the years ended December 31, 2009 and 2008, respectively. The annual effective tax rate for Radio One reflects the increase in DTLs associated with the amortization of certain of the Company's radio broadcasting licenses for tax purposes.

Loss from discontinued operations, net of tax

Year Ended December 31,		Increase/(Decrease)	
2009	2008		
$(1,815)	$(7,414)	$(5,599)	(75.5)%

Included in the loss from discontinued operations, net of tax, are the results of operations for station clusters sold in Los Angeles, Miami, Augusta, Louisville, Dayton, Minneapolis and a station in Boston (WILD-FM). Discontinued operations also includes the results of operations for Giant Magazine, which ceased publication in December 2009. The loss from discontinued operations, net of tax, for the year ended December 31, 2008 resulted from a gain on the April 2008 closing on the sale of the assets of radio station WMCU-AM, located in the Miami metropolitan area, which was more than offset by a loss on the May 2008 closing on the sale of the assets of radio station KRBV-FM, located in the Los Angeles metropolitan area. Approximately $5.1 million in impairment charges were recorded in 2008 based on the sale price of the Los Angeles station pursuant to the asset purchase agreement. Net losses for Giant Magazine in 2009 and 2008 were approximately $2.0 million and $3.3 million, respectively. The loss from discontinued operations, net of tax, also includes a tax provision of $0 and $84,000 for the years ended 2009 and 2008, respectively.

Noncontrolling interests in income of subsidiaries

Year Ended December 31,		Increase/(Decrease)	
2009	2008		
$4,329	$3,997	$ 332	8.3%

The increase in noncontrolling interests in income of subsidiaries was due to additional net income for Reach Media for the year ended December 31, 2009 compared to the same period in 2008.

Other Data

Station operating income

Station operating income decreased to approximately $105.9 million for the year ended December 31, 2009 compared to approximately $131.7 million for the year ended December 31, 2008, a decrease of approximately $25.8 million or 19.6%. This decrease was primarily due to declines in both radio and online net revenue as a result of weakened advertising demand given the economic downturn. The net revenue decline was offset in part by a decrease in operating expenses resulting from several cost-cutting initiatives implemented by the Company.

Station operating income margin

Station operating income margin decreased to 38.9% for the year ended December 31, 2009 from 42.0% for the year ended December 31, 2008. This decrease was primarily attributable to a decline in net revenue and station operating income as described above.

Year Ended December 31, 2008 Compared to Year Ended December 31, 2007 (in thousands)

	For the Years Ended December 31, 2008	For the Years Ended December 31, 2007	Increase/(Decrease)	
	(As adjusted — see note 1 below)			
Statements of Operations:				
Net revenue	$ 313,443	$ 316,398	$ (2,955)	(0.9)%
Operating expenses:				
Programming and technical, excluding stock-based compensation	79,117	69,984	9,133	13.1
Selling, general and administrative, excluding stock-based compensation	102,595	99,176	3,419	3.4
Corporate selling, general and administrative, excluding stock-based compensation	35,279	27,328	7,951	29.1
Stock-based compensation	1,777	2,991	(1,214)	(40.6)
Depreciation and amortization	19,022	14,680	4,342	29.6
Impairment of long-lived assets	423,220	211,051	212,169	100.5
Total operating expenses	661,010	425,210	235,800	55.5
Operating loss	(347,567)	(108,812)	238,755	219.4
Interest income	491	1,242	(751)	(60.5)
Interest expense	59,689	72,770	(13,081)	(18.0)
Gain on retirement of debt	74,017	—	74,017	—
Equity in income (loss) of affiliated company	(3,652)	(15,836)	(12,184)	(76.9)
Other expense, net	316	290	26	9.0
Loss before (benefit from) provisions for income taxes, noncontrolling interests in income of subsidiaries and loss from discontinued operations, net of tax	(336,716)	(196,466)	140,250	71.4
(Benefit from) provision for income taxes	(45,183)	54,083	(99,266)	(183.5)
Net loss from continuing operations	(291,533)	(250,549)	40,984	16.4
Loss from discontinued operations, net of tax	(7,414)	(137,041)	(129,627)	(94.6)
Consolidated net loss	(298,947)	(387,590)	(88,643)	(22.9)
Noncontrolling interests in income of subsidiaries	3,997	3,910	87	2.2
Consolidated net loss attributable to common stockholders	$ (302,944)	$ (391,500)	$ (88,556)	(22.6)%

Note 1 — Certain reclassifications associated with accounting for discontinued operations have been made to prior year balances to conform to the current year presentation. These reclassifications had no effect on any other previously reported or consolidated net income or loss or any other statement of operations, balance sheet or cash flow amounts. Additionally, the 2007 financial data reflects the correction of an error to increase the equity in loss of affiliated company by approximately $4.4 million.

Net Revenue

Year Ended December 31, 2008	Year Ended December 31, 2007	Increase/(Decrease)	
$313,443	$316,398	$ (2,955)	(0.9)%

For the year ended December 31, 2008 we recognized approximately $313.4 million in net revenue compared to approximately $316.4 million during the same period in 2007. These amounts are net of agency and outside sales representative commissions, which were approximately $34.6 million in 2008, compared to

approximately $37.0 million in 2007. Declines in net revenue in our radio markets more than offset an increase in net revenue of approximately $11.7 million generated by CCI, an online social networking company, which was acquired by the Company in April 2008. For our radio business, based on reports prepared by Miller Kaplan, the markets in which we operate declined 8.8% in total revenues, 10.9% in national revenues and 9.6% in local revenues for the year ended December 31, 2008. Consistent with the markets we operate in, we also experienced a decrease in net revenue, with national revenue driving more of a decline. On a per market basis, we experienced considerable revenue declines in our Atlanta, Houston and Washington, DC markets, and more modest declines in our Dallas, Detroit, Cleveland and Raleigh-Durham markets. We experienced growth in net revenue in our Indianapolis and Philadelphia markets, as well as increases in net revenue from a special event, revenue from new syndicated programs and increased internet revenue from our station websites. Reach Media had a decline in net revenue due to TV licensing revenue which ended in 2007, and less events revenue resulting from fewer events and less sponsorships compared to 2007. Excluding the approximately $11.7 million generated by CCI, net revenue declined 4.6% for the year ended December 31, 2008 compared to the same period in 2007.

Operating expenses

Programming and technical, excluding stock-based compensation

Year Ended December 31,		Increase/(Decrease)	
2008	2007		
$79,117	$69,984	$ 9,133	13.1%

Programming and technical expenses include expenses associated with on-air talent and the management and maintenance of the systems, tower facilities, and studios used in the creation, distribution and broadcast of programming content on our radio stations. Programming and technical expenses for radio also include expenses associated with our programming research activities and music royalties. For our internet business, programming and technical expenses include software product design, post application software development and maintenance, database and server support costs, the help desk function, data center expenses connected with ISP hosting services and other internet content delivery expenses. Increased programming and technical expenses were primarily due to approximately $5.5 million in spending by CCI, which was acquired in April 2008 and approximately $1.4 million more spent for our broader internet initiative. Related to our radio business, additional programming and technical spending was also driven by additional staffing, in part for our web sites, higher on-air talent expenses, mostly for our new syndicated radio shows, additional tower related expenses and increased music royalties. The increased radio programming and technical expenses were offset in part from savings in research, savings from ceasing our 401(k) match program and the absence of Reach TV syndication. Excluding approximately $6.9 million in increased spending for our internet initiative and CCI's expenses, programming and technical expenses increased 3.2% for the year ended December 31, 2008 compared to the same period in 2007.

Selling, general and administrative, excluding stock-based compensation

Year Ended December 31,		Increase/(Decrease)	
2008	2007		
$102,595	$99,176	$ 3,419	3.4%

Selling, general and administrative expenses include expenses associated with our sales departments, offices and facilities and personnel (outside of our corporate headquarters), marketing and promotional expenses, special events and sponsorships and back office expenses. Expenses to secure ratings data for our radio stations and visitors' data for our websites are also included in selling, general and administrative expenses. In addition, selling, general and administrative expenses for radio and internet also include expenses related to the advertising traffic (scheduling and insertion) functions. Selling, general and administrative expenses also include membership traffic acquisition costs for our online business. Increased selling, general and administrative expenses were primarily due to approximately $5.7 million in spending by CCI, which was acquired in April 2008. Another approximately $3.8 million increase was due to additional spending on our

broader internet initiative, which includes $550,000 for costs associated with a certain membership traffic agreement. Increases in selling, general and administrative expenses for our radio business were driven by approximately $1.9 million in expenses for a large special event held in 2008, increased bad debt expense, driven in part by client bankruptcies and higher ratings research associated with a new contract with Arbitron Inc., which includes the new Portable People Metertm ("PPMtm") technology. Along with our efforts on reducing expenses, these increases were offset partially from savings associated with less promotional spending, reduced travel and entertainment, less legal and professional spending, savings from the suspension of our 401(k) match program and less sponsored events expenses. Our declining revenue performance also resulted in less commissions and national representative fees. Excluding the approximately $9.5 million in increased spending on our internet initiative and CCI's spending, selling, general and administrative expenses decreased 8.1% for the year ended December 31, 2008 compared to the same period in 2007. Excluding the approximately $11.3 million in increased spending for the internet initiative, CCI's spending and expenses for the large first quarter special event, selling, general and administrative expenses decreased 9.9% for the year ended December 31, 2008 compared to the same period in 2007.

Corporate selling, general and administrative, excluding stock-based compensation

Year Ended December 31,		Increase/(Decrease)	
2008	2007		
$35,279	$27,328	$ 7,951	29.1%

Corporate selling, general and administrative expenses consist of expenses associated with maintaining our corporate headquarters and facilities, including personnel. During 2008, increased corporate selling, general and administrative expenses were primarily due to compensation costs associated with new employment agreements for the CEO and its Founder and Chairperson. Specifically, the increased compensation included approximately $10.2 million in bonuses for the CEO, of which approximately $5.8 million was for a signing and a "make whole" bonus paid, and another approximately $4.2 million was recorded, but not paid, for a bonus associated with potential distribution proceeds from the Company's investment in TV One. Increased corporate selling, general and administrative expenses were also due to an approximate $2.4 million retention bonus reduction recorded in 2007 for the former Chief Financial Officer ("Former CFO"), given his early departure in December 2007, a $620,000 reduction in severance also recorded in 2007 for an obligation that never materialized and additional bad debt expense. In addition, during 2008, the Company incurred $485,000 in restructuring costs, mainly severance, associated with layoffs in its radio division workforce. These increased expenses were offset in part by approximately $2.4 million less bonus expense, the absence of approximately $2.7 million in spending for legal and professional fees incurred in 2007 for the voluntary review of our historical stock option grant practices, savings from the suspension of our 401(k) match program, reduced travel and entertainment, reduced contract labor and consultant spending, less research expenses and reduced recruiting expense. Normalizing for the impacts of approximately $2.7 million for the stock options review, $2.4 million for the reduction in the Former CFO's retention bonus, the $620,000 severance reduction, the approximate $10.2 million bonus for the CEO's new employment agreement, and the $485,000 of restructuring costs, corporate selling, general and administrative expenses decreased 10.9% for the year ended December 31, 2008 compared to the same period in 2007.

Stock-based compensation

Year Ended December 31,		Increase/(Decrease)	
2008	2007		
$1,777	$2,991	$(1,214)	(40.6)%

Stock-based compensation consists of expenses associated with our January 1, 2006 adoption of ASC 718, "Compensation — Stock Compensation." ASC 718 eliminated accounting for share-based payments based on Accounting Principles Board ("APB") Opinion No. 25, "Accounting for Stock Issued to Employees," and requires measurement of compensation cost for all stock-based awards at fair value on date of grant and recognition of compensation over the service period for awards expected to vest. The decrease in stock-based compensation for the year ended December 31, 2008 was primarily due to a decline in the fair value of awards

issued in 2008 due to a significant decline in the Company's stock price, cancellations and forfeitures for former employees and the completion of the vesting period for certain stock options. The decrease was offset in part due to expense for additional stock options and restricted stock awards associated with new employment agreements for the CEO, the Founder and Chairperson and the CFO.

Depreciation and amortization

Year Ended December 31,		Increase/(Decrease)	
2008	2007		
$19,022	$14,680	$ 4,342	29.6%

The increase in depreciation and amortization expense for the year ended December 31, 2008 was due primarily to the April 2008 acquisition of CCI, which accounted for approximately $3.5 million of the increase. Approximately $2.5 million of the increase attributable to CCI is driven by amortization of assets acquired as part of the CCI acquisition, mainly brand assets, advertiser relationships and a favorable office space sublease, and another approximately $1.0 million is due to additional depreciation. Additional depreciation and amortization expense for capital expenditures made subsequent to December 31, 2007 and assets purchased as part of the June 2008 acquisition of WPRS-FM were offset partially by a decline in amortization expense associated with certain affiliate agreements acquired as part of our February 2005 purchase of 51% of Reach Media.

Impairment of long-lived assets

Year Ended December 31,		Increase/(Decrease)	
2008	2007		
$423,220	$211,051	$212,169	100.5%

The increase in impairment of long-lived assets for the year ended December 31, 2008 was related to non-cash impairment charges recorded to reduce the carrying value of radio broadcasting licenses, goodwill and other intangible assets to their estimated fair values. The 2008 impairments occurred in 12 of our 16 markets, namely in Charlotte, Cincinnati, Cleveland, Columbus, Dallas, Detroit, Houston, Indianapolis, Philadelphia, Raleigh-Durham, Richmond and St. Louis markets. Seven of our markets were impaired in 2007, namely Boston, Cincinnati, Cleveland, Columbus, Dallas, Houston and Philadelphia. The impairments were driven in part by the economic downturn, slower radio industry and market revenue growth and resulting deteriorating cash flows, declining radio station transaction multiples and a higher cost of capital. The recent and gradual decline in values for long-lived assets such as licenses and other intangibles were neither unique nor specific to our individual markets, as this trend has impacted the valuations of the radio industry as a whole, and has impacted other broadcast and traditional media companies as well.

Interest income

Year Ended December 31,		Increase/(Decrease)	
2008	2007		
$491	$1,242	$ (751)	(60.5)%

The decrease in interest income for the year ended December 31, 2008 was due primarily to lower balances in cash and cash equivalents, and a decline in interest rates.

Interest expense

Year Ended December 31,		Increase/(Decrease)	
2008	2007		
$59,689	$72,770	$(13,081)	(18.0)%

The decrease in interest expense for the year ended December 31, 2008 was due primarily to a decline in interest expense associated with debt pay downs and bond redemptions, resulting in overall lower borrowings and lower interest rates on the variable portion of our debt. Interest expense savings was also driven by less

fees incurred with the operation of WPRS-FM pursuant to LMA, which began in April 2007. LMA fees are classified as interest expense. We closed on the purchase of the assets of WPRS-FM in June 2008 for approximately $38.0 million in cash.

Equity in loss of affiliated company

Year Ended December 31,		Increase/(Decrease)	
2008	2007		
$(3,652)	$(15,836)	$(12,184)	(76.9)%

Equity in loss of affiliated company primarily reflects our estimated equity in the net loss of TV One. The decreased loss for the year ended December 31, 2008 was due primarily to smaller net losses generated by TV One, thus contributing to a decrease in our share of those losses. The Company's share of those losses is driven by TV One's current capital structure and the Company's ownership levels in the equity securities of TV One that are currently absorbing its net losses. An adjustment was made to equity in loss of affiliated company for the year ended December 31, 2007 to correct for a change in TV One's capital structure. Pursuant to Staff Accounting Bulletin ("SAB") 99, "Materiality" and SAB 108, "Considering the Effects of Prior Year Misstatements when Quantifying Misstatements in Current Year Financial Statements," we increased the previously reported equity in loss of affiliated company for the year ended December 31, 2007 by approximately $4.4 million.

(Benefit from) provision for income taxes

Year Ended December 31,		Increase/(Decrease)	
2008	2007		
$(45,183)	$54,083	$(99,266)	(183.5)%

During the year ended December 31, 2008, the benefit from income taxes increased to approximately $45.2 million, compared to a provision for taxes of approximately $54.1 million for the same period in 2007. The increase in the benefit from income taxes was primarily due to the increase in pre-tax losses for the year ended December 31, 2008 compared to 2007, and the impact of DTLs reversing due to indefinite-lived asset impairment charges recorded in 2008. In addition, the provision for income taxes in 2007 was primarily driven by the recording of a full valuation allowance for most of the Company's DTAs, including its net operating loss ("NOLs") carryforwards. In 2007, except for DTAs in historically profitable filing jurisdictions, the Company recorded a full valuation allowance for its DTAs, including NOLs, as it was determined that more likely than not, the DTAs would not be realized. As such, the benefit from income taxes for 2008 was also offset partially by recording a full valuation allowance against the additional NOLs generated from the tax deductible amortization of indefinite-lived assets, as well as recording a full valuation against DTAs created by the indefinite-lived asset impairment charges recorded in the current year. The current year tax benefit and offsetting valuation allowances resulted in an effective tax rate for the years December 31, 2008 and 2007 of 13.4% and (27.5%), respectively.

Loss from discontinued operations, net of tax

Year Ended December 31,		Increase/(Decrease)	
2008	2007		
$(7,414)	$(137,041)	$(129,627)	(94.6)%

Included in the loss from discontinued operations, net of tax, are the results of operations for station clusters sold in Los Angeles, Miami, Augusta, Louisville, Dayton, Minneapolis and a station in Boston (WILD-FM). Discontinued operations also includes the results of operations for Giant Magazine, which ceased publication in December 2009. During the year ended December 2008, we sold our Los Angeles station for approximately $137.5 million in cash, and recorded a loss, net of tax of approximately $6.1 million, and we sold our Miami station for approximately $12.3 million in cash, and recorded a gain, net of tax of approximately $3.2 million. In August 2007 we closed on the sale of our Minneapolis station for approximately $28.0 million in cash and recorded a loss on the sale of $713,000, net of tax. In September of

2007, we closed on the sale of our Dayton stations and five of the six stations in our Louisville market for approximately $76.0 million in cash, and recorded a gain on the sale, net of tax of approximately $1.9 million. The loss from discontinued operations, net of tax, includes a tax provision of $84,000 for the year ended December 31, 2008 compared to a benefit from taxes of approximately $75.0 million for the same period in 2007.

Other Data

Station operating income

Station operating income decreased to approximately $131.7 million for the year ended December 31, 2008, compared to approximately $147.2 million for the year ended December 31, 2007, a decrease of approximately $15.5 million, or 10.5%. This decrease was primarily due to declines in revenue similar to those in the radio industry and increases in station operating expenses related to the consolidation of the operating results of CCI, which was acquired in April 2008, spending on our internet initiative which was launched in mid-year 2007, higher on-air talent expenses, mainly for new syndication shows, additional staffing for internet websites, increased music royalties, higher tower related expenses, a restructuring charge for the radio division layoffs and additional ratings research costs. These increased expenses more than offset savings for employee bonuses, marketing and promotional spending, events expenses, travel and entertainment, legal and professional fees and expense savings from ceasing our 401(k) match program.

Station operating income margin

Station operating income margin decreased to 42.0% for the year ended December 31, 2008 from 46.5% for the year ended December 31, 2007. This decrease was primarily attributable to a decline in net revenue combined with decreased station operating income as described above.

LIQUIDITY AND CAPITAL RESOURCES

Our primary source of liquidity is cash provided by operations and, to the extent necessary, borrowings available under our senior credit facility and other debt or equity financing.

Pre-Transactions Liquidity and Capital Resources

In June 2005, the Company entered into its senior credit agreement (the "Credit Agreement") with a syndicate of banks. Simultaneous with entering into the Credit Agreement, the Company borrowed $437.5 million to retire all outstanding obligations under its previous credit agreement. The Credit Agreement was amended in April 2006, September 2007 and March 2010 to modify certain financial covenants and other provisions. Prior to the Transactions, the Credit Agreement expires the earlier of (a) six months prior to the scheduled maturity date of the 2011 Notes (January 1, 2011) (unless the 2011 Notes have been repurchased or refinanced prior to such date) or (b) June 30, 2012. Under the terms of the third amendment described below, the total amount available under the Credit Agreement, as in effect on September 30, 2010, was $700.0 million, consisting of a $400.0 million revolving facility and a $300.0 million term loan facility. Borrowings under the senior credit facility were subject to compliance with certain provisions including, but not limited to, financial covenants. The Company could use proceeds from the senior credit facility for working capital, capital expenditures made in the ordinary course of business, its common stock repurchase program, permitted direct and indirect investments and other lawful corporate purposes.

The Credit Agreement was classified as a current liability in the September 30, 2010 consolidated balance sheet based on the fact that the Credit Agreement expired January 1, 2011, until such time that the 2011 Notes had been refinanced or repurchased prior to January 1, 2011. After giving effect to the Transactions, the maturity date of the Amended and Restated Credit Agreement (which replaced the Credit Agreement) is June 30, 2012 and the Amended and Restated Credit Agreement is not classified as a current liability.

During the quarter ended March 31, 2010, we noted that certain of our subsidiaries identified as guarantors in our financial statements did not have requisite guarantees filed with the trustee as required under

the terms of the indentures governing the 2011 Notes and the 2013 Notes (the "Non-Joinder of Certain Subsidiaries"). The Non-Joinder of Certain Subsidiaries caused a non-monetary, technical default under the terms of the relevant indentures at December 31, 2009, causing a non-monetary, technical cross-default at December 31, 2009 under the terms of our Credit Agreement. We have since joined the relevant subsidiaries as guarantors under the relevant indentures (the "Joinder"). Further, on March 30, 2010, we entered into a third amendment (the "Third Amendment") to the Credit Agreement. The Third Amendment provides for, among other things: (i) a $100.0 million revolver commitment reduction (from $500.0 million to $400.0 million) under the bank facilities; (ii) a 1.0% floor with respect to any loan bearing interest at a rate determined by reference to the adjusted LIBOR; (iii) certain additional collateral requirements; (iv) certain limitations on the use of proceeds from the revolving loan commitments; (v) the addition of Interactive One, LLC as a guarantor of the loans under the Credit Agreement and under the notes governed by the Company's 2001 and 2005 senior subordinated debt documents; (vi) the waiver of the technical cross-defaults that existed as of December 31, 2009 and through the date of the amendment arising due to the Non-Joinder of Certain Subsidiaries; and (vii) the payment of certain fees and expenses of the lenders in connection with their diligence in connection with the amendment.

In May 2010, based on our fiscal year end excess cash flow calculation, we made a $5.0 million term loan principal prepayment for the year ended December 31, 2009. No excess cash calculation was required and, therefore, no payment was required for the year ended December 31, 2008. In March 2009 and May 2009, we made prepayments of $70.0 million and $31.5 million, respectively, on the term loan facility based on its excess proceeds calculation, which included asset acquisition and disposition activity for the twelve month period ended May 31, 2008. These prepayments were funded with $70.0 million and $31.5 million in loan proceeds from the revolving facility in March 2009 and May 2009, respectively.

The Credit Agreement, as of September 30, 2010, contained certain affirmative and negative covenants that the Company must comply with, including:

(a) maintaining an interest coverage ratio of no less than:

- 1.90 to 1.00 from January 1, 2006 to September 13, 2007;
- 1.60 to 1.00 from September 14, 2007 to June 30, 2008;
- 1.75 to 1.00 from July 1, 2008 to December 31, 2009;
- 2.00 to 1.00 from January 1, 2010 to December 31, 2010; and
- 2.25 to 1.00 from January 1, 2011 and thereafter;

(b) maintaining a total leverage ratio of no greater than:

- 7.00 to 1.00 beginning April 1, 2006 to September 13, 2007;
- 7.75 to 1.00 beginning September 14, 2007 to March 31, 2008;
- 7.50 to 1.00 beginning April 1, 2008 to September 30, 2008;
- 7.25 to 1.00 beginning October 1, 2008 to June 30, 2010;
- 6.50 to 1.00 beginning July 1, 2010 to September 30, 2011; and
- 6.00 to 1.00 beginning October 1, 2011 and thereafter;

(c) maintaining a senior leverage ratio of no greater than:

- 5.00 to 1.00 beginning June 13, 2005 to September 30, 2006;
- 4.50 to 1.00 beginning October 1, 2006 to September 30, 2007; and
- 4.00 to 1.00 beginning October 1, 2007 and thereafter; and

(d) limitations on:

- liens;
- sale of assets;
- payment of dividends; and
- mergers.

As of September 30, 2010, approximate ratios calculated in accordance with the Credit Agreement, as in effect as of that date, are as follows:

	As of September 30, 2010	Covenant Limit	Cushion/(Deficit)
PF LTM Covenant EBITDA (in millions)	$ 86.6		
PF LTM Interest Expense (in millions)	$ 40.4		
Senior Debt (in millions)	$ 351.5		
Total Debt (in millions)	$ 653.6		
Senior Secured Leverage			
Senior Secured Debt/Covenant EBITDA	4.06x	4.00x	(.06)x
Total Leverage			
Total Debt/Covenant EBITDA	7.55x	6.50x	(1.05)x
Interest Coverage			
Covenant EBITDA/Interest Expense	2.14x	2.00x	0.14x
PF — Pro forma			
LTM — Last twelve months			
EBITDA — Earnings before interest, taxes, depreciation and amortization			

As of each of June 30, 2010, July 1, 2010 and September 30, 2010, we were not in compliance with the terms of our Credit Agreement. More specifically, (i) as of June 30, 2010, we failed to maintain a then required total leverage ratio of 7.25 to 1.00, (ii) as of July 1, 2010, as a result of a step down of the total leverage ratio from no greater than 7.25 to 1.00 to no greater than 6.50 to 1.00 effective for the period July 1, 2010 to September 30, 2011, we failed to maintain the requisite total leverage ratio, (iii) as of September 30, 2010, we failed to meet our current total leverage ratio requirement of 6.50 to 1.00 and our senior leverage ratio requirement of 4.00 to 1.00, and (iv) as of each of June 30, 2010 and September 30, 2010, we failed to meet certain hedging obligations; specifically, we failed to maintain a ratio of at least 50% fixed rate debt to floating rate debt. On July 15, 2010, the Company and its subsidiaries entered into a forbearance agreement (the “Forbearance Agreement”) with Wells Fargo Bank, N.A. (successor by merger to Wachovia Bank, National Association), as administrative agent (the “Agent”), and financial institutions constituting the majority of outstanding loans and commitments (the “Required Lenders”) under our Credit Agreement, relating to the defaults and events of default existing as of June 30, 2010 and July 1, 2010. On August 13, 2010, we entered into an amendment to the Forbearance Agreement (the “Forbearance Agreement Amendment”) that, among other things, extended the termination date of the Forbearance Agreement to September 10, 2010, unless terminated earlier by its terms, and provided additional forbearance related to the then anticipated default caused by an opinion of Ernst & Young LLP expressing substantial doubt about the Company’s ability to continue as a going concern as issued in connection with the August 23, 2010 restatement of our financial statements. Under the Forbearance Agreement and the Forbearance Agreement Amendment, the Agent and the Required Lenders maintained the right to deliver “payment blockage notices” to the trustees for the holders of the 2011 Notes and/or the 2013 Notes.

On August 5, 2010, the Agent delivered a payment blockage notice to the trustee under the indenture governing our 2013 Notes. As a result, neither we nor any of our guaranteeing subsidiaries could make any payment or distribution of any kind or character in respect of obligations under the 2013 Notes, including the

interest payment that was scheduled to be made on August 16, 2010. The 30-day grace period for the nonpayment of interest before such nonpayment constituted an event of default under the indenture governing the 2013 Notes expired on September 15, 2010. While the trustee or holders of at least 25% in principal amount of the then outstanding 2013 Notes could declare the principal amount, and accrued and unpaid interest, on all outstanding 2013 Notes to be due and payable immediately as a result of such event of default, no such remedies were sought as we continue to negotiate the terms of the amended exchange offer and a new support agreement with the members of a ad hoc group of holders of our Existing Notes in connection with the Transactions. The event of default under the indenture governing the 2013 Notes also constitutes an event of default under our Credit Agreement. While the Forbearance Agreement Amendment expired by its terms on September 10, 2010, we and the Agent continued to negotiate the terms of a credit facility amendment (the "Credit Agreement Amendment"), and the Agent and the lenders did not exercise additional remedies under the Credit Agreement.

Post-Transactions Liquidity and Capital Resources

In connection with the Transactions, on November 24, 2010, we exchanged for approximately $287.0 million in aggregate principal amount of Old Notes and then cancelled approximately $97.0 million of $101.5 million in aggregate principal amount outstanding of our 2011 Notes and approximately $199.3 million of $200.0 million in aggregate principal amount outstanding of our 2013 Notes for approximately $287.0 in aggregate principal amount of our Old Notes. We also entered into the Credit Agreement Amendment, which among other things waived or cured all defaults or events of default under the Credit Agreement. See "Description of Certain Other Indebtedness."

As of September 30, 2010, the Company had outstanding approximately $350.6 million on its senior credit facility. During the three and nine-months ended September 30, 2010, the Company repaid, net of borrowings, approximately $3.9 million and $396,000, respectively.

As of November 24, 2010, after giving effect to the Credit Agreement Amendment, the Company had outstanding approximately $353.1 million on its credit facility. The Credit Agreement Amendment, which amends and restates the Credit Agreement (as so amended and restated, the "Amended and Restated Credit Agreement"), among other things, replaced the existing amount of outstanding revolving loans with a $323.0 million term loan and provided for three tranches of revolving loans, including a $20.0 million revolver to be used for working capital, capital expenditures, investments, and other lawful corporate purposes, a $5.1 million revolver to be used solely to redeem or repurchase and retire the 2011 Notes, and a $13.7 million revolver to be used solely to fund a capital call with respect to TV One.

Under the terms of the Amended and Restated Credit Agreement, interest on both alternate base rate loans and LIBOR loans is payable monthly. The LIBOR interest rate floor is 1.00% and the alternate base rate is equal to the greater of the prime rate, the Federal Funds Effective Rate plus 0.50% and the LIBO Rate for a one-month period plus 1.00%. Interest payable on (i) LIBOR loans will be at LIBOR plus 6.25% and (ii) alternate base rate loans will be at alternate base rate plus 5.25% (and, in each case, may be permanently increased if the Company exceeds certain senior leverage ratio levels, tested quarterly beginning June 30, 2011). The interest rate paid in excess of LIBOR could be as high as 7.25% during the last quarter prior to maturity if the Company exceeds the senior leverage ratio levels on each test date.

The Amended and Restated Credit Agreement provides for maintenance of the following maximum fixed charge coverage ratio as of the last day of each fiscal quarter:

Effective Period	Ratio
November 24, 2010 to December 30, 2010	1.05 to 1.00
December 31, 2010 to June 30, 2012	1.07 to 1.00

The Amended and Restated Credit Agreement also provides for maintenance of the following maximum total leverage ratios (subject to certain adjustments if subordinated debt is issued or any portion of the $13.7 million revolver is used to fund a TV One capital call):

Effective Period	Ratio
November 24, 2010 to December 30, 2010	9.35 to 1.00
December 31, 2010 to December 30, 2011	9.00 to 1.00
December 31, 2011 and thereafter	9.25 to 1.00

The Amended and Restated Credit Agreement also provides for maintenance of the following maximum senior leverage ratios (subject to certain adjustments if any portion of the $13.7 million revolver is used to fund a TV One capital call):

Beginning	No Greater Than
November 24, 2010 to December 30, 2010	5.25 to 1.00
December 31, 2010 to March 30, 2011	5.00 to 1.00
March 31, 2011 to September 29, 2011	4.75 to 1.00
September 30, 2011 to December 30, 2011	4.50 to 1.00
December 31, 2011 and thereafter	4.75 to 1.00

The Amended Credit Facility provides for maintenance of average weekly availability at any time during any period set forth below:

Beginning	Average Weekly Availability no Less Than
November 24, 2010 through and including June 30, 2011	$10,000,000
July 1, 2011 and thereafter	$15,000,000

Since November 24, 2010, and as of December 31, 2010, the Company has been in compliance with all of its financial covenants under the Credit Agreement Amendment.

On December 24, 2010, all remaining outstanding 2011 Notes were repurchased pursuant to the indenture governing the 2011 Notes. We incurred approximately $4.5 million in borrowings under the Amended and Restated Credit Agreement in connection with such repurchase. Approximately $0.75 million in aggregate principal amount of the 2013 Notes remain outstanding. Overdue interest and interest was paid to holders of the 2013 Notes on December 20, 2010, thereby curing any default or event of default under the indenture governing the 2013 Notes or the 2013 Notes.

As a result of our repurchase and refinancing of the 2011 Notes, the expiration of the Amended and Restated Credit Agreement is June 30, 2012.

Our ability to meet our debt service obligations and reduce our total debt is subject to general economic conditions and to financial, business and other factors, including factors beyond our control. In the next 12 months, our principal liquidity requirements will be for working capital, continued business development, strategic investment opportunities and for general corporate purposes, including capital expenditures. The Company continually projects its anticipated cash needs, which include, but are not limited to, its operating needs, capital requirements, any TV One capital funding commitment and principal and interest payments on its indebtedness. Management's most recent revenue, operating income and cash flow projections considered the recent gradual improvement in both the economy and advertising environment, and the projections compare more favorably to prior periods during which the economic downturn persisted.

Management's projections are dependent on the continuation of the recently improving economic and advertising environments, and any adverse fluctuations, or other unforeseen circumstances, may negatively impact the Company's operations beyond those assumed. Management considered the risks that the current economic conditions may have on its liquidity projections, as well as the Company's ability to meet its debt covenant requirements. If economic conditions deteriorate unexpectedly or do not continue to rebound, or if other adverse factors outside the Company's control arise, our operations could be negatively impacted. If it

appears that we could not meet our liquidity needs or that noncompliance with debt covenants is likely to result, the Company would implement several remedial measures, which could include further operating cost and capital expenditure reductions and deferrals, seeking its share of distributions from TV One and further de-leveraging actions, which may include repurchases of discounted senior subordinated notes and other debt repayments, subject to our available liquidity to make such repurchases. It should be noted that the TV One distributions require the consent of third-parties and there is no assurance that such third-party consents would be granted. These third parties did approve TV One distributions for the fourth quarter of 2009, as well as for the first, second, third quarters and fourth quarters of 2010.

The Amended and Restated Credit Agreement continues to require the Company from time to time to protect itself from interest rate fluctuations using interest rate hedge agreements. As a result, the Company maintains a fixed rate swap agreement designed to mitigate its exposure to higher floating interest rates. The swap agreement requires that we pay a fixed rate of interest on the notional amount to a bank and that the bank pays to us a variable rate equal to three-month LIBOR. As of September 30, 2010, we had one swap agreement in place for a total notional amount of $25.0 million, and the period remaining on this swap agreement is 20.5 months.

Our credit exposure under the swap agreement is limited to the cost of replacing an agreement in the event of non-performance by our counter-party; however, we do not anticipate non-performance. The swap agreement is tied to the three-month LIBOR, which may fluctuate significantly on a daily basis. The valuation of the swap agreement is affected by the change in the three-month LIBOR and the remaining term of the agreement. Any increase in the three-month LIBOR results in a more favorable valuation, while a decrease results in a less favorable valuation.

The following table summarizes the interest rates in effect with respect to our debt as of September 30, 2010:

Type of Debt	Amount Outstanding (In millions)	Applicable Interest Rate
Senior bank term debt (swap matures June 16, 2012)(1)	$ 25.0	10.68%
Senior bank term and revolving debt (subject to variable interest rates)(2)	$ 325.6	6.50%
Note payable (fixed rate)	$ 1.0	7.00%
8 7/8% Senior Subordinated Notes (fixed rate)	$ 101.5	8.88%
6 3/8 Senior Subordinated Notes (fixed rate)	$ 200.0	6.38%

(1) A total of $25.0 million is subject to a fixed rate swap agreement that became effective in June 2005. Under our fixed rate swap agreement, we pay a fixed rate plus a spread based on our leverage ratio, as defined in our Credit Agreement. That spread is currently set at 3.25% and is incorporated into the applicable interest rates set forth above.

(2) Subject to variable Prime Rate plus a spread currently set at 3.25% and incorporated into the applicable interest rate set forth above. This tranche is not covered by a swap agreement described in footnote (1).

The indentures governing our Existing Notes and our Old Notes require that we comply with certain financial covenants limiting our ability to incur additional debt. Such terms also place restrictions on us with respect to the sale of assets, liens, investments, dividends, debt repayments, capital expenditures, transactions with affiliates, consolidation and mergers, and the issuance of equity interests, among other things. As of November 24, 2010 and in connection with the Transactions, we and the trustee under the indentures governing our Existing Notes entered into supplemental indentures which waived any and all existing defaults and events of default that had arisen or may have arisen that may be waived and eliminated substantially all of the covenants in each indenture other than the covenants to pay principal of and interest on the Existing Notes when due, and eliminated or modified the related events of default. Our Amended and Restated Credit Agreement also requires compliance with financial tests based on financial position and results of operations, including a leverage ratio, an interest coverage ratio and a fixed charge coverage ratio, all of which could

effectively limit our ability to borrow under the Amended and Restated Credit Agreement or to otherwise raise funds in the debt market.

Reach Media issued a $1.0 million promissory note payable in November 2009 to Radio Networks, a subsidiary of Citadel. The note was issued in connection with Reach Media entering into a new sales representation agreement with Radio Networks. The note bears interest at 7.0% per annum, which is payable quarterly, and the entire principal amount is due on December 31, 2011.

The following table provides a comparison of our statements of cash flows for the nine months ended September 30, 2010 and 2009:

Type of Debt	Amount Outstanding	Applicable Interest Rate
	(In thousands)	
Net cash flows provided from operating activities	$ 16,755	$ 21,864
Net cash flows used in investing activities	$ (3,592)	$ (3,640)
Net cash flows used in financing activities	$ (11,575)	$ (25,738)

Net cash flows provided by operating activities were approximately $16.8 million and $21.9 million for the nine months ended September 30, 2010 and 2009, respectively. Cash flow from operating activities for the nine months ended September 30, 2010 decreased from the prior year primarily due to changes in operating assets and liabilities, consisting primarily of a decrease in cash flows from the change in accounts receivable offset by cash dividends received from the investment in TV One.

Net cash flows used in investing activities were approximately $3.6 million for both of the nine month periods ended September 30, 2010 and 2009. Capital expenditures, including digital tower and transmitter upgrades, and deposits for station equipment and purchases were approximately $3.6 million for both of the nine month periods ended September 30, 2010 and 2009.

Net cash flows used in financing activities were approximately $11.6 million and $25.7 million for the nine months ended September 30, 2010 and 2009, respectively. During the nine months ended September 30, 2010 and 2009, the Company borrowed approximately $12.0 million and $111.5 million, respectively, from its credit facility and repaid approximately $12.4 million and $125.2 million, respectively, in outstanding debt. During the nine months ended September 30, 2010, we capitalized approximately $11.2 million of costs associated with our efforts to refinance our existing indebtedness. During the nine months ended September 30, 2009, we repurchased approximately $1.2 million of our 2011 Notes. In addition, during nine months ended September 30, 2009, we repurchased approximately $10.7 million of our Class A and Class D Common Stock.

Credit Rating Agencies

On a continuing basis, credit rating agencies such as Moody's and S&P evaluate our debt. On November 24, 2010, S&P raised the Company's long-term corporate credit rating to "CCC+" from "SD" with a positive rating outlook. In addition, S&P raised our issue-level rating on our senior secured debt to "B" from "CCC+". S&P also rated our Old Notes "CCC-", rated the remaining portion of our 2013 Notes "CCC-" and affirmed a "CCC-" issue-level rating on the remaining portion of our 2011 Notes.

S&P's actions reflected our successful amendment of our senior credit facility and the exchange offer for our Existing Notes. S&P noted the transactions eliminated near-term refinancing risk of our senior secured debt, which was due to mature January 1, 2011 if we were unable to refinance our 2011 Notes prior to that date. S&P further noted that following the amendment, we were able to cure the default on our 2013 Notes by paying defaulted interest resulting from the August 15, 2010 nonpayment.

On September 20, 2010, Moody's repositioned our probability of default rating to Caa2/LD from Caa2, following the expiration of the 30-day grace period under the 2013 Notes. On August 18, 2010, Moody's placed us on review for a possible downgrade on our corporate family rating and probability of default rating. The review was driven by our announcement that the lenders under our Senior Credit Facility blocked our August 16, 2010 interest payment on the 2013 Notes. The lenders under our Senior Credit Facility had the

ability to block the interest payment as we are in violation of the total leverage covenant under our Senior Credit Facility. On June 17, 2010, Moody's placed on review the Company and its debt for a possible upgrade.

On August 24, 2010, S&P lowered our corporate credit rating from CCC+ to SD and lowered the issue-level rating on our 2013 Notes from CCC- to D. On July 20, 2010, S&P revised our CCC+ corporate credit rating outlook from positive to developing. Revision was due to uncertainty surrounding the timing and structure of a potential refinancing. On June 17, 2010 S&P revised our CCC+ corporate credit rating outlook from negative to positive. Revision was due to our announcement of potential refinancing transactions and the proposed increase of our ownership percentage in TV One.

On June 24, 2009, S&P lowered our corporate credit rating to CCC+ from B- and the issue-level rating on our $800.0 million secured credit facility to CCC+ from B-. On March 3, 2009, S&P lowered our corporate credit rating to B- from B and the issue-level rating on our $800.0 million secured credit facility to B- from BB-. While noting that our rating outlook was negative, the ratings downgrade reflects concern over the Company's ability to maintain compliance with financial covenants due to weak radio advertising demand. On May 12, 2009, Moody's downgraded our corporate family rating to Caa1 from B1. On November 3, 2008, Moody's placed on review the Company and its debt for a possible downgrade. The review was prompted by heightened concerns that the radio broadcast sector will likely face significant revenue and cash flow deterioration given weakness in the U.S. economy.

On September 10, 2008, Moody's downgraded our corporate family rating to B2 from B1 and our $800.0 million secured credit facility ($500.0 million revolver, $300.0 million term loan) to Ba3 from Ba2. In addition, Moody's downgraded our Existing Notes to Caa1 from B3. While noting that our rating outlook was stable, the ratings downgrade reflected the Company's operating performance, weaker than previously expected credit metrics and limited borrowing capacity under financial covenants.

Although reductions in our bond ratings may not have an immediate impact on our cost of debt or liquidity, they may impact our future cost of debt and liquidity. Increased debt levels and/or decreased earnings could result in further downgrades in our credit ratings, which, in turn, could impede our access to the debt markets and/or raise our long-term debt borrowing rates. Our ability to use debt to fund major new acquisitions or new business initiatives could also be limited.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Our significant accounting policies are described in Note 1 — Organization and Summary of Significant Accounting Policies of the consolidated financial statements included elsewhere in this prospectus. We prepare our consolidated financial statements in conformity with accounting principles generally accepted in the United States, which require us to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

Stock-Based Compensation

The Company accounts for stock-based compensation in accordance with ASC 718, "Compensation — Stock Compensation." Under the provisions of ASC 718, stock-based compensation cost is estimated at the grant date based on the award's fair value as calculated by the Black-Scholes ("BSM") valuation option-pricing model and is recognized as expense ratably over the requisite service period. The BSM incorporates various highly subjective assumptions including expected stock price volatility, for which historical data is heavily relied upon, expected life of options granted, forfeiture rates and interest rates. If any of the assumptions used in the BSM model change significantly, stock-based compensation expense may differ materially in the future from that previously recorded.

Goodwill and Radio Broadcasting Licenses

Impairment Testing

We have made several radio station acquisitions in the past for which a significant portion of the purchase price was allocated to goodwill and radio broadcasting licenses. Goodwill exists whenever the purchase price exceeds the fair value of tangible and identifiable intangible net assets acquired in business combinations. As of September 30, 2010, we had approximately $698.6 million in broadcast licenses and $137.5 million in goodwill, which totaled $836.1 million, and represented approximately 80.1% of our total assets. Therefore, we believe estimating the fair value of goodwill and radio broadcasting licenses is a critical accounting estimate because of the significance of their carrying values in relation to our total assets. We did not record any impairment charges for the three or nine month periods ended September 30, 2010, and we recorded impairment charges against radio broadcasting licenses of approximately $49.0 million for the nine months ended September 30, 2009. The relative improvements to the economic environment, credit markets and advertising industry compared to 2009 have contributed to more stable valuations of these assets.

Effective January 1, 2002, in accordance with ASC 350, "Intangibles — Goodwill and Other," we discontinued amortizing radio broadcasting licenses and goodwill and instead, began testing for impairment annually, or when events or changes in circumstances or other conditions suggest impairment may have occurred. Our annual impairment testing is performed for assets owned as of October 1. Impairment exists when the carrying value of these assets exceeds its respective fair value. When the carrying value exceeds fair value, an impairment amount is charged to operations for the excess.

Valuation of Broadcasting Licenses

We utilize the services of a third-party valuation firm to provide independent analysis when evaluating the fair value of our radio broadcasting licenses and reporting units, including goodwill. The testing for radio broadcasting licenses is performed at the unit of accounting level as determined by ASC 350, "Intangibles — Goodwill and Other." In our case, each unit of accounting is a clustering of radio stations into one geographical market. We use the income approach to value broadcasting licenses, which involves a 10-year model that incorporates several variables, including, but not limited to: (i) estimated discounted cash flows of a hypothetical market participant; (ii) estimated radio market revenue and growth projections; (iii) estimated market share and revenue for the hypothetical participant; (iv) likely media competition within the market; (v) estimated start-up costs and losses incurred in the early years; (vi) estimated profit margins and cash flows based on market size and station type; (vii) anticipated capital expenditures; (viii) probable future terminal values; (ix) an effective tax rate assumption; and (x) a discount rate based on the weighted-average cost of capital for the radio broadcast industry. In calculating the discount rate, we considered: (i) the cost of equity, which includes estimates of the risk-free return, the long-term market return, small stock risk premiums and industry beta; (ii) the cost of debt, which includes estimates for corporate borrowing rates and tax rates; and (iii) estimated average percentages of equity and debt in capital structures. Economic conditions appear to have stabilized and the radio advertising industry experienced recovery since our last annual assessment of radio broadcasting licenses; hence, no triggering events have occurred requiring the Company to reassess license valuations since our annual assessment. Since our October 2009 annual assessment, we have not made any changes to the methodology for valuing broadcasting licenses.

Valuation of Goodwill

The impairment testing of goodwill is performed at the reporting unit level. As of September 30, 2010, we had and currently have 20 reporting units, which were comprised of our 16 radio markets and four other business divisions. In testing for the impairment of goodwill, with the assistance of a third-party valuation firm, we also use the income approach method. The approach involves a 10-year model with similar variables as described above, except that the discounted cash flows are generally based on the Company's estimated and projected market share and operational performance for its owned radio markets or other business divisions. We follow a two-step process to evaluate if a potential impairment exists for goodwill. The first step of the process involves estimating the fair value of each reporting unit. If the reporting unit's fair value is less than

its carrying value, a second step is performed as per the guidance of ASC 805-10, "Business Combinations," to allocate the fair value of the reporting unit to the individual assets and liabilities of the reporting unit in order to determine the implied fair value of the reporting unit's goodwill as of the impairment assessment date. Any excess of the carrying value of the goodwill over the implied fair value of the goodwill is written off as a charge to operations. Since our October 2009 annual assessment, we have not made any changes to the methodology of valuing or allocating goodwill when determining the carrying values of the radio markets, Reach Media or CCI.

In May, February and August of 2010, the Company performed interim impairment testing on the valuation of goodwill associated with Reach Media. Reach Media net revenues and cash flows declined for three quarters of 2010 and full year internal projections were revised below those assumed for Year 1 (2010) in our 2009 annual impairment test. The revenues declined following the December 31, 2009 expiration of a sales representation agreement with Citadel Broadcasting Corporation ("Citadel") whereby a minimum level of revenue was guaranteed over the term of the agreement. Effective January 1, 2010, Reach Media's newly established sales organization began selling its inventory on the Tom Joyner Morning Show and under a new commission-based sales representation agreement with Citadel, which sells certain inventory owned by Reach Media in connection with its 105 radio station affiliate agreements. Management revised its internal projections for Reach Media by lowering the Year 1 revenue growth rate to 2.5% in August 2010, versus 16.5% previously assumed in our October 2009 annual assessment. Given the relative improvement in the credit markets since late 2009, the discount rate was lowered from 14.0% for the annual assessment to 13.5% for both the February and May 2010 assessments and again lowered to 13.0% for the August 2010 assessment.

Below are key assumptions used in the income approach model for estimating the fair value for Reach Media for the annual October 2009, and interim February, May and August 2010 impairment tests. When compared to the discount rate of 9.5% to 10.5% used for assessing radio market reporting units, the higher discount rate used in this assessment reflects a premium for a riskier and broader media business, with a heavier concentration and significantly higher amount of programming content related intangible assets that are highly dependent on the on-air personality Tom Joyner. As a result of the May, February and August 2010 interim assessments, the Company concluded no impairment to the carrying value of Reach Media had occurred.

Reach Media Goodwill (Reporting Unit Within the Radio Broadcasting Segment)	October 1, 2009	February 28, 2010	May 31, 2010	August 31, 2010
		(In millions)		
Pre-tax impairment charge	$—	$—	$—	$—
Discount Rate	14.0	13.5%	13.5%	13.0%
2010 (Year 1) Revenue Growth Rate	16.5%(a)	8.5%	2.5%	2.5%
Long-term Revenue Growth Rate Range (Years 6 — 10)	2.5% - 3.0%	2.5% -3.0%	2.5% - 2.9%	2.5% - 3.3%
Operating Profit Margin Range	27.2% - 35.3%	22.7% - 31.4%	23.3% - 31.5%	25.5% - 31.2%

(a) The Year 1 revenue growth rate is driven by the September 2009 amendment of Reach Media's sales representation agreement with Citadel, whereby the guaranteed revenue paid to Reach Media by Citadel was reduced by $2.0 million in the fourth quarter of 2009, the final quarter for the term of the agreement. Effective January 2010, Reach Media and Citadel became parties to a commission based sales representation agreement, whereby Citadel sells out-of-show inventory for the Tom Joyner Morning Show. Reach Media now sells all in-show inventory.

As part of our annual testing, when arriving at the estimated fair values for radio broadcasting licenses and goodwill, we also performed a reasonableness test by comparing our overall average implied multiple based on our cash flow projections and fair values to recently completed sales transactions, and by comparing our fair value estimates to the market capitalization of the Company. The results of these comparisons confirmed that the fair value estimates resulting from our annual assessment for 2009 were reasonable.

Sensitivity Analysis

We believe both the estimates and assumptions we utilized when assessing the potential for impairment are individually and in aggregate reasonable; however, our estimates and assumptions are highly judgmental in nature. Further, there are inherent uncertainties related to these estimates and assumptions and our judgment in applying them to the impairment analysis. While we believe we have made reasonable estimates and assumptions to calculate the fair values, changes in any one estimate, assumption or a combination of estimates and assumptions, or changes in certain events or circumstances (including uncontrollable events and circumstances resulting from deterioration in the economy or credit markets) could require us to assess recoverability of broadcasting licenses and goodwill at times other than our annual October 1 assessments, and could result in changes to our estimated fair values and further write-downs to the carrying values of these assets. Impairment charges are non-cash in nature, and as with past impairment charges, any future impairment charges will not impact our cash needs or liquidity or our bank covenant compliance.

As of September 30, 2010, we had a total goodwill carrying value of approximately $137.5 million across 12 of our 20 reporting units. The below table indicates the long-term cash flow growth rates assumed in our most recent impairment testing and the long-term cash flow growth/decline rates that would result in additional goodwill impairment. For two of the reporting units, given each of their significant fair value over carrying value excess, any future goodwill impairment is not likely. However, should our estimates and assumptions for assessing the fair values of the remaining ten reporting units with goodwill worsen to reflect the below or lower cash flow growth/decline rates, additional goodwill impairments may be warranted in the future.

Reporting Unit	Long-Term Cash Flow Growth Rate Used	Long-Term Cash Flow Growth/Decline Rate That Would Result in Impairment(a)
2	2.5%	Impairment not likely
16	2.5%	Impairment not likely
12	2.0%	1.1%
10	2.5%	1.1%
7	1.5%	0.8%
5	1.5%	(0.1)%
1	2.0%	(0.2)%
13	2.0%	(2.0)%
11	1.5%	(5.5)%
6	1.5%	(6.9)%
19	2.5%	(6.25)%
18	3.5%	(25.0)%

(a) The long-term cash flow growth/decline rate that would result in additional goodwill impairment applies only to further goodwill impairment and not to any future license impairment that would result from lowering the long-term cash flow growth rates used.

Several of the radio broadcasting licenses in our units of accounting have no or limited excess of fair values over their respective carrying values. The Company last measured the fair value of its licenses as of October 1, 2009 in connection with its 2009 annual impairment test. Economic conditions have improved and radio advertising has rebounded since our 2009 annual assessment and no subsequent triggering events have occurred requiring the Company to update the valuation since then. Should our estimates, assumptions, or events or circumstances for any upcoming valuations worsen in the units with no or limited fair value cushion, additional license impairments may be needed in the future.

In addition to assessing the fair value of Reach Media as of August 2010, we performed a sensitivity analysis showing the impact resulting from: (i) a 1% or 100 basis point decrease in Reach Media growth rates; (ii) a 1% or 100 basis point decrease in cash flow margins; (iii) both a .5% or 50 basis point and a 1% or 100 basis point increase in the discount rate; and (iv) both a 5% and 10% reduction in the fair values of Reach

Media. A hypothetical change in a 1% decrease in growth rates, a 1% decrease in cash flow margins, or a .5% increase in the discount rate, did not result in any impairment. A 1% increase in the discount rate, a 5% reduction in fair value and a 10% reduction of fair value could yield impairment charges of approximately $1.8 million, $264,000, and $3.1 million, respectively.

Impairment of Intangible Assets Excluding Goodwill and Radio Broadcasting Licenses

Intangible assets, excluding goodwill and radio broadcasting licenses, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or group of assets may not be fully recoverable. These events or changes in circumstances may include a significant deterioration of operating results, changes in business plans, or changes in anticipated future cash flows. If an impairment indicator is present, we will evaluate recoverability by a comparison of the carrying amount of the assets to future undiscounted net cash flows expected to be generated by the assets. Assets are grouped at the lowest level for which there is identifiable cash flows that are largely independent of the cash flows generated by other asset groups. If the assets are impaired, the impairment is measured by the amount by which the carrying amount exceeds the fair value of the assets determined by estimates of discounted cash flows. The discount rate used in any estimate of discounted cash flows would be the rate required for a similar investment of like risk. There were no impairment triggering events for these assets for the three or nine month periods ended September 30, 2010 and 2009.

Allowance for Doubtful Accounts

We must make estimates of the uncollectability of our accounts receivable. We specifically review historical write-off activity by market, large customer concentrations, customer credit worthiness and changes in our customer payment terms when evaluating the adequacy of the allowance for doubtful accounts. In the past four years, including the quarter ended September 30, 2010, our historical bad debt results have averaged approximately 5.3% of our outstanding trade receivables and have been a reliable method to estimate future allowances. If the financial condition of our customers or markets were to deteriorate, adversely affecting their ability to make payments, additional allowances could be required.

Revenue Recognition

We recognize revenue for broadcast advertising when the commercial is broadcast and we report revenue net of agency and outside sales representative commissions in accordance with ASC 605, *"Revenue Recognition."* When applicable, agency and outside sales representative commissions are calculated based on a stated percentage applied to gross billing. Generally, advertisers remit the gross billing amount to the agency or outside sales representative, and the agency or outside sales representative remits the gross billing, less their commission, to us.

Our online business recognizes its advertising revenue as impressions (the number of times advertisements appear in viewed pages) are delivered, when "click through" purchases or leads are reported, or ratably over the contract period, where applicable.

Equity Accounting

We account for our investment in TV One under the equity method of accounting in accordance with ASC 323, *"Investments — Equity Method and Joint Ventures*." We have recorded our investment at cost and have adjusted the carrying amount of the investment to recognize the change in Radio One's claim on the net assets of TV One resulting from net income or losses of TV One as well as other capital transactions of TV One using a hypothetical liquidation at book value approach. We will review the realizability of the investment if conditions are present or events occur to suggest that an impairment of the investment may exist. We have determined that although TV One is a variable interest entity (as defined under ASC 810, "Consolidation") the Company is not the primary beneficiary of TV One. The power to direct the activities that most significantly impact the economic performance of TV One is shared amongst multiple unrelated parties, so that no one party has a controlling financial interest in TV One.

Contingencies and Litigation

We regularly evaluate our exposure relating to any contingencies or litigation and record a liability when available information indicates that a liability is probable and estimable. We also disclose significant matters that are reasonably possible to result in a loss, or are probable but for which an estimate of the liability is not currently available. To the extent actual contingencies and litigation outcomes differ from amounts previously recorded, additional amounts may need to be reflected.

Estimate of Effective Tax Rates

We estimate the provision for income taxes, income tax liabilities, deferred tax assets and liabilities, and any valuation allowances in accordance with ASC 740, *"Income Taxes*," as it relates to accounting for income taxes in interim periods. We estimate effective tax rates based on local tax laws and statutory rates, apportionment factors, taxable income for our filing jurisdictions and disallowable items, among other factors. Audits by the Internal Revenue Service or state and local tax authorities could yield different interpretations from our own, and differences between taxes recorded and taxes owed per our filed returns could cause us to record additional taxes.

To address the exposures of unrecognized tax positions, in January 2007, we adopted ASC 740 pertaining to the accounting for uncertainty in income taxes, which recognizes the impact of a tax position in the financial statements if it is more likely than not that the position would be sustained on audit based on the technical merits of the position. As of September 30, 2010, we had approximately $6.3 million in unrecognized tax benefits. Future outcomes of our tax positions may be more or less than the currently recorded liability, which could result in recording additional taxes, or reversing some portion of the liability, and recognizing a tax benefit once it is determined the liability is either inadequate or no longer necessary as potential issues get resolved, or as statutes of limitations in various tax jurisdictions close.

Realizability of Deferred Tax Balances

Except for DTAs that may be benefited by future reversing deferred tax liabilities ("DTLs") and DTAs related to Reach Media, the Company maintains a full valuation allowance for its DTAs, mainly NOLs, as it was determined that more likely than not, the DTAs would not be realized. The Company reached this determination based on its then cumulative loss position and the uncertainty of future taxable income. Consistent with that prior realizability assessment, the Company has recorded a full valuation allowance for additional NOLs generated from the tax deductible amortization of indefinite-lived assets, as well as DTAs created by impairment charges. For remaining DTAs that are not fully reserved, we believe that these assets will be realized; however, if we do not generate the projected levels of future taxable income in those specific jurisdictions, an additional valuation allowance may need to be recorded in the future.

Redeemable Noncontrolling Interests

Noncontrolling interests in subsidiaries that are redeemable outside of the Company's control for cash or other assets are classified as mezzanine equity and measured at the greater of estimated redemption value at the end of each reporting period or the historical cost basis of the noncontrolling interests adjusted for cumulative earnings allocations. The resulting increases or decreases in the estimated redemption amount are affected by corresponding charges against retained earnings, or in the absence of retained earnings, additional paid-in-capital.

Fair Value Measurements

The Company has accounted for an award called for in the CEO's employment agreement (the "Employment Agreement") as a derivative instrument in accordance with ASC 815, "Derivatives and Hedging." According to the Employment Agreement, which was executed in April 2008, the CEO is eligible to receive an award amount equal to 8% of any proceeds from distributions or other liquidity events in excess of the return of the Company's aggregate investment in TV One. The Company's obligation to pay the award will be triggered only after the Company's recovery of the aggregate amount of its capital contribution in TV

One and only upon actual receipt of distributions of cash or marketable securities or proceeds from a liquidity event with respect to the Company's membership interest in TV One. The CEO was fully vested in the award upon execution of the agreement, and the award lapses upon expiration of the Employment Agreement in April 2011, or earlier, if the CEO voluntarily leaves the Company or is terminated for cause.

The Company reassessed the estimated fair value of the award as of September 30, 2010 at approximately $5.7 million and, accordingly, recorded compensation expense and a liability for that amount. The fair value of the award as of December 31, 2009 was approximately $4.7 million. The fair valuation incorporated a number of assumptions and estimates, including but not limited to TV One's future financial projections, probability factors and the likelihood of various scenarios that would trigger payment of the award. As the Company will measure changes in the fair value of this award at each reporting period as warranted by certain circumstances, different estimates or assumptions may result in a change to the fair value of the award amount previously recorded.

With the assistance of a third-party valuation firm, the Company assesses the fair value of the redeemable noncontrolling interest in Reach Media as of the end of each reporting period. The fair value of the redeemable noncontrolling interest as of September 30, 2010 was approximately $44.0 million. The determination of fair value incorporated a number of assumptions and estimates including, but not limited to, forecasted operating results, discount rates and a terminal value. Different estimates and assumptions may result in a change to the fair value of the redeemable noncontrolling interest amount previously recorded.

RECENT ACCOUNTING PRONOUNCEMENTS

In December 2009, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2009-17 *"Improvements to Financial Reporting by Enterprises Involved with Variable Interest Entities,"* which amends the guidance on variable interest entities ("VIE") in ASC 810, "Consolidation." Effective January 1, 2010, the new guidance requires more qualitative than quantitative analyses to determine the primary beneficiary of a VIE, requires continuous assessments of whether an enterprise is the primary beneficiary of a VIE, amends certain guidance for determining whether an entity is a VIE and requires additional year-end and interim disclosures. Under the new guidance, a VIE must be consolidated if the enterprise has both (a) the power to direct the activities of the VIE that most significantly impact the entity's economic performance, and (b) the obligation to absorb losses or the right to receive benefits from the VIE that could potentially be significant to the VIE. This new accounting guidance became effective for our Company upon adoption on January 1, 2010, and is being applied prospectively. The application of the new guidance did not result in any changes in the Company's accounting for its investment in TV One. The Company updated its footnote disclosure in Note 5 — *Investment in Affiliated Company* to comply with the disclosure requirements.

In June 2009, the FASB issued ASC 105, *"Generally Accepted Accounting Principles,"* which establishes the ASC as the source of authoritative non-SEC U.S. generally accepted accounting principles ("GAAP") for non-governmental entities. ASC 105 is effective for financial statements issued for interim and annual periods ending after September 15, 2009. The adoption of ASC 105 did not have a material impact on the Company's consolidated financial statements.

In May 2009, the FASB issued ASC 855, *"Subsequent Events,"* which addresses accounting and disclosure requirements related to subsequent events. It requires management to evaluate subsequent events through the date the financial statements are either issued or available to be issued. In February 2010, the FASB issued ASU 2010-09, which amends ASC 855 to remove all requirements for SEC filers to disclose the date through which subsequent events are considered. The amendment became effective upon issuance. The Company has provided the required disclosures regarding subsequent events in Note 15 — *Subsequent Events.*

The provisions under ASC 825, *"Financial Instruments,"* requiring disclosures about fair value of financial instruments for interim reporting periods of publicly traded companies, as well as in annual financial statements became effective for the Company during the quarter ended June 30, 2009. The additional disclosures required under ASC 825 are included in Note 1 — *Organization and Summary of Significant Accounting Policies*.

Effective January 1, 2009, the provisions under ASC 350, *"Intangibles — Goodwill and Other,"* related to the determination of the useful life of intangible assets and requiring additional disclosures related to renewing or extending the terms of recognized intangible assets became effective for the Company. The adoption of these provisions did not have a material effect on the Company's consolidated financial statements.

Effective January 1, 2009, the Company adopted an accounting standard update from the Emerging Issues Task Force ("EITF") consensus regarding the accounting for contingent consideration agreements of an equity method investment and the requirement for the investor to recognize its share of any impairment charges recorded by the investee. This update to ASC 323, *"Investments — Equity Method and Joint Venture*s," requires the investor to record share issuances by the investee as if it has sold a portion of its investment with any resulting gain or loss being reflected in earnings. The adoption of this update did not have any impact on the Company's consolidated financial statements.

CAPITAL AND COMMERCIAL COMMITMENTS

Radio Broadcasting Licenses

Each of the Company's radio stations operates pursuant to one or more licenses issued by the Federal Communications Commission that have a maximum term of eight years prior to renewal. The Company's radio broadcasting licenses expire at various times through August 1, 2014. Although the Company may apply to renew its radio broadcasting licenses, third parties may challenge the Company's renewal applications. The Company is not aware of any facts or circumstances that would prevent the Company from having its current licenses renewed.

TV One Cable Network

Pursuant to a limited liability company agreement dated July 18, 2003, the Company and certain other investors formed TV One for the purpose of developing and distributing a new television programming service. At that time, we committed to make a cumulative cash investment in TV One of $74.0 million, of which $60.3 million had been funded as of April 30, 2007, with no additional funding investment made since then. Since December 31, 2006, the initial four year commitment period for funding the capital has been extended on a quarterly basis due in part to TV One's lower than anticipated capital needs during the initial commitment period. Currently, the commitment period has been extended to April 1, 2011, and we anticipate further extension based upon TV One's cash flow and anticipated capital needs.

Indebtedness

<u>Pre-Transactions Indebtedness</u>

The total amount available under our prior Credit Agreement with a syndicate of banks was $700.0 million, consisting of a $400.0 million revolving facility and a $300.0 million term loan facility. As of September 30, 2010, we had approximately $350.6 million in debt outstanding under the Credit Agreement which expired the earlier of (a) six months prior to the scheduled maturity date of the 2011 Notes (January 1, 2011) (unless the 2011 Notes were repurchased or refinanced prior to such date) or (b) June 30, 2012. We also had outstanding $200.0 million in 2013 Notes and $101.5 million in 2011 Notes. Reach Media issued a $1.0 million promissory note payable in November 2009 to a subsidiary of Citadel. The note was issued in connection with Reach Media reacquiring Citadel's noncontrolling stock ownership in Reach Media as well as entering into a new sales representation agreement with Radio Networks. The note bears interest at 7.0% per annum, which is payable quarterly, and the entire principal amount is due on December 31, 2011. See "Liquidity and Capital Resources."

<u>Post-Transactions Indebtedness</u>

The total amount available under our Amended and Restated Credit Agreement with a syndicate of banks is $361.8 million, consisting of a $323.0 million term loan and providing for three tranches of revolving loans, including a $20.0 million revolver to be used for working capital, capital expenditures, investments, and other

lawful corporate purposes, a $5.1 million revolver to be used solely to redeem or repurchase and retire the 2011 Notes, and a $13.7 million revolver to be used solely to fund a capital call with respect to TV One. As of December 31, 2010, we had approximately $353.7 million in debt outstanding under the Amended and Restated Credit Agreement which expires June 30, 2012. We also have outstanding $286.8 million in aggregate principal amount of Old Notes. Reach Media issued a $1.0 million promissory note payable in November 2009 to a subsidiary of Citadel. The note was issued in connection with Reach Media reacquiring Citadel's noncontrolling stock ownership in Reach Media as well as entering into a new sales representation agreement with Radio Networks. The note bears interest at 7.0% per annum, which is payable quarterly, and the entire principal amount is due on December 31, 2011. See "Liquidity and Capital Resources."

Royalty Agreements

Effective December 31, 2009, our radio music license agreements with the two largest performance rights organizations, American Society of Composers, Authors and Publishers ("ASCAP") and Broadcast Music Inc. ("BMI"), expired. The Radio Music License Committee ("RMLC"), which negotiates music licensing fees for most of the radio industry with ASCAP and BMI, has reached agreement an with these organizations on a temporary fee schedule that reflects a provisional discount of 7.0% against 2009 fee levels. The temporary fee reductions became effective in January 2010. Absent an agreement on long-term fees between the RMLC and ASCAP and BMI, the U.S. District Court in New York has the authority to make an interim and permanent fee ruling for the new contract period. In May 2010 and June 2010, the U.S. District Court's judge charged with determining the licenses fees ruled to further reduce interim fees paid to ASCAP and BMI, respectively, down approximately another 11.0% from the previous temporary fees negotiated with the RMLC.

The Company has entered into other fixed and variable fee music license agreements with other performance rights organizations, which expire as late as December 2015. In connection with these agreements, the Company incurred approximately $2.8 million and $8.7 million for the three and nine month periods ended September 30, 2010, respectively, and approximately $3.1 million and $9.3 million, respectively, for the three and nine month periods ended September 30, 2009.

Lease obligations

We have non-cancelable operating leases for office space, studio space, broadcast towers and transmitter facilities that expire over the next 20 years.

Operating Contracts and Agreements

We have other operating contracts and agreements including employment contracts, on-air talent contracts, severance obligations, retention bonuses, consulting agreements, equipment rental agreements, programming related agreements, and other general operating agreements that expire over the next four years.

Reach Media Noncontrolling Interest Shareholders' Put Rights

Beginning on February 28, 2012, the noncontrolling interest shareholders of Reach Media have an annual right to require Reach Media to purchase all or a portion of their shares at the then current fair market value for such shares. Beginning in 2012, this annual right can be exercised for a 30-day period beginning February 28th. The purchase price for such shares may be paid in cash and/or registered Class D Common Stock of Radio One, at the discretion of Radio One.

Contractual Obligations Schedule

The following table represents our scheduled contractual obligations as of September 30, 2010:

Contractual Obligations	Payments Due by Period						
	2010	2011	2012	2013	2014	2015 and Beyond	Total
	(In thousands)						
8⅞% Senior Subordinated Notes(1)	$ 4,518	$110,519	$ —	$ —	$ —	$ —	$115,037
6⅜% Senior Subordinated Notes(1)	6,396	12,750	12,750	206,375	—	—	238,271
Credit facilities(2)	10,411	347,737	1,056	—	—	—	359,204
Note payable(3)	18	1,070	—	—	—	—	1,088
Other operating contracts/agreements(4)	17,189	32,603	26,733	12,166	11,302	—	99,993
Operating lease obligations	2,283	8,145	5,979	4,510	$ 3,625	11,564	36,106
Total	$40,815	$512,824	$46,518	$223,051	$14,927	$ 11,564	$849,699

(1) Includes interest obligations based on current effective interest rate on senior subordinated notes outstanding as of September 30, 2010. The Senior Subordinated Notes are classified as current in the accompanying consolidated balance sheets at September 30, 2010 and December 31, 2009 as these obligations may become callable due to the termination of the Forbearance Agreement amendment on September 10, 2010.

(2) Includes interest obligations based on current effective interest rate and projected interest expense on credit facilities outstanding as of September 30, 2010. The Credit facilities are classified as current in the accompanying consolidated balance sheets at September 30, 2010 and December 31, 2009 as these obligations may become callable due to the termination of the Forbearance Agreement amendment on September 10, 2010.

(3) Represents a $1.0 million promissory note payable issued in November 2009 by Reach Media to a subsidiary of Citadel. The note was issued in connection with Reach Media reacquiring Citadel's noncontrolling interest in Reach Media as well as entering into a new sales representation agreement with Radio Networks. The note bears interest at 7.0% per annum, which is payable quarterly, and the entire principal amount is due on December 31, 2011.

(4) Includes employment contracts, severance obligations, on-air talent contracts, consulting agreements, equipment rental agreements, programming related agreements, and other general operating agreements.

Reflected in the obligations above, as of September 30, 2010, we had a swap agreement in place for a total notional amount of $25.0 million. The period remaining on the swap agreement is 20.5 months. If we terminate our interest swap agreement before it expires, we will be required to pay early termination fees. Our credit exposure under the agreement is limited to the cost of replacing an agreement in the event of non-performance by our counter-party; however, we do not anticipate non-performance.

Other Contingencies

The Company has been named as a defendant in several legal actions arising in the ordinary course of business. It is management's opinion, after consultation with its legal counsel, that the outcome of these claims will not have a material adverse effect on the Company's financial position or results of operations.

Off-Balance Sheet Arrangements

As of September 30, 2010, we had three standby letters of credit totaling $610,000 in connection with our annual insurance policy renewals. In addition we had a letter of credit of $295,000 in connection with a contract we assumed as part of the acquisition of CCI as well as a letter of credit of $500,000 for Reach Media in connection with an upcoming event.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As of September 30, 2010, our exposure related to market risk had not changed materially since December 31, 2009.

Both the term loan facility and the revolving facility under a credit agreement entered into by the Company in June 13, 2005 with a syndicate of banks bear interest, at our option, at a rate equal to either the London Interbank Offered Rate ("LIBOR") plus a spread that ranges from 0.625% to 2.25%, or the prime rate plus a spread of up to 2.25%, depending on our leverage ratio. We also pay a commitment fee that varies depending on certain financial covenants and the amount of unused commitment, up to a maximum of 0.375% per annum on the unused commitment of the revolving facility. We are exposed to interest rate volatility with respect to this variable rate debt. If the borrowing rates under LIBOR were to increase one percentage point above the current rates at December 31, 2009, our interest expense on the revolving credit facility would increase approximately $3.0 million on an annual basis, including any interest expense associated with the use of derivative rate hedging instruments as described above.

Under the terms of our Credit Agreement, we have entered into fixed rate swap agreements to mitigate our exposure to higher floating interest rates. These swap agreements require that we pay a fixed rate of interest on the notional amount to a bank and that the bank pays to us a variable rate equal to three month LIBOR. As of December 31, 2009, we had two swap agreements in place for a total notional amount of $50.0 million, and the periods remaining on these swap agreements range in duration from 5.5 to 29.5 months. All of the swap agreements are tied to the three-month LIBOR, which may fluctuate significantly on a daily basis. The valuation of each of these swap agreements is affected by the change in the three-month LIBOR and the remaining term of the agreement. Any increase in the three-month LIBOR results in a more favorable valuation, while a decrease in the three-month LIBOR results in a less favorable valuation.

We estimated the net fair value of these instruments as of December 31, 2009 to be a payable of approximately $2.1 million. The fair value of the interest rate swap agreements is an estimate of the net amount that we would have paid on December 31, 2009 if the agreements were transferred to other parties or cancelled by us. The fair value is estimated by obtaining quotations from the financial institutions which are parties to our swap agreement contracts.

The determination of the estimated fair value of our fixed-rate debt is subject to the effects of interest rate risk. The estimated fair value of our 2013 Notes and 2011 Notes at December 31, 2009 were approximately $142.0 million and $78.2 million, respectively, and the carrying amounts were $200.0 million and $101.5 million, respectively. The estimated fair value of our 2013 Notes and 2011 Notes at December 31, 2008 were approximately $60.0 and $52.0 million, respectively, and the carrying amounts were $200.0 million and $104.0 million, respectively.

The effect of a hypothetical one percentage point decrease in expected current interest rate yield would be to increase the estimated fair value of our 2013 Notes from approximately $142.0 million to $160.0 million at December 31, 2009. The effect of a hypothetical one percentage point decrease in expected current interest rate yield would be to increase the estimated fair value of our 2011 Notes from approximately $78.2 million to $85.6 million at December 31, 2009.

After giving effect to the Transactions, the 2011 Notes were exchanged or otherwise repurchased or refinanced and approximately $0.75 million of the 2013 Notes remain outstanding. The estimated fair value at December 31, 2010 of the 2013 Notes and the Old Notes were approximately $67 million and $278.2 million, respectively, and the carrying amounts were $747,000 and $286.8 million, respectively. The effect of a hypothetical one percentage point decrease in expected current interest rate yield would be to increase the estimated fair value of our 2013 Notes from approximately $.67 million to $.78 million at December 31, 2010. The effect of a hypothetical one percentage point decrease in expected current interest rate yield would be to increase the estimated fair value of our Old Notes from approximately $278.2 million to $297.5 million at December 31, 2010.

DESCRIPTION OF OUR BUSINESS

Radio One is an urban-oriented, multi-media company that primarily targets African-American consumers. We are incorporated as a Delaware corporation. Our core business is our radio broadcasting franchise that is the largest broadcasting operation that primarily targets African-American and urban listeners. We currently own 53 broadcast stations located in 16 urban markets in the United States. While our primary source of revenue is the sale of local and national advertising for broadcast on our radio stations, our strategy is to operate the premier multi-media entertainment and information content provider targeting African-American consumers. Thus, we have diversified our revenue streams by making acquisitions and investments in other complementary media properties. Our other media interests include our approximately 37% ownership interest in TV One, an African-American targeted cable television network that we invested in with an affiliate of Comcast Corporation and other investors; our 53.5% ownership interest in Reach Media, Inc. ("Reach Media"), which operates the Tom Joyner Morning Show; our ownership of Interactive One, LLC ("Interactive One"), an online platform serving the African-American community through social content, news, information, and entertainment, which operates a number of branded sites, including NewsOne, UrbanDaily, HelloBeautiful; and our ownership of Community Connect, LLC (formerly Community Connect Inc.) ("CCI"), an online social networking company, which operates a number of branded websites, including BlackPlanet, MiGente and Asian Avenue. Through our national multi-media presence, we provide advertisers with a unique and powerful delivery mechanism to the African-American audience.

In December 2009, the Company ceased publication of Giant Magazine. The remaining assets and liabilities of this publication have been classified as discontinued operations as of December 31, 2009 and 2008, and the publication's results of operations for the years ended December 31, 2009, 2008 and 2007, have been classified as discontinued operations in the accompanying consolidated financial statements.

As part of our consolidated financial statements, consistent with our financial reporting structure and how the Company currently manages its businesses, we have provided selected financial information on the Company's two reportable segments: (i) Radio Broadcasting; and (ii) Internet. See Note 19 — Segment Information in the notes accompanying our audited consolidated financial statements included elsewhere in this prospectus.

Acquisitions

In June 2008, the Company purchased the assets of WPRS-FM, a radio station located in the Washington, DC metropolitan area, for $38.0 million in cash. From April 2007 and until closing, the station had been operated under an LMA, and the results of its operations were included in the Company's consolidated financial statements. The station was consolidated with the Company's existing Washington, DC operations in April 2007.

In April 2008, the Company acquired CCI for $38.0 million in cash. CCI is an online social networking company operating branded websites including BlackPlanet, MiGente, and AsianAvenue.

Dispositions

Between December 2006 and May 2008, the Company sold the assets of 20 radio stations in seven markets for approximately $287.9 million in cash. These dispositions were consistent with the Company's strategic plan to divest itself of non-core radio assets.

Los Angeles Station: In May 2008, the Company sold the assets of its radio station KRBV-FM, located in the Los Angeles metropolitan area, to Bonneville International Corporation ("Bonneville") for approximately $137.5 million in cash. Bonneville began operating the station under an LMA on April 8, 2008.

Miami Station: In April 2008, the Company sold the assets of its radio station WMCU-AM (formerly WTPS-AM), located in the Miami metropolitan area, to Salem Communications Holding Corporation ("Salem") for approximately $12.3 million in cash. Salem began operating the station under an LMA effective October 18, 2007.

Augusta Stations: In December 2007, the Company sold the assets of its five radio stations in the Augusta metropolitan area to Perry Broadcasting Company for approximately $3.1 million in cash.

Louisville Station: In November 2007, the Company sold the assets of its radio station WLRX-FM in the Louisville metropolitan area to WAY FM Media Group, Inc. for approximately $1.0 million in cash.

Dayton and Louisville Stations: In September 2007, the Company sold the assets of its five radio stations in the Dayton metropolitan area and five of its six radio stations in the Louisville metropolitan area to Main Line Broadcasting, LLC for approximately $76.0 million in cash.

Minneapolis Station: In August 2007, the Company sold the assets of its radio station KTTB-FM in the Minneapolis metropolitan area to Northern Lights Broadcasting, LLC for approximately $28.0 million in cash.

Our Stations and Markets

The table below provides information about our radio stations and the markets in which we operated as of December 31, 2010.

	Radio One			Market Data			
	Number of Stations		Entire Audience Four Book Average (Ending Fall 2010) Audience Share(a)	Estimated 2008 Annual Radio Revenue(b)	Ranking by Size of African-American Population Persons 12+(c)	Estimated Fall 2010 Metro Population Persons 12+(c)	
Market	**FM**	**AM**		($ millions)		**Total** (millions)	**African-American%**
Atlanta(1)	4	—	13.7	398.5	2	4.5	31.1%
Washington, DC(1)	3	2	12.6	365.1	4	4.4	26.4%
Philadelphia(1)	3	—	8.3	301.4	5	4.5	20.5%
Detroit(1)	2	1	7.5	225.3	6	3.8	21.9%
Houston(1)	3	—	15.3	383.8	7	4.9	16.7%
Dallas(1)	2	—	5.2	416.3	9	5.3	14.3%
Baltimore(2)	2	2	15.7	147.6	11	2.3	28.4%
St. Louis(2)	2	—	10.0	139.7	16	2.3	18.2%
Charlotte(3)	2	—	6.0	114.5	15	2.0	20.8%
Cleveland(4)	2	2	13.5	108.4	18	1.8	18.9%
Richmond(3)	4	1	20.4	60.9	20	1.0	29.3%
Raleigh-Durham(3)	4	—	20.5	84.8	19	1.3	21.3%
Boston(4)	—	—	—	310.5	21	4.0	6.6%
Cincinnati(4)	2	1	8.9	123.1	28	1.8	12.3%
Columbus(3)	3	—	13.3	102.9	29	1.5	14.4%
Indianapolis(3)(6)	3	1	19.1	93.6	30	1.4	14.8%
Total	41	11					

(1) The four book average and rank is measured using the 12 month Portable People Metertm ("PPMtm") methodology.

(2) The four book average is measured using a two book diary and a two book (six months) PPMtm average.

(3) The four book average and rank is measured using the four book diary average.

(4) We do not subscribe to Arbitron for our Boston market.

WDNI-CD (formerly WDNI-LP), the low power television station that we acquired in Indianapolis in June 2000, is not included in this table.

(a) Audience share data are for the 12+ demographic and derived from the Arbitron Survey four book averages ending with the Fall 2010 Arbitron Survey.

(b) 2008 estimated annual radio revenues are from BIA Financials Investing in Radio Market Report, 2008 Yearbook. The BIA Financials Investing in Radio Market Report, 2009 Yearbook which would include the 2009 estimated annual radio revenues was not available at the date of this information.

(c) Population estimates are from the Arbitron Radio Market Report, Fall 2010.

The African-American Market Opportunity

We believe that urban-oriented media primarily targeting African-Americans continues as an attractive opportunity for the following reasons:

Steady African-American Population Growth. From April 2000 to July 2009, the African-American population grew 9.8%, in line with a 9.7% overall population growth rate, and accounted for 12.9% of total population growth by July 2009. The African-American population is expected to grow to approximately 42.1 million by the end of 2015, a 5.5% increase from 2010. African-Americans are expected to make up 12.9% of total population growth during the period from 2010 through 2015 (Source: U.S. Census Bureau, 2008 and 2009, "Projections of the Population by Sex, Race, and Hispanic Origin for the United States: 2010 to 2050"). According to the U.S. Census, the average African-American population is nearly five years younger than the total U.S. population average. As a result, urban formats, in general, tend to skew younger than formats targeted to the general market population. As of December 2010, the African-American population represents almost 13% of the total U.S. population. The African-American consumer market represents an attractive customer segment in many states.

High African-American Geographic Concentration. An analysis of the African-American population shows a high degree of geographic concentration. A recent study shows that while the five most populous U.S. markets are home to 21.0% of the overall U.S. population, 27.0% of the total African-American population resides in those same markets. Expanding the analysis to the 20 most populous U.S. markets, 45.0% of the overall U.S. population resides within these markets, with 57% of the total African-American population residing within them. (Source: "Markets Within Markets," Cable Advertising Bureau ("CAB") Race, Relevance and Revenue, June 2007). The practical implication of these findings is that a multi-media strategy within these pockets of geographic concentration can have a much proportionately meaningful reach towards the African-American population than towards non-African-American U.S. populations.

Higher African-American Income Growth. The economic status of African-Americans improved at an above-average rate over the past two decades. African-American buying power was estimated at $913 billion in 2008, up from $590 billion in 2000 and is expected to increase to $1.2 trillion by 2013, up by 210.0% in 22 years. (Source: "The Multicultural Economy 2008," Selig Center for Economic Growth, Terry College of Business, The University of Georgia, January 2009). In addition, African-American consumers tend to have a different consumption profile than do non-African-Americans. A report published by the CAB notes those products and services for which African-American households spent more or a higher proportion of their money than non-African-Americans. These products and services included apparel and accessories, appliances, consumer electronics, food, personal care products, telephone service and transportation. Such findings imply that utilities, telecom firms, clothing and grocers would greatly benefit from marketing directly to African-American consumers. This is particularly true in those states (including the District of Columbia) where African-American buying power represents the largest share of total buying power within such states, such as the District of Columbia (31.1%), Maryland (22.0%), Georgia (20.5%), North Carolina (14.5%) and Virginia (13.1%). (Source: "Black Buying Power," CAB Race, Relevance and Revenue, June 2007).

Growing Influence of African-American Culture. We believe that there continues to be an ongoing "urbanization" of many facets of American society as evidenced by the influence of African-American culture in the areas of politics, music, film, fashion, sports and urban-oriented television shows and networks. We

believe that many companies from a broad range of industries have embraced this urbanization trend in their products as well as in their advertising messages. As noted in one recent study, "The influence of African-American youth culture is no accident. The black population is among the youngest in the nation, with 56.1% under age 35 in 2009, and nearly 30% under age 18." (Source: "African Americans Online", eMarketer, March 2009).

Growth in Advertising Targeting the African-American Market. We continue to believe that large corporate advertisers are becoming more focused on reaching minority consumers in the United States. The African-American community is considered an emerging growth market within a mature domestic market. Spending on African-American media declined 7.3%, according to figures by The Nielsen Company. While the decline was consistent with the trend in overall advertising, the drop was not as severe as the general market. In February 2010, Nielsen reported that ad spending in general fell nine percent in 2009, despite significant increases in Cable TV. The decline in spending on African-American media was consistent with decreased spending in network television and national magazines. Increased spending on cable television helped balance out the losses. Advertisers spent 35% more on African-American cable in 2009 that in 2008. Radio continued to earn the most revenue among African-American media in 2009. Advertisers spent $748 million on the medium last year. (Source: "Multicultural Ad Spending Declines in 2009, but Less than Overall Ad Market," NielsenWire, March 12, 2010). We believe many large corporations are expanding their commitment to ethnic advertising. The companies that successfully market to the African-American audience have focused on building brand relationships. Advertisers are making an effort to fully understand African-American consumers, and to relate to them with messages that are relevant to their community. These advertisers are accomplishing this by visibly and consistently engaging the African-American consumer, involving themselves with the interests of the African-American consumer and increasing African-American brand loyalty.

Significant and Growing Internet Usage among African-Americans with Limited Targeted Online Content Offerings. African-Americans are becoming significant users of the internet. The same factors driving increases in African-American buying power, such as improvements in education, income and employment, are also increasing African-American internet usage. One study estimates that 23.7 million African-Americans will make up 11.2% of all U.S. internet users in 2013, up from 9.9% in 2008. (Source: "African Americans Online," eMarketer, March 2009). This represents a 24% increase from 2008 versus a 15% increase for the general population and an 11% increase among white internet users. According to another national study among more than 7,000 African American adults, the internet represents 32% of daily media exposure for African-Americans and the typical amount of time spent online is 4 hours and 21 minutes per day, a figure that is 10% higher when compared to all U.S. adults. (Source: "The Media Audit National Report 2010"). Additionally, the growth of internet penetration and high-speed internet penetration in African-American households is expected to remain above that of the general population. We believe that there is no company that dominates the African-American market online, and the lack of any strong competitive presence presents a significant opportunity for us to build an online business that is highly scalable.

The Results of our Black America Study (www.blackamericastudy.com). In addition to relying on third-party research and our own experience, from time to time we conduct or commission our own proprietary research. In early 2008, we released the groundbreaking "Black America Study." This national study, conducted by Yankelovich, a leader in consumer research for over 50 years, is one of the largest segmentation research studies ever done of Blacks and African-Americans. This study helps us to better understand the motivations of our core demographic by segmenting the large and growing African-American audience so that we can highlight the diversity that exists in Black America. This enhanced understanding helps us identify new opportunities to serve the African-American community and assists us in helping advertisers and marketers reach Black America more effectively.

The study includes insight into the feelings of African-Americans about their future, past and present, as well as, details on their relationship with media, advertising and technology. The wealth of quantifiable information about our listeners, viewers, readers and visitors provides valuable marketing and programming applications for us. This allows us to ensure that our content best reflects our audience and, in turn, allows for companies, organizations and individuals to effectively reach this vital community.

Business Strategy

Radio Station Portfolio Optimization. Within our core radio business, our portfolio management strategy is to make select acquisitions of radio stations, primarily in markets where we already have a presence, and to divest stations which are no longer strategic in nature. We may divest stations that do not have an urban format or stations located in smaller markets or markets where the African-American population is smaller, on a relative basis, than other markets in which we operate. However, we are continually looking for opportunities to upgrade existing radio stations by strengthening their signals to reach a larger number of potential listeners.

Investment in Complementary Businesses. We continue to invest in complementary businesses in the media and entertainment industry. The primary focus of these investments will be on businesses that provide entertainment and information content to African-American consumers. Most recently, in April 2008, we acquired CCI, an online social networking company that hosts the website BlackPlanet. BlackPlanet has been integrated into our online operations, which now include the largest social networking site primarily targeted at African-Americans. This integration is consistent with our operating strategy of becoming a multi-media entertainment and information content provider to African-American consumers. We believe that our unique position as a diversified media company focused on the African-American consumer provides us with a competitive advantage in these new businesses.

Top 50 African-American Radio Markets in the United States

The table below notes the top 50 African-American radio markets in the United States. The bold text indicates markets where we own radio stations. Population estimates are for 2009 and are based upon data provided by Arbitron.

Rank	Market	African-American Population (Persons 12+)	African-Americans as a Percentage of the Overall Population (Persons 12+)
		(In thousands)	
1	New York, NY	2,674	17.0%
2	Atlanta, GA	1,392	31.1
3	Chicago, IL	1,366	17.3
4	Washington, DC	1,158	26.4
5	Philadelphia, PA	917	20.5
6	Detroit, MI	837	21.9
7	Houston-Galveston, TX	823	16.7
8	Los Angeles, CA	807	7.3
9	Dallas-Ft. Worth, TX	760	14.3
10	Miami-Ft. Lauderdale-Hollywood, FL	716	19.6
11	Baltimore, MD	651	28.4
12	Memphis, TN	477	43.9
13	San Francisco, CA	436	7.0
14	Norfolk-Virginia Beach-Newport News, VA	427	31.6
15	Charlotte-Gastonia-Rock Hill, NC	425	20.8
16	St. Louis, MO	422	18.2
17	New Orleans, LA	343	33.8
18	Cleveland, OH	335	18.9
19	Raleigh-Durham, NC	291	21.3
20	Richmond, VA	281	29.3
21	Boston, MA	270	6.6
22	Tampa-St. Petersburg-Clearwater, FL	260	10.9

Rank	Market	African-American Population (Persons 12+)	African-Americans as a Percentage of the Overall Population (Persons 12+)
		(In thousands)	
23	Birmingham, AL	254	28.2
24	Greensboro-Winston-Salem-High Point, NC	252	20.8
25	Jacksonville, FL	246	21.4
26	Orlando, FL	238	15.6
27	Nassau-Suffolk (Long Island), NY	226	9.1
28	Cincinnati, OH	221	12.3
29	Columbus, OH	213	14.4
30	Indianapolis, IN	209	14.8
31	Kansas City, KS	208	12.4
32	Milwaukee-Racine, WI	207	14.2
33	Nashville, TN	201	15.7
34	Seattle-Tacoma, WA	192	5.6
35	Baton Rouge, LA	191	33.0
36	Middlesex-Somerset-Union, NJ	185	13.3
37	Jackson, MS	185	46.1
38	Minneapolis-St. Paul, MN	184	6.7
39	Columbia, SC	175	32.3
40	Riverside-San Bernardino, CA	170	9.1
41	Pittsburgh, PA	167	8.4
42	West Palm Beach-Boca Raton, FL	165	14.8
43	Phoenix, AZ	159	4.8
44	Las Vegas, NV	157	10.0
45	Charleston, SC	153	27.1
46	Greenville-Spartanburg, SC	150	16.7
47	Augusta, GA	148	34.0
48	Sacramento, CA	141	14.1
49	Louisville, KY	137	14.1
50	Greenville-New Bern-Jacksonville	132	24.1

Multi-Media Operating Strategy

To maximize net revenue and station operating income at our radio stations, we strive to achieve the largest audience share of African-American listeners in each market, convert these audience share ratings to advertising revenue, and control operating expenses. Complementing our core radio franchise are our cable and online media interests. Through our national presence across our various media, we provide our customers with a multi-media advertising platform that is a unique and powerful delivery mechanism toward African-Americans and other urban consumers. We believe that as we continue to diversify into other media, the strength and effectiveness of this unique platform will become even more compelling. The success of our strategy relies on the following:

- market research, targeted programming and marketing;
- ownership and syndication of programming content;
- radio station clustering, programming segmentation and sales bundling;

- strategic and coordinated sales, marketing and special event efforts;
- strong management and performance-based incentives; and
- significant community involvement.

Market Research, Targeted Programming and Marketing

We use market research to tailor the programming, marketing and promotion of our radio stations and the content of our complementary media to maximize audience share. We also use our research to reinforce and refine our current programming and content, to identify unserved or underserved markets or segments within the African-American population and to determine whether to acquire new media properties or reprogram one of our existing media properties to target those markets or segments.

We also seek to reinforce our targeted programming and content by creating a distinct and marketable identity for each of our media properties. To achieve this objective, in addition to our significant community involvement discussed below, we employ and promote distinct, high-profile personalities across our media properties, many of whom have strong ties to the African-American community and the local communities in which a broadcasting property is located.

Ownership and Syndication of Programming Content

To diversify our revenue base beyond the markets in which we physically operate, we seek to develop or acquire proprietary African-American targeted content. We distribute this content in a variety of ways, utilizing our own network of multi-media distribution assets or through distribution assets owned by others. If we distribute content through others, we are paid for providing this content or we receive advertising inventory which we monetize through our advertising sales. To date, our programming content efforts have included our investment in TV One and its related programming, our 53.5% ownership of Reach Media, the acquisition and development of our interactive brands including BlackPlanet, NewsOne, TheUrbanDaily and HelloBeautiful and the development and distribution of several syndicated radio shows, including the "Russ Parr Morning Show," the "Yolanda Adams Morning Show," the "Rickey Smiley Morning Show," "CoCo Brother Live," CoCo Brother's "Spirit" program, Bishop T.D. Jakes' "Empowering Moments," the "Reverend Al Sharpton Show," and the "Warren Ballentine Show."

Radio Station Clustering, Programming Segmentation and Sales Bundling

We strive to build clusters of radio stations in our markets, with each radio station targeting different demographic segments of the African-American population. This clustering and programming segmentation strategy allows us to achieve greater penetration within the distinct segments of our overall target market. In a similar fashion, we have multiple online brands including BlackPlanet, NewsOne, TheUrbanDaily and HelloBeautiful. Each of these brands focuses upon a different segment of African-American online users. With our radio station clusters and multiple online brands, we are able to direct advertisers to specific audiences within the urban communities in which we are located or to bundle the radio stations and brands for advertising sales purposes when advantageous.

We believe there are several potential benefits that result from operating multiple radio stations within the same market as well as operating multiple online brands. First, each additional radio station in a market and online brand provides us with a larger percentage of the prime advertising time available for sale within that market and among online users. Second, the more stations we program and brands we operate, the greater the market share we can achieve in our target demographic groups through the use of segmented programming and content delivery. Third, we are often able to consolidate sales, promotional, technical support and business functions across stations and brands to produce substantial cost savings. Finally, the purchase of additional radio stations in an existing market and the development of additional online brands allow us to take advantage of our market expertise and leverage our existing relationships with advertisers.

Strategic and Coordinated Sales, Marketing and Special Event Efforts

We have assembled an effective, highly trained sales staff responsible for converting our broadcast and online audience shares into revenue. We operate with a focused, sales-oriented culture, which rewards aggressive selling efforts through a commission and bonus compensation structure. We hire and deploy large teams of sales professionals for each of our media properties or media clusters, and we provide these teams with the resources necessary to compete effectively in the markets in which we operate. We utilize various sales strategies to sell and market our properties on a stand-alone basis, in combination with other properties within a given market, and across our various media properties, where appropriate.

We have created a national platform of radio stations in some of the largest African-American consumer markets. This platform reaches approximately 20 million listeners weekly, more than that of any other radio broadcaster primarily targeting African-Americans. Given the high degree of geographic concentration among the African-American population, national advertisers find advertising on our radio stations an efficient and cost-effective way to reach this target audience. Through our corporate sales department, we bundle and sell our platform of radio stations to national advertisers, thereby enhancing our revenue generating opportunities, expanding our base of advertisers, creating greater demand for our advertising time inventory and increasing the capacity utilization of our inventory and making our sales efforts more efficient. We have also created a dedicated online sales force as part of our interactive unit. The unit's national team focuses on helping marketers reach our online audience of approximately 4 million unique visitors per month. Our leading advertising products, custom marketing solutions, and integrated inventory opportunities, provide our advertising customers a unique vehicle to reach online African-American consumers at scale. To allow marketers to reach our audience across all of our platforms (radio, television and online) in an efficient way, in 2008, we launched One Solution, a cross-platform/brand sales and marketing effort which allows top tier advertisers to take full advantage of our complete suite of offerings through a one-stop shop approach that reaches 82% of African-Americans in the United States.

In order to create advertising loyalty, we strive to be the recognized expert in marketing to the African-American consumer in the markets in which we operate. We believe that we have achieved this recognition by focusing on serving the African-American consumer and by creating innovative advertising campaigns and promotional tie-ins with our advertising clients and sponsoring numerous entertainment events each year. In these events, advertisers buy sponsorships, signage, booth space and/or broadcast promotions to sell a variety of goods and services to African-American consumers. As we expand our presence in our existing markets and into new markets, we may increase the number of events and the number of markets in which we host events based upon our evaluation of the financial viability and economic benefits of the events.

Strong Management and Performance-Based Incentives

We focus on hiring and retaining highly motivated and talented individuals in each functional area of our organization who can effectively help us implement our growth and operating strategies. Our management team is comprised of a diverse group of individuals who bring significant expertise to their functional areas. To enhance the quality of our management in the areas of sales and programming, general managers, sales managers and program directors have significant portions of their compensation tied to the achievement of certain performance goals. General Managers' compensation is based partially on increasing market share and achieving station operating income benchmarks, which creates an incentive for management to focus on both sales growth and profitability. Additionally, sales managers and sales personnel have incentive packages based on sales goals, and program directors and on-air talent have incentive packages focused on maximizing ratings in specific target segments. Our One Solution sales approach seeks to drive incremental revenue and value across all of our media properties and includes performance based incentives for our sales team.

Significant Community Involvement

We believe our active involvement and significant relationships in the African-American community across each of our brands and in each of our markets provide a competitive advantage in targeting African-American audiences and significantly improve the marketability of our advertising to businesses that

are targeting such communities. We believe that a media property's image should reflect the lifestyle and viewpoints of the target demographic group it serves. Due to our fundamental understanding of the African-American community, we are well positioned to identify music and musical styles, as well as political and social trends and issues, early in their evolution. This understanding is integrated into significant aspects of our operations across all of our media properties and enables us to create enhanced awareness and name recognition in the marketplace. In addition, we believe our approach to community involvement leads to increased effectiveness in developing and updating our programming formats and online brands and content which in turn leads to greater listenership and users of our online properties, driving higher ratings and online traffic over the long-term.

Our Radio Station Portfolio

The following table sets forth selected information about our portfolio of radio stations as of December 31, 2009. Market population data and revenue rank data are from BIA Financials Investing in Radio Market Report, 2009 Fourth Edition. Audience share and audience rank data are based on Arbitron Survey four book averages ending with the Fall 2009 Arbitron Survey unless otherwise noted. As used in this table, "n/a" means not applicable or not available and ("t") means tied with one or more radio stations. We do not subscribe to Arbitron for our Boston market.

	Market Rank					Four Book Average			
Market	2010 Metro Population	2009 Radio Revenue	Year Acquired	Format	Target Age Demo-graphic	Audience Share in 12+ Demo-graphic	Audience Rank in 12+ Demo-graphic	Audience Share in Target Demo-graphic	Audience Rank in Target Demo-graphic
Atlanta(1)	7	6							
WPZE-FM(a)			2004	Contemporary Inspirational	25-54	5.7	4(t)	5.8	3
WHTA-FM			2002	Urban Contemporary	18-34	4.0	9(t)	7.7	2
WAMJ-FM(b)			1999	Urban AC	25-54	4.0	9(5)	4.9	6(t)
WUMJ-FM(c)			1999	Urban AC	25-54	*	*	*	*
Washington, DC(1)	9	7							
WKYS-FM			1995	Urban Contemporary	18-34	3.6	8(t)	8.6	2
WMMJ-FM			1987	Urban AC	25-54	5.3	6	4.7	5
WPRS-FM			2008	Contemporary Inspirational	25-54	3.3	15	3.6	13(t)
WYCB-AM			1998	Gospel	25-54	0.2	38(t)	0.2	47(t)
WOL-AM			1980	News/Talk	35-64	0.2	38(t)	0.1	37(t)
Philadelphia(1)	8	10							
WPPZ-FM			1997	Contemporary Inspirational	25-54	2.5	18	5.2	7
WPHI-FM			2000	Urban Contemporary	18-34	2.4	19(t)	2.5	18
WRNB-FM			2004	Urban AC	25-54	3.4	13(t)	3.7	1
Detroit(1)	11	13							
WHTD-FM			1998	Urban Contemporary	18-34	2.8	19	5.5	7
WDMK-FM			1998	Urban AC	25-54	4.1	13	4.1	12
WCHB-AM			1998	News/Talk	35-64	0.6	30(t)	0.3	33(t)
Houston(1)	6	8							
KMJQ-FM			2000	Urban AC	25-54	6.1	3(t)	6.1	3
KBXX-FM			2000	Urban Contemporary	18-34	6.3	2	10.2	1
KROI-FM			2004	Contemporary Inspirational	25-54	2.9	17	3.3	15(t)
Dallas(1)	5	4							
KBFB-FM			2000	Urban Contemporary	18-34	3.0	12(t)	4.5	6
KSOC-FM			2001	Urban AC	25-54	2.2	19	2.5	19
Baltimore(1)	22	20							

Market	Market Rank 2010 Metro Population	Market Rank 2009 Radio Revenue	Year Acquired	Format	Target Age Demo-graphic	Four Book Average Audience Share in 12+ Demo-graphic	Four Book Average Audience Rank in 12+ Demo-graphic	Four Book Average Audience Share in Target Demo-graphic	Four Book Average Audience Rank in Target Demo-graphic
WERQ-FM			1993	Urban Contemporary	18-34	7.7	1	15.5	1
WWIN-FM			1992	Urban AC	25-54	8.3	2(t)	8.2	2
WOLB-AM			1993	News/Talk	35-64	0.2	43(t)	0.2	46(t)
WWIN-AM			1992	Gospel	35-64	0.4	34(t)	0.5	33(t)
St. Louis(1)	21	21							
WFUN-FM			1999	Urban AC	25-54	4.1	13	4.0	12
WHHL-FM			2006	Urban Contemporary	18-34	5.9	5	11.6	2
Cleveland(1)	29	27							
WENZ-FM			1999	Urban Contemporary	18-34	5.5	8	9.5	2
WERE-AM			2000	News/Talk	35-64	0.2	28(t)	0.3	27(t)
WZAK-FM			2000	Urban AC	25-54	7.0	4	6.9	4
				Contemporary					
WJMO-AM			1999	Inspirational	25-54	0.8	23	1.0	20(t)
Charlotte(2)	24	30							
WQNC-FM			2000	Urban AC	25-54	2.3	17	2.9	14
				Contemporary					
WPZS-FM			2004	Inspirational	25-54	3.7	13	3.5	13
Richmond(3)	55	45							
WCDX-FM			2001	Urban Contemporary	18-34	5.8	6	11.0	2
				Contemporary					
WPZZ-FM			1999	Inspirational	25-54	5.2	8	5.1	7
WKJS-FM			2001	Urban AC	25-54	9.4	1	10.0	1
WKJM-FM			2001	Urban AC	25-54	**	**	**	**
WTPS-AM			2001	News/Talk	35-64	0.0	—	0.0	—
Raleigh-Durham(2)	42	37							
WQOK-FM			2000	Urban Contemporary	18-34	7.0	6	13.4	2
WFXK-FM			2000	Urban AC	25-54	***	***	***	***
WFXC-FM			2000	Urban AC	25-54	7.5	3	7.5	5
				Contemporary					
WNNL-FM			2000	Inspirational	25-54	6.0	8	5.6	10.0
Columbus(2)	36	31							
WCKX-FM			2001	Urban Contemporary	18-34	6.5	9	12.5	2
WXMG-FM			2001	R&B/Oldies	25-54	5.3	6	4.5	11
				Contemporary					
WJYD-FM			2001	Inspirational	25-54	1.5	21	1.5	18
Cincinnati(1)	28	24							
WIZF-FM			2001	Urban Contemporary	18-34	4.3	11	7.1	6(t)
WMOJ-FM			2006	Urban AC	25-54	3.8	12	4.2	12
WDBZ-AM			2007	News/Talk	35-64	0.8	24	0.9	23(t)
Indianapolis(2)(4)	39	32							
WHHH-FM			2000	Rhythmic CHR	18-34	5.7	10	11.2	3
WTLC-FM			2000	Urban AC	25-54	6.3	4	6.1	7(t)
WNOU-FM			2000	Pop/CHR	18-34	4.7	7(t)	8.7	2
				Contemporary					
WTLC-AM			2001	Inspirational	25-54	2.4	15	1.8	18

AC — refers to Adult Contemporary

CHR — refers to Contemporary Hit Radio

R&B — refers to Rhythm and Blues

Pop — refers to Popular Music

* Simulcast with WAMJ-FM

** Simulcast with WKJS-FM

*** Simulcast with WFXC-FM

(a) WPZE-FM effective February 20, 2009 (formerly WAMJ-FM).

(b) WAMJ-FM effective February 27, 2009 (formerly WJZZ-FM).

(c) WUMJ-FM effective February 20, 2009 (formerly WPZE-FM).

(1) The four book average and rank is measured using the 12 month PPMtm methodology.

(2) The four book average is measured using a two book diary and a two book (six months) PPMtm average.

(3) The four book average and rank is measured using the four book diary average.

(4) WDNI-CD (formerly WDNI-LP), the low power television station that we acquired in Indianapolis in June 2000, is not included in this table.

Radio Advertising Revenue

For the year ended December 31, 2009, approximately 82.0% of our net revenue was generated from the sale of advertising in our core radio business. Substantially all net revenue generated from our radio franchise is generated from the sale of local, national and network advertising. Local sales are made by the sales staff located in our markets. National sales are made primarily by Katz Communications, Inc. ("Katz"), a firm specializing in radio advertising sales on the national level. Katz is paid agency commissions on the advertising sold. Network sales are made by third-party sales representatives in exchange for commercial inventory made available to them. Approximately 56.2% of our net revenue for the year ended December 31, 2009 was generated from the sale of local advertising and 37.3% from sales to national advertisers, including network advertising. The balance of net revenue generated from our radio franchise is primarily derived from tower rental income, ticket sales and revenue related to Radio One sponsored events, management fees and other revenue.

Advertising rates charged by radio stations are based primarily on:

- a radio station's audience share within the demographic groups targeted by the advertisers;
- the number of radio stations in the market competing for the same demographic groups; and
- the supply and demand for radio advertising time.

A radio station's listenership is measured by diary ratings surveys or the PPMtm system, both of which estimate the number of listeners tuned to a radio station and the time they spend listening to that radio station. Ratings are used by advertisers to evaluate whether to advertise on our radio stations, and are used by us to chart audience growth, set advertising rates and adjust programming. Advertising rates are generally highest during the morning and afternoon commuting hours.

Strategic Diversification and Other Sources of Revenue

We have expanded our operations to include other media forms that are complementary to our core radio business. Since 2008, we have owned and operated CCI, an online social networking company that hosts the website BlackPlanet, the largest social networking site primarily targeted at African-Americans. CCI currently generates the majority of the Company's internet revenue, and derives such revenue principally from advertising services, including advertising aimed at diversity recruiting. Advertising services include the sale of banner and sponsorship advertisements. Advertising revenue is recognized either as impressions (the number of times advertisements appear in viewed pages) are delivered, when "click through" purchases or leads are reported, or ratably over the contract period, where applicable. CCI has a diversity recruiting relationship with Monster, Inc. ("Monster"). Monster posts job listings and advertising on CCI's websites and CCI earns revenue for displaying the images on its websites.

CCI is a part of our broader interactive unit, Interactive One, which also includes the online brands NewsOne, TheUrbanDaily, Elev8 and HelloBeautiful. Similar to CCI, these web properties primarily derive their revenue from advertising services. Revenue is recognized either as impressions are delivered, when "click through" purchases or leads are reported, or ratably over the contract, where applicable.

In February 2005, we acquired 51% of the common stock of Reach Media, which operates The Tom Joyner Morning Show and related businesses. Reach Media primarily derives its revenue from the sale of advertising inventory in connection with its syndication agreements. Mr. Joyner is a leading nationally syndicated radio personality. As of December 31, 2010, The Tom Joyner Morning Show was broadcast on 106 affiliate stations across the United States and is a top-rated morning show in many of the markets in which it is broadcast. Reach Media provides programming content for TV One and operates www.BlackAmericaWeb.com, an African-American targeted website. Reach Media also operates the Tom Joyner Family Reunion and various other special event-related activities. Prior to 2010, Reach Media used an outside sales representative, Citadel Broadcasting Corporation ("Citadel"), to sell both in-show and outside advertising inventory. Prior to 2010, Citadel also held a noncontrolling ownership interest in Reach. In November 2009, a new agreement was executed (the "New Sales Representation Agreement") to replace the old agreement which expired on December 31, 2009. Under the New Sales Representation Agreement, effective January 2010, Citadel began selling advertising inventory for the Tom Joyner Morning Show only outside of the show and on a non-exclusive basis. In addition to these outside sales efforts, Reach Media has expanded its internal sales force to sell in-show advertising inventory, event sponsorships and BlackAmericaWeb.com advertising. As an inducement for Reach Media to enter into the New Sales Representation Agreement, Citadel returned its noncontrolling ownership interest in Reach Media back to Reach Media. As a result of classifying these shares as treasury stock, this transaction effectively increased Radio One's common stock interest in Reach Media to 53.5%. In exchange for the return of the ownership interest, Reach Media issued a $1.0 million promissory note payable to Radio Networks, a subsidiary of Citadel, due in December 2011.

In July 2003, we entered into a joint venture agreement with an affiliate of Comcast Corporation (the "CC Investor") and certain other investors to create TV One, a cable television network featuring lifestyle, entertainment and news-related programming targeted primarily towards African-American viewers. At that time, we committed to make a cumulative cash investment of $74.0 million in TV One by December 31, 2006. As of April 30, 2007 and as of the date of this prospectus, $60.3 million of this commitment had been funded. No additional investment has been made since April 2007. Since April 2007, the initial commitment period for funding the capital committed has been extended on a quarterly basis, most recently to April 1, 2011, and we expect that it will be further extended in an amendment to TV One's governing agreements, due in part to TV One's lower than anticipated capital needs.

In December 2004, TV One entered into a distribution agreement with DIRECTV, Inc. ("DIRECTV") and certain affiliates of DIRECTV became investors in TV One. As of September 30, 2010, we owned approximately 37% of the outstanding equity interests of TV One on a fully-converted basis.

We entered into separate network services and advertising services agreements with TV One in 2003. Under the network services agreement, we are providing TV One with administrative and operational support services and access to Radio One personalities. This agreement was originally scheduled to expire in January 2009, but was extended to January 2010 and has been further extended to January 2011. Under the advertising services agreement, we are providing a specified amount of advertising to TV One. This agreement was also originally scheduled to expire in January 2009, and has been extended to January 2011. In consideration of providing these services, we have received equity in TV One, and receive an annual cash fee of $500,000 for providing services under the network services agreement.

We have launched websites that simultaneously stream radio station content for each of our radio stations, and we derive revenue from the sale of advertisements on those websites. We generally encourage our web advertisers to run simultaneous radio campaigns and use mentions in our radio airtime to promote our websites. By providing streaming, we have been able to broaden our listener reach, particularly to "office hour" listeners. We believe streaming has had a positive impact on our radio stations' reach to listeners. In

addition, our station websites link to our other online properties operated by Interactive One acting as traffic sources for these online brands.

In December 2006, we acquired certain assets constituting Giant Magazine, an urban-themed music and lifestyle magazine. In December 2009, we discontinued publication of the magazine. However, we continue to retain the Giant brand as part of our interactive unit at the website Giantlife.com.

Future opportunities could include investments in, or acquisitions of, companies in diverse media businesses, music production and distribution, movie distribution, internet-based services, and distribution of our content through emerging distribution systems such as the internet, cellular phones, personal digital assistants, digital entertainment devices and the home entertainment market.

Competition

The media industry is highly competitive and we face intense competition in both our core radio franchise and in our complementary media properties, including our interactive unit. Our media properties compete for audiences and advertising revenue with other radio stations and with other media such as broadcast and cable television, the internet, satellite radio, newspapers, magazines, direct mail and outdoor advertising, some of which may be controlled by horizontally-integrated companies. Audience ratings and advertising revenue are subject to change and any adverse change in a market could adversely affect our net revenue in that market. If a competing station converts to a format similar to that of one of our stations, or if one of our competitors strengthens its operations, our stations could suffer a reduction in ratings and advertising revenue. Other media companies which are larger and have more resources may also enter or increase their presence in markets or segments in which we operate. Although we believe our media properties are well positioned to compete, we cannot assure that our properties will maintain or increase their current ratings, market share or advertising revenue.

The radio broadcasting industry is subject to rapid technological change, evolving industry standards and the emergence of new media technologies, which may impact our business. We cannot assure you that we will have the resources to acquire new technologies or to introduce new services that could compete with these new technologies. Several new media technologies are being, or have been, developed including the following:

- satellite delivered digital audio radio service with expansive choice, high sound quality and availability on portable devices and in automobiles;
- audio programming by cable television systems and direct broadcast satellite systems; and
- digital audio and video content available for listening and/or viewing on the internet and/or available for downloading to portable devices.

Along with most other public radio companies, we have invested in iBiquity, a developer of digital audio broadcast technology. We committed by the end of 2009 to convert most of our analog broadcast radio stations to in-band, on-channel digital radio broadcasts, which could provide multi-channel, multi-format digital radio services in the same bandwidth currently occupied by traditional AM and FM radio services. However, we cannot assure you that these arrangements will be successful or enable us to adapt effectively to these new media technologies. As of December 31, 2010, we had converted 48 stations to digital broadcast.

Our interactive unit competes for the time and attention of internet users and, thus, advertisers and advertising revenues with a wide range of internet companies such as Yahoo!tm Inc., Googletm and Microsofttm, social networking sites such as MySpacetm and Facebooktm and traditional media companies, which are increasingly offering their own internet products and services. The internet is dynamic and rapidly evolving, and new and popular competitors, such as social networking sites, frequently emerge and/or are fragmented by new and evolving technologies.

Antitrust Regulation

The agencies responsible for enforcing the federal antitrust laws, the Federal Trade Commission (“FTC”) and the Department of Justice (“DOJ”), may investigate acquisitions. The DOJ has challenged a number of

media property transactions. Some of those challenges ultimately resulted in consent decrees requiring, among other things, divestitures of certain media properties. We cannot predict the outcome of any specific DOJ or FTC review of a particular acquisition.

For acquisitions meeting certain size thresholds, the Hart-Scott-Rodino Act requires the parties to file Notification and Report Forms concerning antitrust issues with the DOJ and the FTC and to observe specified waiting period requirements before completing the acquisition. If the investigating agency raises substantive issues in connection with a proposed transaction, the parties involved frequently engage in lengthy discussions and/or negotiations with the investigating agency to address those issues, including restructuring the proposed acquisition or divesting assets. In addition, the investigating agency could file suit in federal court to enjoin the acquisition or to require the divestiture of assets, among other remedies. All acquisitions, regardless of whether they are required to be reported under the Hart-Scott-Rodino Act, may be investigated by the DOJ or the FTC under the antitrust laws before or after completion. In addition, private parties may under certain circumstances bring legal action to challenge an acquisition under the antitrust laws. The DOJ has stated publicly that it believes that local marketing agreements, joint sales agreements, time brokerage agreements and other similar agreements customarily entered into in connection with radio station transfers could violate the Hart-Scott-Rodino Act if such agreements take effect prior to the expiration of the waiting period under the Hart-Scott-Rodino Act. The DOJ has established certain revenue and audience share concentration benchmarks with respect to radio station acquisitions, above which a transaction may receive additional antitrust scrutiny. The DOJ has also investigated transactions that do not meet or exceed these benchmarks and has cleared transactions that do exceed these benchmarks.

Federal Regulation of Radio Broadcasting

The radio broadcasting industry is subject to extensive and changing regulation by the Federal Communications Commission ("FCC") of ownership, programming, technical operations, employment and other business practices. The FCC regulates radio broadcast stations pursuant to the Communications Act (the "Communications Act") of 1934, as amended. The Communications Act permits the operation of radio broadcast stations only in accordance with a license issued by the FCC upon a finding that the grant of a license would serve the public interest, convenience and necessity. Among other things, the FCC:

- assigns frequency bands for radio broadcasting;
- determines the particular frequencies, locations, operating power, interference standards and other technical parameters of radio broadcast stations;
- issues, renews, revokes and modifies radio broadcast station licenses;
- imposes annual regulatory fees and application processing fees to recover its administrative costs;
- establishes technical requirements for certain transmitting equipment to restrict harmful emissions;
- adopts and implements regulations and policies that affect the ownership, operation, program content and employment and business practices of radio broadcast stations; and
- has the power to impose penalties, including monetary forfeitures, for violations of its rules and the Communications Act.

The Communications Act prohibits the assignment of an FCC license, or transfer of control of an FCC licensee, without the prior approval of the FCC. In determining whether to grant or renew a radio broadcast license or consent to assignment or transfer of a license, the FCC considers a number of factors, including restrictions on foreign ownership, compliance with FCC media ownership limits and other FCC rules, the character and other qualifications of the licensee (or proposed licensee) and compliance with the Anti-Drug Abuse Act of 1988. A licensee's failure to comply with the requirements of the Communications Act or FCC rules and policies may result in the imposition of sanctions, including admonishment, fines, the grant of a license renewal of less than a full eight-year term or with conditions, denial of a license renewal application, the revocation of an FCC license and/or the denial of FCC consent to acquire additional broadcast properties.

Congress, the FCC and, in some cases, local jurisdictions, are considering and may in the future adopt new laws, regulations and policies that could affect the operation, ownership and profitability of our radio stations, result in the loss of audience share and advertising revenue for our radio broadcast stations or affect our ability to acquire additional radio broadcast stations or finance such acquisitions. Such matters include or may include:

- changes to the license authorization and renewal process;
- proposals to improve record keeping, including enhanced disclosure of stations' efforts to serve the public interest;
- proposals to impose spectrum use or other fees on FCC licensees;
- changes to rules relating to political broadcasting including proposals to grant free air time to candidates, and other changes regarding political and non-political program content, funding, political advertising rates, and sponsorship disclosures;
- proposals to restrict or prohibit the advertising of beer, wine and other alcoholic beverages;
- proposals regarding the regulation of the broadcast of indecent or violent content;
- proposals to increase the actions stations must take to demonstrate service to their local communities;
- technical and frequency allocation matters, including increased protection of low power FM stations from interference by full-service stations;
- changes in broadcast multiple ownership, foreign ownership, cross-ownership and ownership attribution policies;
- changes to allow satellite radio operators to insert local content into their programming service;
- service and technical rules for digital radio, including possible additional public interest requirements for terrestrial digital audio broadcasters;
- legislation that would provide for the payment of royalties to artists and musicians whose music is played on terrestrial radio stations;
- changes to allow telephone companies to deliver audio and video programming to homes in their service areas; and
- proposals to alter provisions of the tax laws affecting broadcast operations and acquisitions.

The FCC also has adopted procedures for the auction of broadcast spectrum in circumstances where two or more parties have filed mutually exclusive applications for authority to construct new stations or certain major changes in existing stations. Such procedures may limit our efforts to modify or expand the broadcast signals of our stations.

We cannot predict what changes, if any, might be adopted or considered in the future, or what impact, if any, the implementation of any particular proposals or changes might have on our business.

FCC License Grants and Renewals. In making licensing determinations, the FCC considers an applicant's legal, technical, financial and other qualifications. The FCC grants radio broadcast station licenses for specific periods of time and, upon application, may renew them for additional terms. A station may continue to operate beyond the expiration date of its license if a timely filed license renewal application is pending. Under the Communications Act, radio broadcast station licenses may be granted for a maximum term of eight years.

Generally, the FCC renews radio broadcast licenses without a hearing upon a finding that:

- the radio station has served the public interest, convenience and necessity;
- there have been no serious violations by the licensee of the Communications Act or FCC rules and regulations; and

- there have been no other violations by the licensee of the Communications Act or FCC rules and regulations which, taken together, indicate a pattern of abuse.

After considering these factors and any petitions to deny a license renewal application (which may lead to a hearing), the FCC may grant the license renewal application with or without conditions, including renewal for a term less than the maximum otherwise permitted. Historically, our licenses have been renewed without any conditions or sanctions imposed; however, there can be no assurance that the licenses of each of our stations will be renewed for a full term without conditions or sanctions.

Types of FCC Broadcast Licenses. The FCC classifies each AM and FM radio station. An AM radio station operates on either a clear channel, regional channel or local channel. A clear channel serves wide areas, particularly at night. A regional channel serves primarily a principal population center and the contiguous rural areas. A local channel serves primarily a community and the suburban and rural areas immediately contiguous to it. Class A, B and C radio stations each operate unlimited time. Class A radio stations render primary and secondary service over an extended area. Class B radio stations render service only over a primary service area. Class C radio stations render service only over a primary service area that may be reduced as a consequence of interference. Class D radio stations operate either daytime hours only, during limited times only, or unlimited time with low nighttime power.

FM class designations depend upon the geographic zone in which the transmitter of the FM radio station is located. The minimum and maximum facilities requirements for an FM radio station are determined by its class. In general, commercial FM radio stations are classified as follows, in order of increasing power and antenna height: Class A, B1, C3, B, C2, C1, C0 and C. The FCC has adopted a rule subjecting Class C FM stations that do not satisfy a certain antenna height requirement to an involuntary downgrade in class to Class C0 under certain circumstances.

Radio One's Licenses. The following table sets forth information with respect to each of our radio stations. A broadcast station's market may be different from its community of license. The coverage of an AM radio station is chiefly a function of the power of the radio station's transmitter, less dissipative power losses and any directional antenna adjustments. For FM radio stations, signal coverage area is chiefly a function of the ERP of the radio station's antenna and the HAAT of the radio station's antenna. "ERP" refers to the effective radiated power of an FM radio station. "HAAT" refers to the antenna height above average terrain of an FM radio station.

Market	Station Call Letters	Year of Acquisition	FCC Class	ERP (FM) Power (AM) in Kilowatts	Antenna Height (AM) HAAT (FM) in Meters	Operating Frequency	Expiration Date of FCC License
Atlanta	WUMJ-FM(1)	1999	C3	7.9	175.0	97.5 MHz	4/1/2012
	WAMJ-FM(2)	1999	C3	21.5	110.0	107.5 MHz	4/1/2012
	WHTA-FM	2002	C2	27.0	176.0	107.9 MHz	4/1/2012
	WPZE-FM(3)	2004	A	3.0	143.0	102.5 MHz	4/1/2012
Washington, DC	WOL-AM	1980	C	.37	103.0	1450 kHz	10/1/2011
	WMMJ-FM	1987	A	2.9	146.0	102.3 MHz	10/1/2011
	WKYS-FM	1995	B	24.5	215.0	93.9 MHz	10/1/2011
	WPRS-FM	2008	B	20.0	244.0	104.1 MHz	10/1/2011
	WYCB-AM	1998	C	1.0	103.0	1340 kHz	10/1/2011
Philadelphia	WPPZ-FM(4)	1997	A	0.27	338.0	103.9 MHz	8/1/2014
	WPHI-FM	2000	B	17.0	263.0	100.3 MHz	8/1/2014
	WRNB-FM	2004	A	0.78	276.0	107.9 MHz	6/1/2014
Detroit	WDMK-FM	1998	B	20.0	221.0	105.9 MHz	10/1/2012
	WCHB-AM	1998	B	50.0	49.3	1200 kHz	10/1/2012
	WHTD-FM	1998	B	50.0	152.0	102.7 MHz	10/1/2012

Market	Station Call Letters	Year of Acquisition	FCC Class	ERP (FM) Power (AM) in Kilowatts	Antenna Height (AM) HAAT (FM) in Meters	Operating Frequency	Expiration Date of FCC License
Houston	KMJQ-FM	2000	C	100.0	524.0	102.1 MHz	8/1/2013
	KBXX-FM	2000	C	100.0	585.0	97.9 MHz	8/1/2013
	KROI-FM	2004	C1	21.36	526.0	92.1 MHz	8/1/2013
Dallas	KBFB-FM	2000	C	99.0	574.0	97.9 MHz	8/1/2013
	KSOC-FM	2001	C	100.0	591.0	94.5 MHz	8/1/2013
Baltimore	WWIN-AM	1992	C	0.5	86.9	1400 kHz	10/1/2011
	WWIN-FM	1992	A	3.0	91.0	95.9 MHz	10/1/2011
	WOLB-AM	1993	D	0.25	86.9	1010 kHz	10/1/2011
	WERQ-FM	1993	B	37.0	174.0	92.3 MHz	10/1/2011
St. Louis	WFUN-FM	1999	C3	24.5	102.0	95.5 MHz	12/1/2012
	WHHL-FM	2006	C2	50.0	140.0	104.1 MHz	2/1/2013
Cleveland	WJMO-AM	1999	B	5.0	128.1	1300 kHz	10/1/2012
	WENZ-FM	1999	B	16.0	272.0	107.9 MHz	10/1/2012
	WZAK-FM	2000	B	27.5	189.0	93.1 MHz	10/1/2012
	WERE-AM	2000	C	1.0	106.7	1490 kHz	10/1/2012
Charlotte	WQNC-FM	2000	A	6.0	100.0	92.7 MHz	12/1/2011
	WPZS-FM	2004	A	6.0	100.0	100.9 MHz	12/1/2011
Richmond	WPZZ-FM	1999	C1	100.0	299.0	104.7 MHz	10/1/2011
	WCDX-FM	2001	B1	4.5	235.0	92.1 MHz	10/1/2011
	WKJM-FM	2001	A	6.0	100.0	99.3 MHz	10/1/2011
	WKJS-FM	2001	A	2.3	162.0	105.7 MHz	10/1/2011
	WTPS-AM	2001	C	1.0	121.9	1240 kHz	10/1/2011
Raleigh-Durham	WQOK-FM	2000	C2	50.0	146.0	97.5 MHz	12/1/2011
	WFXK-FM	2000	C1	100.0	299.0	104.3 MHz	12/1/2011
	WFXC-FM	2000	C3	8.0	146.0	107.1 MHz	12/1/2011
	WNNL-FM	2000	C3	7.9	176.0	103.9 MHz	12/1/2011
Boston	WILD-AM	2001	D	4.8	59.6	1090 kHz	4/1/2014
Columbus	WCKX-FM	2001	A	1.9	126.0	107.5 MHz	10/1/2012
	WXMG-FM	2001	A	2.6	154.0	98.9 MHz	10/1/2012
	WJYD-FM	2001	A	6.0	100.0	106.3 MHz	10/1/2012
Cincinnati	WIZF-FM	2001	A	2.5	155.0	101.1 MHz	8/1/2012
	WDBZ-AM	2007	C	1.0	60.7	1230 kHz	10/1/2012
	WMOJ-FM	2006	A	3.1	141.0	100.3 MHz	10/1/2012
Indianapolis(A)	WHHH-FM	2000	A	3.3	87.0	96.3 MHz	8/1/2012
	WTLC-FM	2000	A	6.0	99.0	106.7 MHz	8/1/2012
	WNOU-FM	2000	A	6.0	100.0	100.9 MHz	8/1/2012
	WTLC-AM	2001	B	5.0	140.0	1310 kHz	8/1/2012

(1) WUMJ-FM effective February 20, 2009 (formerly WPZE-FM).

(2) WAMJ-FM effective February 27, 2009 (formerly WJZZ-FM).

(3) WPZE-FM effective February 20, 2009 (formerly WAMJ-FM).

(4) WPPZ-FM operates with facilities equivalent to 3kW at 100 meters.

(A) WDNI-CD (formerly WDNI-LP), the low power television station that we acquired in Indianapolis in June 2000, is not included in this table.

To obtain the FCC's prior consent to assign or transfer control of a broadcast license, an appropriate application must be filed with the FCC. If the assignment or transfer involves a substantial change in ownership or control of the licensee, for example, the transfer or acquisition of more than 50% of the voting stock, the applicant must give public notice and the application is subject to a 30-day period for public comment. During this time, interested parties may file petitions with the FCC to deny the application. Informal objections may be filed any time until the FCC acts upon the application. If the FCC grants an assignment or transfer application, administrative procedures provide for petitions seeking reconsideration or full FCC review of the grant. The Communications Act also permits the appeal of a contested grant to a federal court in certain instances.

Under the Communications Act, a broadcast license may not be granted to or held by any persons who are not U.S. citizens or by any corporation that has more than 20% of its capital stock owned or voted by non-U.S. citizens or entities or their representatives, by foreign governments or their representatives, or by non-U.S. corporations. The Communications Act prohibits indirect foreign ownership through a parent company of the licensee of more than 25% if the FCC determines the public interest will be served by the refusal or revocation of such license. The FCC has interpreted this provision of the Communications Act to require an affirmative public interest finding before a broadcast license may be granted to or held by any such entity, and the FCC has made such an affirmative finding only in limited circumstances. Since we serve as a holding company for subsidiaries that serve as licensees for our stations, we are effectively restricted from having more than one-fourth of our stock owned or voted directly or indirectly by non-U.S. citizens or their representatives, foreign governments, representatives of foreign governments or foreign business entities.

The FCC generally applies its media ownership limits to "attributable" interests. The interests of officers, directors and those who directly or indirectly hold five percent or more of the total outstanding voting stock of a corporation that holds a broadcast license are generally deemed attributable interests, as are any limited partnership or limited liability company interests that are not properly "insulated" from management activities. Passive investors that hold stock for investment purposes only may hold attributable interests with the ownership of 20% or more of the voting stock of the licensee corporation. An entity with one or more radio stations in a market that enters into a local marketing agreement or a time brokerage agreement with another radio station in the same market obtains an attributable interest in the brokered radio station, if the brokering station supplies more than 15% of the brokered radio station's weekly broadcast hours. Similarly, a radio station licensee's right under a joint sales agreement ("JSA") to sell more than 15% per week of the advertising time on another radio station in the same market constitutes an attributable ownership interest in such station for purposes of the FCC's ownership rules. Debt instruments, non-voting stock, unexercised options and warrants, minority voting interests in corporations having a single majority shareholder and limited partnership or limited liability company membership interests where the interest holder is not "materially involved" in the media-related activities of the partnership or limited liability company generally do not subject their holders to attribution unless such interests implicate the FCC's equity-debt-plus (or "EDP") rule. Under the EDP rule, a major programming supplier or a same-market media entity will have an attributable interest in a station if the supplier or same-market media entity also holds debt or equity, or both, in the station that is greater than 33% of the value of the station's total debt plus equity. For purposes of the EDP rule, equity includes all stock, whether voting or nonvoting, and interests held by limited partners or limited liability company members that are not materially involved. A major programming supplier is any supplier that provides more than 15% of the station's weekly programming hours. The FCC has adopted revisions to the EDP rule to promote diversification of broadcast ownership, allowing the 33% EDP benchmark to be exceeded in certain circumstances that would enable an "eligible entity" (as defined by the FCC) to acquire a broadcast station.

The Communications Act and FCC rules generally restrict ownership, operation or control of, or the common holding of attributable interests in:

- radio broadcast stations above certain numerical limits serving the same local market;
- radio broadcast stations combined with television broadcast stations above certain numerical limits serving the same local market (radio/television cross ownership); and
- a radio broadcast station and an English-language daily newspaper serving the same local market (newspaper/broadcast cross-ownership), although in late 2007 the FCC adopted a revised rule that would allow a degree of same-market newspaper/broadcast cross-ownership based on certain presumptions, criteria and limitations.

The media ownership rules are subject to periodic review by the FCC. In 2003, the FCC adopted new rules to modify ownership limits, to change the way a local radio market is defined and to make JSAs involving more than 15% of a same-market radio station's advertising sales "attributable" under the ownership limits. The FCC grandfathered existing combinations of radio stations that would not comply with the modified rules. However, the FCC ruled that such noncompliant combinations could not be sold intact except to certain "eligible entities," which the agency defined as entities qualifying as a small business consistent with Small Business Administration standards. The 2003 rules were challenged in court and the Third Circuit stayed their implementation, among other things, on the basis that the FCC did not adequately justify its radio ownership limits. Subsequently, the Third Circuit partially lifted its stay to allow the new local market definition, JSA attribution rule and grandfathering rules to go into effect. The FCC currently is applying such revisions to pending and new applications.

The numerical limits on radio stations that one entity may own in a local market are as follows:

- in a radio market with 45 or more commercial radio stations, a party may own, operate or control up to eight commercial radio stations, not more than five of which are in the same service (AM or FM);
- in a radio market with 30 to 44 commercial radio stations, a party may own, operate or control up to seven commercial radio stations, not more than four of which are in the same service (AM or FM);
- in a radio market with 15 to 29 commercial radio stations, a party may own, operate or control up to six commercial radio stations, not more than four of which are in the same service (AM or FM); and
- in a radio market with 14 or fewer commercial radio stations, a party may own, operate or control up to five commercial radio stations, not more than three of which are in the same service (AM or FM), except that a party may not own, operate, or control more than 50% of the radio stations in such market.

To apply these tiers, the FCC currently relies on Arbitron Metro Survey Areas, where they exist. In other areas, the FCC relies on a contour-overlap methodology. Under this approach, the FCC uses one overlapping contour methodology for defining a local radio market and counting the number of stations that the applicant controls or proposes to control in that market, and it employs a separate overlapping contour methodology for determining the number of operating commercial radio stations in the market for determining compliance with the local radio ownership caps. For radio stations located outside Arbitron Metro Survey Areas, the FCC is undertaking a rulemaking to determine how to define local radio markets in areas located outside Arbitron Metro Survey Areas. The market definition used by the FCC in applying its ownership rules may not be the same as that used for purposes of the Hart-Scott-Rodino Act.

In its 2003 media ownership decision, the FCC adopted new cross-media limits to replace the former newspaper-broadcast and radio-television cross-ownership rules. These provisions were remanded by the Third Circuit for further FCC consideration and are currently subject to a judicial stay. In 2006, the FCC commenced a new rule making proceeding which addressed the next periodic review and issues on remand from the Third Circuit. At an open meeting on December 18, 2007, the FCC adopted a decision in that proceeding. It revised the newspaper/broadcast cross-ownership rule to allow a degree of same-market newspaper/broadcast ownership based on certain presumptions, criteria and limitations. It made no changes to the currently effective local

radio ownership rules (as modified in 2003) or the radio/television cross-ownership rule (as modified in 1999). The FCC's 2007 decision is the subject of a request for reconsideration and various court appeals. Moreover, the FCC's next periodic review of its media ownership rules is scheduled for 2010.

The attribution and media ownership rules limit the number of radio stations we may acquire or own in any particular market and may limit the prospective buyers of any stations we want to sell. The FCC's rules could affect our business in a number of ways, including, but not limited to, the following:

- enforcement of a more narrow market definition based upon Arbitron markets could have an adverse effect on our ability to accumulate stations in a given area or to sell a group of stations in a local market to a single entity;
- restricting the assignment and transfer of control of radio combinations that exceed the new ownership limits as a result of the revised local market definitions could adversely affect our ability to buy or sell a group of stations in a local market from or to a single entity; and
- in general terms, future changes in the way the FCC defines radio markets or in the numerical station caps could limit our ability to acquire new stations in certain markets, our ability to operate stations pursuant to certain agreements, and our ability to improve the coverage contours of our existing stations.

Programming and Operations. The Communications Act requires broadcasters to serve the "public interest" by presenting programming in response to community problems, needs and interests and maintaining records demonstrating its responsiveness. The FCC considers complaints from listeners about a broadcast station's programming, and the station is required to maintain letters and emails it receives from the public regarding station operation on public file for three years. In November 2007, the FCC adopted rules establishing a standardized form for reporting information on a television station's public interest programming and requiring television broadcasters to post the new form, as well as other documents in their public inspection files, on station websites. The FCC is considering whether to adopt similar rules for radio stations. Moreover, the FCC has proposed rules designed to increase local programming content and diversity, including renewal application processing guidelines for locally-oriented programming and a requirement that broadcasters establish advisory boards in the communities where they own stations. Stations also must follow FCC rules and policies regulating political advertising, obscene or indecent programming, sponsorship identification, contests and lotteries and technical operation, including limits on human exposure to radio frequency radiation.

The FCC's rules prohibit a broadcast licensee from simulcasting more than 25% of its programming on another radio station in the same broadcast service (that is, AM/AM or FM/FM). The simulcasting restriction applies if the licensee owns both radio broadcast stations or owns one and programs the other through a local marketing agreement, and only if the contours of the radio stations overlap in a certain manner.

The FCC requires that licensees not discriminate in hiring practices on the basis of race, color, religion, national origin or gender. It also requires stations with at least five full-time employees to disseminate information about all full-time job openings and undertake outreach initiatives from an FCC list of activities such as participation in job fairs, internships or scholarship programs. The FCC is considering whether to apply these recruitment requirements to part-time employment positions. Stations must retain records of their outreach efforts and keep an annual Equal Employment Opportunity ("EEO") report in their public inspection files and post an electronic version on their websites. Radio stations with more than 10 full-time employees must file certain EEO reports with the FCC midway through their license term.

From time to time, complaints may be filed against any of our radio stations alleging violations of these or other rules. In addition, the FCC may conduct audits or inspections to ensure and verify licensee compliance with FCC rules and regulations. Failure to observe these or other rules and regulations can result in the imposition of various sanctions, including fines or conditions, the grant of "short" (less than the maximum eight year) renewal terms or, for particularly egregious violations, the denial of a license renewal application or the revocation of a license.

Employees

As of December 31, 2010, we employed 867 full-time employees and 385 part-time employees. Our employees are not unionized; however, some of our employees were at one point covered by collective bargaining agreements that we assumed in connection with certain of our station acquisitions. We have not experienced any work stoppages and believe relations with our employees are satisfactory.

Properties

The types of properties required to support each of our radio stations include offices, studios and transmitter/antenna sites. Our other media properties, such as Interactive One and CCI, generally only require office space. We typically lease our studio and office space with lease terms ranging from five to 10 years in length. A station's studios are generally housed with its offices in business districts. We generally consider our facilities to be suitable and of adequate size for our current and intended purposes. We lease a majority of our main transmitter/antenna sites and associated broadcast towers and, when negotiating a lease for such sites, we try to obtain a lengthy lease term with options to renew. In general, we do not anticipate difficulties in renewing facility or transmitter/antenna site leases, or in leasing additional space or sites, if required.

We own substantially all of our equipment, consisting principally of transmitting antennae, transmitters, studio equipment and general office equipment. The towers, antennae and other transmission equipment used by our stations are generally in good condition, although opportunities to upgrade facilities are periodically reviewed. The tangible personal property owned by us and the real property owned or leased by us are subject to security interests under our senior credit facility.

Legal Proceedings

In November 2001, Radio One and certain of its officers and directors were named as defendants in a class action shareholder complaint filed in the United States District Court for the Southern District of New York, captioned, In re Radio One, Inc. Initial Public Offering Securities Litigation, Case No. 01-CV-10160. Similar complaints were filed in the same court against hundreds of other public companies (Issuers) that conducted initial public offerings of their common stock in the late 1990s ("the IPO Cases"). In the complaint filed against Radio One (as amended), the plaintiffs claimed that Radio One, certain of its officers and directors, and the underwriters of certain of its public offerings violated Section 11 of the Securities Act. The plaintiffs' claim was based on allegations that Radio One's registration statement and prospectus failed to disclose material facts regarding the compensation to be received by the underwriters, and the stock allocation practices of the underwriters. The complaint also contains a claim for violation of Section 10(b) of the Securities Exchange Act of 1934 based on allegations that these omissions constituted a deceit on investors. The plaintiffs seek unspecified monetary damages and other relief.

In July 2002, Radio One joined in a global motion, filed by the Issuers, to dismiss the IPO Lawsuits. In October 2002, the court entered an order dismissing the Company's named officers and directors from the IPO Lawsuits without prejudice, pursuant to an agreement tolling the statute of limitations with respect to Radio One's officers and directors until September 30, 2003. In February 2003, the court issued a decision denying the motion to dismiss the Section 11 and Section 10(b) claims against Radio One and most of the Issuers.

In July 2003, a Special Litigation Committee of Radio One's board of directors approved in principle a tentative settlement with the plaintiffs. The proposed settlement would have provided for the dismissal with prejudice of all claims against the participating Issuers and their officers and directors in the IPO Cases and the assignment to plaintiffs of certain potential claims that the Issuers may have against their underwriters. In September 2003, in connection with the proposed settlement, Radio One's named officers and directors extended the tolling agreement so that it would not expire prior to any settlement being finalized. In June 2004, Radio One executed a final settlement agreement with the plaintiffs. In 2005, the court issued a decision certifying a class action for settlement purposes and granting preliminary approval of the settlement. On February 24, 2006, the court dismissed litigation filed against certain underwriters in connection with the claims to be assigned to the plaintiffs under the settlement. On April 24, 2006, the court held a Final Fairness

Hearing to determine whether to grant final approval of the settlement. On December 5, 2006, the Second Circuit Court of Appeals vacated the district court's earlier decision certifying as class actions the six IPO Cases designated as "focus cases." Thereafter, the district court ordered a stay of all proceedings in all of the IPO Cases pending the outcome of plaintiffs' petition to the Second Circuit for rehearing en banc and resolution of the class certification issue. On April 6, 2007, the Second Circuit denied plaintiffs' rehearing petition, but clarified that the plaintiffs may seek to certify a more limited class in the district court. Accordingly, the settlement was terminated pursuant to stipulation of the parties and did not receive final approval.

Plaintiffs filed amended complaints in the six "focus cases" on or about August 14, 2007. Radio One is not a defendant in the focus cases. In September 2007, Radio One's named officers and directors again extended the tolling agreement with plaintiffs. On or about September 27, 2007, plaintiffs moved to certify the classes alleged in the "focus cases" and to appoint class representatives and class counsel in those cases. The focus cases issuers filed motions to dismiss the claims against them in November 2007 and an opposition to plaintiffs' motion for the class certification in December 2007. On March 16, 2008, the district court denied the motions to dismiss in the focus cases. In August 2008, the parties to the IPO Cases began mediation toward a global settlement of the IPO Cases. In September 2008, Radio One's board of directors approved in principle participation in a tentative settlement with the plaintiffs. On October 2, 2008, the plaintiffs withdrew their class certification motion. In April 2009, a global settlement was reached in the IPO Cases and submitted to the district court for approval. On June 9, 2009, the court granted preliminary approval of the proposed settlement and ordered that notice of the settlement be published and mailed to class members. On September 10, 2009, the court held a Final Fairness Hearing. On October 6, 2009, the court certified the settlement class in each IPO Case and granted final approval of the settlement. On or about October 23, 2009, three shareholders filed a Petition for Permission To Appeal Class Certification Order, challenging the court's certification of the settlement classes. Beginning on October 29, 2009, a number of shareholders also filed direct appeals, objecting to final approval of the settlement. If the settlement is affirmed on appeal, the settlement will result in the dismissal of all claims against Radio One and its officers and directors with prejudice, and our pro rata share of the settlement fund will be fully funded by insurance.

Radio One is involved from time to time in various routine legal and administrative proceedings and threatened legal and administrative proceedings incidental to the ordinary course of our business. Radio One believes the resolution of such matters will not have a material adverse effect on its business, financial condition or results of operations.

DIRECTORS, OFFICERS AND CORPORATE GOVERNANCE

Our current directors and executive officers are:

Catherine L. Hughes Chairperson of the Board and Secretary Director since 1980 Age: 63	Ms. Hughes has been Chairperson of the Board and Secretary of Radio One since 1980, and was Chief Executive Officer of Radio One from 1980 to 1997. Since 1980, Ms. Hughes has worked in various capacities for Radio One including President, General Manager, General Sales Manager and talk show host. She began her career in radio as General Sales Manager of WHUR-FM, the Howard University-owned, urban-contemporary radio station. Ms. Hughes is the mother of Mr. Liggins, Radio One's Chief Executive Officer, Treasurer, President and a Director. Over the last 5 years, Ms. Hughes has sat on the boards of directors of numerous organizations including Broadcast Music, Inc. and Piney Woods High School. During that period, she has also sat on an advisory board for Wal-Mart Stores, Inc., a publicly held company. Ms. Hughes' qualifications to serve as a director include her being the founder of Radio One, her over 30 years of operational experience with the Company and her unique status within the African-American community. Her service on other boards of directors and advisory boards is also beneficial to Radio One.
Alfred C. Liggins, III Chief Executive Officer, President and Treasurer Director since 1989 Age: 46	Mr. Liggins has been Chief Executive Officer ("CEO") of Radio One since 1997 and President since 1989. Mr. Liggins joined Radio One in 1985 as an account manager at WOL-AM. In 1987, he was promoted to General Sales Manager and promoted again in 1988 to General Manager overseeing Radio One's Washington, DC operations. After becoming President, Mr. Liggins engineered Radio One's expansion into new markets. Mr. Liggins is a graduate of the Wharton School of Business Executive MBA Program. Mr. Liggins is the son of Ms. Hughes, Radio One's Chairperson, Secretary and a Director. Over the last 5 years, Mr. Liggins has sat on the boards of directors of numerous organizations including the Apollo Theater Foundation, Reach Media, The Boys & Girls Clubs of America, The Ibiquity Corporation, the National Association of Black Owned Broadcasters and the National Association of Broadcasters. Mr. Liggins' qualifications to serve as a director include his over 25 years of operational experience with the Company in various capacities and his nationally recognized expertise in the entertainment and media industries.

Geoffrey Armstrong Director since 2001 Age: 53	Mr. Armstrong is currently Chief Executive Officer of 310 Partners, a private investment firm. From March 1999 through September 2000, Mr. Armstrong was the Chief Financial Officer of AMFM, Inc., which was publicly traded on the New York Stock Exchange until it was purchased by Clear Channel Communications in September 2000. Prior to that, he was Chief Operating Officer and a director of Capstar Broadcasting Corporation, which merged with AMFM, Inc. Mr. Armstrong was a founder of SFX Broadcasting, which went public in 1993, and subsequently served as Chief Financial Officer, Chief Operating Officer, and a director until the company was sold in 1998. Since November 2003, Mr. Armstrong has also been a director of Nexstar Broadcasting Group, Inc., a publicly held company. Mr. Armstrong's qualifications to serve as a director include his many years of senior management experience at various public and private companies, including as a chief financial officer and chief operating officer, and his ability to provide insight into a number of areas including governance, executive compensation and corporate finance.
Ronald E. Blaylock Director since 2002 Age: 50	Mr. Blaylock has been the Founder and Managing Partner of GenNx360 Capital Partners, a private equity buy out firm, since 2006. Mr. Blaylock was the Founder, Chairman and Chief Executive Officer of Blaylock & Company, Inc., an investment banking firm, and held senior management positions with PaineWebber Group and Citicorp before launching Blaylock & Company, Inc. in 1993. Mr. Blaylock is also currently a director of CarMax, Inc. (2007 to present) and W. R. Berkley Corporation (2001 to present). Mr. Blaylock's founding and management of two financial services companies has provided him with valuable business, leadership and management experience. As a result, Mr. Blaylock brings substantial financial expertise to the board. In addition, Mr. Blaylock's experience on the boards of directors of other public companies enables him to bring other perspectives and experience to the board.

Terry L. Jones Director since 1995 Age: 63	Mr. Jones is the Managing Member of the General Partner of Syndicated Communications Venture Partners V, L.P. and the Managing Member of Syncom Venture Management Co., LLC ("Syncom"). Prior to joining Syncom in 1978, he was co-founding stockholder and Vice President of Kiambere Savings and Loan in Nairobi, and a Lecturer at the University of Nairobi. He also worked as a Senior Electrical Engineer for Westinghouse Aerospace and Litton Industries. He is a member of the board of directors for several other Syncom portfolio companies including Radio One, Inc. He formerly served on the Board of the Southern African Enterprise Development Fund, a presidential appointment, and is on the Board of Trustees of Spellman College. Mr. Jones received a B.S. degree in Electrical Engineering from Trinity College, an M.S. degree in Electrical Engineering from George Washington University and a Masters of Business Administration from Harvard University. During the last 5 years, Mr. Jones has sat on the boards of directors of TV One, Iridium Communications, Inc., a publicly held company ("Iridium"), PKS Communications, Inc., a publicly held company, Weather Decisions Technology, Inc., V-me, Inc., Syncom and Verified Identity Pass, Inc. He currently serves on the board of directors of Iridium (2001 to present), Syncom and Cyber Digital, Inc., a publicly held company. Mr. Jones' qualifications to serve as a director include his knowledge of Radio One, his many years of senior management experience at various public and private media enterprises, and his ability to provide insight into a number of areas including governance, executive compensation and corporate finance.
Brian W. McNeill Director since 1995 Age: 54	Mr. McNeill is a founder and Managing General Partner of Alta Communications. He specializes in identifying and managing investments in the traditional sectors of the media industry, including radio and television broadcasting, outdoor advertising and other advertising-based or cash flow-based businesses. Over the last 5 years, Mr. McNeill has served on the board of directors of some of the most significant companies in the radio and television industries including Una Vez Mas, Millennium Radio Group, LLC and NextMedia Investors LLC. He joined Burr, Egan, Deleage & Co. as a general partner in 1986, where he focused on the media and communications industries. Previously, Mr. McNeill formed and managed the Broadcasting Lending Division at the Bank of Boston. He received an MBA from the Amos Tuck School of Business Administration at Dartmouth College and graduated magna cum laude with a degree in economics from the College of the Holy Cross. Mr. McNeill's qualifications to serve as a director include his knowledge of Radio One, the media industry and the financial markets, and his ability to provide input into a number of areas including governance, executive compensation and corporate finance. His service on the boards of directors of various other media companies also is beneficial to Radio One.

Doyle Mitchell, Jr. Director since 2008 Age: 48	B. Doyle Mitchell, Jr. is President and CEO of Industrial Bank, N.A., headquartered in Washington, DC. He was elected to the board of directors of Industrial Bank, N.A. in 1990 and has been President since 1993. Mr. Mitchell currently serves on the board of directors of the Federal City Council, the Luke C. Moore Academy, Sewell Music Conservatory, Leadership Greater Washington, the Washington Performing Arts Society, the Greater Prince Georges Business Roundtable and the D.C. Chamber of Commerce, of which he was Chairman in 2001, and is one of the owners of the Washington Nationals Baseball Team. Mr. Mitchell's qualifications to serve as a director include his knowledge of banking and finance, and his ability to provide input into a number of areas including corporate finance and his service to the audit committee. His service on the boards of directors of various other entities also is beneficial to Radio One.
Peter D. Thompson Executive Vice President and Chief Financial Officer Age: 46	Mr. Thompson has been Chief Financial Officer ("CFO") of Radio One since February 2008. Mr. Thompson joined the Company in October 2007, as the Company's Executive Vice President of Business Development. Prior to his employment with the Company, Mr. Thompson worked on various business development projects for Radio One. Prior to working with the Company, Mr. Thompson served as a public accountant and spent 13 years at Universal Music in the United Kingdom, including five years serving as CFO.
Barry A. Mayo President, Radio Division Age: 58	Mr. Mayo has been President of Radio One's Radio Division since August 2007. Prior to joining Radio One, Mr. Mayo served as a consultant to the Company through his firm Mayomedia, a media consulting firm specializing in urban markets. Mr. Mayo has held numerous senior management positions during his 30 plus years of experience in the industry. He began as a program director and he helped create one of the largest urban stations in the country, WRKS-FM, in New York. Three years after joining the programming staff at WRKS-FM, Mr. Mayo became Vice President and General Manager of that station. In 1988, he and a group of partners founded Broadcast Partners. While Mr. Mayo served as President, Broadcast Partners grew into an eleven-station, publicly traded company with stations in Dallas, New York, Chicago and Charlotte. In 1995, Mr. Mayo sold his share of Broadcast Partners and founded Mayomedia. In 2003, he was recruited back to New York to become the Senior Vice President and Market Manager for Emmis Radio. He left Emmis Radio in 2006 to resume his consulting career and began working with Radio One in July 2006 as a consultant.

Linda J. Vilardo Vice President, Assistant Secretary and Chief Administrative Officer Age: 53	Ms. Vilardo has been Chief Administrative Officer ("CAO") of Radio One since November 2004, Assistant Secretary since April 1999, Vice President since February 2001, and was General Counsel from January 1998 to January 2005. Prior to joining Radio One, Ms. Vilardo was a partner in the Washington, DC office of Davis Wright Tremaine LLP, where she represented Radio One as outside counsel. From 1992 to 1997, she was a shareholder of Roberts & Eckard, P.C., a firm that she co-founded. Ms. Vilardo is a graduate of Gettysburg College, the National Law Center at George Washington University and the University of Glasgow.

Board of Directors

Currently, the board of directors is comprised of seven members, five of whom are neither officers nor employees of Radio One. The board held 9 meetings during the calendar year ended December 31, 2010. Each of the seven directors attended more than 75% of the aggregate number of meetings of the board and committees thereof on which he or she served. It is the policy of the Company that all members of the board of directors attend annual meetings of the stockholders. All of the directors attended the 2010 annual meeting of the stockholders of the Company.

Board Leadership Structure

Ms. Hughes has been Chairperson of the board of directors since 1980. Since the appointment of Mr. Liggins as CEO in 1997, the roles of Chairperson of the board and CEO have been separate. We believe it is the CEO's responsibility to run the Company and the Chairperson's responsibility to run the board of directors. By having Ms. Hughes serve as chairperson of the board, Mr. Liggins is better able to focus on running the day to day operations of the Company. We believe this is particularly true in light of the current operating environment. Further, bifurcating the roles enables non-management directors to raise issues and concerns for board consideration without immediately involving management. The chairman or lead director also serves as a liaison between the board and senior management and also provides further vision as to the strategic direction of the Company. Finally, the board has a third leadership position in the Chairmen of our Audit Committee. As discussed below, our Audit Committee is comprises of three independent directors. The audit committee is responsible for oversight of the quality and integrity of the accounting, auditing and reporting practices of Radio One and for the Company's risk management. The Chair of the Audit Committee effectively serves as a "check" on both the Chairperson and the CEO by representing a strong outside presence with significant financial and business experience.

Committees of the Board of Directors

The board has a standing audit committee, compensation committee and nominating committee.

Audit Committee

The audit committee consists of D. Geoffrey Armstrong, Brian W. McNeill and B. Doyle Mitchell, Jr. each of whom satisfy the requirements for audit committee membership under the listing standards of the NASDAQ Stock Market. Each of the audit committee members is an "independent director", as that term is defined in Rule 5605(a)(2) of the NASDAQ Listing Rules. The board of directors has determined that both Mr. Armstrong and Mr. Mitchell qualify as "audit committee financial experts," as defined by Item 401(h) of Regulation S-K of the Securities Act of 1933. The board has adopted a written audit committee charter, which is available on our website at www.radio-one.com/about/audit_committee.asp. The audit committee met seven times and acted one time by unanimous written consent during the calendar year ended December 31, 2010.

The audit committee is responsible for oversight of the quality and integrity of the accounting, auditing and reporting practices of Radio One, and as part of this responsibility the audit committee:

- selects our independent registered public accounting firm;
- reviews the services performed by our independent registered public accounting firm, including non-audit services, if any;
- reviews the scope and results of the annual audit;
- reviews the adequacy of the system of internal accounting controls and internal control over financial reporting;
- reviews and discusses the financial statements and accounting policies with management and our independent registered public accounting firm;
- reviews the performance and fees of our independent registered public accounting firm;
- reviews the independence of our auditors;
- reviews the audit committee charter; and
- reviews related party transactions, if any.

The audit committee also oversees Radio One's risk policies and processes relating to the financial statements and financial reporting processes, as well as key credit liquidity risks, market risks and compliance, and the guidelines, policies and processes for monitoring and mitigating those risks.

Compensation Committee

Our compensation committee consists of Terry L. Jones, Brian W. McNeill and D. Geoffrey Armstrong. The compensation committee held one formal meeting and acted once by written consent during the calendar year ended December 31, 2010. The board has adopted a written compensation committee charter. The functions of the compensation committee include:

- reviewing and approving the salaries, bonuses and other compensation of our executive officers, including stock option or restricted stock grants;
- establishing and reviewing policies regarding executive officer compensation and perquisites; and
- performing such other duties as shall from time to time be delegated by the board.

Nominating Committee

Our nominating committee consists of Alfred C. Liggins, III, Catherine L. Hughes, Terry L. Jones and Brian W. McNeill. The nominating committee is responsible for recommending the criteria for selection of board members and assisting the board of directors in identifying candidates. The nominating committee held one meeting during the calendar year ended December 31, 2010. The nominating committee does not have a charter.

The nominating committee reviews the qualifications of all persons recommended by stockholders as nominees to the board of directors to determine whether the recommended nominees will make good candidates for consideration for membership on the board. The nominating committee has not established specific minimum qualifications for recommended nominees. However, as a matter of practice, the nominating committee evaluates recommended nominees for directors based on their integrity, judgment, independence, financial and business acumen, relevant experience, and their ability to act on behalf of all stockholders, as well as meet the needs of the board of directors, including the need to have diverse perspective. In the consideration of diversity of perspective, the nominating committee is most concerned with finding nominees that counter any perceived weaknesses in board composition. Such weaknesses may include weaknesses in perspective based upon race, sex, skill sets and industry insight particularly as the Company diversifies its business. Following such evaluation, the nominating committee will make recommendations for director

membership and review the recommendations with the board of directors, which will decide whether to invite the candidate to be a nominee for election to the board. The nominating committee recommended to the board of directors that the incumbent directors be nominated for re-election to the board at the 2010 annual meeting.

For a stockholder to submit a candidate for consideration to the nominating committee, a stockholder must notify Radio One's Assistant Secretary. To make a recommendation for director nomination in advance of the 2011 annual meeting of Radio One, a stockholder must have notified Radio One's Assistant Secretary in writing no later than January 15, 2011, the date that is expected to be approximately 120 days prior to the mailing of the proxy statement for the 2011 annual meeting of stockholders. Notices should have been sent to:

Assistant Secretary
Radio One, Inc.
5900 Princess Garden Parkway, 7th Floor
Lanham, MD 20706

All notices must include all information relating to the stockholder and the proposed nominee that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for elections of directors under the proxy rules of the United States Securities Exchange Commission.

Code of Ethics. We have adopted a code of ethics that applies to all of our directors, officers (including our principal financial officer and principal accounting officer) and employees and meets the requirements of the SEC and the NASDAQ Stock Market Rules. Our code of ethics can be found on our website, www.radio-one.com. We will provide a paper copy of our code of ethics, free of charge, upon request.

Communication with the Board of Directors

Our stockholders may communicate directly with the board of directors. All communications should be in written form and directed to Radio One's Assistant Secretary at the following address:

Assistant Secretary
Radio One, Inc.
5900 Princess Garden Parkway, 7th Floor
Lanham, MD 20706

Communications should be enclosed in a sealed envelope that prominently indicates that it is intended for Radio One's board of directors. Each communication intended for Radio One's board of directors and received by the Assistant Secretary that is related to the operation of Radio One and is relevant to the director's service on the board shall be forwarded to the specified party following its clearance through normal review and appropriate security procedures.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The first part of the narrative below, entitled Compensation Policies and Philosophy, discusses in detail our compensation philosophy and practices. The second part of the Compensation Discussion and Analysis, entitled 2010 Compensation Actions, discusses compensation decisions and actions for our named executives that occurred during calendar year 2010, including certain actions with respect to fiscal year 2009. The Company's compensation committee (for purposes of this discussion, the "Committee") is appointed by the board of directors and has responsibility for establishing, implementing and monitoring adherence to the Company's compensation philosophy. The Committee oversees the compensation of the Company's executive officers and determines the compensation of the Chairperson and the CEO. The Committee strives to ensure that the total compensation paid to the Company's named executive officers is fair, reasonable and competitive and provides an appropriate mix of different compensation elements that find a balance between current versus long-term compensation and cash versus equity incentive compensation.

We are a "controlled company" under the NASDAQ listing rule as more than 50% of our voting power is held by Catherine L. Hughes, our Chairperson of the Board and Secretary, and Alfred C. Liggins, III, our CEO and President. While we were therefore not subject to NASDAQ rules that would require us to have a compensation committee composed solely of independent directors, during the year ended December 31, 2010, all of the members of the Committee were independent directors. Throughout this discussion, we refer to the individuals who served during calendar year 2010 as the Company's Chairperson, CEO, Chief Financial Officer ("CFO"), Chief Administrative Officer ("CAO") and President-Radio Division ("PRD"), as the Company's "named executive officers."

Compensation Policies and Philosophy

The overall objective of our compensation plan is to attract, motivate, retain and reward the top-quality management that we need in order to operate successfully and meet our strategic objectives, including our diversification into a broader multi-media company. To achieve this, we aim to provide a compensation package that is competitive in the markets and industries in which we compete for talent, that provides rewards for achieving financial, operational and strategic performance goals and aligns executives' financial interests with those of our shareholders.

We operate in the intensely competitive media industry, which is characterized by rapidly changing technology, evolving industry standards, frequent introduction of new media services, price and cost competition, limited advertising dollars, and extensive regulation. We face many aggressive and well-financed competitors. In this environment, our success depends on attracting and maintaining a leadership team with the integrity, skills, and dedication needed to manage a dynamic organization and the vision to anticipate and respond to future market developments. We use our executive compensation program to help us achieve this objective. Part of the compensation package, principally the annual salary, benefits and perquisites, is designed to enable us to assemble and retain a group of executives who have the collective and individual experience and abilities necessary to run our business to meet these challenges. Other parts, principally the annual bonus opportunity and the stock-based awards, are intended to focus these executives on achieving financial results that enhance the value of our stockholders' investment. At the same time, the compensation structure is flexible, so that we can meet the changing needs of our business over time and reward executive officers and managers based on the financial performance of operations under their control.

Our compensation packages also take into account the economic and general business conditions at the time in which compensation decisions are made. While we may adjust and refine our compensation packages as operating conditions change, we believe it is important to maintain consistency in our compensation philosophy and approach. We recognize that value-creating performance by an executive or group of executives does not always translate immediately into appreciation of our stock price, particularly in periods of industry transformation and/or general economic volatility. Management and the Committee are aware of the impact that industry transformation and the general economic volatility has had on the Company's stock price, but the Committee intends to continue to reward management performance based on its belief that over time

strong operating performance, including performance in diversifying the Company's multi-media platform will be reflected through stock price appreciation. In the context of industry decline, the Committee also believes that performance as measured against the industry in general and relative to the markets in which we operate should be given consideration. That said, we believe that it is appropriate for certain components of compensation to decline and/or for management to share in corporate-wide financial sacrifice in challenging operating environments and during periods of economic stress and reduced earnings.

Process

The Committee meets periodically throughout the year. In addition, members of the Committee discuss compensation matters with our CEO and CFO and among themselves informally outside of meetings. The CEO may make recommendations to the Committee concerning the amount and form of compensation to all named executive officers. In establishing the compensation levels for Radio One's Chairperson and CEO in connection with their April 2008 employment agreements, the Committee itself engaged the services of Pearl Meyers & Partners, LLC ("Pearl Meyers"), a nationally recognized compensation consultant, and outside counsel to ensure compliance with its fiduciary duties. In connection with the Chairperson's and CEO's April 2008 employment agreements, the Committee used its compensation consultant to provide advice in the development and evaluation of compensation and the Committee's determinations of the Chairperson's and CEO's compensation awards. The outside consultant, however, is not consulted by the Committee on all executive compensation issues or all aspects of any particular issue, but is used as the Committee deems appropriate.

The Committee uses judgment and discretion rather than relying solely on formulaic results. The Committee considers a number of qualitative and quantitative factors, including the competitive market for executives, the level and types of compensation paid to executive officers in similar positions by comparable companies, performance in the context of the economic environment relative to other companies, vision and ability to create further growth, the ability to lead others and an evaluation of Radio One's financial and operational performance. We review the compensation paid to executives at other radio broadcasting companies as a reference point for determining the competitiveness of our executive compensation and to determine a competitive range of compensation observed in the marketplace. Generally speaking, our peer group of radio broadcasting companies includes Citadel Broadcasting Corporation, Emmis Communications Corp., Entercom Communications Corp. and Saga Communications, Inc. The major compensation elements that may be examined in that analysis could include: base salary; actual total cash compensation (base salary plus annual bonus); and total direct compensation (base salary plus annual bonus plus the expected value of long-term incentives). In addition, given the diversity of our business, the Committee may review the compensation practices at companies with which it competes for talent, including television, cable, film, online, software and other publicly held businesses with a scope and complexity similar to ours. However, the Committee does not attempt to benchmark or set each compensation element for its named executive officers within a particular range or percentile related to levels provided by industry peers. Rather, the Committee uses market comparisons as one factor in making compensation decisions and to understand current compensation trends and practices in the marketplace. Other factors considered when making individual executive compensation decisions include individual contribution and performance, reporting structure, internal pay relationships, complexity and importance of roles and responsibilities, leadership and growth potential.

Principal Components of Executive Compensation

We seek to achieve our compensation philosophy through three key compensation elements:

- base salary;
- a performance-based annual bonus (that constitutes the short-term incentive element of our program), which may be paid in cash, restricted stock shares or a combination of these; and
- grants of long-term, equity-based compensation (that constitute the long-term incentive element of our program), such as stock options and/or restricted stock shares, which may be subject to time-based and/or performance-based vesting requirements.

The Committee believes that this three-part approach is consistent with programs adopted by similarly situated companies, allows us to stay competitive in our industry and best serves the interests of our stockholders by linking significant components of executive compensation to company performance. The approach enables us to meet the requirements of the competitive environment in which we operate, while ensuring that named executive officers are compensated in a manner that advances both the short and long-term interests of our stockholders. Under this approach, compensation for our named executive officers involves a high proportion of pay that is "at risk", namely, the annual bonus and the value of stock options and restricted stock units. Stock options and/or restricted stock units relate a significant portion of each named executive officer's long-term remuneration directly to the stock price appreciation realized by our stockholders.

Base salary. Our objective with respect to base salary is to pay our executives compensation that is competitive in the marketplace and reflects the level of responsibility and performance of the executive, the executive's experience and tenure, the scope and complexity of the position, the compensation of the executive compared to the compensation of our other key salaried employees, the compensation paid for comparable positions by other companies in the radio broadcast industry, and the performance of our Company.

Non-Equity Incentive Plan Compensation. Our executives are eligible to receive an annual bonus intended to provide financial incentives for performance and to align the goals and performance of the executive to our overall objectives. The Committee has significant flexibility in awarding cash bonuses. The Committee may consider, among other things, year-to-year revenue growth compared to that of the radio industry in general or the markets in which we operate, same station revenue, operating performance versus our business plan, acquisitions and divestitures, employee retention, sales and operating initiatives, and stock price performance compared to the industry peer group. Bonus recommendations for named executive officers other than the CEO are proposed by the CEO, reviewed, revised when appropriate, and approved by the Committee. The Committee establishes the bonus level for the CEO.

Long-term Incentives. We believe that equity ownership by Company executives provides incentive to build stockholder value, aligns the interests of the executives with the interests of stockholders and serves as motivation for long-term performance. The Company's equity incentive compensation program is designed to recognize scope of responsibilities, reward demonstrated performance and leadership, align the interests of the named executive with those of our shareholders and retain key employees. We believe that providing grants of stock options and/or restricted stock shares effectively focuses the named executives on delivering long-term value to our shareholders because options only have value to the extent the price of our stock on the date of exercise exceeds the stock price on the grant date, and shares of restricted stock reward and retain the named executive officer by offering them the opportunity to receive shares of stock on the date the restrictions lapse so long as they continue to be employed by the Company. Until May 5, 2009, stock awards were made pursuant to the Radio One Amended and Restated 1999 Stock Option and Restricted Stock Grant Plan, which was approved by our stockholders (as amended, the "1999 Stock Plan"). The 1999 Stock Plan expired by its terms on May 5, 2009. At our 2009 annual stockholders meeting held December 16, 2009, our stockholders adopted the Radio One 2009 Stock Option and Restricted Stock Grant Plan (the "2009 Stock Plan").

Under the 2009 Stock Plan, the Committee can award stock options or grant restricted stock to any executive officer or other eligible participants under the plan, on its own initiative or at the recommendation of management. The Committee determines the number of incentive awards granted to our named executive officers on an individual, discretionary basis. The level of long-term incentive compensation generally is determined with consideration given to total compensation provided to named executive officers, publicly available market data on total compensation packages, the value of long-term incentive grants at peer companies, total stockholder return, stockholder dilution and input from the CEO. In accordance with our Stock Plan Administration Procedures, as approved by the Committee, the grant date and pricing date for awards approved by the Committee to named executive officers (other than a company wide grant) is the next monthly grant date immediately following the meeting of the Committee at which the awards were approved. Under our Stock Plan Administration Procedures, monthly grant dates are generally defined as the fifth day of each month, or the next NASDAQ trading day in the event the fifth day is not a business day. For example, if the Committee approved an award at any time between January 5, 2010 and February 4, 2010, the applicable

monthly grant date would be February 5, 2010, and, thus, the grant date and pricing date would be February 5, 2010. If the Committee approved an award at any time between February 5, 2010 and March 4, 2010, the applicable monthly grant date would be March 5, 2010, and, thus, the grant date and pricing date would be March 5, 2010. However, it is also our practice in granting options or stock awards to wait for the release of any material non-public information and settlement of that information in the marketplace. Thus, for example, if the Committee approved an award at any time between January 5, 2010 and February 4, 2010, and, it was determined that material non-public information existed, the grant date for the awards would be delayed until March 5, 2010, assuming the information in question was communicated to the marketplace prior to such date.

When authorized by the Committee to do so, the CEO or CFO may make stock option awards or restricted stock grants to new hires, contractors or consultants and to existing employees on promotion or other change in employee status, in accordance with the Committee's delegation of authority. Historically, we have utilized stock options as our primary means of providing long-term incentive compensation. Statement of Accounting Standards Codification ("ASC") 718, "Compensation — Stock Compensation," sets forth accounting requirements for share-based compensation to employees using a fair-value based method.

2010 Compensation Actions

Base Salary

In January 2009, the CEO directed the CFO, CAO and the PRD (the "Executive Officer Response Team") to determine appropriate actions to take to provide for the Company's continued covenant compliance and operational performance given the severity of the decline in the economic environment and the resulting impact upon the Company's operations. The Executive Officer Response Team, in consultation with other Company executives, determined that the Company should implement a variety of cost savings initiatives in response to the deteriorating economic conditions and as a preemptive measure in response to potential further economic decline. The Executive Officer Response Team recommended, among other actions: (i) Company-wide salary reductions; (ii) a "use it or lose it" vacation policy; and (ii) mandatory vacation through office closings in order to provide expense savings and financial flexibility to the Company. The Executive Officer Response Team made this recommendation to the CEO, including a recommendation that all named executive officers participate in the salary reduction program. The CEO adopted the recommendation and reported to the Committee that all named executive officers would accept salary cuts of seven percent. Thus, without action by the Committee, each of the named executive officers agreed to waive all contractual rights to any automatic salary increase for 2009 and instead accepted seven percent salary reductions (the "2009 Salary Reductions") from their 2008 compensation levels until such time as it was determined that such reductions were no longer necessary based on the financial status of the Company. Effective April 1, 2010, the 2009 Salary Reductions were lifted for all Company staff, including each of the named executive officers, except for the PRD, whose salary was reinstated January 1, 2010 as a part of his new employment agreement as described below.

2009 and 2010 Non-Equity Incentive Plan Compensation

This cash-based element of compensation provides executives an incentive and a reward for achieving meaningful near-term performance objectives. The Committee believes that it is important for the Company to meet its performance goals in order to pay cash bonuses to the named executive officers as a group, but that it is also important to retain flexibility to allocate the bonus pool among individuals. During the quarter ended December 31, 2009, the Company accrued monies for certain corporate bonuses, including bonus amounts that would be paid to the named executive officers, typically in March of the year following such accrual (e.g., bonus amounts accrued in and for fiscal year 2009, would normally be paid in March 2010). However, in February 2010, given continued uncertainty about the economy and the pace of recovery in the advertising industry generally and the radio sector in particular, the non-executive members of the board of directors determined that it was in the best interests of the Company to defer payment of any 2009 corporate bonuses, including bonus amounts that would be paid to the named executive officers (the "2009 Executive Bonuses"), for a period not to extend beyond December 31, 2010. At the time, the non-executive members of the board of directors retained the Committee's full discretion to allocate payments to individual named executive officers. On December 21, 2010, the Committee met to make determinations with respect to the 2009 Executive

Bonuses as well as to consider executive bonuses for the calendar year ending December 31, 2010 (the "2010 Executive Bonuses"). What follows below is a discussion of the considerations for each of the 2009 Executive Bonuses and the 2010 Executive Bonuses.

2009 Individual Performance Criteria

Our CEO provides input into the compensation discussion and makes recommendations to the Committee for annual compensation changes and bonuses for the named executive officers and the appropriateness of additional long-term incentive compensation. The CEO considers each executive officer's performance during the year, including accomplishments, areas of strength, and areas for development. The CEO bases his evaluation on his knowledge of each executive officer's performance. The CEO also reviews comparable compensation data and makes a recommendation to the committee on base salary, performance-based annual bonus, and equity awards for each executive officer. The Company's Vice President of Human Resources may be asked to review the market compensation data to assist with compensation recommendations. Performance criteria were established for certain other named executive officers as follows for 2009:

Performance Criteria for the Chairperson. The Chairperson's employment agreement provides for an annual cash bonus at the discretion of the board up to a maximum of $250,000. In exercising its discretion whether or not to pay the Chairperson such bonus, the Committee generally considers the Company's overall performance for a given fiscal year and the Chairperson's contributions to the success of the Company.

Performance Criteria for the CEO. The Committee establishes the bonus level for the CEO. Under the terms of his employment agreement, the CEO's bonus award may not in the aggregate exceed his annual base salary. The CEO's bonus award has two components. The first component, equaling 50% of the award, is based on the achievement of pre-established individual and Company performance goals, as determined by the Committee in consultation with the CEO (the "Performance Goals Portion"). For calendar year 2009, the elements and allocations of the Performance Goals Portion were as follows: (i) Company consolidated performance as measured by performance against each of budgeted revenue, expenses and cash flow — allocation equaled 15% (5% per measure) or maximum payout of $73,500; (ii) radio market performance against the top half of publicly reporting radio companies — allocation equaled 15% or maximum payout of $73,500; (iii) balance sheet management measured by compliance with bank covenants, resource allocation, asset dispositions, stock buy backs and debt retirement — allocation equaled 20% or maximum payout of $98,000; (iv) TV One performance measured by performance against budgeted revenue and achievement of budgeted EBITDA allocation equaled 25% (12.25% per measure) or maximum payout of $122,500; and (v) interactive group performance measured by performance against budgeted revenue, expenses and cash flow — allocation equaled 25% (8.33% per measure) or maximum payout of $122,500. A discussion of thresholds and the Committee's observations in determining Mr. Liggins' performance-based bonus compensation is included below in the Section titled "2009 Performance-Based Annual Bonus Decisions." In certain instances where only target levels were established, the applicable allocated portion of the performance portion was to be credited on an "all or nothing" basis. Thus, if the performance measure was missed, the CEO would not receive any portion of the allocation toward his bonus payment. In other instances bonus targets were established but a pro rata payout was triggered so long as the Company attained 90% of the target. For example, if a budgeted revenue target of $100 was established and the Company achieved $95.60 of revenue, then the CEO would receive 56% of his budgeted revenue allocation. If the Company had achieved $96.50 of revenue, the CEO would receive 65% of his budgeted revenue allocation. In no case was the threshold level less than 90% of the targeted level. The second component, equaling the balance of the award, is determined at the discretion of the Committee. In determining the amount of the discretionary portion of the CEO's bonus, the Committee may consider factors such as "over-performance" versus all or any one of the pre-established individual and Company performance goals under the Performance Goals Portion of the bonus.

Performance Criteria for the CFO. Effective as of January 1, 2009, the CFO was eligible to receive discretionary bonus compensation in an amount to be determined by the CEO at the conclusion of each fiscal year during which (i) the CFO remains employed by Company and (ii) the CFO's performance satisfies certain criteria as determined by Company's CEO. For calendar year 2009, the CFO's performance criteria was essentially the same as that of the CEO. In addition, the CFO had the following goals:
(i) negotiate and

successfully close upon refinancing or amendment of the Company's outstanding debt instruments; (ii) develop strategy and plans for long-term financing needs; (iii) monitor financial results of Interactive One and track the division against the approved budget plan; and (iv) execution on other directives from the board of directors and CEO. A discussion of thresholds and the Committee's observations in determining Mr. Thompson's performance-based bonus compensation is included below in the Section titled "2009 Performance-Based Annual Bonus Decisions."

Performance Criteria for the PRD. Under his employment agreement that was in effect during calendar year 2009, the PRD's bonus was also comprised of a performance based portion and a discretionary portion. Each portion had a maximum payout of $100,000. Performance metrics and allocations for the PRD's discretionary performance bonus were as follows for calendar year 2009: (i) Market share growth — allocation equaled 50% or payout of $50,000 upon attainment of goal; (ii) achievement of budgeted operating profit — allocation equaled 25% or payout of $25,000 upon attainment of goal; and (iii) achievement of budgeted expenses — allocation equaled 25% or payout of $25,000 upon attainment of goal. Other factors that could be considered in the PRD's final bonus determination were: (i) recruitment and retention of key talent and employees; and (ii) execution on other directives from the board of directors and CEO. A discussion of thresholds and the Committee's observations in determining Mr. Mayo's performance-based bonus compensation is included below in the Section titled "2009 Performance-Based Annual Bonus Decisions." In certain instances where specific thresholds were established, the applicable allocated portion of the performance portion was to be credited on an "all or nothing" basis. Thus, if the performance measure was missed, the PRD would not receive any portion of the allocation toward his bonus payment. In other instances, thresholds and payouts may have been on a "sliding scale" basis. The second component, equaling the balance of the award, is determined at the discretion of the Committee. In determining the amount of the discretionary portion of the PRD's bonus, the Committee may consider factors such as "over-performance" versus all or any one of the pre-established individual and Company performance goals under the performance portion of the bonus.

Performance Criteria for the CAO. The CAO's employment agreement with the Company expired on October 31, 2008 and the CAO is now employed by the Company as an "at-will" employee. The CAO is entitled to participate in all employee benefit programs generally offered to the Company's employees. Further, the CAO receives a discretionary bonus in an amount determined by the CEO. In exercising its discretion whether or not to pay the CAO such bonus, the Committee generally considers the Company's overall performance for a given fiscal year and the CAO's contributions to the success of the Company, including the CAO's execution on any directives from the board of directors and CEO.

2009 Performance-Based Annual Bonus Decisions

In making final 2009 performance-based annual bonus decisions, the Committee considered named executive officer performance against the applicable performance criteria. In considering the above-described performance criteria for the Chairperson, CEO, CFO, CAO and PRD, the Committee made the following observations in determining performance-based bonus compensation:

(i) The Committee considered the Company's 2009 operating performance versus our 2009 business plan. In this regard, the Committee recognized that while a number of the plan objectives (or bonus thresholds) were not fully achieved, the 2009 advertising market remained weak, creating a difficult operating environment. The Committee noted that in measuring the Company's consolidated performance as measured by performance targets, while none of the Company's budgeted targets were met, actual achievement of the targets for budgeted revenue, operating profit, expenses and cash flow was in excess of 95%.

(ii) The Committee considered that for calendar year 2009, the Company outperformed its markets by 150 basis points leading to approximately $4.0 million in incremental revenue.

(iii) The Committee considered that for 2009, despite unprecedented market conditions, we were able to maintain compliance with the financial covenants contained in our credit facility. Specifically, as of December 31, 2009, the Company's Senior Secured Leverage Ratio (as defined under our senior credit

facility) was 3.88x versus a covenant maximum of 4.0x, the Company's Total Leverage Ratio (as defined under our senior credit facility) was 7.20x versus a covenant maximum of 7.25x and the Company's Interest Coverage Ratio (as defined under our senior credit facility) was 2.36x versus a covenant minimum of 1.75x.

(iv) Consideration was given to balance sheet management in light of the difficult economic conditions of 2009. It was noted that the Company finished 2008 with total debt of approximately $654.0 million, down from approximately $675.6 million at year end 2008. The Committee also noted the Company's repurchase of $2.5 million of Company debt at an average discount of 50.0%. The Committee determined that these opportunistic actions substantially increased the amount of capacity that the Company had under its bank covenants.

(v) The Committee considered the Company's initiatives to enhance shareholder value including our repurchase during fiscal year 2009 of 27.7 million shares of Company stock for approximately $19.7 million, at an average price per share of $0.71.

(vi) With respect to the performance of TV One, the Committee noted that while TV One's budgeted revenue was slightly below expectations, TV One's budgeted EBITDA surpassed budget.

(vii) With respect to the performance of Interactive One, the Committee noted that while the division did not achieve its budgeted revenue, expenses were approximately $5.6 million better than budget and EBITDA surpassed the payout hurdle.

With respect to the discretionary portions of 2009 Executive Bonuses, the Committee considered a number of non-performance related factors, including but not limited to: (i) the Company's successful completion on November 24, 2010 of: (x) the exchange of approximately $97.0 million of $101.5 million in aggregate principal amount outstanding of our 2011 Notes; (y) the exchange of approximately $199.3 million of $200.0 million in aggregate principal amount outstanding of our 2013 Notes; and (z) the amendment and restatement of Company's senior credit facility (collectively, the "November 2010 Transactions"); (ii) the Committee's determination with respect to executive bonuses for the calendar year ended December 31, 2008, that given the extraordinary effects of the then current global financial and economic crisis, the unprecedented market conditions, overall operational performance in 2008 and the continued uncertainty with respect to operational performance in 2009, no 2008 executive bonuses were paid despite the named executives having satisfied a number of their performance criteria; (iii) hardship caused by the delay in payment although the full amount of the 2009 Executive Bonuses had been accrued but withheld throughout substantially all of calendar year 2010; (iii) that the named executive officers voluntarily implemented and participated in the 2009 Salary Reductions; and (iv) corporate cost saving measures implemented to ensure continued covenant compliance and operational performance and affecting the named executive officers during calendar year 2009, including but not limited to the Company's move to a "use it or lose it" vacation policy and mandatory vacation through office closings in order to provide expense savings and financial flexibility to the Company. Finally, the Committee noted that the November 2010 Transactions provided the Company with future financial flexibility and avoided default and maturities issues that had prompted the non- executive members of the board of directors to determine that it was in the best interests of the Company to defer payment of any 2009 corporate bonuses, including the 2009 Executive Bonuses.

2010 Individual Performance Criteria

Performance Criteria for the Chairperson. For calendar year 2010, the basis of the Chairperson bonus remained discretionary, as discussed above.

Performance Criteria for the CEO. For calendar year 2010, the elements and allocations of the CEO's Performance Goals Portion were the same as for calendar year 2009, as discussed above.

Performance Criteria for the CFO. For calendar year 2010, the elements and allocations of the CFO's Performance Goals Portion were the same as for calendar year 2009, as discussed above.

Performance Criteria for the PRD. Under his employment agreement that was in effect during calendar year 2010, the PRD's bonus was also comprised of a performance based portion and a discretionary portion. Each portion had a maximum payout of $100,000. Performance metrics and allocations for the PRD's discretionary performance bonus were as follows for calendar year 2010: (i) Market share growth — allocation equaled 50% or payout of $50,000 upon attainment of goal; (ii) achievement of budgeted operating profit — allocation equaled 20% or payout of $20,000 upon attainment of goal; (iii) achievement of budgeted expenses — allocation equaled 10% or payout of $10,000 upon attainment of goal; (iv) achievement of budgeted net revenue for radio websites - allocation equaled 10% or payout of $10,000 upon attainment of goal; (v) achievement of increased traffic for radio websites — allocation equaled 10% or payout of $10,000 upon attainment of goal. Other factors that could be considered in the PRD's final bonus determination were: (i) recruitment and retention of key talent and employees; and (ii) execution on other directives from the board of directors and CEO. While in some instances specific thresholds were not developed, a discussion of thresholds and the Committee's observations in determining Mr. Mayo's performance-based bonus compensation is included below in the Section titled "2010 Performance-Based Annual Bonus Decisions." In certain instances where specific thresholds were established, the applicable allocated portion of the performance portion was to be credited on an "all or nothing" basis. Thus, if the performance measure was missed, the PRD would not receive any portion of the allocation toward his bonus payment. In other instances, thresholds and payouts may have been on a "sliding scale" basis. The second component, equaling the balance of the award, is determined at the discretion of the Committee. In determining the amount of the discretionary portion of the PRD's bonus, the Committee may consider factors such as "over-performance" versus all or any one of the pre-established individual and Company performance goals under the performance portion of the bonus.

Performance Criteria for the CAO. For calendar year 2010, the basis of the CAO's bonus remained discretionary, as discussed above.

2010 Performance-Based Annual Bonus Decisions

As of the date of this prospectus, the Committee has not made any determinations with respect to 2010 Executive Bonuses.

Long-term Incentives

As noted above, the 2009 Stock Plan was approved by the stockholders at the Company's annual meeting on December 16, 2009. The 2009 Stock Plan succeeded the Company's 1999 Stock Plan which had expired by its terms on May 5, 2009. The terms of the 2009 Stock Plan were substantially similar to the terms of the 1999 Stock Plan. On December 16, 2009, the compensation committee and the non-executive members of the board of directors reaffirmed a decision of the compensation committee from May 21, 2009 and approved a long-term incentive plan (the "2009 LTIP") for certain "key" employees of the Company. The purpose of the 2009 LTIP was to retain and incent these "key" employees in light of sacrifices made as a result of the cost savings initiatives described above in response to the economic conditions in 2008 and 2009. These sacrifices included not receiving performance-based bonuses in 2008, salary reductions and mandatory vacation through office closings in order to provide expense savings and financial flexibility to the Company. The 2009 LTIP was comprised of 3,250,000 shares of Class D Common Stock (the "LTIP Shares"). On January 5, 2010, the LTIP Shares were granted in the form of restricted stock and allocated among 31 employees of the Company, including the named executive officers. The named executive officers were allocated LTIP Shares as follows: (i) the CEO (1.0 million shares); (ii) the Chairperson (300,000 shares); (iii) the CFO (225,000 shares); (iv) the CAO (225,000 shares); and (v) the PRD (130,000 shares). The remaining 1,370,000 shares were allocated among 26 other "key" employees. All awards vest in three installments of 33$^{1}/_{3}$% on: (i) June 5, 2010; (ii) June 5, 2011 and (iii) June 5, 2012. The compensation committee and the non-executive members of the board of directors approved a shortened vesting period for the first installment as the Company originally intended to implement the 2009 LTIP in June 2009. However, as the 2009 Stock Plan was not approved until December 16, 2009, the compensation committee and the non-executive members of the board of directors

thought it was inequitable to penalize the 2009 LTIP awardees because of the delayed approval of the 2009 Stock Plan.[1]

In accordance with the Company's Stock Plan Administration Procedures (as described above), the grant date for the LTIP Shares, including LTIP Shares granted to named executive officers, was January 5, 2010. The closing price of shares of the Company's Class D common stock on that date was $3.17.

Employment Agreements

Chairperson. Catherine L. Hughes, our founder, serves as our Chairperson of the board of directors and Secretary. Ms. Hughes' three (3) year employment agreement, dated April 16, 2008, provides for an annual base salary of $750,000 that may be increased at the discretion of the board. The employment agreement also provides for an annual cash bonus at the discretion of the board up to a maximum of $250,000. Ms. Hughes is also entitled to receive a pro-rata portion of her bonus upon termination due to death or disability. The Chairperson was paid a discretionary bonus of $250,000 for fiscal year 2009. No determination as to the Chairperson's 2010 bonus has been made as of the date of this prospectus. Ms. Hughes also receives standard retirement, welfare and fringe benefits, as well as vehicle and wireless communication allowances and financial manager services.

In conjunction with her April 16, 2008 employment agreement, the Chairperson was granted options to purchase 600,000 shares of Class D common stock as well as 150,000 restricted shares of Class D common stock. These options and restricted shares were awarded under the 1999 Stock Plan. Both grants will vest ratably annually over the life of the three year employment agreement or alternatively, fully in the event of a Change of Control of the Company (as defined in the 1999 Stock Plan). The Committee determined the number of incentive awards granted to the Chairperson in the manner described above in the section titled "Principal Components of Executive Compensation, Long-term Incentives." In accordance with the Company's Stock Plan Administration Procedures, the grants to Ms. Hughes in connection with her April 2008 employment agreement occurred on June 5, 2008. The closing price of shares of the Company's Class D common stock on that date was $1.41.

President and Chief Executive Officer. Alfred C. Liggins, III is employed as our President and CEO and is a member of the board of directors. Under the terms of his three (3) year employment agreement dated April 16, 2008, Mr. Liggins receives a base salary of $980,000 which is subject to an annual increase at the discretion of the board of directors. Mr. Liggins is also eligible for a bonus award up to an amount equal to his base salary and comprised of two components. The first component, equaling 50% of the award, is based on the achievement of pre-established individual and Company performance goals, as determined by the Committee in consultation with Mr. Liggins. The second component, equaling the balance of the award, is determined at the discretion of the Committee. Mr. Liggins is also entitled to receive a pro-rata portion of his bonus upon termination due to death or disability. A discussion of the element and allocations of the CEO's performance based bonus for fiscal years 2009 and 2010 is included above in the Section titled "2009 and 2010 Non-Equity Incentive Plan Compensation." The CEO was paid a performance-based bonus of $980,000 for fiscal year 2009. No determination as to the CEO's 2010 bonus has been made as of the date of this prospectus.

In recognition of his contributions in founding TV One on behalf of the Company, Mr. Liggins is also eligible to receive an amount equal to 8% of any dividends paid in respect of the Company's investment in TV One and 8% of the proceeds of the Company's investment in TV One (the "TV One Award"). In both events, the Company's obligation to pay any portion of the TV One Award is only triggered after the Company's recovery of the full amount of its cumulative capital contributions to TV One. Mr. Liggins will only receive the TV One Award upon actual cash distributions or distributions of marketable securities. Mr. Liggins' rights to the TV One Award (i) cease if he is terminated for cause or he resigns without good

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[1] The annual stockholders meeting at which the new 2009 Stock Plan was approved was delayed as a result of the Company's receipt of certain comment letters from the SEC regarding certain disclosures made in our Form 10-K/A for the year ended December 31, 2008.

reason and (ii) expire at the end of the term of his employment agreement. Mr. Liggins also receives standard retirement, welfare and fringe benefits, as well as vehicle and wireless communication allowances and a personal assistant and financial manager services.

In conjunction with his April 16, 2008 employment agreement, the CEO was granted options to purchase 1,150,000 shares of Class D common stock as well as 300,000 restricted shares of Class D common stock. The grants vest ratably annually over the life of the CEO's three year employment agreement or alternatively, fully in the event of a Change of Control of the Company (as defined in the 1999 Stock Plan). The Committee determined the number of incentive awards granted to the CEO in the manner described above in the section entitled "Principal Components of Executive Compensation, Long-term Incentives." In accordance with the Company's Stock Plan Administration Procedures, the grants to Mr. Liggins in connection with his April 2008 employment agreement occurred on June 5, 2008. The closing price of shares of the Company's Class D common stock on that date was $1.41.

Chief Financial Officer. Peter D. Thompson is employed as Executive Vice President and CFO pursuant to a three (3) year employment agreement dated February 2008 with the Company. The employment agreement provides for a base salary of $375,000 which is subject to an annual increase of not less than 3%. The agreement also provides for an annual discretionary cash bonus in an amount not to exceed $75,000 in 2008 and, thereafter, in an amount to be determined by the CEO. Mr. Thompson is also entitled to receive a pro-rata portion of his bonus upon termination due to death or disability. A discussion of the element and allocations of the CFO's performance based bonus for fiscal years 2009 and 2010 is included above in the Section titled "2009 and 2010 Non-Equity Incentive Plan Compensation." The CFO was paid a performance-based bonus of $200,000 for fiscal year 2009. No determination as to the CFO's 2010 bonus has been made as of the date of this prospectus. Mr. Thompson also receives standard retirement, welfare and fringe benefits, as well as a vehicle allowance.

On March 31, 2008, in connection with his appointment as CFO, Mr. Thompson was granted 75,000 shares of restricted stock and options for another 75,000 shares of Class D common stock, all to vest ratably annually over the three year term of the agreement. The Committee determined the number of incentive awards granted to the CFO in the manner described above in the section titled "Principal Components of Executive Compensation, Long-term Incentives." In accordance with the Company's Stock Plan Administration Procedures, the grants to Mr. Thompson in connection with his March 2008 employment agreement occurred on June 5, 2008. The closing price of shares of the Company's Class D common stock on that date was $1.41.

President, Radio Division. Until August 5, 2009, Barry A. Mayo was employed as President, Radio Division pursuant to an employment agreement with the Company. The employment agreement provided for a base salary of $500,000 which was subject to an annual increase of not less than 3%. The employment agreement also provided for (i) a quarterly bonus not to exceed $25,000 during each quarter Mr. Mayo remained employed with the Company and satisfied certain broadcast revenue flow goals established by the Company and (ii) an annual cash bonus at the discretion of the board of directors. Mr. Mayo was also entitled to receive a pro-rata portion of his bonus upon termination due to death or disability. A discussion of the PRD's performance based bonus for fiscal years 2009 and 2010 is included above in the Section titled "2009 and 2010 Non-Equity Incentive Plan Compensation." Mr. Mayo received a total bonus of $170,000 for fiscal year 2009. No determination as to the PRD's 2010 bonus has been made as of the date of this prospectus. Mr. Mayo also received standard retirement, welfare and fringe benefits, as well as a vehicle allowance and certain expenses related to his travel to the Company's corporate headquarters.

Effective August 5, 2009, the Company entered into a new employment agreement with Mr. Mayo, the term of which is through June 6, 2012. The new employment agreement provides for a base salary of $550,000 effective January 1, 2010, which is subject to an annual increase of not less than 3%. The employment agreement also provides for an annual bonus comprised of (i) a cash bonus of up to $100,000 for achieving certain objective metrics and (ii) a cash bonus of up to $100,000 to be paid at the discretion of the board of directors for having achieved satisfactory operating results. Mr. Mayo is also entitled to receive a pro-rata potion of the bonus upon termination due to death or disability. Mr. Mayo also receives standard

retirement, welfare and fringe benefits, as well, as a vehicle allowance and certain expenses related to his travel to the Company's corporate headquarters.

Chief Administrative Officer. Linda J. Vilardo is employed as CAO, Vice President and Assistant Secretary of the Company. Ms. Vilardo's employment agreement with the Company expired on October 31, 2008 and Ms. Vilardo is now employed by the Company as an "at-will" employee. Ms. Vilardo is entitled to participate in all employee benefit programs generally offered to the Company's employees. Ms. Vilardo received a discretionary bonus of $200,000 for fiscal year 2009. No determination as to Ms. Vilardo's 2010 bonus has been made as of the date of this prospectus. Ms. Vilardo also receives standard retirement, welfare and fringe benefits.

Post-Termination and Change in Control Benefits

Under the employment agreements that we have entered into with Catherine L. Hughes, Alfred C. Liggins, Peter D. Thompson, and Barry A. Mayo, each executive's unvested equity awards will become fully exercisable immediately upon a "Change of Control" (as defined in the Company's 2009 Stock Option and Restricted Stock Grant Plan). Under the terms of her employment agreement, upon termination without cause or for good reason within two years following a Change of Control, Ms. Hughes will receive an amount equal to three times the sum of (1) her annual base salary and (2) the average of her last three annual incentive bonus payments, in a cash lump sum within five days of such termination, a pro-rated annual bonus for the year of termination, and continued welfare benefits for three years, subject to all applicable federal, state and local deductions. Similarly, under the terms of his employment agreement, upon termination without cause or for good reason within two years following a Change of Control Mr. Liggins will receive an amount equal to three times the sum of (1) his annual base salary and (2) the average of his last three annual incentive bonus payments, in a cash lump sum within five days of such termination, a pro-rated annual bonus for the year of termination, and continued welfare benefits for three years, subject to all applicable federal, state and local deductions.

Please see the table titled "Potential Payments upon Termination or Change in Control" for quantitative information about the payments that might occur upon various termination events.

Under Ms. Hughes and Mr. Liggins employment agreements the terms "cause" and "good reason" are defined generally as follows:

"Cause" means (i) the commission by the executive of a felony, fraud, embezzlement or an act of serious, criminal moral turpitude which, in case of any of the foregoing, in the good faith judgment of the board of directors, is likely to cause material harm to the business of the Company and the Company affiliates, taken as a whole, provided, that in the absence of a conviction or plea of nolo contendere, the Company will have the burden of proving the commission of such act by clear and convincing evidence, (ii) the commission of an act by the executive constituting material financial dishonesty against the Company or any Company affiliate, provided, that in the absence of a conviction or plea of nolo contendere, the Company will have the burden of proving the commission of such act by a preponderance of the evidence, (iii) the repeated refusal by the executive to use his reasonable and diligent efforts to follow the lawful and reasonable directives of the board of directors, or (iv) the executive's willful gross neglect in carrying out his material duties and responsibilities under the agreement, provided, that unless the board of directors reasonably determines that a breach described in clause (iii) or (iv) is not curable, the executive will, be given written notice of such breach and will be given an opportunity to cure such breach to the reasonable satisfaction of the board of directors within thirty (30) days of receipt of such written notice.

"Good Reason" shall be deemed to exist if, without the express written consent of the executive, (a) the executive's rate of annual base salary is reduced, (b) the executive suffers a substantial reduction in his title, duties or responsibilities, (c) the Company fails to pay the executive's annual base salary when due or to pay any other material amount due to the executive hereunder within five (5) days of written notice from the executive, (d) the Company materially breaches the agreement and fails to correct such breach within thirty (30) days after receiving the executive's demand that it remedy the breach, or (e) the Company fails to obtain a satisfactory written agreement from any successor to assume and agree to perform the agreement, which

successor the executive reasonably concludes is capable of performing the Company's financial obligations under this Agreement.

The foregoing summaries of the definitions of "cause" and "good reason" are qualified in their entirety by reference to the actual terms of the employment agreements filed with that certain Form 8-K filed April 18, 2008.

Under the terms of his employment agreement, in the event that Mr. Thompson is terminated other than for cause, provided Mr. Thompson executes a general liability release, the Company will pay Mr. Thompson severance in an amount equal to three (3) months' base compensation, subject to all applicable federal, state and local deductions.

Under the terms of his employment agreement, in the event that Mr. Mayo is terminated other than for cause, provided Mr. Mayo executes a general liability release, the Company will pay Mr. Mayo severance in an amount equal to six (6) months' base compensation, subject to all applicable federal, state and local deductions.

Other Benefits and Perquisites

As part of our competitive compensation package to attract and retain talented employees, we offer retirement, health and other benefits to our employees. Our named executive officers participate in the same benefit plans as our other salaried employees. The only benefit programs offered to our named executive officers either exclusively or with terms different from those offered to other eligible employees are the following:

Deferred Compensation. We have a deferred compensation plan that allows Catherine L. Hughes, our Chairperson, to defer compensation on a voluntary, non-tax qualified basis. Under the plan in effect during 2009 and 2010, Ms. Hughes deferred $16,000 and $23,000, respectively, of her base salary (and no amounts of bonus) until death, disability, retirement or termination. The amount owed to her as deferred compensation is an unfunded and unsecured general obligation of our Company. Deferred amounts accrue interest based upon the return earned on an investment account with a designated brokerage firm established by Radio One. All deferred amounts are payable in a lump sum 30 days after the date of the event causing the distribution to be paid. No named executive officer earns above-market or preferential earnings on nonqualified deferred compensation.

Other Perquisites. We provide few perquisites to our named executive officers. Currently, we provide or reimburse executives for a company automobile, driver and various administrative services including a financial manager and a personal assistant.

We have set forth the incremental cost of providing these benefits and perquisites to our named executives in the 2010 Summary Compensation Table in the "All Other Compensation" column.

401(k) Plan

We adopted a defined contribution 401(k) savings and retirement plan effective October 1, 1994. In 2010, participants could contribute up to $16,500 of their gross compensation, subject to certain limitations. In 2011, participants may contribute up to $16,500 of their gross compensation, subject to certain limitations. Employees age 50 or older can make an additional catch-up contribution of up to $5,500. Effective January 1, 2006, we instituted a match of fifty cents for every dollar an employee contributes up to 6% of the employee's salary, subject to certain limitations. However, effective January 1, 2008, we indefinitely suspended the matching component of our 401(k) savings and retirement plan.

Tax Deductibility of Executive Compensation

Section 162(m) of the Internal Revenue Code of 1986, as amended, imposes limitations upon the federal income tax deductibility of compensation paid to certain named executive officers. On June 4, 2008, the Internal Revenue Service issued Notice 2008-4, which defines the group of named executive officers who are

considered covered employees for purposes of Section 162(m) of the Internal Revenue Code. The Notice specifically excludes the chief financial officer from coverage under Section 162(m) and provides that the only individuals who will be considered covered employees are the chief executive officer and the three highest compensated officers (other than the chief executive officer or chief financial officer). Previously, the chief executive officer and the four other highest compensated officers were subject to Section 162(m), and the chief financial officer was not automatically excluded. Under the 162(m) limitations, we may deduct up to $1,000,000 of compensation for such executive officer in any one year or may deduct all compensation, even if over $1,000,000, if we meet certain specified conditions (such as certain performance-based compensation that has been approved by stockholders). As the net cost of compensation, including its deductibility, is weighed by the Committee against many factors in determining executive compensation, the Committee may determine that it is appropriate and in Radio One's best interest to authorize compensation that is not deductible, whether by reason of Section 162(m) or otherwise.

Summary Compensation Table

The following table sets forth the total compensation for each of our named executive officers, for the years ended December 31, 2010, 2009 and 2008:

Name and Principal Position	Year	Salary $	Bonus(2) $	Stock Awards(3) $	Option Awards(3) $	Non-Equity Incentive Plan Compensation $	Non-qualified Deferred Compensation Earnings $	All Other Compensation $	Total $
Catherine L. Hughes —	2010	721,688	250,000	551,196	129,624	0	23,000	21,605(4)	1,697,113
Chairperson	2009	713,423	250,000	15,503	28,505	0	16,000	30,111(4)	1,053,542
	2008	709,795	0	40,939	75,273	0	24,000	29,626(4)	879,633
Alfred C. Liggins, III —	2010	959,992	490,000	1,743,321	264,374	490,000	0	79,693(5)	4,027,360
CEO	2009	934,267	490,000	31,006	58,136	490,000	0	74,770(5)	2,078,179
	2008	846,271	5,800,000	81,878	153,521	0	0	76,376(5)	6,958,046
Peter D. Thompson —	2010	404,043	100,000	395,772	18,375	100,000	0		1,018,190
CFO(6)	2009	360,853	100,000	7,839	4,086	100,000	0	0	572,778
	2008	361,607	20,000	25,096	13,082	0	0	6,000(7)	425,785
Barry A. Mayo —	2010	546,458	100,000	208,303		100,000	0	0	954,751
President, Radio	2009	476,667	100,000	0	0	75,000	0	0	651,667
Division(8)	2008	500,000	0	101,389	52,822	5,000	0	0	659,211
Linda J. Vilardo —	2010	440,409	100,000	360,522		100,000	0	0	1,000,931
CAO(9)	2009	436,146	100,000	0	0	100,000	0	0	636,146
	2008	445,145	0	0	0	2,005,000	0	0	2,450,145

* Non-equity incentive plan compensation for 2010 has been accrued, however the actual amounts to be paid to the named executive officers have yet to be determined. Accrued amounts for the named executive officers are as follows: (1) Chairperson — $250,000, (2) CEO — $980,000, (3) CFO — $200,000, (4) PRD — $200,000 and (5) CAO — $200,000. Upon determination of the amounts, if any, to be paid, such payments must be made no later than December 31, 2011.

(1) On January 5, 2010, LTIP Shares were granted in the form of restricted stock and allocated among 31 employees of the Company, including the named executive officers. The named executive officers were allocated LTIP Shares as follows: (i) the CEO (1.0 million shares); (ii) the Chairperson (300,000 shares); (iii) the CFO (225,000 shares); (iv) the CAO (225,000 shares); and (v) the PRD (130,000 shares). The remaining 1,370,000 shares were allocated among 26 other "key" employees. All awards vest in three installments of 33$^{1}/_{3}$% on: (i) June 5, 2010; (ii) June 5, 2011 and (iii) June 5, 2012. There were no stock awards or option grants to executive officers during 2009. Ms. Hughes was granted options to purchase 600,000 shares of Class D common stock and 150,000 restricted shares of Class D common stock upon execution of her new employment agreement in April 2008. Mr. Liggins was granted options to purchase 1,150,000 shares of Class D common stock, 300,000 restricted shares of Class D common stock and the ability to receive an award amount equal to 8% of any proceeds from distributions or other liquidity events in excess of the return of the Company's aggregate investment in TV One upon

execution of his new employment agreement in April 2008. Mr. Thompson was granted options to purchase 75,000 shares of Class D common stock and 75,000 restricted shares of Class D common stock upon execution of his employment agreement in March 2008. Except for grants to Barry Mayo, there were no stock awards, non-equity incentive plan compensation or option grants to executive officers in 2007. Mr. Mayo was granted options to purchase 50,000 shares of Class D common stock and 50,000 shares of Class D common stock upon his employment with the Company. The Company does not provide a defined benefit pension plan and there were no above-market or preferential earnings on deferred compensation.

(2) Reflects purely discretionary bonuses. These amounts were paid in the year subsequent to being awarded. For 2008, Mr. Liggins' aggregate bonus amount includes (i) a $1,000,000 "signing bonus" and (ii) a "make-whole" bonus of $4,800,000, both paid in connection with Mr. Liggins' 2008 employment agreement. Mr. Thompson's bonus amount includes a $20,000 "signing bonus" paid in connection with his 2008 employment agreement

(3) The dollar amount recognized for financial statement purposes in accordance with Accounting Standards Codification ("ASC") 718, "Compensation — Stock Compensation," for the fair value of options and restricted stock granted. These values are based on assumptions described in Note 11 to the Company's audited consolidated financial statements included elsewhere in this prospectus and in Note 11 and 12 to the Company's consolidated financial statements in its 2008 and 2007 Annual Report on Form 10-K/A and Form 10-K, respectively.

(4) For 2010, 2009 and 2008, for company automobile provided to Ms. Hughes and financial services and administrative support in the amounts of $3,278, $3,278, and $1,999 and $18,327 $26,833 and $27,626, respectively.

(5) For 2010, 2009 and 2008, for financial services and administrative support provided to Mr. Liggins in the amounts of $79,673 $74,770, and $76,376, respectively.

(6) Served as Executive Vice President of Business Development through February 19, 2008 and began as CFO on February 20, 2008.

(7) For company automobile provided to Mr. Thompson.

(8) Began as President, Radio Division on August 6, 2007.

(9) Ms. Vilardo's 2008 non-equity incentive plan compensation amount includes a $2,005,000 retention bonus paid in November 2008, pursuant to her previous employment agreement.

The following table sets forth the 2010 grant of plan-based awards.

2010 Grants of Plan — Based Awards

Name	Grant Date	Action Date	Estimated Possible Payouts Under Non-Equity Incentive Plan Awards(1)			Estimated Future Payouts Under Equity Incentive Plan Awards			All Other Stock Awards	All Other Option Awards	Exercise Price of Option Awards	Grant Date Fair Value of Stock and Option Awards
			Threshold $	Target $	Maximum $	Threshold $	Target $	Maximum $	#	#	$	$
Alfred C. Liggins, III	1/1/2010	12/31/2010		490,000								
Barry A. Mayo				100,000								
Peter D. Thompson				100,000								

(1) Reflects the possible payout amounts of non-equity incentive plan awards that could have been earned in 2010. See the Summary Compensation Table for amounts actually earned in 2010 and paid out in 2011.

(2) Grant and action dates reflect performance period for non-equity incentive plan award.

The following table sets forth the number of shares of common stock subject to exercisable and unexercisable stock options held as of December 31, 2010. There were no option exercises during 2009 and 2010 by the named executive officers. No restricted stock awards and option grants were made in 2009.

Outstanding Equity Awards at 2010 Fiscal Year-End

	Option Awards						Stock Awards			
	Number of Securities Underlying Unexercised Options (#) Exercisable		Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price ($)	Option Expiration Date	Number of Shares of Stock That Have Not Vested (#)	Market Value of Shares of Stock That Have Not Vested ($)	Equity Incentive Plan Awards: Number of Unearned Shares That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares That Have Not Vested ($)
Name	Class A	Class D	Class D	Class A or D			Class D	Class D	Class D	Class D
Catherine L. Hughes(1)	0	400,000	200,000	0	1.41	6/5/2018	250,000	280,000	0	0
Alfred C. Liggins, III(2)	0	1,500,000	0	0	14.80	8/10/2014	766,666	858,666	0	0
	0	766,666	383,333	0	1.41	6/5/2018	0	0	0	0
Barry Mayo(3)	0	50,000	0	0	4.05	8/6/2017	86,666	97,066	0	0
Peter D. Thompson(4)	0	50,000	25,000	0	1.41	6/5/2018	175,000	196,000	0	0
Linda J. Vilardo(5)	0	0	0	0	—	—	150,000	168,000	0	0

(1) 200,000 options vest on April 15, 2011. 50,000 shares vest on April 15, 2011, 100,000 shares vest on June 5, 2011 and June 5, 2012. The Chairperson was awarded 300,000 restricted shares of Class D common stock on January 5, 2010.

(2) 383,333 options vest on April 15, 2011. 100,000 shares vest on April 15, 2011, 333,333 shares vest on June 5, 2011 and June 5, 2012. The CEO was awarded 1,000,000 restricted shares of Class D common stock on January 5, 2010.

(3) 43,333 shares vest on June 5, 2011 and June 5, 2012. The PRD was awarded 130,000 restricted shares of Class D common stock on January 5, 2010.

(4) 25,000 options vest on February 19, 2011. 25,000 shares vest on February 19, 2011, 75,000 shares vest on June 5, 2011 and June 5, 2012. The CFO was awarded 225,000 restricted shares of Class D common stock on January 5, 2010

(5) 75,000 shares vest on June 5, 2011 and June 5, 2012. The CAO was awarded 225,000 restricted shares of Class D common stock on January 5, 2010.

The following table sets forth the number of shares of stock that have vested and the aggregate dollar value realized upon vesting of stock for the named executive officers during the year ended December 31, 2009.

OPTION EXERCISES AND STOCK VESTED

	2010 Stock Vested Stock Awards	
Name	Number of Shares Acquired on Vesting #	Value Realized on Vesting $
Catherine L. Hughes	150,000	617,500
Alfred C. Liggins, III	433,334	1,749,669
Barry A. Mayo	43,334	167,269
Peter D. Thompson	100,000	371,750
Linda J. Vilardo	75,000	289,500

The following table sets forth non-qualified deferred compensation for our named executive officers in fiscal 2010.

Non-Qualified Deferred Compensation — 2010

Name	Executive Contributions in Last Fiscal Year	Registrant Contributions in Last Fiscal Year	Aggregate Earnings in Last Fiscal Year	Aggregate Withdrawals/Distributions	Aggregate Balance at Last Fiscal YearEnd
Catherine L. Hughes	$ 23,000	$ -0-	$ 1,521	$ -0-	$ 372,292
Alfred C. Liggins, III	—	—	—	—	—
Peter D. Thompson	—	—	—	—	—
Barry A. Mayo	—	—	—	—	—
Linda J. Vilardo	—	—	—	—	—

The following table shows the potential payments to Ms. Hughes, Mr. Liggins, Mr. Thompson and Mr. Mayo upon termination or change in control under their respective employment agreements. For purposes of calculating the potential payments set forth in the table below, we have assumed that (i) the date of termination was December 31, 2010, (ii) the payments are based upon the terms of the employment agreement which was in effect on December 31, 2010, and (iii) the stock price was $1.12, the closing market price of our Class D common stock on December 31, 2010, the last business day of the 2010 fiscal year. As Ms. Vilardo's employment agreement expired on October 31, 2008, Ms. Vilardo was no longer entitled to any such payments as of December 31, 2010.

Potential Payments upon Termination or Change of Control

	Resignation of Officer Upon Change in Control	Termination w/o Cause or Upon Change of Control or Resignation for Good Reason	Termination for Cause or Resignation w/o Good Reason, Death or Disability
Executive Benefits and Payments Upon Termination for Catherine L. Hughes			
Base Salary/Severance	$ 2,250,000	$ 750,000	n/a
Medical, Dental and Vision	n/a	6,900	n/a
Unvested Portion of Stock Awards	280,000	280,000	n/a
Deferred Compensation	372,292	$ 372,292	372,292
Total	$ 2,902,292	$ 1,409,192	$ 372,292
Executive Benefits and Payments Upon Termination for Alfred C. Liggins			
Base Salary/Severance	$ 2,940,000	$ 980,000	n/a
Medical, Dental and Vision	n/a	11,100	n/a
Unvested Portion of Stock Awards	858,666	858,666	n/a
Total	$ 3,798,666	$ 1,849,766	
Executive Benefits and Payments Upon Termination for Peter D. Thompson			
Base Salary/Severance	$ n/a	$ 93,750	n/a
Medical, Dental and Vision	n/a	n/a	n/a
Unvested Portion of Stock Awards	196,000	196,000	n/a
Total	$ 196,000	$ 289,750	
Executive Benefits and Payments Upon Termination for Barry A. Mayo			
Base Salary/Severance	$ n/a	$ 275,000	n/a
Medical, Dental and Vision	n/a	n/a	n/a
Unvested Portion of Stock Awards	97,066	97,066	n/a
Total	$ 97,066	$ 372,066	

(a) Mr. Thompson's employment agreement does not explicitly provide for the immediate vesting of unvested stock awards upon a Change of Control (as defined in the Company's 2009 Stock Option and Restricted Stock Grant Plan). However, in the event of a Change of Control, under the terms of the Company's 2009 Stock Option and Restricted Stock Grant Plan, the compensation committee may provide, in its discretion, that any unvested portion of stock awards shall become immediately vested.

Directors' Fees

Our non-employee directors each typically receive an annual retainer of $20,000 which is paid in equal installments on a quarterly basis. In addition, they receive $1,000 for each board meeting attended, and are reimbursed for all out-of-pocket expenses related to meetings attended. Non-employee directors serving as chairperson of a committee of the board of directors receive an extra $10,000 per annum. However, in 2009, due to the economic crisis and corresponding effects on the Company's operations, the non-employee directors were not paid a quarterly retainer or any other amounts for service during the year except for the first quarter of 2009. The balance of the 2009 fees and all the 2010 fees were paid in December 2010. Pursuant to the Company's Policy for Granting Stock Options and Restricted Stock Awards, as adopted by the Committee, on an annual basis on the grant date immediately after each annual stockholders' meeting, each non-employee directors also receives an award of stock options in an amount as determined by the Committee (the "Non-Employee Director Annual Award"). The grant date for the Non-Employee Director Annual Award is the fifth day of the month following the date of the annual stockholder meeting. If the Committee does not make a determination as to the size of the Non-Employee Director Annual Award, each non-employee director automatically receives an award of options to purchase that number of shares that would have a fair market value of $25,000 on the grant date (the "Automatic Non-Employee Director Award"). Under this policy, for 2009, each of our non-officer directors received an Automatic Non-Employee Director Award of options to purchase 7,886 shares of Class D common stock on January 5, 2010. The number of shares was determined by dividing $3.17, the closing share price of our Class D common stock on January 5, 2010 into $25,000. Our officers who serve as directors do not receive compensation for their services as directors other than the compensation they receive as officers of Radio One.

2010 Director Compensation

Name	Fees Earned or Paid in Cash $(1)	Option Awards $(2)	Total $
Terry L. Jones(3)	36,000	8,528	44,528
Brian W. McNeill(3)	26,000	8,528	34,528
B. Doyle Mitchell, Jr.(4)	26,000	8,528	34,528
D. Geoffrey Armstrong(3)	36,000	8,528	44,528
Ronald E. Blaylock(5)	25,000	8,528	33,528

(1) The dollar amount recognized for financial statement reporting purposes in 2010 in accordance with ASC 718.

(2) On December 16, 2009 each director was awarded options to purchase 7,886 shares of Class D common stock. The option award grant date was January 5, 2010. The number of shares was determined by dividing $3.17, the closing share price of our Class D common stock on January 5, 2010 into $25,000.

(3) 55,616 options outstanding in the aggregate as of December 31, 2010.

(4) 25,616 options outstanding in the aggregate as of December 31, 2010.

(5) 50,616 options outstanding in the aggregate as of December 31, 2010.

Equity Compensation Plan Information

The following table sets forth, as of December 31, 2010, the number of shares of Class A and Class D common stock that are issuable upon the exercise of stock options outstanding under our 2009 Stock Plan and our 1999 Stock Plan, as amended on May 26, 2004 to increase the shares of Class D common stock available for issuance under the plan. The 1999 Stock Plan, as amended, expired by its terms on May 5, 2009 leaving no shares available for issuance under that plan.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in the First Column)
Equity compensation plans approved by security holders			
Radio One, Inc. Amended and Restated 1999 Stock Option and Restricted Stock Grant Plan			
Class A	—	$ —	—
Class D	4,289,092	$ 9.40	—
Equity compensation plans not approved by security holders			
Radio One, Inc. 2009 Stock Option and Restricted Stock Grant Plan			
Class D	39,430	$ 3.17	5,050,570
Total	4,328,522	$ 9.31	5,050,570

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

During the last completed fiscal year, which ended on December 31, 2010, the compensation committee was comprised of Terry L. Jones, D. Geoffrey Armstrong and Brian W. McNeill. None of those members is or has been an officer or employee of the Company, and no executive officer of the Company served on the compensation committee or board of any entity that employed any member of the Company's compensation committee or board of directors.

COMPENSATION COMMITTEE REPORT

Director Terry L. Jones was the Chairperson and directors Brian W. McNeill and D. Geoffrey Armstrong served on the compensation committee. The compensation committee has reviewed the performance of the executive officers of Radio One, Inc. and approved their 2010 compensation, including salary and cash and equity bonus amounts. The compensation committee also has reviewed and discussed the Compensation Discussion and Analysis for the fiscal year ended December 31, 2010, with the management of Radio One. Based on its review and discussion, the compensation committee recommends to the board of directors that this Compensation Discussion and Analysis be included in this prospectus.

Respectfully submitted,

Compensation Committee:

Terry L. Jones, Chairman
Brian W. McNeill
D. Geoffrey Armstrong

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The Company has four classes of common stock, Class A, Class B, Class C and Class D. Generally, except as summarized below, the shares of each class are identical in all respects and entitle the holders thereof to the same rights and privileges. However, with respect to voting rights, each share of Class A common stock entitles its holder to one vote and each share of Class B common stock entitles its holder to ten votes. The holders of Class C and Class D common stock are not entitled to vote on any matters. The holders of Class A common stock can convert such shares into shares of Class C or Class D common stock. Subject to certain limitations, the holders of Class B common stock can convert such shares into shares of Class A common stock. The holders of Class C common stock can convert such shares into shares of Class A common stock. The holders of Class D common stock have no such conversion rights.

The following table sets forth certain information regarding the beneficial ownership of our common stock as of January 31, 2011 by:

- each person (or group of affiliated persons) known by us to be the beneficial owner of more than five percent of any class of common stock;
- each of the current executive officers named in the Summary Compensation Table;
- each of our directors and nominees for director; and
- all of our directors and executive officers as a group.

In the case of persons other than our executive officers, directors and nominees, such information is based solely upon a review of the latest schedules 13D or 13G, as amended. Each individual stockholder possesses sole voting and investment power with respect to the shares listed, unless otherwise noted. Information with respect to the beneficial ownership of the shares has been provided by the stockholders. The number of shares of stock includes all shares that may be acquired within 60 days of January 31, 2011.

	Common Stock									
	Class A		Class B		Class C		Class D			
	Number of Shares	Percent of Class	Number of Shares	Percent of Class	Number of Shares	Percent of Class	Number of Shares	Percent of Class	Economic Interest	Voting Interest
Catherine L. Hughes(1)(2)(3)(4)(6)	1,000	*	851,536	29.8%	1,579,674	50.6%	4,692,410	10.3%	13.1%	27.0%
Alfred C. Liggins, III(1)(3)(4)(5)(6)	574,909	20.1%	2,010,307	70.2%	1,541,374	49.4%	9,707,444	21.3%	25.4%	65.7%
Barry A. Mayo(7)							107,727	*	*	0.00%
Linda J. Vilardo(8)	1,000	*					20,216	*	*	*%
Terry L. Jones(9)	49,557	1.7%					681,172	1.5%	1.5%	*%
Brian W. McNeill(10)	26,434	*					869,165	1.9%	1.9%	*%
D. Geoffrey Armstrong(11)	10,000	*					186,460	*	*	*%
Ronald E. Blaylock(12)							52,730	*	*	0.00%
B. Doyle Mitchell, Jr.(13)							17,730	*	*	0.00%
Peter D. Thompson(14)							165,538	*	*	0.00%
Dimensional Fund Advisors, L.P.(15)							3,004,754	6.6%	6.2%	0.00%
All Directors and Named Executives as a group (10 persons)	662,900	23.1%	2,861,843	100.0%	3,121,048	100.0%	16,499,592	36.2%		

* Less than 1%.

(1) Includes 31,211 shares of Class C common stock and 62,997 shares of Class D common stock held by Hughes-Liggins & Company, L.L.C., the members of which are the Catherine L. Hughes Revocable Trust, dated March 2, 1999, of which Ms. Hughes is the trustee and sole beneficiary (the "Hughes Revocable Trust"), and the Alfred C. Liggins, III Revocable Trust, dated March 2, 1999, of which Mr. Liggins is the trustee and sole beneficiary (the "Liggins Revocable Trust"). The address of Ms. Hughes and Mr. Liggins is 5900 Princess Garden Parkway, 7th Floor, Lanham, MD 20706.

(2) The shares of Class B common stock, 247,366 shares of Class C common stock and 3,810,409 shares of Class D common stock are held by the Hughes Revocable Trust; 192,142 shares of Class C common stock and 286,875 shares of Class D common stock are held by the Catherine L. Hughes Charitable Lead Annuity Trust, dated March 2, 1999, of which Harold Malloy is trustee; 1,124,560 shares of Class C common stock are held by the Catherine L. Hughes Dynastic Trust, dated March 2, 1999, of which Ms. Hughes is the trustee and sole beneficiary.

(3) The shares of Class A common stock and Class B common stock are subject to a voting agreement between Ms. Hughes and Mr. Liggins with respect to the election of Radio One's directors.

(4) As of January 31, 2011, the combined economic and voting interests of Ms. Hughes and Mr. Liggins were 38.6% and 92.7%, respectively.

(5) The shares of Class B common stock, 605,313 shares of Class C common stock, and 5,611,565 shares of Class D common stock are held by the Liggins Revocable Trust; and 920,456 shares of Class C common stock are held by the Alfred C. Liggins, III Dynastic Trust dated March 2, 1999, of which Mr. Liggins is the trustee and sole beneficiary.

(6) Ms. Hughes includes 400,000 shares of Class D common stock obtainable upon the exercise of stock options. Mr. Liggins includes 2,266,667 shares of Class D common stock obtainable upon the exercise of stock options.

(7) Includes 50,000 shares of Class D common stock obtainable upon the exercise of stock options.

(8) Includes 1,000 shares of Class A common stock.

(9) Includes 47,730 shares of Class D common stock obtainable upon the exercise of stock options and 300 shares of Class A common stock and 600 shares of Class D common stock held by Mr. Jones as custodian for his daughter.

(10) Includes 47,730 shares of Class D common stock obtainable upon the exercise of stock options.

(11) Includes 47,730 shares of Class D common stock obtainable upon the exercise of stock options.

(12) Includes 42,730 shares of Class D common stock obtainable upon the exercise of stock options.

(13) Includes 17,730 shares of Class D common stock obtainable upon the exercise of stock options.

(14) Includes 50,000 shares of Class D common stock obtainable upon the exercise of stock options.

(15) The address of Dimensional Fund Advisors L.P. is 1299 Ocean Avenue, Santa Monica, CA 90401. This information is based on a Schedule 13G/A filed on February 10, 2010.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

We review all transactions and relationships in which Radio One and our directors and executive officers or their immediate family members are participants to determine whether such persons have a direct or indirect material interest. In addition, our code of ethics requires our directors, executive officers and principal financial officers to report to the board or the audit committee any situation that could be perceived as a conflict of interest. Once a related person transaction has been identified, the board of directors may appoint a special committee of the board of directors to review and, if appropriate, approve such transaction. The special committee will consider the material facts, such as the nature of the related person's interest in the transaction, the terms of the transaction, the importance of the transaction to the related person and to us, whether the transaction is on terms no less favorable than terms generally available to an unaffiliated third party under the same or similar circumstances, and other matters it deems appropriate. As required under the SEC rules, we disclose in the proxy statement related party transactions that are directly or indirectly material to us or a related person.

WDBZ-AM Cincinnati Purchase from Blue Chip Communications, Inc.

In July 2007, the Company closed on an agreement to acquire the assets of WDBZ-AM, a radio station located in the Cincinnati metropolitan area, from Blue Chip Communications, Inc. ("Blue Chip") for approximately $2.6 million in seller financing. The financing was a 5.1% interest bearing loan payable monthly through July 2008. The Company satisfied the loan in full in July 2008. Blue Chip is owned by L. Ross Love, a former member of the Company's board of directors. The transaction was approved by a special committee of independent directors appointed by the board of directors. Additionally, the Company retained an independent valuation firm to provide a fair value appraisal of the station. Prior to the closing, and since October of 2001, the Company consolidated WDBZ-AM within its existing Cincinnati operations, and operated WDBZ-AM under a local management agreement for no annual fee, the results of which were incorporated in the Company's financial statements.

Music One, Inc.

The Company's CEO and Chairperson own a music company called Music One, Inc. ("Music One"). The Company sometimes engages in promoting the recorded music product of Music One. Based on the cross-promotional value received by the Company, we believe that the provision of such promotion is fair. During the three and twelve months ended December 31, 2010 and 2009, Radio One paid $0 and $6,000 and $1,500 and $38,000, respectively, to or on behalf of Music One, primarily for market talent event appearances, travel reimbursement and sponsorships. For the three and twelve months ended December 31, 2010 and 2009, the Company provided no advertising services to Music One. There were no cash, trade or no-charge orders placed by Music One for the three and twelve months ended December 31, 2010 and 2009. As of December 31, 2010, Music One owed Radio One $124,000 for office space and administrative services provided in 2010, 2009, 2008 and 2007.

During the years ended December 31, 2010, 2009, 2008 and 2007, Radio One paid $6,000, $38,000, $151,000 and $69,000, respectively, to or on behalf of Music One, primarily for market talent event appearances, travel reimbursement and sponsorships. For the years ended December 31, 2010, 2009, 2008 and 2007, the Company provided advertising to Music One in the amount of $0, $0, $61,000 and $0, respectively. There were no cash, trade or no-charge orders placed by Music One in 2010, 2009 or 2007. As of December 31, 2010, Music One owed Radio One $124,000 for office space and administrative services provided in 2010, 2009, 2008 and 2007. In 2007, Music One paid to Radio One a total of $169,000 for similar services provided during 2006 and 2005.

The office space and administrative support transactions between Radio One and Music One are conducted at cost and all expenses associated with the transactions are passed through at actual costs. Costs associated with office space on behalf of Music One are calculated based on square footage used by Music One, multiplied by Radio One's actual per square foot lease costs for the appropriate time period. Administrative services are calculated based on the approximate hours provided by each Radio One employee to Music

One, multiplied by such employee's applicable hourly rate and related benefits allocation. Advertising spots are priced at an average unit rate. Based on the cross-promotional nature of the activities provided by Music One and received by the Company, we believe that these methodologies of charging average unit rates or passing through the actual costs incurred are fair and reflect terms no more favorable than terms generally available to a third-party. Since 2005, in no fiscal year has the amount of any particular transaction exceeded $120,000. Disclosure of the transactions was required under Item 404(a) of Regulation S-K in 2006 as the value of the office space transactions were in excess of $60,000. While disclosure of the office space transactions were not required under Item 404(a) beginning in 2007 (with the amendment increasing the threshold for disclosure to $120,000), we opted for continued disclosure given the related party nature of the transactions and the SEC's previous guidance that such transactions should be disclosed for three years.

Executive Officer Loans

In 2000, an officer of the Company, the former Chief Financial Officer ("Former CFO"), purchased shares of the Company's common stock. The Former CFO purchased 333,334 shares of the Company's Class A common stock and 666,666 shares of the Company's Class D common stock. The stock was purchased with the proceeds of a full recourse loan from the Company in the amount of approximately $7.0 million for the Former CFO.

In September 2005, the Former CFO repaid a portion of his loan. The partial repayment of approximately $7.5 million was effected using 300,000 shares of the Company's Class A common stock and 230,000 shares of the Company's Class D common stock owned by the Former CFO. All shares transferred to the Company in satisfaction of this loan have been retired. As of December 31, 2007, the remaining principal and interest balance on the Former CFO's loan was approximately $1.7 million, which included accrued interest in the amount of $175,000. The Former CFO was employed with the Company through December 31, 2007, and pursuant to an agreement with the Company, the loan became due in full in July 2008. Pursuant to his employment agreement, the Former CFO was eligible to receive a retention bonus in the amount of approximately $3.1 million in cash on July 1, 2008, for having remained employed with the Company through December 31, 2007. The $3.1 million retention bonus was a pro-rata portion of a $7.0 million retention bonus called for in his employment agreement, had he remained employed with the Company for ten years, and is based on the number of days of employment between October 18, 2005 and December 31, 2007. In July 2008, the Former CFO settled the remaining balance of the loan in full by offsetting the loan with his after-tax proceeds from the $3.1 million retention bonus, in addition to paying a cash amount of $34,000 to the Company.

As of December 31, 2007, the Company had an additional loan outstanding to the Former CFO in the amount of $88,000. The loan was due on demand and accrued interest at 5.6%, totaling an amount of $53,000 as of December 31, 2007. In January 2008, the Former CFO repaid the full remaining balance of the loan in cash in the amount of $140,000.

Controlled Company Exemption

We are a "controlled company" under rules governing the listing of our securities on the NASDAQ Stock Market because more than 50% of our voting power is held by Catherine L. Hughes, our Chairperson of the Board and Secretary, and Alfred C. Liggins, III, our CEO and President. See "Security Ownership of Beneficial Owners and Management" above. Therefore, we are not subject to NASDAQ Stock Market listing rules that would otherwise require us to have (i) a majority of independent directors on the board; (ii) a compensation committee composed solely of independent directors; (iii) a nominating committee composed solely of independent directors; (iv) compensation of our executive officers determined by a majority of the independent directors or a compensation committee composed solely of independent directors; and (v) director nominees selected, or recommended for the board's selection, either by a majority of the independent directors or a nominating committee composed solely of independent directors. In connection with recent legislation, the SEC must adopt, no later than July 16, 2011, new rules regarding compensation committee independence, which may impose additional requirements to the definition of "independence" determined by the applicable national exchanges.

DESCRIPTION OF CERTAIN OTHER INDEBTEDNESS

Senior Credit Facility

On November 24, 2010, the Company entered into an Amendment and Restatement Agreement (the "Amendment and Restatement Agreement") by and among the Company, as Borrower, Wells Fargo Bank, N.A., as successor by merger to Wachovia Bank, National Association, as administrative agent (the "Administrative Agent"), and the lenders party thereto (the "Consenting Lenders"), which Amendment and Restatement Agreement amended and restated in its entirety that certain Credit Agreement, dated as of June 13, 2005 (the "Credit Agreement"), by and among the Company, the Administrative Agent, and the lenders from time to time party thereto (the Credit Agreement, as amended by the Amendment and Restatement Agreement, the "Amended and Restated Credit Agreement"). The Amendment and Restatement Agreement, among other things, replaced the existing amount of outstanding revolving loans with a $323.0 million term loan (the "New Term Loan") and provided for three tranches of revolving loans, including a $20.0 million revolver to be used for working capital, capital expenditures, investments, and other lawful corporate purposes, a $5.1 million revolver to be used solely to redeem or repurchase and retire the 2011 Notes, and a $13.7 million revolver to be used solely to fund a capital call with respect to TV One (the "Credit Facility").

Maturity. As the result of our repurchase or refinancing of all 2011 Notes outstanding prior to January 1, 2011, the Amended and Restated Credit Agreement expires on June 30, 2012 (the "Maturity Date").

Interest. Interest payments under the terms of the Amended and Restated Credit Agreement are due based on the type of loan selected. Interest on both alternate base rate loans and LIBOR loans will be payable monthly. The LIBOR interest rate floor is 1.00% and the alternate base rate is equal to the greater of the prime rate, the Federal Funds Effective Rate plus 0.50% and the LIBO Rate for a one-month period plus 1.00%. Interest payable on (i) LIBOR loans will be at LIBOR plus 6.25% and (ii) alternate base rate loans will be at alternate base rate plus 5.25% (and, in each case, may be permanently increased if the Company exceeds certain senior leverage ratio levels, tested quarterly beginning June 30, 2011). The interest rate paid in excess of LIBOR could be as high as 7.25% during the last quarter prior to maturity if the Company exceeds the senior leverage ratio levels on each test date. Additionally, amortization payments of 1.00% per annum on the New Term Loan must be paid in equal quarterly installments beginning September 30, 2011, with the remainder due at maturity on June 30, 2012.

Mandatory Prepayments and Commitment Reduction. The Amended and Restated Credit Agreement contains anti-cash hoarding provisions and provides that (i) net asset sales proceeds repay secured debt (subject to a de minimus floor), (ii) net debt proceeds repay secured debt (with exceptions for subordinated debt issued to fund a TV One capital call) and (iii) equity issuance proceeds repay secured debt (with exceptions for equity issued to fund a TV One capital call, to purchase the interests of certain TV One financial investors or of management and to fund certain put rights related to TV One).

Default Interest and Fees. Upon the occurrence and during the continuance of a specified default, at the direction of the Required Lenders, interest will accrue on amounts outstanding (excluding letters of credit) at a rate of the alternate base rate plus the applicable rate, if any, plus 2.0% per annum, provided, however, that with respect to a LIBOR loan the default rate will be equal to the interest rate (including any applicable rate) otherwise applicable to such loan plus 2.0% per annum. In the case of stand-by letters of credit, letter of credit fees will accrue at the otherwise applicable interest rate plus 2.0% per annum.

Security and Guarantees. The Credit Facility is secured by, among other things, perfected first priority liens and security interest in, to and on substantially all of the present and future property and assets of Radio One and each of Radio One's restricted subsidiaries including but not limited to the following (in each case, subject to certain exceptions): (1) equipment, inventory, accounts receivable, instruments, general intangibles, intellectual property, investments, deposit accounts and real property; and (2) equity interests owned by Radio One or any other of its restricted subsidiaries.

Covenants. The Credit Facility contains covenants (subject to customary exceptions, qualifications and materiality thresholds) which, among other things, limit:

- indebtedness (including guarantees and other contingent obligations);
- liens;
- fundamental changes;
- the sale of assets;
- restricted payments and the payment of dividends;
- mergers and acquisitions, subject to permitted acquisitions,
- investments;
- transactions with affiliates;
- restricted subsidiary distributions;
- lines of business;
- sale or issuance of equity interests;
- material agreements;
- certain intercompany matters; and
- our relationship with Reach Media.

Financial Covenants. The Amended and Restated Credit Agreement provides for maintenance of the following maximum fixed charge coverage ratio as of the last day of each fiscal quarter:

Effective Period	Ratio
November 24, 2010 to December 30, 2010	1.05 to 1.00
December 31, 2010 to June 30, 2012	1.07 to 1.00

The Amended and Restated Credit Agreement also provides for maintenance of the following maximum total leverage ratios (subject to certain adjustments if subordinated debt is issued or any portion of the $13.7 million revolver is used to fund a TV One capital call):

Effective Period	Ratio
November 24, 2010 to December 30, 2010	9.35 to 1.00
December 31, 2010 to December 30, 2011	9.00 to 1.00
December 31, 2011 and thereafter	9.25 to 1.00

The Amended and Restated Credit Agreement also provides for maintenance of the following maximum senior leverage ratios (subject to certain adjustments if any portion of the $13.7 million revolver is used to fund a TV One capital call):

Beginning	No Greater Than
November 24, 2010 to December 30, 2010	5.25 to 1.00
December 31, 2010 to March 30, 2011	5.00 to 1.00
March 31, 2011 to September 29, 2011	4.75 to 1.00
September 30, 2011 to December 30, 2011	4.50 to 1.00
December 31, 2011 and thereafter	4.75 to 1.00

The Amended Credit Facility provides for maintenance of average weekly availability at any time during any period set forth below:

Beginning	Average Weekly Availability no Less Than
November 24, 2010 through and including June 30, 2011	$10,000,000
July 1, 2011 and thereafter	$15,000,000

Commitment and Amendment Fees. An unused revolver commitment fee of 0.50% was paid on the then outstanding revolver commitment concurrently with the closing of the Amendment and Restatement Agreement. An upfront amendment fee of 0.50% was also paid to approving lenders based upon their pro rata portion of the aggregate commitments under the Amended and Restated Credit Agreement.

2013 Notes

Approximately $0.75 million aggregate principal amount of 2013 Notes remain outstanding after the completion of the Transactions. The 2013 Notes were issued pursuant to an indenture, dated as of February 10, 2005, by and among Radio One, The Bank of New York (formerly United States Trust Company of New York), as trustee, and the guarantors named therein.

The 2013 Notes mature on February 15, 2013. The 2013 Notes carry interest at the rate of $6^{3}/_{8}$% per annum, payable semi-annually on February 15 and August 15 each year.

The 2013 Notes rank: (i) senior to any of our and our guarantors' future debt that expressly provides that it is subordinated to the 2013 Notes; (ii) junior to the Notes; (iii) other than the Notes, on a parity with any of our and our guarantors' future unsecured senior subordinated obligations that do not expressly provide that they are subordinated to the 2013 Notes; and (iii) junior to all of our and our guarantors' existing and future senior debt.

The 2013 Notes are guaranteed on a senior subordinated basis by each of our existing and future domestic restricted subsidiaries, subject to certain exceptions.

We may redeem some or all of the 2013 Notes at a redemption price equal to 100% of the principal amount, plus accrued and unpaid interest.

If we experience specific kinds of changes in control, we must offer to repurchase the 2013 Notes at a repurchase price of 101% of the principal amount, plus accrued and unpaid interest.

On November 24, 2010, we, the guarantors signatory thereto and Wilmington Trust Company, as successor trustee, entered into a supplemental indenture to the indenture governing the 2013 Notes which waived any and all existing defaults and events of default that had arisen or may have arisen under each such indenture that may be waived and eliminated substantially all of the covenants in each such indenture, other than the covenants to pay principal of and interest on the 2013 Notes when due, and eliminated or modified the related events of default. On December 20, 2010, we paid defaulted interest and interest thereon arising from the August 16, 2010 interest nonpayment to the holders of the 2013 Notes as of a special record date of December 10, 2010. As a result, there is no default or event of default under the indenture governing the 2013 Notes or the 2013 Notes.

DESCRIPTION OF NOTES

In this description, “Company” refers only to Radio One, Inc. and not to any of its subsidiaries. The Company issued the Old Notes and will issue the Exchange Notes under an indenture, dated as of November 24, 2010 (the “Indenture”), among the Company, as issuer, the Guarantors and Wilmington Trust Company, as trustee (the “Trustee”). The terms of the Exchange Notes offered in exchange for the Old Notes will be substantially identical to the terms of the Old Notes, except that the Exchange Notes are registered under the Securities Act, and the transfer restrictions, registration rights and related special interest terms applicable to the Old Notes will not apply to the Exchange Notes. As a result, we refer to the Exchange Notes, any PIK Notes (as defined below) and the Old Notes collectively as “Notes” for purposes of the following summary.

The statements under this caption relating to the Indenture and the Notes are summaries and are not a complete description thereof, and where reference is made to particular provisions, such provisions, including the definitions of certain terms, are qualified in their entirety by reference to all of the provisions of the Indenture and the Notes and those terms made part of the Indenture by the Trust Indenture Act. The definitions of certain capitalized terms used in the following summary are set forth under the caption “— Certain Definitions.” Certain defined terms used in this description but not defined below under “— Certain Definitions” have the meanings assigned to them in the Indenture and the Registration Rights Agreement. Copies of the Indenture are available upon request from the Company. We urge you to read those documents carefully because they, and not the following description, govern your rights as a holder.

The registered holder of a Note is treated as the owner of it for all purposes. Only registered holders have rights under the Indenture.

Brief Description of the Notes and the Guarantees

The Notes

The Notes are:

- general unsecured obligations of the Company;
- subordinated in right of payment to all existing and future Senior Debt of the Company;
- senior in right of payment to all existing and future Subordinated Obligations of the Company; and
- fully and unconditionally, jointly and severally, guaranteed by the Guarantors as further described below.

The Guarantees

The Guarantees are:

- general unsecured obligations of each Guarantor;
- subordinated in right of payment to all existing and future Senior Debt of each Guarantor; and
- senior in right of payment to all existing and any future Subordinated Obligations of each Guarantor.

As indicated above and as discussed in detail below under the caption “— Subordination,” payments on the Notes and under these guarantees will be subordinated to the payment of Senior Debt. The Indenture permits us and the Guarantors to incur additional Senior Debt.

As of the date of the Indenture, all of the Company’s domestic Subsidiaries (other than Reach Media) will be “Restricted Subsidiaries” and all of the Company’s domestic Restricted Subsidiaries were Guarantors; *provided* that if, at any time, the Company, any of its Restricted Subsidiaries and/or any Affiliated Entities become the Beneficial Owner of 80% or more of the Equity Interests in Reach Media, then Reach Media (and each of its Subsidiaries, if any) shall automatically become a Restricted Subsidiary and shall thereafter become a Guarantor. As of the date of the Indenture, TV One was not be a Subsidiary of the Company, but in the

event it becomes a Subsidiary of the Company, subject to the following proviso (i) it shall be an Unrestricted Subsidiary and (ii) such designation shall not be subject to the covenant described under the caption "— Certain Covenants — Designation of Restricted and Unrestricted Subsidiaries;" *provided* that if, at any time, the Company, any of its Restricted Subsidiaries and/or any Affiliate Entities become the Beneficial Owner of 90% or more of the outstanding Equity Interests of TV One, then TV One (and each of its Subsidiaries, if any) shall automatically become a Restricted Subsidiary and shall thereafter become a Guarantor. Notwithstanding the foregoing, under the circumstances described below under the subheading "— Certain Covenants — Designation of Restricted and Unrestricted Subsidiaries," the Company will be permitted to designate certain of its Subsidiaries as "Unrestricted Subsidiaries." Unrestricted Subsidiaries will not be subject to the restrictive covenants in the Indenture and will not guarantee the Notes.

Principal, Maturity and Interest

The Indenture provides for the issuance of up to $291,510,000 of Old Notes thereunder in connection with the Transactions, any additional Exchange Notes issued in connection with the registered exchange offer and an unlimited amount of additional Notes issued in respect of interest payments on any such Notes. The Notes will be issued in fully registered form only, without coupons, in denominations of $1,000 or integral multiples of $1.00 in excess thereof. The Notes will mature on May 24, 2016. Additional Notes issued in respect of interest payments (*"PIK Notes"*) will be issued in integral multiples of $1.00.

Interest will be payable in cash, or at the Company's election, partially in cash and partially in PIK Notes (a *"PIK Election"*) on a quarterly basis in arrears on February 15, May 15, August 15 and November 15 of each year (each, an *"Interest Payment Date"*), commencing on February 15, 2011. The Company will make each interest payment to the Holders of record on the February 1, May 1, August 1 and November 1 immediately preceding the related Interest Payment Date.

Interest on the Notes will accrue from the date of original issuance or, if interest has already been paid, from the date it was most recently paid. Interest will accrue at a rate of 12.5% per annum if the interest for such interest period is paid fully in cash. In the event that the Company makes a PIK Election in accordance with the Indenture, cash interest will accrue and be paid for such interest period at a rate of 6.0% per annum and interest paid-in-kind through the issuance of PIK Notes (the *"PIK Interest"*) will accrue for such interest period at 9.0% per annum; provided that the Company may make a PIK Election only with respect to interest accruing up to but not including May 15, 2012, and with respect to interest accruing from and after May 15, 2012 such interest shall accrue at a rate per annum of 12.5% and shall be payable in cash. A PIK Election is currently in effect.

The Company must elect the form of interest payment with respect to each interest period by delivering a written notice to the Trustee and the Holders prior to the beginning of such interest period. In the absence of such an election for any interest period, interest on the Notes shall be payable according to the election for the previous interest period; provided that interest accruing from and after May 15, 2012 shall accrue at a rate of 12.5% per annum and shall be payable in cash.

Additional interest may accrue on the Notes as liquidated damages in certain circumstances described under "Registration Rights Agreement" and shall be payable in cash. During any period in which a payment default or an Event of Default under clause (9) of the covenant described under the caption "— Events of Default and Remedies," has occurred and is continuing, interest on all principal and overdue interest will accrue at a rate that is 2.0% higher than the cash interest rate on the Notes in each interest period for which no PIK Election has been made and a rate that is 2.0% higher than the total cash interest rate and PIK Interest rate on the Notes in each interest period for which a PIK Election has been made (such increased interest, the *"Default Interest"*) and shall be payable in cash. All references to "interest" in the Indenture and this "Description of Notes" include any additional interest that may be payable on the Notes, including, but not limited to, any Default Interest and additional interest payable pursuant to the Registration Rights Agreement. Interest on the Notes will be computed on the basis of a 360-day year comprised of twelve 30-day months.

Methods of Receiving Payments on the Notes

If a Holder has given wire transfer instructions to the Company, the Company will pay all principal, cash interest and premium, if any, on that Holder's Notes in accordance with those instructions. All other cash payments on Notes will be made at the office or agency of the paying agent and registrar unless the Company elects to make cash interest payments by check mailed to the Holders at their address set forth in the register of Holders.

The Company will make all principal, premium and cash interest payments on each Note in global form registered in the name of DTC or its nominee in immediately available funds to DTC or its nominee, as the case may be, as the Holder of such global Note.

On each Interest Payment Date for which the Company has made a PIK Election, the Company shall request the Trustee to, and the Trustee shall upon the Company's request, authenticate and deliver PIK Notes for original issuance to the Holders of the Notes on the relevant record date, in an aggregate principal amount necessary to pay the PIK Interest. With respect to PIK Notes represented by one or more global notes registered in the name of DTC or its nominee on the relevant record date, the principal amount of such PIK Notes shall be increased by an amount equal to the amount of PIK Interest for the applicable interest period. Any PIK Note so issued will be dated as of the applicable Interest Payment Date, will bear interest from and after such date and will be issued with the designation "PIK" on the face thereof. Notwithstanding anything to the contrary in this description, the Company may not issue PIK Notes in lieu of paying interest in cash if such interest is default interest or is interest payable with respect to any principal that is due and payable, whether at stated maturity, upon redemption, repurchase or otherwise.

Paying Agent and Registrar for the Notes

The trustee will initially act as paying agent and registrar. The Company may change the paying agent or registrar without prior notice to the Holders of the Notes, and the Company or any of its Domestic Subsidiaries may act as paying agent.

Transfer and Exchange

A Holder may transfer or exchange Notes in accordance with the Indenture. The Company or the trustee may require a Holder to furnish appropriate endorsements and transfer documents in connection with a transfer of Notes, and the Company may require Holders to pay all taxes due on transfer. The Company is not required to transfer or exchange any Note selected for redemption. Also, the Company is not required to transfer or exchange any Note for a period of 15 days before a selection of Notes to be redeemed.

The Holder of a Note will be treated as the owner of it for all purposes.

Guarantees

Initially, all of the Company's domestic Restricted Subsidiaries will guarantee the Notes. The Guarantees will be joint and several obligations of the Guarantors. Each Guarantee will be subordinated to the prior payment in full of all Senior Debt of that Guarantor and guarantees of that Guarantor of the Company's Senior Debt. The obligations of each Guarantor under its Guarantee will be limited as necessary to prevent that Guarantee from constituting a fraudulent conveyance under applicable law. See "Risk Factors — Risks Related to the Notes — Under certain circumstances a court could cancel the Notes or the related guarantees under fraudulent conveyance laws."

The Guarantee of a Guarantor will be automatically released in accordance with the applicable provisions of the Indenture:

(1) in connection with any sale or other disposition of all or substantially all of the properties or assets of such Guarantor (including by way of merger or consolidation) other than to the Company or another Guarantor, if the sale or other disposition does not violate the provisions of the Indenture described under the caption "— Repurchase at the Option of Holders — Asset Sales;"

(2) in connection with any sale or other disposition of the Capital Stock of such Guarantor (including by way of merger or consolidation) other than to the Company or another Guarantor such that such Guarantor ceases to constitute a Subsidiary, if the sale or other disposition does not violate the provisions of the Indenture described under the caption "— Repurchase at the Option of Holders — Asset Sales;"

(3) if the Company designates any Restricted Subsidiary that is a Guarantor as an Unrestricted Subsidiary in accordance with the provisions of the Indenture;

(4) in the case of any Subsidiary which after the date of the Indenture is required to guarantee the Notes solely pursuant to clause (2) of the covenant described below under the caption "— Certain Covenants — Additional Guarantees," upon the release or discharge of the guarantee incurred by such Subsidiary which resulted in the obligation to guarantee the Notes; or

(5) upon Legal Defeasance or Covenant Defeasance with respect to all Notes as described below under the caption "— Legal Defeasance and Covenant Defeasance" or upon satisfaction and discharge of the Indenture as described below under the caption "— Satisfaction and Discharge."

Subordination

The payment of principal of, premium, if any, and interest, including Special Interest, if any, on the Notes will be subordinated to the prior payment in full in cash of all Senior Debt of the Company, including Senior Debt incurred after the date of the Indenture.

The holders of Senior Debt will be entitled to receive payment in full in cash of all Obligations due in respect of Senior Debt (including interest after the commencement of any bankruptcy proceeding at the rate specified in the applicable Senior Debt whether or not a claim for such interest would be allowed in such proceeding) before the Holders of Notes will be entitled to receive any payment or distribution of any kind or character with respect to the Notes or on account of any purchase or redemption or other acquisition on any Note (except that Holders of Notes may receive and retain Permitted Junior Securities and payments from the trust described under the caption "— Legal Defeasance and Covenant Defeasance") in the event of any distribution to creditors of the Company or any Guarantor:

(1) in a liquidation or dissolution of the Company or such Guarantor;

(2) in a bankruptcy, reorganization, insolvency, receivership or similar proceeding relating to the Company or such Guarantor or its property;

(3) in an assignment for the benefit of creditors of the Company or such Guarantor; or

(4) in any marshaling of the Company's or such Guarantor's assets and liabilities.

Neither the Company nor any Guarantor may make any payment or distribution of any kind or character in respect of the Notes or on account of any purchase or redemption or other acquisition of any Note (except in Permitted Junior Securities or from the trust described under the caption "— Legal Defeasance and Covenant Defeasance") and will not make any deposit into such trust if:

(1) a default in the payment of the principal of, or premium, if any, or interest on, or any fees or other amounts relating to, Designated Senior Debt (including, without limitation, upon any acceleration of the maturity thereof) occurs and is continuing; or

(2) any other default occurs and is continuing on any series of Designated Senior Debt that permits holders of that series of Designated Senior Debt to accelerate its maturity and the trustee receives a notice of such default (a *"Payment Blockage Notice"*) from the Company or the holders or representatives of any Designated Senior Debt.

Payments on the Notes (including any missed payments) may and will be resumed:

(1) in the case of a payment default, upon the date on which such default is cured or waived; and

(2) in the case of a nonpayment default, upon the earlier of (i) the date on which such nonpayment default is cured or waived (so long as no other default exists), (ii) 179 days after the date on which the applicable Payment Blockage Notice is received, or (iii) the date on which the trustee receives notice from or on behalf of the holders of Designated Senior Debt to terminate the applicable Payment Blockage Notice, unless, in each case, the maturity of any Designated Senior Debt has been accelerated.

No new Payment Blockage Notice may be delivered unless and until 360 days have elapsed since the delivery of the immediately prior Payment Blockage Notice.

No nonpayment default that existed or was continuing on the date of delivery of any Payment Blockage Notice to the trustee will be, or be made, the basis for a subsequent Payment Blockage Notice unless such nonpayment default has been cured or waived for a period of not less than 90 days.

If the trustee or any Holder of the Notes receives a payment in respect of the Notes (except in Permitted Junior Securities or from the trust described under the caption "— Legal Defeasance and Covenant Defeasance") when the payment is prohibited by these subordination provisions, the trustee or Holder, as the case may be, will hold the payment in trust for the benefit of the holders of Senior Debt. Upon the written request of the holders of Senior Debt, the trustee or the Holder, as the case may be, will deliver the amounts in trust to the holders of Senior Debt or their proper representative.

The Company must promptly notify holders of Senior Debt if payment of the Notes is accelerated because of an Event of Default and the Company shall promptly notify the trustee and the paying agent of any payment that has become due and payable that, if made, would violate these subordination provisions; *provided* that any failure to give such notice in each case shall have no effect whatsoever on the subordination provisions described herein.

As a result of the subordination provisions described above, in the event of a bankruptcy, liquidation or reorganization of the Company or any Guarantor, Holders of Notes may recover less ratably than creditors of the Company or such Guarantor who are holders of Senior Debt. See "Risk Factors — Risks Related to the Notes."

Optional Redemption

The Company may redeem all or a part of the Notes at any time or from time to time upon not less than 30 nor more than 60 days' notice, at the redemption prices (expressed as percentages of principal amount) set forth below plus accrued and unpaid interest on the Notes redeemed, if any, to the applicable redemption date, if redeemed during the periods indicated below:

Redemption Period	Percentage
Issue Date through and including May 31, 2011	108%
June 1, 2011 through and including December 31, 2011	106%
January 1, 2012 through and including December 31, 2012	103%
January 1, 2013 through and including December 31, 2013	101.5%
January 1, 2014 and thereafter	100%

Except as provided above, the Notes will not be redeemable at the Company's option prior to their final maturity.

Selection and Notice

If less than all of the Notes are to be redeemed at any time, the trustee will select Notes for redemption as follows:

(1) if the relevant Notes are listed on any national securities exchange, in compliance with the requirements of the principal national securities exchange on which the Notes are listed; or

(2) if the relevant Notes are not listed on any national securities exchange, on a pro rata basis.

Notes or portions of Notes the trustee selects for redemption will be in amounts of $1,000 or integral multiples of $1.00 in excess thereof. Notices of redemption will be mailed by first class mail at least 30 but not more than 60 days before the redemption date to each Holder of Notes to be redeemed at its registered address, except that redemption notices may be mailed more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of the Indenture. Notices of redemption may not be conditional.

If any Note is to be redeemed in part only, the notice of redemption that relates to that Note will state the portion of the principal amount of that Note that is to be redeemed. A new Note in principal amount equal to the unredeemed portion of the original Note will be issued in the name of the Holder thereof upon cancellation of the original Note. Notes called for redemption become due on the date fixed for redemption. On and after the redemption date, interest ceases to accrue on Notes or portions of them called for redemption unless the Company defaults in the payment thereof.

Mandatory Redemption; Open Market Purchases

The Company is not required to make mandatory redemption or sinking fund payments with respect to the Notes. However, under certain circumstances, the Company may be required to offer to purchase Notes as described under the caption "— Repurchase at the Option of Holders." The Company or its Affiliates may at any time and from time to time purchase Notes in the open market or otherwise.

Repurchase at the Option of Holders

Change of Control

If a Change of Control occurs, each Holder of Notes will have the right to require the Company to repurchase all or any part (equal to $1,000 or integral multiples of $1.00 in excess thereof) of that Holder's Notes pursuant to an offer (the "*Change of Control Offer*") on the terms set forth in the Indenture. In the Change of Control Offer, the Company will offer a payment (the "*Change of Control Payment*") in cash equal to the percentage of the aggregate principal amount of Notes to be repurchased plus accrued and unpaid interest thereon, if any, to the date of purchase (the "*Change of Control Purchase Date*"), shown below for the monthly period in which the Change of Control Purchase Date occurs:

Redemption Period	Percentage
Issue Date through and including May 31, 2011	108%
June 1, 2011 through and including December 31, 2011	106%
January 1, 2012 through and including December 31, 2012	103%
January 1, 2013 through and including December 31, 2013	101.5%
January 1, 2014 and thereafter	100%

Within 30 days following any Change of Control, the Company will mail a notice to each Holder describing the transaction or transactions that constitute the Change of Control and offering to repurchase Notes as of the Change of Control Purchase Date specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is mailed, pursuant to the procedures required by the Indenture and described in such notice.

The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control. To the extent that the provisions of any securities laws or regulations conflict with the provisions of the covenant described herein, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this covenant by virtue of the Company's compliance with such securities laws or regulations.

On the Change of Control Purchase Date, the Company will, to the extent lawful:

(1) accept for payment all Notes or portions of Notes properly tendered pursuant to the Change of Control Offer;

(2) deposit with the paying agent an amount equal to the Change of Control Payment in respect of all Notes or portions of Notes properly tendered; and

(3) deliver or cause to be delivered to the trustee the Notes so accepted together with an officers' certificate stating the aggregate principal amount of Notes or portions of Notes being purchased by the Company.

The paying agent will promptly mail to each Holder of Notes properly tendered and not withdrawn the Change of Control Payment for such Notes, and the trustee will promptly authenticate and mail (or cause to be transferred by book entry) to each Holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any; *provided* that each new Note will be in a principal amount of $1,000 or integral multiples of $1.00 in excess thereof. The Company will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Purchase Date.

If the Change of Control Purchase Date is on or after an interest payment record date and on or before the related Interest Payment Date, any accrued and unpaid interest will be paid to the Person in whose name a Note is registered at the close of business on such record date, and no other interest will be payable to Holders who tender pursuant to the Change of Control Offer.

Prior to complying with any of the provisions of this section but in any event within 90 days following a Change of Control, the Company will either pay all outstanding Senior Debt or obtain the requisite consents, if any, under all the agreements governing outstanding Senior Debt to permit the repurchase of the Notes required by this section.

The provisions described above that require the Company to make a Change of Control Offer following a Change of Control will be applicable whether or not any other provisions of the Indenture are applicable. The provisions of the Indenture may not afford Holders protection in the event of a highly leveraged transaction, reorganization, restructuring, merger or similar transaction affecting the Company that may adversely affect Holders, if such transaction is not the type of transaction included within the definition of Change of Control. A transaction involving the management of the Company or its Affiliates, or a transaction involving a recapitalization of the Company, will result in a Change of Control only if it is the type of transaction specified in such definition. The definition of Change of Control may be amended or modified with the written consent of a majority in aggregate principal amount of outstanding Notes. See "— Amendment, Supplement and Waiver."

The Company will not be required to make a Change of Control Offer upon a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by the Company and purchases all Notes properly tendered and not withdrawn under the Change of Control Offer.

Holders of Notes may not be entitled to require the Company to purchase their Notes in certain circumstances involving a significant change in the composition of the Company's Board of Directors, including in connection with a proxy contest, where the Company's Board of Directors initially publicly opposes the election of a dissident slate of directors, but subsequently approves such directors as Continuing Directors for purposes of the Indenture. This may result in a change in the composition of the Company's Board of Directors that, but for such subsequent approval, would have otherwise constituted a Change of Control requiring a Change of Control Offer under the terms of the Indenture.

The definition of Change of Control includes a phrase relating to the direct or indirect sale, lease, transfer, conveyance or other disposition of "all or substantially all" of the properties or assets of the Company and its Restricted Subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase "substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a Holder of Notes to require the Company to repurchase the Notes as a result of a

sale, lease, transfer, conveyance or other disposition of less than all of the assets of the Company and its Restricted Subsidiaries taken as a whole to another Person or group may be uncertain.

Asset Sales

The Company will not, and will not permit any of its Restricted Subsidiaries to, consummate an Asset Sale unless:

(1) the Company (or the Restricted Subsidiary, as the case may be) receives consideration at the time of the Asset Sale at least equal to the Fair Market Value (measured as of the date of the definitive agreement with respect to such Asset Sale) of the assets or Equity Interests issued or sold or otherwise disposed of; and

(2) at least 75% of the consideration received in the Asset Sale by the Company or such Restricted Subsidiary is in the form of cash or Cash Equivalents.

For purposes of this provision, each of the following will be deemed to be cash:

(1) any liabilities, as shown on the Company's or such Restricted Subsidiary's most recent balance sheet, of the Company or any Restricted Subsidiary (other than contingent liabilities and liabilities that are by their terms subordinated to the Notes or any Guarantee) that are assumed by the transferee of any such assets pursuant to a customary novation agreement that releases the Company or such Restricted Subsidiary from further liability; and

(2) any securities, notes or other obligations received by the Company or any such Restricted Subsidiary from such transferee that are converted within 90 days by the Company or such Restricted Subsidiary into cash, to the extent of the cash received in that conversion.

Within 365 days after the receipt of any Net Proceeds from an Asset Sale, the Company (or the applicable Restricted Subsidiary, as the case may be) may apply those Net Proceeds at its option to any combination of the following:

(1) to repay, prepay, redeem or repurchase Senior Debt of the Company or any Guarantor, *provided* that any related loan commitment is permanently reduced in an amount equal to the principal amount so repaid, prepaid, redeemed or repurchased;

(2) to acquire all or substantially all of the properties or assets of a Permitted Business so long as such properties and assets are acquired by the Company or a Restricted Subsidiary;

(3) to acquire a majority of the Voting Stock of one or more other Persons primarily engaged in a Permitted Business, if after giving effect to any such acquisition of Voting Stock, such Person is or becomes a Restricted Subsidiary, or to finance the TV One Investment described in clause (ii) of the definition thereof;

(4) to make capital expenditures in a Permitted Business owned by the Company or a Restricted Subsidiary; or

(5) to acquire other long-term assets that are used or useful in a Permitted Business owned by the Company or a Restricted Subsidiary.

Any Net Proceeds from an Asset Sale that are not applied or invested as provided in this paragraph will constitute *"Excess Proceeds."*

Pending the final application of any Net Proceeds, the Company or any such Restricted Subsidiary may temporarily reduce revolving credit borrowings or otherwise invest the Net Proceeds in any manner that is not prohibited by the Indenture.

On the 365th day after an Asset Sale (or, at the Company's option, any earlier date), if the aggregate amount of Excess Proceeds then exceeds $10.0 million, the Company will make an offer (the *"Asset Sale*

Offer") to all Holders of Notes and all holders of other Indebtedness ranking *pari passu* with the Notes containing provisions similar to those set forth in the Indenture with respect to offers to purchase or redeem with the proceeds of sales or assets, to purchase the maximum principal amount of Notes and such other *pari passu* Indebtedness, if applicable, that may be purchased out of the aggregate Excess Proceeds. The offer price in any Asset Sale Offer will be equal to 100% of principal amount plus accrued and unpaid interest, if any, to the date of purchase, and will be payable in cash. If any Excess Proceeds remain after consummation of an Asset Sale Offer, the Company may use those Excess Proceeds for any purpose not otherwise prohibited by the Indenture. If the aggregate principal amount of Notes and other *pari passu* Indebtedness tendered into such Asset Sale Offer exceeds the aggregate amount of Excess Proceeds, the trustee will select the Notes and the Company, or its agent, shall select such other *pari passu* Indebtedness to be purchased on a pro rata basis. Upon completion of each Asset Sale Offer, the amount of Excess Proceeds will be reset at zero.

If the Asset Sale Offer purchase date is on or after an interest payment record date and on or before the related Interest Payment Date, any accrued and unpaid interest will be paid to the Person in whose name a Note is registered at the close of business on such record date, and no other interest will be payable to holders who tender Notes pursuant to the Asset Sale Offer.

The Company will publicly announce the results of the Asset Sale Offer on or as soon as commercially practicable after the date such Asset Sale Offer is completed.

The exercise by Holders of Notes of their right to require the Company to repurchase the Notes upon an Asset Sale could cause a default under the Existing Credit Agreement if the Company is then prohibited by the terms of such agreement from making the Asset Sale Offer under the Indenture. In the event an Asset Sale occurs at a time when the Company is prohibited under the Existing Credit Agreement from purchasing Notes, the Company could seek the consent of its lenders under such agreement to the purchase of Notes or could attempt to refinance the borrowings that contain such prohibition. If the Company does not obtain a consent or repay those borrowings, it will remain prohibited from purchasing Notes. In that case, the Company's failure to purchase tendered Notes could result in an Event of Default under the Indenture, which could, in turn, constitute a default under other indebtedness, including the Existing Credit Agreement.

The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with each repurchase of Notes pursuant to an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with the Asset Sale provisions of the covenant described herein, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this covenant by virtue of the Company's compliance with such securities laws or regulations.

Certain Covenants

Restricted Payments

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly:

(1) declare or pay any dividend or make any other payment or distribution on account of the Company's or any of its Restricted Subsidiaries' Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving the Company or any of its Restricted Subsidiaries) or to the direct or indirect holders of the Company's or any of its Restricted Subsidiaries' Equity Interests in their capacity as such (other than (x) dividends or distributions payable in Equity Interests (other than Disqualified Stock) or in the case of Preferred Stock of the Company, an increase in the liquidation value thereof or (y) payable to the Company or a Restricted Subsidiary of the Company);

(2) purchase, redeem or otherwise acquire or retire for value any Equity Interests of the Company or any direct or indirect parent of the Company, including in connection with any merger or consolidation and including the exercise of any option to exchange any Equity Interests (other than into Equity Interests of the Company that are not Disqualified Stock);

(3) make any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value prior to scheduled maturity or scheduled sinking fund payment, any Subordinated Obligations (other than any Subordinated Obligations owed to and held by the Company or any Guarantor); or

(4) make any Investment other than a Permitted Investment (all such payments and other actions set forth in clauses (1) through (4) above being collectively referred to as *"Restricted Payments"*),

unless, at the time of and after giving effect to such Restricted Payment:

(1) no Default or Event of Default has occurred and is continuing or would occur as a consequence of such Restricted Payment;

(2) the Company would, both at the time of such Restricted Payment and after giving pro forma effect thereto as if such Restricted Payment had been made at the beginning of the applicable four-quarter period, have been permitted to incur at least $1.00 of additional Indebtedness pursuant to the Leverage Ratio test set forth in the first paragraph of the covenant described below under the caption "— Certain Covenants — Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock;" and

(3) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Company and its Restricted Subsidiaries after the Issue Date (excluding Restricted Payments permitted by clauses (2), (3), (4), (5), (6), (7), (8) and (9) of the next succeeding paragraph, but including Restricted Payments permitted by clauses (1), (10), (11) and (12) of such paragraph), is less than the sum, without duplication, of the following (collectively, the *"Restricted Payments Basket"*):

(a) 100% of the Consolidated Cash Flow of the Company (or, if Consolidated Cash Flow for such period shall be a deficit, minus 100% of such deficit) for the period (taken as one accounting period) from the beginning of the Fiscal Quarter following the Issue Date to the end of the Company's most recently ended Fiscal Quarter for which internal financial statements are available at the time of such Restricted Payment less the product of 1.4 times the Consolidated Interest Expense of the Company for the same period, *plus*

(b) 100% of the aggregate net cash proceeds received by the Company since the Issue Date (i) as a contribution to its common equity capital (other than from a Subsidiary of the Company or, for so long as TV One remains a Designated Entity but is not otherwise a Subsidiary, TV One) or (ii) from the issue or sale of Equity Interests of the Company (other than Disqualified Stock or Designated Preferred Stock) or from the issue or sale of convertible or exchangeable Disqualified Stock or convertible or exchangeable Designated Preferred Stock or convertible or exchangeable debt securities of the Company that have been converted into or exchanged for such Equity Interests (other than Equity Interests (or Disqualified Stock, Designated Preferred Stock or debt securities) sold to a Subsidiary of the Company or, for so long as TV One remains a Designated Entity but is not otherwise a Subsidiary, TV One), *plus*

(c) an amount equal to the sum of (i) the net reduction in Investments (other than Permitted Investments) made by the Company or any Restricted Subsidiary after the Issue Date in any Person resulting from principal payments, repurchases, repayments or redemptions of such Investments by such Person, proceeds realized on the sale of such Investments and proceeds representing the return of capital (excluding dividends and distributions on such Investments) or otherwise, in each case received in cash by the Company or any Restricted Subsidiary and (ii) in the event that the Company designates or redesignates an Unrestricted Subsidiary to be a Restricted Subsidiary, the portion (proportionate to the Company's equity interest in such Subsidiary) of the Fair Market Value of such Unrestricted Subsidiary at the time such Unrestricted Subsidiary is designated a Restricted Subsidiary; *provided, however,* that the foregoing sum shall not exceed, in the case of any such Person or Unrestricted Subsidiary, the amount of Investments (excluding Permitted Investments) made after the Issue Date (and treated as a Restricted Payment) by the Company or any Restricted Subsidiary in such Person or Unrestricted Subsidiary; *plus*

(d) 100% of any dividends or other distributions received in cash or Cash Equivalents by the Company or a Restricted Subsidiary after the Issue Date from an Unrestricted Subsidiary (other than Reach Media or, in the event that and for so long as TV One remains an Unrestricted Subsidiary, TV One); *provided* that such dividends have not been included in the calculation of the Consolidated Net Income of the Company for such period and shall not otherwise be required by the terms of the Indenture to repay Indebtedness of the Company or any of its Restricted Subsidiaries.

The preceding provisions will not prohibit the following actions, *provided* that, in the case of clauses (4), (7) and (11) no Default or Event of Default shall have occurred and be continuing or result therefrom:

(1) the payment of any dividend within 60 days after the date of declaration of the dividend, if at the date of declaration the dividend payment would have complied with the preceding paragraph;

(2) the redemption, repurchase, retirement, defeasance or other acquisition of (i) any Subordinated Obligations of the Company or any Guarantor or (ii) at any time on or after the date that is two and one-half years after the Issue Date, of any Equity Interests of the Company, in each case (a) in exchange for, or out of the net cash proceeds of the substantially concurrent sale (other than to a Subsidiary of the Company or, for so long as TV One remains a Designated Entity but is not otherwise a Subsidiary, TV One) of, Equity Interests of the Company (other than Disqualified Stock or Designated Preferred Stock) or (b) from the net cash proceeds of a substantially concurrent cash contribution to the equity capital of the Company or any Restricted Subsidiary (other than cash from the Company, a Restricted Subsidiary, Reach Media or, for so long as TV One remains a Designated Entity, TV One); *provided* that the amount of any such net cash proceeds that are utilized for any such redemption, repurchase, retirement, defeasance or other acquisition will be excluded from clause (b) of the definition of Restricted Payments Basket;

(3) the defeasance, redemption, repurchase, retirement or other acquisition Subordinated Obligations of the Company or any Guarantor with the net cash proceeds from an incurrence of, or in exchange for, Permitted Refinancing Indebtedness refinancing such Indebtedness permitted to be incurred under the caption "— Certain Covenants — Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock;"

(4) the payment of any dividend or distribution by a Restricted Subsidiary of the Company to the holders of its common Equity Interests on a pro rata basis;

(5) the acquisition of Equity Interests by the Company in connection with the exercise of stock options, warrants or other convertible or exchangeable securities to the extent such Equity Interests represent a portion of the exercise price of those stock options, warrants or other convertible or exchangeable securities by way of cashless exercise;

(6) the payment of cash in lieu of fractional shares of Capital Stock in connection with any transaction otherwise permitted under the Indenture;

(7) the declaration and payment of dividends on Disqualified Stock of the Company or any of its Restricted Subsidiaries or Designated Preferred Stock, in each case issued in accordance with the covenant described under "— Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock;"

(8) the retirement of any shares of Disqualified Stock of the Company by conversion into, or by exchange for, shares of Disqualified Stock of the Company, or out of the net cash proceeds of the substantially concurrent sale (other than to a Restricted Subsidiary of the Company) of other shares of Disqualified Stock of the Company, *provided* that the Disqualified Stock of the Company that replaces the retired shares of Disqualified Stock of the Company shall not require the direct or indirect payment of the liquidation preference earlier in time than the final stated maturity of the retired shares of Disqualified Stock of the Company;

(9) the repayment or repurchase of the Existing Subordinated Notes in exchange for the Notes in connection with the Transactions and any 8 7/8% Senior Subordinated Notes that remain outstanding thereafter;

(10) upon the occurrence of a Change of Control or an Asset Sale, the redemption, repurchase, retirement, defeasance or other acquisition of any Subordinated Obligation of the Company or any Guarantor to the extent required by the agreement governing such Subordinated Obligation but only if the Company shall have complied with the covenant described under "— Repurchase at the Option of Holders — Change of Control" or "— Repurchase at the Option of Holders — Asset Sale," as the case may be, and purchased all Notes validly tendered and not withdrawn pursuant to the relevant offer prior to purchasing or repaying such Subordinated Obligations;

(11) other Restricted Payments in an aggregate amount since the Issue Date not to exceed $15.0 million; and

(12) the declaration and payment of a dividend or other payment or distribution on account of the Company's Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving the Company), or the redemption, repurchase, retirement, defeasance or other acquisition of any Equity Interests of the Company, in each case in connection with a substantially concurrent Going Private Transaction, (a) out of the net cash proceeds of a substantially concurrent sale (other than to a Subsidiary of the Company or, for so long as TV One remains a Designated Entity but is not otherwise a Subsidiary, TV One) of Equity Interests of the Company (other than Disqualified Stock or Designated Preferred Stock) or (b) from the net cash proceeds of a substantially concurrent cash contribution to the equity capital of the Company (other than cash from the Company, a Restricted Subsidiary, Reach Media or, for so long as TV One remains a Designated Entity, TV One); *provided* that the amount of any such net cash proceeds that are utilized for any such dividend, other distribution, redemption, repurchase, retirement, defeasance or other acquisition of the Company's Equity Interests will be excluded from clause (b) of the definition of Restricted Payments Basket.

The amount of all Restricted Payments (other than cash) will be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Company or such Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. Not later than five Business Days after the date of making any Restricted Payment under the first paragraph of this covenant, the Company will deliver to the trustee an officers' certificate stating that such Restricted Payment is permitted and setting forth the calculation of the Restricted Payments Basket prior to and after giving effect to the Restricted Payment, together with a copy of any fairness opinion or appraisal required by the Indenture; *provided* that for purposes of determining compliance with this covenant, in the event that a Restricted Payment (or portion thereof) meets the criteria of more than one of the categories of Restricted Payments described in clauses (1) through (12) above on the date such Restricted Payment is made, or is entitled to be incurred pursuant to the first paragraph above, the Company will be entitled to classify such Restricted Payment (or portion thereof) on the date such Restricted Payment is made in or among any of these categories and/or the first paragraph thereof.

In the event that TV One becomes an Unrestricted Subsidiary and for so long as TV One remains an Unrestricted Subsidiary under the terms of the Indenture, any Investments made by TV One or any of its Subsidiaries, if any, in any Radio One Securities or in any Person who is not otherwise engaged in a TV One Permitted Business (other than any Investments of the type permitted by clauses (2), (3), (5), (7), (9) and (12) of the definition of Permitted Investments) will be deemed to have been made by the Company and will reduce the amount available (if any) for Restricted Payments under the first paragraph above or Restricted Payments permitted under clause (11) under the second paragraph above, as elected by the Company. If such Investment is not permitted to be made by the Company as of such date, then the Company will be in default of such covenant.

Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (collectively, *"incur"*) any Indebtedness (including Acquired Debt), and the Company will not issue any Disqualified Stock or Designated Preferred Stock and will not permit any of its Restricted Subsidiaries to issue any Disqualified Stock or Preferred Stock; *provided, however,* that the Company or any Guarantor (other than ROCH) may incur Indebtedness (including Acquired Debt) or issue Disqualified Stock or the Company may issue Designated Preferred Stock, if, immediately after giving effect to the incurrence of such Indebtedness or the issuance of such Disqualified Stock or Designated Preferred Stock and the receipt and application of proceeds therefrom, (a) the Leverage Ratio would be less than or equal to 7.0 to 1.0 in the case of the incurrence of Indebtedness or issuance of Disqualified Stock or Designated Preferred Stock, (b) no Default or Event of Default shall have occurred and be continuing at the time or as a consequence of the incurrence of such Indebtedness or issuance of Disqualified Stock or Designated Preferred Stock and (c) such Indebtedness (including (Acquired Debt)) or Disqualified Stock or Designated Preferred Stock is subordinated in right of payment to the Senior Debt on at least the same terms as the Notes. The Company will not issue any Preferred Stock (other than Designated Preferred Stock) that requires the declaration or payment of dividends or other distributions while any Notes are outstanding (other than dividends or distributions payable in Equity Interests (other than Disqualified Stock) or an increase in the liquidation value thereof).

The first paragraph of this covenant will not prohibit the incurrence of any of the following items of Indebtedness (collectively, *"Permitted Debt"*):

(1) Indebtedness incurred by the Company or any Guarantor pursuant to the Existing Credit Agreement in an aggregate principal amount at any one time outstanding under this clause (1) not to exceed an amount equal to $415 million, less (a) the aggregate amount of all principal repayments of revolving loans under the Existing Credit Agreement that effect a corresponding permanent commitment reduction thereunder from and after the Issue Date, (b) all principal repayments or principal prepayments of term loans or other non-revolving loans thereunder from and after the Issue Date (including regularly scheduled amortization payments under the term loan incurred under the Existing Credit Agreement as of the Issue Date) and (c) the aggregate amount of Net Proceeds from an Asset Sale used to finance any TV One Investment described in clause (ii) of the definition thereof, but, for the avoidance of doubt with respect to clauses (a) and (b), excluding any repayment in connection with any refinancing thereof under any agreement that satisfies the definition of the Existing Credit Agreement to the extent of the amount of the Indebtedness outstanding under this clause (1) on the date thereof (plus all accrued interest and the amount of all expenses and premiums incurred in connection therewith);

(2) Indebtedness outstanding under the Notes and the related Guarantees issued in connection with the Transactions, the Notes and the related Guarantees issued in exchange therefor pursuant to the Registration Rights Agreement and any PIK Notes;

(3) [Reserved];

(4) Indebtedness of the Company or any of its Restricted Subsidiaries outstanding on the Issue Date (other than clauses (1) and (2) above);

(5) Indebtedness incurred by the Company or any Restricted Subsidiary (other than ROCH) represented by Capital Lease Obligations, mortgage financings or purchase money obligations, in each case, incurred for the purpose of financing all or any part of the purchase price or cost of construction or improvement of property, plant or equipment used in the business of the Company or such Restricted Subsidiary, in an aggregate principal amount, including all Permitted Refinancing Indebtedness incurred to refund, renew, refinance or replace, defease, discharge or extend any Indebtedness incurred pursuant to this clause (5), not to exceed $2.5 million at any time outstanding;

(6) Permitted Refinancing Indebtedness incurred by the Company or any of its Restricted Subsidiaries (other than ROCH with respect to clauses (4), (13) or (14) hereof) in exchange for, or the net proceeds

of which are used to refund, renew, refinance, defease, discharge or replace Indebtedness (other than intercompany Indebtedness) that was permitted by the Indenture to be incurred under clause (2), (4), (13) or (14) of this paragraph or this clause (6); *provided* that a Restricted Subsidiary that is not a Guarantor may not incur any Permitted Refinancing Indebtedness under this clause (6) to refinance any Indebtedness of the Company or a Guarantor;

(7) Permitted Refinancing Indebtedness incurred by the Company or any Guarantor (other than ROCH) in exchange for, or the net proceeds of which are used to refund, renew, refinance, defease, discharge or replace Indebtedness (other than intercompany Indebtedness) that was permitted by the Indenture to be incurred under the first paragraph of this covenant or this clause (7);

(8) intercompany Indebtedness between or among the Company and any of its Restricted Subsidiaries (other than ROCH) and any issuance of Preferred Stock by any Restricted Subsidiary to another Restricted Subsidiary or the Company; *provided, however,* that:

(a) if the Company or any Guarantor is the obligor on such Indebtedness and the obligee is neither the Company nor a Guarantor, then such Indebtedness must be expressly subordinated to the prior payment in full in cash of the Exchange Claims;

(b) (i) any subsequent issuance or transfer of Equity Interests that results in any such Indebtedness or Preferred Stock being held by a Person other than the Company or a Restricted Subsidiary of the Company; and (ii) any sale or other transfer of any such Indebtedness or Preferred Stock to a Person that is neither the Company nor a Restricted Subsidiary of the Company will be deemed, in each case of clause (b)(i) and clause (b)(ii), to constitute an incurrence of Indebtedness or an issuance of Preferred Stock by the Company or such Restricted Subsidiary, as the case may be, that was not permitted by this clause (8); and

(c) if any Guarantor is the issuer of such Preferred Stock, then such Preferred Stock may only be issued to and held by the Company or any Restricted Subsidiary that is also a Guarantor.

(9) Hedging Obligations incurred by the Company or any of its Restricted Subsidiaries for the purpose of fixing or hedging (x) interest rates with respect to any Indebtedness that is permitted by the Indenture to be outstanding or (y) currency exchange rate risk in the ordinary course of business;

(10) the guarantee (a) by the Company of Indebtedness of any Guarantor that was permitted to be incurred by another provision of this covenant and (b) by any Guarantor (other than ROCH with respect to clauses (4), (13) or (14) hereof) of Indebtedness of the Company or any Guarantor that was permitted to be incurred by another provision of this covenant;

(11) Indebtedness of the Company or any of its Restricted Subsidiaries arising from customary cash management services, automated clearing house transfers, or the honoring by another financial institution of a check, draft or similar instrument inadvertently drawn against insufficient funds in the ordinary course of business, *provided, however*, that such Indebtedness is extinguished within five Business Days of incurrence;

(12) Non-Recourse Debt incurred by the Company's Unrestricted Subsidiaries; *provided, however*, that if any such Indebtedness ceases to be Non-Recourse Debt of an Unrestricted Subsidiary, such event will be deemed to constitute an incurrence of Indebtedness by a Restricted Subsidiary of the Company that was not permitted by this clause (12);

(13) Indebtedness by the Company or any of its Restricted Subsidiaries in respect of bid, performance, surety and similar bonds issued for the account of the Company and any of its Restricted Subsidiaries in the ordinary course of business, including guarantees and obligations of the Company and any of its Restricted Subsidiaries with respect to letters of credit supporting such obligations (in each case other than an obligation for money borrowed);

(14) Indebtedness or Preferred Stock of a Restricted Subsidiary incurred and outstanding on the date on which such Restricted Subsidiary was acquired by, or merged into, the Company or any Restricted

Subsidiary (other than Indebtedness incurred (a) to provide all or any portion of the funds utilized to consummate the transaction or series of related transactions pursuant to which such Restricted Subsidiary became a Restricted Subsidiary or was otherwise acquired by the Company or (b) otherwise in connection with, or in contemplation of, such acquisition) in an aggregate amount not to exceed $1.0 million at any time outstanding for all such Restricted Subsidiaries;

(15) Indebtedness arising from agreements of the Company or any of its Restricted Subsidiaries providing for indemnification, adjustment of purchase price or similar obligations, in each case, incurred or assumed in connection with the disposition of any business, assets or Capital Stock of a Restricted Subsidiary otherwise permitted under the Indenture, *provided* that the maximum aggregate liability in respect of all such Indebtedness shall at no time exceed the gross proceeds (including the Fair Market Value of non-cash proceeds) actually received by the Company and its Restricted Subsidiaries in connection with such disposition;

(16) Indebtedness incurred by the Company or any of its Restricted Subsidiaries in an aggregate principal amount at any time outstanding not to exceed $8.0 million; *provided*, such Indebtedness is subordinated in right of payment to the Senior Debt on at least the same terms as the Notes;

(17) Indebtedness incurred by the Company or any of its Restricted Subsidiaries in an aggregate principal amount at any time outstanding not to exceed $2.0 million; and

(18) in the event TV One or its Subsidiaries become Restricted Subsidiaries, Permitted TV One Indebtedness and any refinancing thereof so long as such refinancing Indebtedness continues to satisfy the conditions set forth in clauses (i) and (ii) of the definition of Permitted TV One Indebtedness.

For purposes of determining compliance with this "Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock" covenant, (1) in the event that an item of Indebtedness (including Acquired Debt) meets the criteria of more than one of the categories of Permitted Debt described in clauses (1) through (18) above, or is entitled to be incurred pursuant to the first paragraph of this covenant, the Company will classify such item of Indebtedness (or portion thereof) on the date of incurrence and may later classify (in whole or in part in its sole discretion) such item of Indebtedness in any manner that complies with this covenant and such item of Indebtedness will be treated as having been incurred pursuant to only one of such categories; *provided* that notwithstanding the foregoing (i) all Indebtedness outstanding on or incurred after the Issue Date under the Existing Credit Agreement shall only be permitted to be incurred under clause (1) under the definition of Permitted Debt, (ii) all Indebtedness incurred in one or more categories of Permitted Debt and subsequently reclassified as incurred pursuant to the first paragraph of this covenant shall be subordinated in right of payment to the Senior Debt on at least the same terms as the Notes and (iii) any refinancing of Permitted TV One Indebtedness shall only be permitted to be incurred under clause (18) of the definition of Permitted Debt, in each case to the extent permitted under such clauses, and may not later be reclassified and (2) for so long as TV One remains a Designated Entity under the terms of the Indenture, any Indebtedness incurred, or Preferred Stock issued, by TV One or any of its Subsidiaries, if any (other than Permitted TV One Indebtedness or Indebtedness in which the Company or a Guarantor is the obligee or any Indebtedness of the type permitted to be incurred by the Company pursuant to clauses (8), (11), (13) and (15) of the definition of Permitted Debt above), will be deemed to be indebtedness incurred by the Company pursuant to clause (1) under the definition of Permitted Debt above in an amount equal to the aggregate principal amount of such Indebtedness and the aggregate liquidation preference of such Preferred Stock, and such Indebtedness and Preferred Stock will otherwise reduce the amount of Indebtedness that the Company or any Guarantor can incur under clause (1) under the definition of Permitted Debt above on a dollar-for-dollar basis so long as such Indebtedness and Preferred Stock remain outstanding. If such Indebtedness is not permitted to be incurred by the Company as of such date under clause (1) under the definition of Permitted Debt, then the Company will be in default of such covenant. The limitations on the ability of ROCH to incur Indebtedness under the first paragraph of this covenant or clauses (5), (6), (7), (8) and (10) of the definition of Permitted Debt shall be effective only for so long as TV One remains a Designated Entity under the terms of the Indenture.

Except with respect to Indebtedness incurred pursuant to the first paragraph of this covenant or clause (16) of the definition of Permitted Debt, and subject to clause (ii) of the third paragraph of this covenant, the

Company will not, and will not permit any Guarantor to, directly or indirectly, incur any Indebtedness that is or purports to be by its terms (or by the terms of any agreement governing such Indebtedness) subordinated or junior in right of payment to any other Indebtedness of the Company or of such Guarantor, as the case may be, unless such Indebtedness is also by its terms (or by the terms of any agreement governing such Indebtedness) made expressly subordinate and junior in right of payment to the Notes or the Guarantee of such Guarantor, to the same extent and in the same manner as such Indebtedness is subordinated or junior in right of payment to such other Indebtedness of the Company or such Guarantor, as the case may be; *provided* that the foregoing shall not apply to the terms of the Existing Credit Agreement with respect to the relative rights between the lenders under the revolving credit facility and the term loan incurred thereunder. For purposes of the foregoing, no Indebtedness of the Company or any Guarantor will be deemed to be subordinated in right of payment to any other Indebtedness of the Company or any Guarantor solely by virtue of being unsecured or secured by a Permitted Lien or by virtue of the fact that the holders of such Indebtedness have entered into intercreditor agreements or other arrangements giving one or more of such holders priority over the other holders in the collateral held by them.

The accrual of interest or Preferred Stock dividends, the accretion or amortization of original issue discount, the payment of interest on any Indebtedness in the form of additional Indebtedness with the same terms (including the issuance of PIK Notes hereunder), the reclassification of Preferred Stock as Indebtedness due to a change in accounting principles, and the payment of dividends on Preferred Stock or Disqualified Stock in the form of additional shares of the same class of Preferred Stock or Disqualified Stock will not be deemed to be an incurrence of Indebtedness or an issuance of Preferred Stock or Disqualified Stock for purposes of this covenant, but any such additional Indebtedness and issuances of Preferred Stock or Disqualified Stock will be included in subsequent calculations of the amount of outstanding Indebtedness and Preferred Stock or Disqualified Stock for purposes of calculating the Leverage Ratio of the Company.

Liens

The Company will not and will not permit any of its Restricted Subsidiaries to, create, incur, assume or otherwise cause or suffer to exist or become effective any Lien of any kind securing Indebtedness on any of their respective assets or properties, except for "Permitted Liens."

Dividend and Other Payment Restrictions Affecting Subsidiaries

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create or permit to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to:

(1) pay dividends or make any other distributions on its Capital Stock to the Company or any of its Restricted Subsidiaries, or pay any Indebtedness or other obligations owed to the Company or any of its Restricted Subsidiaries;

(2) make loans or advances to the Company or any of its Restricted Subsidiaries; or

(3) transfer any of its properties or assets to the Company or any of its Restricted Subsidiaries.

However, the preceding restrictions will not apply to encumbrances or restrictions existing under or by reason of:

(1) agreements as in effect on the Issue Date (including agreements related to the Existing Credit Agreement) and any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings of those agreements, *provided* that the amendments, modifications, restatements, renewals, increases, supplements, refundings, replacement or refinancings are not materially more restrictive, taken as a whole, with respect to such dividend and other payment restrictions than those contained in those agreements on the Issue Date;

(2) the Indenture, the Notes and the Guarantees;

(3) applicable law, rule, regulation or order;

(4) any instrument governing Indebtedness or Capital Stock of a Person acquired by the Company or any of its Restricted Subsidiaries as in effect at the time of such acquisition (except to the extent such Indebtedness was incurred in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person (including proceeds thereof), so acquired; *provided* that, in the case of Indebtedness, such Indebtedness was permitted by the terms of the Indenture to be incurred;

(5) customary non-assignment provisions in leases, licenses and contracts entered into in the ordinary course of business and consistent with past practices;

(6) purchase money obligations (including Capital Lease Obligations) for property acquired in the ordinary course of business that impose restrictions on that property of the nature described in clause (3) of the preceding paragraph;

(7) Permitted Refinancing Indebtedness to effect a refinancing of Indebtedness referred to in clauses (1) and (4), and this clause (7); *provided* that the encumbrances or restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are not materially more restrictive, taken as a whole, in respect of any Restricted Subsidiary, or the Company and its Restricted Subsidiaries, taken as a whole, than those contained in the agreements governing the Indebtedness being refinanced;

(8) agreements governing other Indebtedness of the Company and one or more Restricted Subsidiaries permitted under the Indenture; *provided* that the restrictions in the agreements governing such Indebtedness are not materially more restrictive, taken as a whole, in respect of any Restricted Subsidiary, or the Company and its Restricted Subsidiaries, taken as a whole, than those in the Indenture;

(9) any restriction on the sale or other disposition of property or assets securing Indebtedness as a result of a Permitted Lien on such property or assets;

(10) provisions with respect to the sale of assets or properties (including any agreement for the sale or other disposition of a Subsidiary not otherwise prohibited by the Indenture that prohibits distributions by that Subsidiary) imposed pursuant to an agreement entered into for the sale or disposition of the assets or properties (whether by, asset sale, stock sale or otherwise) pending the closing of such sale or disposition;

(11) provisions with respect to the disposition or distribution of assets or property in joint venture agreements and other similar agreements entered into in the ordinary course of business or asset sale agreements, stock sale agreements and other similar agreements entered into in compliance with the terms of the Indenture;

(12) restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business; and

(13) in the event TV One or its Subsidiaries become Restricted Subsidiaries, agreements governing Permitted TV One Indebtedness.

Merger, Consolidation or Sale of Assets

The Company will not: (1) consolidate or merge with or into another Person (whether or not the Company is the surviving corporation); or (2) sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of the properties or assets of the Company and its Restricted Subsidiaries taken as a whole, in one or more related transactions, to another Person, unless:

(a) either (i) the Company is the surviving corporation or (ii) the Person formed by or surviving any such consolidation or merger (if other than the Company) or to which such sale, assignment, transfer,

lease, conveyance or other disposition has been made (the *"Surviving Entity"*) is a Person organized and existing under the laws of the United States, any state thereof or the District of Columbia;

(b) the Surviving Entity expressly assumes by a supplemental indenture reasonably satisfactory to the trustee all the obligations of the Company under the Notes, the Indenture and the Registration Rights Agreement;

(c) immediately after giving effect to such transaction (including, without limitation, giving effect to any Indebtedness incurred and any Lien granted in connection with or in respect of the transaction) no Default or Event of Default shall have occurred and be continuing;

(d) except with respect to a transaction solely between the Company and a Wholly Owned Restricted Subsidiary or a merger between the Company and one of the Company's Affiliates incorporated solely for the purpose of reincorporating in another state of the United States or the District of Columbia, immediately after giving effect to such transaction on a pro forma basis (on the assumption that the transaction occurred on the first day of the four-quarter period immediately prior to consummation of the transaction with the appropriate adjustments with respect to the transaction being included in such pro forma calculations determined in accordance with Regulation S-X under the Securities Act), the Company (or the Surviving Entity if the Company is not the continuing obligor under the Indenture) (i) shall be able to incur at least $1.00 of additional Indebtedness pursuant to the Leverage Ratio test set forth in the first paragraph of the covenant described above under the caption "— Certain Covenants — Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock" or (ii) if such transaction is a Going Private Transaction, would have a Leverage Ratio equal to or lower than the Company's Leverage Ratio immediately prior to such transaction and the other Person party to the Going Private Transaction is an entity formed for the purpose of effecting the Going Private Transaction that does not otherwise have any assets or liabilities in excess of $5.0 million, individually or in the aggregate, or otherwise conduct any operations prior to the completion of the Going Private Transaction other than those incurred in connection with or as a result of such Going Private Transaction, including the financing thereof;

(e) each Guarantor (unless it is the Surviving Entity, in which case clause (b) shall apply) shall have, by a supplemental indenture, confirmed that its Guarantee shall apply to the Surviving Entity's obligations in respect of the Notes; and

(f) the Company shall have delivered to the trustee an officers' certificate and an opinion of counsel, each stating that such consolidation, merger or disposition and any such supplemental indenture comply with the Indenture.

Each Guarantor will not, and the Company will not permit a Guarantor to, (1) merge or consolidate with or into another Person (other than the Company or any other Guarantor), or (2) sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its properties and assets on a consolidated basis, in one or more related transactions, to any Person (other than the Company or any other Guarantor) unless:

(a) either (i) such Guarantor is the continuing Person or (ii) the Person (if other than such Guarantor) formed by or surviving such consolidation or merger or to which such sale, assignment, transfer, lease, conveyance or other disposition has been made is a Person organized and existing under the laws of the United States, any state thereof or the District of Columbia and expressly assumes by a supplemental indenture reasonably satisfactory to the trustee all the obligations of such Guarantor under the Notes and the Indenture;

(b) immediately after giving effect to such transaction (including, without limitation, giving effect to any Indebtedness incurred and any Lien granted in connection with or in respect of the transaction), no Default or Event of Default shall have occurred and be continuing; and

(c) such Guarantor shall have delivered to the trustee an officers' certificate and an opinion of counsel, each stating that such consolidation, merger or disposition and any such supplemental indenture comply with the Indenture.

The provisions of this section with respect to Guarantors shall not apply to any transaction (including any Asset Sale made in accordance with the covenant described under "— Repurchase at the Option of Holders — Asset Sales") with respect to any Guarantor if the Guarantee of such Guarantor is released in connection with such transaction in accordance with the Indenture.

Although there is a limited body of case law interpreting the phrase "substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve "all or substantially all" of the properties or assets of a Person.

Transactions with Affiliates

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of the Company (each, an *"Affiliate Transaction"*), unless:

(1) the Affiliate Transaction is on terms that are no less favorable to the Company or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Company or such Restricted Subsidiary with a Person who is not an Affiliate; and

(2) the Company delivers to the trustee:

(a) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $5.0 million, a Board Resolution certifying that such Affiliate Transaction or series of related Affiliate Transactions complies with this covenant and that such Affiliate Transaction or series of related Affiliate Transactions has been approved by a majority of the disinterested members of the Board of Directors of the Company; and

(b) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $10.0 million, the Company delivers to the trustee a written opinion of an Independent Qualified Party that such Affiliate Transaction or series of related Affiliate Transactions is fair, from a financial point of view, to the Company and its Restricted Subsidiaries, taken as a whole, or that such Affiliate Transaction or series of related Affiliate Transactions is not less favorable to the Company and its Restricted Subsidiaries than could reasonably be expected to be obtained at the time in an arm's-length transaction with a Person who is not an Affiliate.

For so long as TV One remains a Designated Entity under the terms of the Indenture, the Company shall be required to comply with the provisions of this paragraph set forth above with respect to any event or circumstance that would otherwise constitute an "Affiliate Transaction" under the definition set forth above that is between or among TV One or any of its Subsidiaries, if any, and any other Affiliate of the Company (a *"TV One Affiliate Transaction"*); *provided* that in each such case such standards shall relate to TV One or the relevant Subsidiaries of TV One instead of the Company and its Restricted Subsidiaries. If any TV One Affiliate Transaction does not comply with the provisions of this paragraph, then the Company will be in default of this covenant.

The following items will not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of the prior paragraph:

(1) any employment or severance agreement or other employee compensation agreement, arrangement or plan, or any amendment thereto, entered into by the Company or any of its Restricted Subsidiaries in the ordinary course of business and consistent with past practice and payments pursuant thereto;

(2) transactions solely between or among the Company and/or its Wholly Owned Restricted Subsidiaries;

(3) advances of expenses, payment of reasonable legal and other fees to officers, directors, employees and consultants and other indemnity payments or arrangements to officers, directors and employees of the Company or any of its Restricted Subsidiaries, in each case consistent with applicable charter, bylaw or statutory provisions;

(4) the payment of reasonable and customary directors' fees and expenses to directors of the Company or its Restricted Subsidiaries who are not otherwise Affiliates of the Company;

(5) sales or issuances of Equity Interests (other than Disqualified Stock) of the Company;

(6) (a) any agreement in effect on the Issue Date, as such agreement may be amended, modified or supplemented from time to time, *provided* that any such amendment, modification or supplement (taken as a whole) will not be more disadvantageous to the Company in any material respect than such agreement as it was in effect on the Issue Date or (b) any transaction pursuant to any agreement referred to in the immediately preceding clause (a);

(7) transactions between or among the Company or any of its Restricted Subsidiaries and either TV One or Reach Media, in either case with respect to transactions involving network, syndication, advertising, back-office, technology support or personnel services, in each case, entered into in the ordinary course of the Company's business; and

(8) the making of Restricted Payments that are permitted by the provisions of the Indenture described above under the caption "— Certain Covenants — Restricted Payments" and the making of Permitted Investments permitted by clause (8) or clause (11) of the definition thereof.

Notwithstanding anything in the Indenture to the contrary, any transfer of any property or assets of, or Equity Interests in, any Unrestricted Subsidiary or, for so long as TV One remains a Designated Entity, TV One to any Principal, Related Party, Permitted Group or Person of which more than 50% of the Voting Stock is Beneficially Owned, directly or indirectly, by a Principal or a Related Party or a Permitted Group must comply with the covenants described under the captions "Repurchase at the Option of Holders — Asset Sales" and "Certain Covenants — Transactions with Affiliates" as if such Unrestricted Subsidiary or, for so long as TV One remains a Designated Entity, TV One were a Restricted Subsidiary subject to such covenants.

Additional Guarantees

The Company is obligated to cause (1) each Subsidiary that becomes a Restricted Subsidiary after the Issue Date (other than a Restricted Subsidiary that constitutes an Immaterial Subsidiary or a Foreign Subsidiary) and (2) any Subsidiary that guarantees Indebtedness under the Existing Credit Agreement to guarantee the Notes and the Company's other Obligations under the Indenture.

Designation of Restricted and Unrestricted Subsidiaries

The Board of Directors of the Company may designate any Restricted Subsidiary of the Company to be an Unrestricted Subsidiary if no Default or Event of Default has occurred and is continuing, or would result therefrom and immediately after giving effect to such designation, the Company could incur $1.00 of additional Indebtedness pursuant to the first paragraph of the covenant described above under the caption "— Certain Covenants — Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock." If a Restricted Subsidiary of the Company is designated as an Unrestricted Subsidiary, the aggregate Fair Market Value of all outstanding Investments owned by the Company and its Restricted Subsidiaries in the Subsidiary properly designated will be deemed to be an Investment made as of the time of the designation and will reduce the amount available for Restricted Payments under the first paragraph of the covenant described above under the caption "— Certain Covenants — Restricted Payments" or Restricted Payments permitted under clause (11) under the second paragraph under such caption, as elected by the Company. That designation will only be permitted if the Investment would be permitted at that time and if the Subsidiary so designated otherwise meets the definition of an Unrestricted Subsidiary. Notwithstanding the foregoing, (i) the Company may not designate ROCH as an Unrestricted Subsidiary at any time after the Issue Date, (ii) the Company may not designate TV One as an Unrestricted Subsidiary at any time after it has become a Restricted

Subsidiary (if ever) and (iii) no Subsidiary may be designated as an Unrestricted Subsidiary unless it is also an "unrestricted subsidiary" for purposes of the Existing Credit Agreement.

The Board of Directors of the Company may designate any Unrestricted Subsidiary to be a Restricted Subsidiary of the Company if no Default or Event of Default has occurred and is continuing at the time of such designation, or would result therefrom; *provided* that such designation will be deemed as of the date of such designation to be an incurrence of Indebtedness by a Restricted Subsidiary of the Company of any outstanding Indebtedness of such Unrestricted Subsidiary and the creation, incurrence, assumption or otherwise causing to exist any Lien of such Unrestricted Subsidiary and such designation will only be permitted if (1) such Indebtedness is permitted under the covenant described above under the caption "— Certain Covenants — Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock," calculated on a pro forma basis as if such designation had occurred at the beginning of the four-quarter reference period, and (2) such Lien is permitted under the covenant described above under the caption "— Certain Covenants — Liens".

Limitation on Sales and Issuances of Equity Interests in Restricted Subsidiaries

The Company will not, and will not permit any of its Restricted Subsidiaries to, transfer, convey, sell, lease or otherwise dispose of any Equity Interests in any Restricted Subsidiary of the Company to any Person (other than the Company or a Wholly Owned Restricted Subsidiary of the Company), unless either:

(1) each of the foregoing is satisfied:

(a) as a result of such transfer, conveyance, sale, lease or other disposition or issuance such Restricted Subsidiary no longer constitutes a Subsidiary;

(b) the Net Proceeds from such transfer, conveyance, sale, lease or other disposition are applied in accordance with the covenant described above under the caption "— Repurchase at the Option of Holders — Asset Sales;" and

(c) immediately after giving effect to such transfer, conveyance, sale, lease or other disposition, an Investment in such Person remaining after giving effect thereto would have been permitted to be made under the covenant described under the caption "— Certain Covenants — Restricted Payments" if made on the date of such transfer, conveyance, sale, lease or other disposition; or

(2) the transfer, sale or disposition is pursuant to security documents with respect to Indebtedness permitted to be secured under the terms of the Indenture.

In addition, the Company will not permit any Wholly Owned Restricted Subsidiary of the Company to issue any of its Equity Interests (other than, if necessary, shares of its Capital Stock constituting directors' qualifying shares) to any Person (other than to the Company or a Wholly Owned Restricted Subsidiary of the Company) such that such Subsidiary no longer constitutes a Wholly Owned Restricted Subsidiary.

Business Activities

The Company will not, and will not permit any Restricted Subsidiary or Reach Media to, engage in any business other than a Permitted Business, except to such extent as would not be material to the Company and its Restricted Subsidiaries taken as a whole. For so long as TV One remains a Designated Entity under the terms of the Indenture, ROCH shall not, directly or indirectly, engage in any business or activity other than the holding of Equity Interests of TV One. No License Subsidiary shall (i) own or hold any assets other than Operating Agreements and FCC Licenses and other Authorizations issued by the FCC relating to Stations or engage in any business other than the ownership (or holding) and maintenance of Operating Agreements, FCC Licenses and other Authorizations issued by the FCC or (ii) incur any Indebtedness (other than guarantees of (A) the Existing Subordinated Notes, (B) the Exchange Claims and (C) the Obligations under the Existing Credit Agreement with respect to Hedging Obligations and Indebtedness permitted pursuant to clause (2) of the definition of the term "Permitted Debt." All License Subsidiaries must be Guarantors.

ROCH Ownership/TV One Ownership

For so long as TV One remains a Designated Entity under the terms of the Indenture, the Company shall at all times (1) maintain ROCH as a Wholly Owned Restricted Subsidiary of the Company and (2) directly own all of the Equity Interests of ROCH. For so long as TV One remains a Designated Entity under the terms of the Indenture, the Company shall cause all Equity Interests of TV One that are held on the Issue Date or acquired by the Company or any of its Restricted Subsidiaries to be held directly by ROCH subject to the covenants described under "Repurchase at the Option of Holders — Asset Sales" and "— Certain Covenants — Merger, Consolidation or Sale of Assets."

In the event TV One becomes a Subsidiary of the Company, and in the event that ROCH transfers, conveys, sells, leases or otherwise disposes of Equity Interests in TV One or TV One issues additional Equity Interests in TV One such that, in either case, TV One no longer constitutes a Subsidiary of the Company, the aggregate Fair Market Value of all Equity Interests owned by ROCH in TV One will be deemed to be an Investment made as of that time and will reduce the amount available (if any) for Restricted Payments under the first paragraph of the covenant described above under the caption "— Certain Covenants — Restricted Payments" or Restricted Payments permitted under clause (11) under the second paragraph under such caption, as elected by the Company. If such Investment is not permitted to be made by the Company as of such date under such covenant, then the Company will be in default of such covenant.

Payments for Consent

Neither the Company nor any of the Company's Subsidiaries shall, directly or indirectly, pay or cause to be paid any consideration, whether by way of interest, fee or otherwise, to any Beneficial Owner or Holder of any Notes for or as an inducement to any consent to any waiver, supplement or amendment of any terms or provisions of the Indenture or the Notes, unless such consideration is offered to be paid or agreed to be paid to all Beneficial Owners and Holders of the Notes which so consent in the time frame set forth in the solicitation documents relating to such consent.

Reports

Whether or not the Company is subject to Section 13(a) or 15(d) of the Exchange Act, the Company shall file with the Commission (subject to the next sentence) the annual reports, quarterly reports and other documents which the Company would have been required to file with the Commission pursuant to such Section 13(a) or 15(d) if the Company were so subject (the *"Required Reports"*), such documents to be filed with the Commission on or prior to the respective dates by which the Company would have been required to file such documents if the Company were so subject (the *"Required Filing Dates"*); *provided* that any audited financial statements contained in such reports shall be reported on by an independent public accounting firm of recognized national standing. If at any time the Company is not subject to Section 13(a) or 15(d) of the Exchange Act for any reason, the Company shall nevertheless continue to file the Required Reports with the Commission by the applicable Required Filing Date unless the Commission will not accept such a filing. The Company agrees that it shall not take any action for the purpose of causing the Commission not to accept any such filings; provided that the foregoing shall not prohibit the Company from filing a Form 15 with respect to any class of its common stock following a Going Private Transaction. If notwithstanding the foregoing, the Commission shall not accept the filing of a Required Report for any reason, the Company shall post the Required Report on its website by the applicable Required Filing Date and such Required Report shall be publicly available.

The Company shall also in any event (1) on the earlier of (a) each Required Filing Date and (b) the 90th day after the end of each fiscal year, with respect to annual reports, or the 45th day after the end of each of the first three Fiscal Quarters of each fiscal year, with respect to quarterly reports, (i) transmit by mail to all Holders, as their names and addresses appear in the security register, without cost to such Holders, and (ii) file with the trustee, copies of the Required Reports and (2) if the Commission will not accept the filing of Required Reports by the Company, promptly upon written request, supply copies of such documents to any

Holder at the Company's cost. Notwithstanding the foregoing, for purposes of this paragraph, the Company shall be deemed to have furnished such Required Reports to the Holders if:

(A) the Company has filed such reports with the Commission via the Commission's Electronic Data Gathering, Analysis, and Retrieval Filing System (EDGAR) and such reports are publicly available; or

(B) the Company is not subject to Sections 13(a) or 15(d) of the Exchange Act, and the Commission will not accept Required Reports for filing, and it has posted such Required Reports on its website and such Required Reports are publicly available.

Whether or not the Company is subject to Section 13(a) or 15(d) of the Exchange Act, and whether or not the Commission will accept any Required Reports for filing, the Company shall also hold a quarterly conference call to discuss the consolidated financial results of the Company with the Holders of the Notes. Such conference call shall not be later than ten Business Days following each Required Filing Date. No fewer than two days prior to the conference call, the Company shall issue a press release to the appropriate wire service, announcing the time, date and access details of such conference call.

Notwithstanding any of the foregoing, if the Company has designated any of its Subsidiaries as Unrestricted Subsidiaries, then the Company's quarterly and annual financial information required by the preceding paragraphs will include a reasonably detailed presentation, either on the face of the financial statements or in the footnotes thereto, of the financial condition and results of operations of the Company and its Restricted Subsidiaries separate from the financial condition and results of operations of the Unrestricted Subsidiaries of the Company.

The Company shall make available to any prospective purchaser of Notes or beneficial owner of Notes in connection with any sale of Notes the information required by Rule 144A(d)(4) under the Securities Act so long as such Notes are not freely transferable under the Securities Act.

Corporate Existence

Subject to the covenants described under "— Repurchase at the Option of Holders — Change of Control," "— Repurchase at the Option of Holders — Assets Sales" and "— Certain Covenants — Merger, Consolidation or Sale of Assets," as the case may be, the Company shall do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence and the corporate, partnership, limited liability company or other existence of each of its Restricted Subsidiaries in accordance with the respective organizational documents (as the same may be amended from time to time) of the Company or any such Restricted Subsidiary and the rights (charter and statutory), licenses (including FCC Licenses) and franchises of the Company and its Restricted Subsidiaries; *provided* that the Company shall not be required to preserve any such right, license or franchise, or the corporate, partnership or other existence of any of its Restricted Subsidiaries, if the loss thereof is not materially adverse to the Holders.

Insurance

The Company shall, and shall cause each Restricted Subsidiary to maintain, with financially sound and reputable insurance companies, insurance in such amounts and against such risks as are customarily maintained by companies engaged in the same or similar businesses operating in the same or similar locations.

Events of Default and Remedies

Each of the following is an "Event of Default":

(1) default in the payment in respect of the principal of (or premium, if any, on) any Note at its maturity (whether at Stated Maturity or upon repurchase, acceleration, optional redemption or otherwise) whether or not prohibited by the subordination provisions of the Indenture;

(2) default in the payment of any interest upon any Note when it becomes due and payable, and continuance of such default for a period of 30 days whether or not prohibited by the subordination provisions of the Indenture;

(3) failure by the Company to perform or comply with the Indenture provisions described under "— Certain Covenants — Merger Consolidation or Sale of Assets;"

(4) default in the performance or breach of any covenant or agreement of the Company or any of its Restricted Subsidiaries in the Indenture described under the captions "— Repurchase at the Option of Holders — Asset Sales" or "— Repurchase at the Option of Holders — Change of Control" and continuance of such default or breach for a period of 30 consecutive days after written notice thereof has been given to the Company by the trustee or to the Company and the trustee by the Holders of at least 25% in aggregate principal amount of the outstanding Notes (other than the failure to purchase Notes under such provisions which shall be an Event of Default described in clause (1) above);

(5) default in the performance or breach of any covenant or agreement of the Company or any of its Restricted Subsidiaries in the Indenture (other than a default in performance or breach of a covenant or agreement specifically dealt with in clauses (1), (2), (3) or (4) above) and continuance of such default or breach for a period of 60 consecutive days after written notice thereof has been given to the Company by the trustee or to the Company and the trustee by the Holders of at least 25% in aggregate principal amount of the outstanding Notes;

(6) a default or defaults under any bonds, debentures, notes or other evidences of Indebtedness for borrowed money (other than the Notes) by the Company, any Restricted Subsidiary or, for so long as TV One remains a Designated Entity, TV One, whether such Indebtedness exists on the Issue Date or shall thereafter be created, which default or defaults (a) are caused by a failure to pay at final maturity principal of, or interest or premium, if any, on such Indebtedness within the applicable express grace period in respect of such Indebtedness at the time of such default (a *"payment default"*) or (b) have resulted in the acceleration of the maturity of the principal amount of such Indebtedness prior to its express maturity; and, in each case, the principal amount of such Indebtedness, together with the principal amount of any other Indebtedness with respect to which an event described in clause (a) or (b) has occurred and is continuing, aggregates $5.0 million or more;

(7) the entry against the Company, any Restricted Subsidiary or, for so long as TV One remains a Designated Entity, TV One, of a final judgment or final judgments for the payment of money in an aggregate amount in excess of $10.0 million which judgments remain undischarged, unwaived, unstayed, uninsured, unbonded or unsatisfied for a period of 60 consecutive days;

(8) except as permitted by the Indenture, any Guarantee shall be held in any judicial proceeding to be unenforceable or invalid or shall cease for any reason to be in full force and effect or any Guarantor shall deny or disaffirm its obligations under its Guarantee; and

(9) certain events of bankruptcy, insolvency or reorganization described in the Indenture with respect to the Company, any of its Significant Subsidiaries, any group of Subsidiaries of the Company that, taken as a whole, would constitute a Significant Subsidiary, or, for so long as TV One remains a Designated Entity, TV One, which in the case of an involuntary bankruptcy filing continues for 60 consecutive days.

If an Event of Default (other than an Event of Default specified in clause (9) above) occurs and is continuing, then and in every such case the trustee or the Holders of not less than 25% in aggregate principal amount of the outstanding Notes may declare the principal of, premium, if any, and accrued and unpaid interest on all of the outstanding Notes to be due and payable immediately by a notice in writing to the Company (and to the trustee if given by Holders); *provided, however*, that after such acceleration, but before a judgment or decree based on acceleration, the Holders of a majority in aggregate principal amount of the outstanding Notes may, under certain circumstances, rescind and annul such acceleration if all Events of Default, other than the nonpayment of accelerated principal, premium, if any, or interest on the Notes, have been cured or waived as provided in the Indenture.

In the event of a declaration of acceleration of the Notes solely because an Event of Default described in clause (6) above has occurred and is continuing, the declaration of acceleration of the Notes shall be automatically rescinded and annulled if the event of default or payment default triggering such Event of Default pursuant to clause (6) above shall be remedied or cured by the Company or a Restricted Subsidiary or

waived by the holders of the relevant Indebtedness within 20 Business Days after the declaration of acceleration with respect thereto and if the rescission and annulment of the acceleration of the Notes would not conflict with any judgment or decree of a court of competent jurisdiction obtained by the trustee for the payment of amounts due on the Notes. For further information as to waiver of defaults, see "— Amendment, Supplement and Waiver."

If any Event of Default specified in clause (9) above occurs, the principal of, premium, if any, and accrued and unpaid interest on the Notes then outstanding shall *ipso facto* become immediately due and payable without any declaration or other act on the part of the trustee or any Holder.

The trustee may withhold from Holders notice of any Default (except Default in payment of principal, premium, if any, and interest) if the trustee determines that withholding notice is in the interests of the Holders to do so.

No Holder of any Note will have any right to institute any proceeding with respect to the Indenture or for any remedy thereunder, unless such Holder shall have previously given to the trustee written notice of a continuing Event of Default and unless also the Holders of at least 25% in aggregate principal amount of the outstanding Notes shall have made written request to the trustee, and provided indemnity reasonably satisfactory to the trustee, to institute such proceeding as the trustee, and the trustee shall not have received from the Holders of a majority in aggregate principal amount of the outstanding Notes a direction inconsistent with such request and shall have failed to institute such proceeding within 60 days. Such limitations do not apply, however, to a suit instituted by a Holder of a Note directly (as opposed to through the trustee) for enforcement of payment of the principal, premium, if any, or interest on such Note on or after the respective due dates expressed in such Note.

The Company is required to furnish to the trustee annually a statement as to the performance of certain obligations under the Indenture and as to any default in such performance. The Company also is required to notify the trustee if it becomes aware of the occurrence of any Default or Event of Default.

In the case of (1) any Event of Default occurring by reason of any willful action or inaction taken or not taken or on behalf of the Company with the intention of avoiding payment of the premium that the Company would have had to pay if the Company then had elected to redeem the Notes pursuant to the optional redemption provisions of the Indenture or (2) an acceleration of the Obligations with respect to the Notes automatically by operation of law or by the terms of the Indenture or the Notes during any period in which a premium would have been payable by the Company if the Company then had elected to redeem the Notes pursuant to the optional redemption provisions of the Indenture, an equivalent premium will also become and be immediately due and payable to the extent permitted by law upon the acceleration of the Notes.

No Personal Liability of Directors, Officers, Employees and Stockholders

No director, officer, employee, incorporator or stockholder or other owner of Capital Stock of the Company or any Subsidiary of the Company, as such, will have any liability for any obligations of the Company or any Guarantor under the Notes, the Indenture or the Guarantees, or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of Notes, by accepting a Note, waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under the federal securities laws, and it is the view of the Commission that such a waiver is against public policy.

Legal Defeasance and Covenant Defeasance

The Company may at its option and, at any time, elect to have all of its obligations discharged with respect to outstanding Notes and all obligations of the Guarantors discharged with respect to their Guarantees (*"Legal Defeasance"*) except for:

(1) the rights of Holders of outstanding Notes to receive payments in respect of the principal of, and interest or premium, if any, on, such Notes when such payments are due from the trust referred to below;

(2) the Company's obligations with respect to the Notes concerning issuing temporary Notes, registration of Notes, mutilated, destroyed, lost or stolen Notes and the maintenance of an office or agency for payment and money for security payments held in trust;

(3) the rights, powers, trusts, duties and immunities of the trustee, and the Company's obligations in connection therewith; and

(4) the Legal Defeasance provisions of the Indenture.

In addition, the Company may, at its option and at any time, elect to have its obligations released with respect to certain covenants that are described in the Indenture (*"Covenant Defeasance"*) and thereafter any omission to comply with those covenants will not constitute a Default or Event of Default with respect to the Notes. In the event Covenant Defeasance occurs, certain events (not including non-payment, bankruptcy, insolvency or reorganization events) described under "— Events of Default and Remedies" will no longer constitute an Event of Default with respect to the Notes. If the Company exercises either its Legal Defeasance or Covenant Defeasance option, each Guarantor will be released and relieved of any obligations under its Guarantee and any Liens or other security for the Notes (other than the trust) will be released.

In order to exercise either Legal Defeasance or Covenant Defeasance:

(1) the Company must irrevocably deposit with the trustee, in trust, for the benefit of the Holders of the Notes, cash in U.S. dollars, non-callable Government Securities, or a combination of cash in U.S. dollars and non-callable Government Securities, in amounts as will be sufficient, in the opinion of a nationally recognized firm of independent public accountants, to pay the principal of, and interest and premium, if any, on the outstanding Notes on the date of Stated Maturity or on the applicable redemption date, as the case may be, and the Company must specify whether the Notes are being defeased to the date of Stated Maturity or to a particular redemption date;

(2) in the case of Legal Defeasance, the Company has delivered to the trustee an opinion of counsel reasonably acceptable to the trustee confirming that:

(a) the Company has received from, or there has been published by, the Internal Revenue Service a ruling; or

(b) since the date of the Indenture, there has been a change in the applicable federal income tax law,

in either case to the effect that, and based thereon such opinion of counsel will confirm that, the Holders of the outstanding Notes will not recognize income, gain or loss for federal income tax purposes as a result of such Legal Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of Covenant Defeasance, the Company has delivered to the trustee an opinion of counsel reasonably acceptable to the trustee confirming that the Holders of the outstanding Notes will not recognize income, gain or loss for federal income tax purposes as a result of such Covenant Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) no Default or Event of Default has occurred and is continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit and the grant of any Lien to secure such borrowing);

(5) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under, any material agreement or instrument (other than the Indenture) to which the Company or any of its Restricted Subsidiaries is a party or by which the Company or any of its Restricted Subsidiaries is bound;

(6) the Company must have delivered to the trustee an opinion of counsel to the effect that after the 121st day following the deposit, the trust funds will not be subject to the effect of any applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally;

(7) such Legal Defeasance or Covenant Defeasance will not cause the trustee to have a conflicting interest with respect to any securities of the Company;

(8) the Company must deliver to the trustee an officers' certificate stating that the deposit was made by the Company neither with the intent of preferring the Holders of Notes over the other creditors of the Company or any Guarantor nor with the intent of defeating, hindering, delaying or defrauding creditors of the Company or any Guarantor or others; and

(9) the Company must deliver to the trustee an officers' certificate and an opinion of counsel, which opinion may be subject to customary assumptions and exclusions, each stating that all conditions precedent relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

Amendment, Supplement and Waiver

Except as provided in the next two succeeding paragraphs, the Indenture, the Notes or the Guarantees may be amended or supplemented with the consent of the Holders of a majority in principal amount of the Notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes), and any existing Default or Event of Default or compliance with any provision of the Indenture, the Notes or the Guarantees may be waived with the consent of the Holders of a majority in principal amount of the Notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes).

Without the consent of each Holder affected, an amendment, supplement or waiver may not (with respect to any Notes held by a non-consenting Holder):

(1) reduce the principal amount of Notes whose Holders must consent to an amendment, supplement or waiver;

(2) reduce the principal of or change the Stated Maturity of any Note or alter the provisions with respect to the redemption or repurchase of the Notes (other than provisions relating to the covenants described above under the caption "— Repurchase at the Option of Holders");

(3) reduce the rate of or change the time for payment of interest on any Note;

(4) waive a Default or Event of Default in the payment of principal of or premium, if any, or interest on the Notes (except a rescission of acceleration of the Notes by the Holders of a majority in principal amount of the Notes and a waiver of the payment default that resulted from such acceleration);

(5) make any Note payable in currency other than that stated in the Notes;

(6) make any change in the provisions of the Indenture relating to waivers of past Defaults or the rights of Holders of Notes to receive payments of principal of, or interest or premium, if any, on the Notes (other than as permitted in clause (7) below);

(7) waive a redemption or repurchase payment with respect to any Note (other than a payment required by one of the covenants described above under the caption "— Repurchase at the Option of Holders");

(8) modify any Guarantee in a manner adverse to Holders of the Notes or release any Guarantor from any of its obligations under its Guarantee or the Indenture, except in accordance with the terms of the Indenture;

(9) modify the ranking of the Notes or the Guarantees, in any manner that would adversely affect the Holders; or

(10) make any change in the preceding amendment, supplement and waiver provisions.

Notwithstanding the preceding, without the consent of any Holder of Notes, the Company, the Guarantors and the trustee may amend or supplement the Indenture, the Notes or the Guarantees:

(1) to cure any ambiguity, omission, mistake, defect or inconsistency;

(2) to provide for uncertificated Notes in addition to or in place of certificated Notes;

(3) to provide for the assumption of the Company's or a Guarantor's obligations to Holders of Notes in the case of a merger or consolidation or sale of all or substantially all of the Company's or a Guarantor's properties or assets that is permitted under the Indenture;

(4) to make any change that would provide any additional rights or benefits to the Holders of Notes or that does not adversely affect the legal rights under the Indenture of any Holder; *provided* that any change to conform the Indenture to this "Description of Notes" will not be deemed to adversely affect the legal rights under the Indenture of any Holder;

(5) to add any additional Guarantor or to evidence the release of any Guarantor from its Guarantee, in each case as provided in the Indenture;

(6) to comply with requirements of the Commission in order to effect or maintain the qualification of the Indenture under the Trust Indenture Act; or

(7) to evidence or provide for the acceptance of appointment under the Indenture of a successor trustee.

Satisfaction and Discharge

The Indenture will be discharged and will cease to be of further effect as to all Notes issued thereunder (except as to surviving rights of registration of transfer or exchange of the Notes and as otherwise specified in the Indenture), when:

(1) either:

(a) all Notes that have been authenticated, except lost, stolen or destroyed Notes that have been replaced or paid and Notes for whose payment money has been deposited in trust and thereafter repaid to the Company, have been delivered to the trustee for cancellation; or

(b) all Notes that have not been delivered to the trustee for cancellation have become due and payable by reason of the mailing of a notice of redemption or otherwise or will become due and payable within one year and the Company or any Guarantor has irrevocably deposited or caused to be deposited with the trustee as trust funds in trust solely for the benefit of the Holders, cash in U.S. dollars, non-callable Government Securities, or a combination of cash in U.S. dollars and non-callable Government Securities, in amounts as will be sufficient without consideration of any reinvestment of interest, to pay and discharge the entire indebtedness on the Notes not delivered to the trustee for cancellation for principal, premium, if any, and accrued interest to the date of Stated Maturity or redemption;

(2) no Default or Event of Default has occurred and is continuing on the date of the deposit or will occur as a result of the deposit and the deposit will not result in a breach or violation of, or constitute a default under, any instrument (other than the Indenture) to which the Company or any of the Guarantors is a party or by which the Company or any Guarantor is bound;

(3) the Company and each Guarantor has paid or caused to be paid all sums payable by it under the Indenture; and

(4) the Company has delivered irrevocable instructions to the trustee under the Indenture to apply the deposited money toward the payment of the Notes at Stated Maturity or the redemption date, as the case may be.

In addition, the Company must deliver an officers' certificate and an opinion of counsel, which may be subject to customary assumptions and exclusions, to the trustee stating that all conditions precedent to satisfaction and discharge have been satisfied.

Concerning the Trustee

If the trustee becomes a creditor of the Company or any Guarantor, the Indenture limits its right to obtain payment of claims in certain cases, or to realize on certain property received in respect of any such claim as security or otherwise. The trustee will be permitted to engage in other transactions; *however*, if it acquires any conflicting interest (as defined in the Trust Indenture Act) after a Default has occurred and is continuing, it must eliminate such conflict within 90 days, apply to the Commission for permission to continue or resign.

The Holders of a majority in principal amount of the then outstanding Notes will have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the trustee, subject to certain exceptions. The Indenture provides that in case an Event of Default occurs and is continuing, the trustee will be required, in the exercise of its power, to use the degree of care of a prudent man in the conduct of his own affairs. Subject to such provisions, the trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request of any Holder of Notes, unless such Holder has offered to the trustee security or indemnity satisfactory to it against any loss, liability or expense.

Governing Law

The Indenture, the Notes, the Guarantees and the Registration Rights Agreement will be governed by, and construed in accordance with, the laws of the State of New York.

Additional Information

Anyone who receives this prospectus may obtain a copy of the Indenture and the Registration Rights Agreement without charge by writing to the Company at 5900 Princess Garden Parkway, 7th Floor, Lanham, Maryland 20706, Attn: Investor Relations or by sending an email message to invest@radio-one.com.

Registration Rights; Special Interest

On November 24, 2009, the Company and the Guarantors entered into the Exchange and Registration Rights Agreement (the "Registration Rights Agreement") in connection with the offer and sale of the Old Notes. The following description is a summary of the material provisions of the Registration Rights Agreement. It does not restate such agreement in its entirety. A copy of the Registration Rights Agreement is attached to our Current Report on Form 8-K filed December 1, 2010 and may also be obtained by contacting our Investor Relations Department at the address or email address set forth above under the caption "Additional Information." We urge you to read the Registration Rights Agreement in its entirety because it, and not this description, defines your registration rights as holders of the Exchange Notes.

Pursuant to the Registration Rights Agreement, we agreed to use our reasonable best efforts to file with the SEC and cause to become effective a registration statement (the "Registration Statement") with respect to a registered offer to exchange the Old Notes for registered notes guaranteed by the Guarantors with terms identical in all material respects to the Old Notes, except that the registered notes issued in such exchange offer will not contain terms for specified transfer restrictions or for special interest. Upon the effectiveness of the Registration Statement, we will offer the holders of Registrable Securities (as defined in the Registration Rights Agreement) who are able to make certain representations the opportunity to exchange their Registrable Securities for such registered notes.

If:

(1) the Company and the guarantors are not permitted to consummate the exchange offer because the exchange offer is not available or would violate applicable law or the applicable interpretations of the SEC, or the exchange offer is not otherwise completed within 45 days after the effectiveness of the Registration Statement; or

(2) any holder of Registrable Securities notifies us prior to the 20th business day following completion of the exchange offer that:

(a) it is prohibited by law or SEC policy from participating in the exchange offer;

(b) it may not resell the registered exchange notes acquired by it in the exchange offer to the public without delivering a prospectus and the prospectus contained in the Registration Statement with respect to the exchange offer is not appropriate or available for such resales; or

(c) it is a broker-dealer and owns Registrable Securities acquired directly from us or our affiliate

we will file with the SEC a Shelf Registration Statement (as defined in the Registration Rights Agreement) to cover resales of the Registrable Securities by the holders of the Registrable Securities who satisfy certain conditions relating to the provision of information in connection with the Shelf Registration Statement (the "Electing Holders").

For purposes of the preceding, "Registrable Securities" means any Old Note until the earliest to occur of:

(1) the date on which such Old Note has been exchanged for an Exchange Note in the exchange offer and may be resold under federal securities laws (provided that, during the 180 day period following completion of an exchange offer, such Exchange Notes included in a prospectus for use in connection with resales by a broker-dealer shall be deemed to be a Registrable Security until resale of such Exchange Notes);

(2) the date on which such Old Note has been sold or otherwise transferred pursuant to a manner contemplated by an effective Shelf Registration Statement;

(3) the date on which such Old Note is sold pursuant to Rule 144 under the Securities Act under circumstances in which any legend relating to restrictions on transferability under the Securities Act is removed (or the restrictive CUSIP number is redesignated as non-restrictive); or

(4) such Old Note ceases to be outstanding.

The Registration Rights Agreement provides that:

(1) we will file a Registration Statement with respect to a registered exchange offer with the SEC and will use our reasonable best efforts to cause the Registration Statement to be declared effective by the SEC, on or prior to 120 days after November 24, 2010 if such Registration Statement is not reviewed by the SEC, or on or prior to 270 days after November 24, 2010 if such Registration Statement is reviewed by the SEC;

(2) unless the exchange offer would not be permitted by applicable law or SEC policy, we will use our reasonable best efforts to:

(a) commence the exchange offer within 10 business days following the effective time of the Registration Statement; and

(b) use our reasonable best efforts to issue on or prior to 45th business day after the date on which the Registration Statement was declared effective by the SEC, Exchange Notes in exchange for all Old Notes tendered prior thereto in the exchange offer; and

(3) if obligated to file the Shelf Registration Statement, we will file the Shelf Registration Statement with the SEC as soon as reasonably practicable after such obligation arises and use our reasonable best efforts to cause the Shelf Registration Statement to be declared effective by the SEC on or prior to 120 days after such obligation arises if such Shelf Registration Statement is not reviewed by the SEC, or on or prior to 270 days after such obligation arises if such Shelf Registration Statement is reviewed by the SEC.

Notwithstanding anything to the contrary, upon notice to the Electing Holders, we may suspend the use or the effectiveness of the Registration Statement, or extend the time period in which it is required to file the

Shelf Registration Statement, for up to 30 consecutive days and up to 60 days in the aggregate, in each case in any 12-month period (a "Suspension Period") if our Board of Directors determines that there is a valid business purpose for suspension of the Shelf Registration Statement; provided that we shall promptly notify the Electing Holders (as included in the Registration Rights Agreement) when the Shelf Registration Statement may once again be used or is effective.

The Registration Rights Agreement provides that, if:

(1) we fail to file any of the registration statements required by the Registration Rights Agreement on or before the date specified for such filing;

(2) any of such registration statements is not declared effective by the SEC on or prior to the date specified for such effectiveness (the "Effectiveness Target Date");

(3) we fail to consummate the exchange offer within 45 business days of the effectiveness of the Registration Statement; or

(4) the Registration Statement is declared effective but thereafter is withdrawn by us or becomes subject to a stop order issued pursuant to Section 8(d) of the Securities Act (each such event referred to in clauses (1) through (4) above, a "Registration Default"),

except as specifically permitted in the Registration Rights Agreement, including, with respect to any Shelf Registration Statement, during any applicable Suspension Period, then we will pay special interest to each holder of entitled securities until all Registration Defaults have been cured.

With respect to the first 90-day period immediately following the occurrence of the first Registration Default, special interest will be paid in an amount equal to 0.25% per annum of the principal amount of entitled securities outstanding. The amount of the special interest will increase by an additional 0.25% per annum with respect to each subsequent 90-day period until all Registration Defaults have been cured, up to a maximum amount of special interest for all Registration Defaults of 1.0% per annum of the principal amount of the entitled securities outstanding. The accrual of such special interest will be the holders' exclusive remedy under the Registration Rights Agreement with respect to any Registration Defaults thereunder.

We will pay all accrued special interest on the next scheduled interest payment date to DTC or its nominee by wire transfer of immediately available funds or by federal funds check and to holders of certificated Old Notes by wire transfer to the accounts specified by them or by mailing checks to their registered addresses if no such accounts have been specified.

Following the cure of all Registration Defaults, the accrual of special interest will cease.

Holders of Registrable Securities will be required to make certain representations to us (as described in the Registration Rights Agreement) in order to participate in the exchange offer and will be required to deliver certain information to be used in connection with the Shelf Registration Statement and to provide comments on the Shelf Registration Statement within the time periods set forth in the Registration Rights Agreement in order to have their Registrable Securities included in the Shelf Registration Statement. As a condition to including any Registrable Securities in a Shelf Registration Statement, a holder will agree to indemnify the Company and the Guarantors against certain losses arising out of information furnished by such holder in writing for inclusion in any Shelf Registration Statement. Holders of Registrable Securities will also be required to suspend their use of the prospectus included in the Shelf Registration Statement under certain circumstances upon receipt of written notice to that effect from us.

Under existing interpretations of the Securities Act by the SEC contained in several no-action letters to third parties, and subject to the immediately following sentence, we believe that the Exchange Notes received in an exchange offer would generally be freely transferable by holders thereof after the exchange offer without further registration under the Securities Act (subject to certain representations required to be made by each holder of Old Notes, as set forth below). However, any purchaser of Old Notes who is an "affiliate" of the Company or any Guarantor and any holder of Old Notes who intends to participate in the exchange offer for the purpose of distributing the Exchange Notes (i) will not be able to rely on the interpretation of the staff of

the SEC, (ii) will not be able to tender its Old Notes in the exchange offer and (iii) must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any sale or transfer of the Old Notes unless such sale or transfer is made pursuant to an exemption from such requirements.

As a condition to its participation in an exchange offer, each holder of Registrable Securities must furnish us a written representation to the effect that:

(1) it is not an "affiliate" of the Issuer, as defined in Rule 405 of the Securities Act, or if it is such an "affiliate", it will comply with the registration and prospectus delivery requirements of the Securities Act to the extent applicable;

(2) it is not engaged in and does not intend to engage in, and has no arrangement or understanding with any person to participate in, a distribution of the Exchange Notes to be issued in such exchange offer;

(3) it is acquiring such Exchange Notes in its ordinary course of business;

(4) if it is a broker-dealer that holds Registrable Securities that were acquired for its own account as a result of market-making activities or other trading activities (other than Registrable Securities acquired directly from the Issuer or any of its affiliates), it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resales of the Exchange Notes received by it;

(5) if it is a broker-dealer, that it did not purchase the Registrable Securities to be exchanged in the exchange offer from us or any of its affiliates; and

(6) it is not acting on behalf of any person who could not truthfully and completely make the representations contained in the foregoing.

Book Entry; Delivery and Form

The Exchange Notes will be initially represented by one or more notes in registered global form without interest coupons (the "Global Notes"). The Global Notes will be executed by an officer of the Company by manual or facsimile signature. Upon delivery of the Global Notes to the trustee by the Company for authentication, together with a company order for the authentication and delivery of the notes, the trustee in accordance with the company order and the terms of the indenture will authenticate and deliver the notes. The Global Notes will be deposited with the trustee, as custodian for the Depository Trust Company ("DTC"), in New York, New York, and registered in the name of DTC or its nominee, in each case for the credit to an account of a direct or indirect participant in DTC as described below. We expect that, pursuant to procedures established by DTC, (i) upon the issuance of the Global Notes, DTC or its custodian will credit, on its internal system, the principal amount at maturity of the individual beneficial interests represented by such Global Notes to the respective accounts of persons who have accounts with such depositary ("participants") and (ii) ownership of beneficial interests in the Global Notes will be shown on, and the transfer of such ownership will be effected only through, records maintained by DTC or its nominee (with respect to interests of participants) and the records of participants (with respect to interests of persons other than participants). Such accounts initially will be designated by or on behalf of the initial purchasers and ownership of beneficial interests in the Global Notes will be limited to participants or persons who hold interests through participants. Holders may hold their interests in the Global Notes directly through DTC if they are participants in such system, or indirectly through organizations that are participants in such system.

So long as DTC or its nominee is the registered owner or holder of the notes, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the notes represented by such Global Notes for all purposes under the indenture. No beneficial owner of an interest in the Global Notes will be able to transfer that interest except in accordance with DTC's procedures, in addition to those provided for under the indenture with respect to the notes.

Payments of the principal of, and premium (if any) and interest on, the Global Notes will be made to DTC or its nominee, as the case may be, as the registered owner thereof. None of the issuer, the trustee or any paying agent will have any responsibility or liability for any aspect of the records relating to or payments

made on account of beneficial ownership interests in the Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interest.

We expect that DTC or its nominee, upon receipt of any payment of principal of, and premium (if any) and interest on the Global Notes, will credit participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of the Global Notes as shown on the records of DTC or its nominee. We also expect that payments by participants to owners of beneficial interests in the Global Notes held through such participants will be governed by standing instructions and customary practice, as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. Such payments will be the responsibility of such participants.

Transfers between participants in DTC will be effected in the ordinary way through DTC's same-day funds system in accordance with DTC rules and will be settled in same-day funds.

DTC has advised us that it will take any action permitted to be taken by a holder of notes (including the presentation of notes for exchange as described below) only at the direction of one or more participants to whose account the DTC interests in the Global Notes are credited and only in respect of such portion of the aggregate principal amount of notes as to which such participant or participants has or have given such direction.

DTC has advised us as follows: DTC is a limited-purpose trust company organized under New York banking law, a "banking organization" within the meaning of the New York banking law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC holds and provides asset servicing for issues of U.S. and non-U.S. equity, corporate and municipal debt issues that participants deposit with DTC. DTC also facilitates the post-trade settlement among participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between participants' accounts. This eliminates the need for physical movement of securities certificates. Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. Access to the DTC system is also available to indirect participants such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a participant, either directly or indirectly.

Although DTC has agreed to the foregoing procedures in order to facilitate transfers of interests in the Global Notes among participants of DTC, it is under no obligation to perform such procedures, and such procedures may be discontinued at any time. None of us, the trustee or any paying agent will have any responsibility for the performance by DTC or its participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Certificated Securities

A Global Note is exchangeable for certificated notes in fully registered form without interest coupons ("Certificated Securities") only in the following limited circumstances:

- DTC notifies us that it is unwilling or unable to continue as depositary for the Global Notes and we fail to appoint a successor depositary within 90 days of such notice, or
- there shall have occurred and be continuing an event of default with respect to the notes under the indenture and DTC shall have requested the issuance of Certificated Securities.

The laws of some states require that certain persons take physical delivery in definitive form of securities that they own. Consequently, the ability to transfer the notes will be limited to such extent.

Certain Definitions

Set forth below are certain defined terms used in the Indenture. Reference is made to the Indenture for a full disclosure of all such terms, as well as any other capitalized terms used herein for which no definition is provided.

"6 3/8% Senior Subordinated Notes" means the Company's 6 3/8% Senior Subordinated Notes due 2013.

"8 7/8% Senior Subordinated Notes" means the Company's 8 7/8% Senior Subordinated Notes due 2011.

"Acquired Debt" means, with respect to any specified Person:

(1) Indebtedness of any other Person existing at the time such other Person was merged with or into or became a Subsidiary of such specified Person, whether or not such Indebtedness is incurred in connection with, or in contemplation of, such other Person merging with or into, or becoming a Subsidiary of, such specified Person;

(2) Indebtedness assumed by the specified Person in connection with the acquisition of assets from another Person; and

(3) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

"Affiliate" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control," as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise. For purposes of this definition, the terms "controlling," "controlled by" and "under common control with" have correlative meanings.

"Affiliate Entity" means any Person who, directly or indirectly, has the ability to elect one or more of the members of the Board of Directors of the Company or any Parent Company.

"Asset Sale" means:

(1) the sale, lease, conveyance or other disposition of any properties or assets (including, without limitation, by means of a sale and leaseback transaction) outside the ordinary course of business; *provided* that the disposition of all or substantially all of the properties or assets of the Company and its Restricted Subsidiaries taken as a whole will be governed by the provisions of the Indenture described above under the caption "— Repurchase at the Option of Holders — Change of Control" and/or the provisions described above under the caption "— Certain Covenants — Merger, Consolidation or Sale of Assets" and not by the provisions of the covenant described under "— Repurchase at the Option of Holders — Asset Sales;" and

(2) the issuance of Equity Interests in any of the Company's Restricted Subsidiaries or the sale of Equity Interests in any of its Subsidiaries or the sale by ROCH of any Equity Interests of TV One (other than directors' qualifying shares, shares required by applicable law to be held by a Person other than the Company or any of its Restricted Subsidiaries).

Notwithstanding the preceding, the following items will not be deemed to be Asset Sales:

(1) any single transaction or series of related transactions that involves properties or assets or Equity Interests having a Fair Market Value of less than $1.0 million;

(2) a transfer of assets by the Company to any Wholly Owned Restricted Subsidiary or by any Restricted Subsidiary to the Company or a Wholly Owned Restricted Subsidiary;

(3) an issuance or sale of Equity Interests by a Restricted Subsidiary to the Company or to a Wholly Owned Restricted Subsidiary;

(4) the sale, lease or other disposition of equipment, inventory, accounts receivable or other properties or assets in the ordinary course of business;

(5) the sale or other disposition of cash or Cash Equivalents;

(6) the making of a Restricted Payment that is permitted by the covenant described above under the caption "— Certain Covenants — Restricted Payments" or the making of a Permitted Investment;

(7) the sale and leaseback of any assets within 90 days of the acquisition thereof;

(8) a disposition of assets that are no longer used or useful in the business of such entity;

(9) licensing of intellectual property in the ordinary course of business;

(10) the creation or perfection of a Permitted Lien (but not the sale or other disposition of the properties or assets subject to such Lien);

(11) foreclosures on assets;

(12) Asset Swaps; and

(13) surrender or waiver of contract rights or the settlement, release or surrender of contract, tort or other claims of any kind.

"Asset Swap" means any transfer of assets of the Company or any Restricted Subsidiary to any Person other than an Affiliate of the Company or such Restricted Subsidiary in exchange for assets of such Person if:

(1) such exchange would qualify, whether in part or in full, as a like- kind exchange pursuant to Section 1031 of the Code; *provided* that nothing in this definition shall require the Company or any Restricted Subsidiary to elect that Section 1031 of the Code be applicable to any Asset Swap;

(2) the Fair Market Value of any property or assets received is at least equal to the Fair Market Value of the property or assets so transferred; and

(3) to the extent applicable, any "boot" or other assets received by the Company or any Restricted Subsidiary is directly related to, and/or consists of Equity Interests issued by a Person in, a Permitted Business and any Net Proceeds from the disposition of such boot or other assets are applied as required by the covenant described under the caption "— Repurchase at the Option of Holders — Asset Sales."

"Authorizations" means all filings, recordings and registrations with, and all validations or exemptions, approvals, orders, authorizations, consents, Licenses, certificates and permits from, the FCC.

"Beneficial Owner" has the meaning assigned to such term in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that in calculating the beneficial ownership of any particular "person" (as that term is used in Section 13(d)(3) of the Exchange Act), such "person" will be deemed to have beneficial ownership of all securities that such "person" has the right to acquire by conversion or exercise of other securities, whether such right is currently exercisable or is exercisable only upon the occurrence of a subsequent condition. The terms "Beneficially Owns" "Beneficially Owning" and "Beneficially Owned" have correlative meanings.

"Board of Directors" means:

(1) with respect to a corporation, the board of directors of the corporation;

(2) with respect to a partnership or a limited liability company, the board of directors or similar body of the general partner or managers of such entity; and

(3) with respect to any other entity, the functional equivalent of the foregoing,

or, in each case of clause (1), (2) and (3), other than for purposes of the definition of "Change of Control," any duly authorized committee of such body.

"Board Resolution" means a copy of a resolution certified by the Secretary or an Assistant Secretary of the applicable Person to have been duly adopted by the Board of Directors of such Person and to be in full force and effect on the date of such certification, and delivered to the trustee.

"Business Day" means each day that is not a Saturday, Sunday or other day on which banking institutions in New York, New York are authorized or required by law to close.

"Capital Lease Obligation" means any obligation under a lease that is required to be capitalized for financial reporting purposes in accordance with GAAP, and the amount of Indebtedness represented by such obligation shall be the capitalized amount of such obligations determined in accordance with the GAAP; and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be terminated by the lessee without payment of a penalty. For purposes of "— Certain Covenants — Liens," a Capital Lease Obligation shall be deemed secured by a Lien on the property or assets (and proceeds thereof) being leased.

"Capital Stock" means:

(1) in the case of a corporation, corporate stock;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person.

"Cash Equivalents" means:

(1) United States dollars;

(2) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality of the United States government having maturities of not more than one year from the date of acquisition;

(3) certificates of deposit and Eurodollar time deposits with maturities of one year or less from the date of acquisition, bankers' acceptances with maturities of one year or less and overnight bank deposits, in each case, with any lender party to the Existing Credit Agreement or with any domestic commercial bank having capital and surplus in excess of $500.0 million and a Thomson Bank Watch Rating of "B" or better;

(4) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clauses (2) and (3) above entered into with any financial institution meeting the qualifications specified in clause (3) above;

(5) commercial paper having the highest rating obtainable from Moody's or S&P and in each case maturing within nine months after the date of acquisition; and

(6) money market funds at least 95% of the assets of which constitute Cash Equivalents of the kinds described in clauses (1) through (5) of this definition.

"Change of Control" means the occurrence of any of the following:

(1) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Company and its Restricted Subsidiaries, taken as a whole, to any "person" (as that term is used in Section 13(d)(3) of the Exchange Act) other than a Principal or a Related Party or a Permitted Group;

(2) the adoption of a plan relating to the liquidation or dissolution of the Company;

(3) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that more than 50% of the Voting Stock of the Company or any Parent Company, measured by voting power, rather than number of shares, is Beneficially Owned, directly or indirectly, by

any Person other than any Parent Company, the Principals and their Related Parties or a Permitted Group; or

(4) the first day on which a majority of the members of the Board of Directors of the Company are not Continuing Directors.

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

"Commission" or *"SEC"* means the Securities and Exchange Commission.

"Communications Act" means the Communications Act of 1934, as amended, and the rules, regulations, orders, decisions and published policies thereunder.

"Consolidated Cash Flow" means, with respect to any specified Person for any period, without duplication, the Consolidated Net Income of such Person:

(1) *plus*, in each case determined on a consolidated basis in accordance with GAAP and only to the extent deducted in determining Consolidated Net Income,

(a) Consolidated Income Tax Expense (other than income tax expense (either positive or negative) attributable to extraordinary gains (or losses));

(b) Consolidated Interest Expense;

(c) Consolidated Non-cash Charges;

(d) any expenses or charges related to the Transactions or any equity offering (whether or not successful);

(e) any extraordinary or non-recurring charges, costs or expenses; and

(f) interest incurred in connection with Investments in discontinued operations;

(2) *minus*

(a) non-cash items increasing such Consolidated Net Income, other than (i) the accrual of revenue in the ordinary course of business and (ii) reversals of prior accruals or reserves for cash items previously excluded in the calculation of Consolidated Non-cash Charges; and

(b) barter revenues to the extent such barter revenues were included in computing such Consolidated Net Income.

"Consolidated Income Tax Expense" means, with respect to any Person for any period, the provision for federal, state, local and foreign income taxes of such Person and its Restricted Subsidiaries for such period as determined on a consolidated basis in accordance with GAAP.

"Consolidated Interest Expense" means, with respect to any Person for any period the interest expense of such Person, its Restricted Subsidiaries and, for so long as TV One remains a Designated Entity, the TV One Percentage of the interest expense of TV One and its Subsidiaries, in each case for such period as determined on a consolidated basis in accordance with GAAP (whether paid or accrued and whether or not capitalized), including without duplication:

(1) any amortization of debt discount;

(2) non-cash interest expense, including any interest paid in kind by the issuance of additional Indebtedness;

(3) the net cost under Hedging Obligations (including any amortization of discounts);

(4) the interest portion of any deferred payment obligation;

(5) all commissions, discounts and other fees and charges owed with respect to letters of credit, bankers' acceptances, financing or similar activities (including, without limitation, agency fees, commitment fees and similar fees);

(6) the interest component of Capital Lease Obligations;

(7) the interest expense on any Indebtedness guaranteed by such Person and its Restricted Subsidiaries or secured by a Lien on assets of the Company or any of its Restricted Subsidiaries; and

(8) any cash dividends paid or payable on any Designated Preferred Stock.

"Consolidated Net Income" means, with respect to any Person, for any period, the net income (or loss) of such Person and its Restricted Subsidiaries for such period on a consolidated basis determined in accordance with GAAP; *provided* that there shall be excluded therefrom:

(1) all extraordinary or unusual gains and extraordinary or unusual losses (in each case, net of fees and expenses relating to the transaction giving rise thereto), together with any related provision for taxes on such gains and losses;

(2) the net income (but not loss) of any Person that is not a Restricted Subsidiary or that is accounted for by the equity method of accounting, except to the extent of the amount of dividends or distributions paid in cash to the specified Person or a Restricted Subsidiary of the Person;

(3) gains or losses in respect of any Asset Sales or sale or other disposition of assets or Equity Interests outside the ordinary course of business after the Issue Date by such Person or one of its Restricted Subsidiaries (net of fees and expenses relating to the transaction giving rise thereto), on an after-tax basis;

(4) the net income (loss) from any operations disposed of or discontinued after the Issue Date and any net gains or losses on such disposition or discontinuance, on an after-tax basis;

(5) solely for purposes of the covenant described under the caption "— Certain Covenants — Restricted Payments," the net income (but not loss) of any Restricted Subsidiary of such Person to the extent the declaration of dividends or similar distributions by that Restricted Subsidiary of that net income is not at the date of determination permitted without any prior governmental approval (that has not been obtained) or, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulations applicable to that Restricted Subsidiary or its stockholders, partners or members, except to the extent of any dividends or other distributions or payments actually paid to such Person or any of its Restricted Subsidiaries and not already included in the Consolidated Net Income of such Person;

(6) any gain or loss realized as a result of the cumulative effect of a change in accounting principles;

(7) any fees and expenses, including deferred finance costs, paid in connection with the Transactions (including, without limitation, ratings agency fees);

(8) non-cash compensation charges or expenses, including those incurred in connection with any issuance of Equity Interests;

(9) non-cash gains and losses attributable to movement in the mark-to-market valuation of Hedging Obligations pursuant to Statement of Financial Accounting Standards No. 133; and

(10) any net after-tax gains or losses attributable to the early extinguishment of Indebtedness (in each case, net of fees and expenses relating to the transaction giving rise thereto).

"Consolidated Non-cash Charges" means, with respect to any Person for any period, the aggregate depreciation, amortization (including, without limitation, (i) amortization of goodwill, programming costs, barter expenses and other intangibles and (ii) the effect of any non-cash impairment charges incurred subsequent to the Issue Date resulting from the application of Statement of Financial Accounting Standards Nos. 141, 142 or 144 and any other non-cash items resulting from any amortization, write-up, write-down or write-off of assets or liabilities (including deferred financing costs and the effect of straight-lining of rents as a result of purchase accounting adjustments) in connection with any future acquisition, disposition, merger, consolidation or similar transaction, but excluding amortization of pre-paid cash expenses that were paid in a

prior period) and other non-cash charges and expenses of such Person and its Restricted Subsidiaries reducing Consolidated Net Income of such Person and its Restricted Subsidiaries for such period, determined on a consolidated basis in accordance with GAAP excluding any such charges which require an accrual of or a reserve for cash charges for any future period).

"Continuing Directors" means, as of any date of determination, any member of the Board of Directors of the Company who:

(1) was a member of or nominated to such Board of Directors on the Issue Date; or

(2) was nominated for election by either (a) one or more of the Principals or (b) the Board of Directors of the Company, a majority of whom were members of or nominated to the Board of Directors of the Company on the Issue Date or whose election or nomination for election was previously approved by one or more of the Principals Beneficially Owning at least 25% of the Voting Stock of the Company (determined by reference to voting power and not number of shares held) or such directors.

"Default" means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

"Designated Entity" means TV One at all times that the Company or any of its Restricted Subsidiaries is the Beneficial Owner of at least 10% of the outstanding Equity Interests of TV One and until such time as TV One becomes a Restricted Subsidiary under the terms of the Indenture.

"Designated Preferred Stock" means Preferred Stock of the Company (other than Disqualified Stock) that is issued for cash (other than to a Restricted Subsidiary, Reach Media or, for so long as TV One remains a Designated Entity, TV One or an employee stock ownership plan or trust established by the Company or any of its Subsidiaries or, for so long as TV One remains a Designated Entity but is not otherwise a Subsidiary, TV One) and is so designated as Designated Preferred Stock, pursuant to an Officer's Certificate executed by the principal financial officer of the Company, on the issuance date thereof, the cash proceeds of which are excluded from the calculation of the Restricted Payments Basket.

"Designated Senior Debt" means any Indebtedness outstanding under the Existing Credit Agreement.

"Disqualified Stock" means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case at the option of the holder of the Capital Stock), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder of the Capital Stock, in whole or in part, on or prior to the date that is 91 days after the date on which the Notes mature or is convertible into or exchangeable for debt securities at any time prior to the date that is 91 days after the date on which the Notes mature or otherwise cease to be outstanding. Notwithstanding the preceding sentence, any Capital Stock that would constitute Disqualified Stock solely because the holders of the Capital Stock have the right to require the Company or a Restricted Subsidiary to repurchase or redeem such Capital Stock upon the occurrence of a change of control or an asset sale occurring prior to the 91st day after the final maturity date of the Notes will not constitute Disqualified Stock if the change of control or asset sale provisions applicable to such Disqualified Stock specifically provide that the Company or a Restricted Subsidiary will not repurchase or redeem any such Capital Stock unless such repurchase or redemption complies with the covenant described above under the caption "— Certain Covenants — Restricted Payments."

The maximum fixed repurchase price of any Disqualified Stock that does not have a fixed repurchase price shall be calculated in accordance with the terms of such Disqualified Stock as if such Disqualified Stock were repurchased on any date on which Indebtedness shall be required to be determined pursuant to the Indenture; *provided, however*, that, if such Disqualified Stock is not then permitted to be repurchased, the repurchase price shall be the book value of such Disqualified Stock.

"DTC" means The Depository Trust Company, its nominees and successors.

"DTV Investors" means collectively DIRECTV Programming Holdings I, Inc. and DIRECTV Programming Holdings II, Inc. and/or their permitted transferees.

"Equity Interests" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Exchange Claims" means (1) Indebtedness under the Notes and the Guarantees and (2) all other Obligations related to the Indebtedness described in clause (1) above.

"Existing Credit Agreement" means the Amended and Restated Credit Agreement, dated as of the Issue Date, by and among the Company, as Borrower, Wells Fargo Bank, N.A. (as successor by merger to Wachovia Bank, National Association), as Administrative Agent, and the lenders party thereto, which amends and restates the Credit Agreement, dated as of June 13, 2005, by and among the Company, as Borrower, Wells Fargo Bank, N.A. (as successor by merger to Wachovia Bank, National Association), as Administrative Agent, Bank of America, N.A., as Syndication Agent, Credit Suisse, Merrill Lynch Capital Corp. and SunTrust Bank, as Co-Documentation Agents, Wachovia Capital Markets, LLC and Banc of America Securities LLC, as Joint Lead Arrangers, and certain financial institutions named therein, as lenders, including any related guarantees, collateral documents, security agreements, mortgages, instruments and other agreements executed in connection therewith, as each may be amended, restated, modified, supplemented, renewed, extended, refunded, replaced or refinanced in whole or in part from time to time including upon the Issue Date (including any increase in the amount of available borrowings or obligations thereunder or addition of Restricted Subsidiaries as additional borrowers or guarantors thereunder) whether provided under one or more other credit agreements, financing agreements or otherwise and whether by the same or any other agent, lender or group of lenders; *provided* that, so long as any Notes are outstanding, no such increase may result in the principal amount of Indebtedness of the Company under the Existing Credit Agreement exceeding the amount specified in clause (1) of the definition of Permitted Debt, as such amount is reduced from time to time in accordance with such clause (1).

"Existing Subordinated Notes" means the $6^3/_8$% Senior Subordinated Notes and the $8^7/_8$% Senior Subordinated Notes.

"Fair Market Value" means, with respect to any asset or property, the price which could be negotiated in an arm's-length transaction, between a willing seller and a willing and able buyer, neither of whom is under undue pressure or compulsion to complete the transaction. Fair Market Value will be determined in good faith by the Board of Directors of the Company, whose determination will be conclusive and evidenced by a Board Resolution; *provided,* that the Board of Directors shall be permitted to consider the circumstances existing at the time; *provided, further*, however, that if the Fair Market Value of the property or assets in question is so determined to be in excess of $10.0 million, such determination must be confirmed by an Independent Qualified Party.

"FCC" means the Federal Communications Commission (or any successor agency, commission, bureau, department or other political subdivision of the United States of America).

"FCC License" means any radio or television broadcast service, community antenna relay service, broadcast ancillary, earth station registration, business radio, microwave, special safety radio service license or other license, permit, authorization or certificate issued by the FCC pursuant to the Communications Act.

"Fiscal Quarter" means each three-month period beginning on January 1, April 1, July 1 and October 1 of each year.

"Foreign Subsidiary" means (i) a Restricted Subsidiary that is organized and existing under the laws of a jurisdiction other than the United States, any State thereof or the District of Columbia; (ii) a Restricted Subsidiary substantially all of whose assets consist, directly or indirectly, of "controlled foreign corporations" (within the meaning of Section 957 of the Code) (each, a *"CFC"*); and (iii) a Restricted Subsidiary that is treated as disregarded for U.S. federal income tax purposes and owns more than 65% of the voting stock of either a CFC or a Subsidiary described in the preceding clause (ii).

"GAAP" means generally accepted accounting principles in the United States, consistently applied, as set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of

Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board, or in such other statements by such other entity as may be approved by a significant segment of the accounting profession in the United States, which are in effect as of the Issue Date.

"Going Private Transaction" means the initial occurrence of any of the following after the Issue Date: (a) a Rule 13e-3 transaction (as that term is defined in Rule 13e-3 of the Exchange Act) involving the Company, or (b) any transaction that results in the Company being eligible to cease filing reports under Section 13(a) or 15(d) of the Exchange Act with the SEC; provided that any transaction described in clause (a) or (b) is not a Change of Control.

"Guarantee" means a guarantee by a Guarantor of the Company's payment Obligations under the Indenture and on the Notes.

"guarantee" means, as applied to any Indebtedness of another Person, (1) a guarantee (other than by endorsement of negotiable instruments for collection in the normal course of business), direct or indirect, in any manner, of any part or all of such Indebtedness, (2) any direct or indirect obligation, contingent, or otherwise, of a Person guaranteeing or having the effect of guaranteeing the Indebtedness of any other Person in any manner and (iii) an agreement of a Person, direct or indirect, contingent or otherwise, the practical effect of which is to assure in any way the payment or performance (or payment of damages in the event of non-performance) of all or any part of such Indebtedness of another Person (and "guarantee" or "guaranteeing" shall have meanings that correspond to the foregoing).

"Guarantor" means (1) on the Issue Date, each of the Company's domestic Restricted Subsidiaries and (2) after the Issue Date each of the Company's domestic Restricted Subsidiaries which becomes a Guarantor pursuant to the provisions of the Indenture and their respective successors and assigns.

"Hedging Obligations" means, with respect to any specified Person, the obligations of such Person incurred in the normal course of business and not for speculative purposes under:

(1) interest rate swap agreements (whether from fixed to floating or from floating to fixed), interest rate cap agreements and interest rate collar agreements entered into with one of more financial institutions; and

(2) other agreements or arrangements designed to protect such Person or any of its Subsidiaries against fluctuations in interest rates, commodity prices or currency exchange rates.

"Holder" means a Person in whose name a Note is registered in the security register.

"Immaterial Subsidiary" means, as of any date, any Restricted Subsidiary (other than a Foreign Subsidiary) whose total assets, together with all other domestic Restricted Subsidiaries that are not Guarantors, as of that date, are less than $5.0 million and whose total revenues, together with all other domestic Restricted Subsidiaries that are not Guarantors, for the most recent twelve-month period do not exceed $5.0 million; *provided* that a Restricted Subsidiary will not be considered to be an Immaterial Subsidiary if it, directly or indirectly, guarantees or otherwise provides direct credit support for any Indebtedness of the Company or any Guarantor.

"incur" has the meaning set forth under "— Certain Covenants — Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock" (and *"incurrence"* and *"incurred"* shall have meanings that correspond to the foregoing).

"Indebtedness" means, with respect to any specified Person, without duplication,

(1) all obligations of such Person, whether or not contingent, in respect of:

(a) the principal of and premium, if any, in respect of outstanding (i) Indebtedness of such Person for money borrowed and (ii) Indebtedness evidenced notes, debentures, bonds or other similar instruments for the payment of which such Person is responsible or liable;

(b) all Capital Lease Obligations of such Person;

(c) the deferred purchase price of property, which purchase price is due more than six months after the date of taking delivery of title to such property, including all obligations of such Person for the deferred purchase price of property under any title retention agreement, but excluding accrued expenses and trade accounts payable or non-cash barter arrangements arising in the ordinary course of business; and

(d) the reimbursement obligation of any obligor for the principal amount of any letter of credit, banker's acceptance or similar transaction (excluding obligations with respect to letters of credit securing obligations (other than obligations described in clauses (a) through (c) above) entered into in the ordinary course of business of such Person to the extent such letters of credit are not drawn upon or, if and to the extent drawn upon, such drawing is reimbursed no later than the tenth Business Day following receipt by such Person of a demand for reimbursement following payment on the letter of credit);

(2) all net obligations in respect of Hedging Obligations;

(3) all liabilities of others of the kind described in the preceding clause (1) or (2) that such Person has guaranteed or that are otherwise its legal liability;

(4) Indebtedness (as otherwise defined in this definition) of another Person secured by a Lien on any asset of such Person, whether or not such Indebtedness is assumed by such Person, the amount of such obligations being deemed to be the lesser of:

(a) the full amount of such obligations so secured; and

(b) the Fair Market Value of such asset; and

(5) any and all deferrals, renewals, extensions, refinancings and refundings (whether direct or indirect) of, or amendments, modifications or supplements to, any liability of the kind described in any of the preceding clauses (1), (2), (3), (4) or this clause (5), whether or not between or among the same parties;

if and to the extent any of the preceding items (other than letters of credit and Hedging Obligations) would appear as a liability on the balance sheet of the specified Person prepared in accordance with GAAP. Indebtedness shall be calculated without giving effect to the effects of Statement of Financial Accounting Standards No. 133 and related interpretations to the extent such effects would otherwise increase or decrease an amount of Indebtedness for any purpose under the indenture as a result of accounting for any embedded derivatives created by the terms of such Indebtedness.

For purposes of the foregoing:

(a) the amount outstanding at any time of any Indebtedness issued with original issue discount is the principal amount of such Indebtedness less the remaining unamortized portion of the original issue discount of such Indebtedness at such time as determined in conformity with GAAP, but such Indebtedness shall be deemed incurred only as of the date of original issuance thereof;

(b) the amount of any Indebtedness described in clause (3) of the preceding paragraph shall be the maximum liability under any such Guarantee; and

(c) the amount of any other Indebtedness of any Person at any date shall be the outstanding balance at such date of all unconditional obligations as described above and the maximum liability, upon the occurrence of the contingency giving rise to the obligations, of any contingent obligations at such date.

Notwithstanding the foregoing, in connection with the purchase by the Company or any Restricted Subsidiary of any business, the term "Indebtedness" will exclude (1) customary indemnification obligations and (2) post-closing payment adjustments to which the seller may become entitled to the extent such payment is determined by a final closing balance sheet or such payment is otherwise contingent; *provided, however*, that, such amount would not be required to be reflected on the face of a balance sheet prepared in accordance with GAAP.

"Independent Qualified Party" means an investment banking firm, accounting firm or appraisal firm of national or regional standing; *provided, however*, that such firm is not an Affiliate of the Company.

"Investment" means, with respect to any Person, any direct or indirect advance, loan or other extension of credit (including by way of guarantee or similar arrangement) or capital contribution (by means of any transfer of cash or other property to others or any payment for property or services for the account or use of others) to another Person, or any purchase or acquisition of Equity Interests, Indebtedness or other similar instruments issued by, such other Person, together with all items that are barter contributions or would be classified as investments on a balance sheet of such Person prepared in accordance with GAAP. If the Company or any Restricted Subsidiary issues, sells or otherwise disposes of any Equity Interests of a Restricted Subsidiary such that, after giving effect thereto, such Person is no longer a Restricted Subsidiary, any Investment by the Company or any Restricted Subsidiary in such Person remaining after giving effect thereto will be deemed to be a new Investment at such time. The acquisition by the Company or any Restricted Subsidiary of a Person that holds an Investment in a third Person will be deemed to be an Investment by the Company or such Restricted Subsidiary in such third Person at such time. Except as otherwise provided for herein, the amount of an Investment shall be its Fair Market Value at the time the Investment is made and without giving effect to subsequent changes in value.

For purposes of the definition of "Unrestricted Subsidiary," the definition of "Restricted Payment" and the covenant described under the caption "— Certain Covenants — Restricted Payments," any property transferred to or from an Unrestricted Subsidiary shall be valued at its Fair Market Value at the time of such transfer.

"Issue Date" means the date on which Notes are first issued under the Indenture.

"Leverage Ratio" means, as of any date of determination (the *"Determination Date"*) the ratio of (1) the aggregate outstanding amount of Indebtedness of each of the Company, its Restricted Subsidiaries and, for so long as TV One remains a Designated Entity, the TV One Percentage of the aggregate outstanding amount of Indebtedness of TV One and its Subsidiaries as of the last day of the most recently ended Fiscal Quarter ending on or prior to the Determination Date for which internal financial statements are internally available as of such Determination Date, determined on a consolidated basis in accordance with GAAP plus the aggregate liquidation preference of all outstanding Disqualified Stock of the Company and the Guarantors, Designated Preferred Stock, and Preferred Stock of such Restricted Subsidiaries and, for so long as TV One remains a Designated Entity, TV One and its Subsidiaries (except Preferred Stock issued to the Company or a Wholly Owned Restricted Subsidiary) as of the last day of such Fiscal Quarter ending on or prior to the Determination Date to (2) the aggregate Consolidated Cash Flow of the Company for the last four full Fiscal Quarters for which financial statements are internally available ending on or prior to the Determination Date (the *"Reference Period"*).

For purposes of this definition, the aggregate outstanding principal amount of Indebtedness of the Company, its Restricted Subsidiaries and, for so long as TV One remains a Designated Entity, the TV One Percentage of the aggregate outstanding principal amount of Indebtedness of TV One and its Subsidiaries and the aggregate liquidation preference of all outstanding Disqualified Stock of the Company and the Guarantors, Designated Preferred Stock, and Preferred Stock of such Restricted Subsidiaries and, for so long as TV One remains a Designated Entity, TV One and its Subsidiaries for which such calculation is made shall be determined on a pro forma basis as if the Indebtedness, Disqualified Stock, Designated Preferred Stock and Preferred Stock giving rise to the need to perform such calculation had been incurred and issued and the proceeds therefrom had been applied, and all other transactions in respect of which such Indebtedness is being incurred or Disqualified Stock, Designated Preferred Stock or Preferred Stock is being issued had occurred, on the first day of such Reference Period. In addition to the foregoing, for purposes of this definition, the Leverage Ratio shall be calculated on a pro forma basis after giving effect to (a) the incurrence of the Indebtedness and the issuance of the Disqualified Stock, Designated Preferred Stock or Preferred Stock (and the application of the proceeds therefrom) giving rise to the need to make such calculation and any incurrence (and the application of the proceeds therefrom) or repayment of other Indebtedness, Disqualified Stock, Designated Preferred Stock or Preferred Stock, at any time subsequent to the beginning of the Reference Period and on or prior to the Determination Date, as if such incurrence or issuance (and the application of the

proceeds thereof), or the repayment, as the case may be, occurred on the first day of the Reference Period (except that, in making such computation, the amount of Indebtedness under any revolving credit facility shall be computed based upon the average balance of such Indebtedness at the end of each month during such period) and (b) any acquisition, disposition or Investment at any time on or subsequent to the first day of the Reference Period and on or prior to the Determination Date, as if such acquisition, disposition or Investment (including the incurrence, assumption or liability for any such Indebtedness and the issuance of such Disqualified Stock, Designated Preferred Stock or Preferred Stock and also including any Consolidated Cash Flow associated with such acquisition) occurred on the first day of the Reference Period giving pro forma effect to any non-recurring expenses, non- recurring costs and cost reductions. For purposes of this definition, whenever pro forma effect is to be given to a transaction, the pro forma calculations shall be made by a responsible financial officer of the Company on a good faith basis and in accordance with Regulation S-X under the Securities Act. Furthermore, in calculating Consolidated Interest Expense for purposes of the calculation of Consolidated Cash Flow, (i) interest on Indebtedness determined on a fluctuating basis as of the Determination Date (including Indebtedness actually incurred on the date of the transaction giving rise to the need to calculate the Leverage Ratio) and which will continue to be so determined thereafter shall be deemed to have accrued at a fixed rate per annum equal to the rate of interest on such Indebtedness as in effect on the Determination Date and (ii) notwithstanding (i) above, interest determined on a fluctuating basis, to the extent such interest is covered by Hedging Obligations, shall be deemed to accrue at the rate per annum resulting after giving effect to the operation of such agreements.

"License" means as to any Person, any license, permit, certificate of need, authorization, certification, accreditation, franchise, approval, or grant of rights by any governmental authority or other Person necessary or appropriate for such Person to own, maintain, or operate its business or property, including FCC Licenses.

"License Subsidiary" means any Restricted Subsidiary of the Company that is record owner of one or more FCC Licenses.

"Lien" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction other than a precautionary financing statement not intended as a security agreement.

"Moody's" means Moody's Investors Service, Inc. or any successor to the rating agency business thereof.

"Net Proceeds" means the aggregate cash proceeds received by the Company or any of its Restricted Subsidiaries in respect of any Asset Sale (including, without limitation, any cash received upon the sale or other disposition of any non-cash consideration received in any Asset Sale), net of, without duplication:

(1) the direct costs relating to such Asset Sale, including, without limitation, legal, accounting and investment banking fees, and sales commissions, and any employee bonus or relocation expenses incurred as a result of the Asset Sale;

(2) taxes paid or payable as a result of the Asset Sale, in each case, after taking into account any available tax credits or deductions and any tax sharing arrangements;

(3) amounts required to be applied to the repayment of Indebtedness, other than Senior Debt, secured by a Lien on the properties or assets that were the subject of such Asset Sale, or that by the terms of such Indebtedness or in order to obtain the necessary consent to such Asset Sale or by applicable law be repaid out of the proceeds from such Asset Sale;

(4) any reserve for adjustment in respect of the sale price of such properties or assets established in accordance with GAAP or satisfaction of indemnities or commitments in respect of such Asset Sale;

(5) all distributions and other payments required to be made to minority interest holders in Subsidiaries or joint ventures as a result of such Asset Sale; and

(6) any portion of the purchase price from an Asset Sale placed in escrow pursuant to the terms of such Asset Sale until the termination of such escrow.

"Non-Recourse Debt" means Indebtedness:

(1) as to which neither the Company nor any of its Restricted Subsidiaries (a) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness), (b) is directly or indirectly liable as a guarantor or otherwise, or (c) constitutes the lender;

(2) no default with respect to which (including any rights that the holders of the Indebtedness may have to take enforcement action against an Unrestricted Subsidiary) would permit upon notice, lapse of time or both any holder of any other Indebtedness (other than the Notes) of the Company or any of its Restricted Subsidiaries to declare a default on such other Indebtedness or cause the payment of such other Indebtedness to be accelerated or payable prior to its Stated Maturity; and

(3) as to which the holders of such Indebtedness do not otherwise have recourse to the stock or assets of the Company or any of its Restricted Subsidiaries.

"Obligations" means any principal, premium, if any, interest (including interest accruing on or after the filing of any petition in bankruptcy or for reorganization, whether or not a claim for post-filing interest is allowed in such proceeding), penalties, fees, charges, expenses, indemnifications, reimbursement obligations, damages, guarantees, and other liabilities or amounts payable under the documentation governing any Indebtedness or in respect thereto.

"Operating Agreement" means an "Operating Agreement" as defined in the Existing Credit Agreement.

"Parent Company" means any Person that owns, directly or indirectly, 100% of the outstanding Equity Interests of the Company.

"Permitted Business" means any business engaged in by the Company, its Restricted Subsidiaries or Reach Media as of the Issue Date or any business reasonably related, ancillary, supportive or complementary thereto (including, without limitation, any media-related business), in each case, as determined in good faith by the Board of Directors of the Company.

"Permitted Group" means any investor that is a Beneficial Owner of Voting Stock of the Company or any Parent Company and that is also a party to a stockholders' agreement with any of the Principals or their Related Parties and any group of investors that is deemed to be a "person" (as that term is used in Section 13(d)(3) of the Exchange Act) by virtue of any such stockholders' agreement; *provided* that the Principals and their Related Parties continue to collectively Beneficially Own, directly or indirectly, at all times more than 50% of the Voting Stock of the Company or Parent Company, as applicable, and the ability to elect a majority of the members of the Board of Directors of the Company or Parent Company (without giving effect to any Voting Stock that may be deemed to be beneficially owned by the Principals and their Related Parties pursuant to Rule 13d-3 or 13d-5 under the Exchange Act).

"Permitted Investments" means:

(1) any Investment in the Company or in a Wholly Owned Restricted Subsidiary;

(2) Investments in existence on the Issue Date;

(3) any Investment in cash or Cash Equivalents;

(4) any Investment by the Company or any Restricted Subsidiary in a Person, if as a result of such Investment:

(a) such Person becomes a Wholly Owned Restricted Subsidiary; or

(b) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its properties or assets to, or is liquidated into, the Company or a Wholly Owned Restricted Subsidiary;

(5) any Investment made in a Person to the extent such Investment represents non-cash consideration received from an Asset Sale that was made pursuant to and in compliance with the covenant described above under the caption "— Repurchase at the Option of Holders — Asset Sales;"

(6) any Investment in any Person solely in exchange for the issuance of Equity Interests (other than Disqualified Stock) of the Company;

(7) notes and accounts receivable incurred in the ordinary course of business and any Investments received in compromise of such obligations, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer;

(8) Hedging Obligations permitted to be incurred under the covenant described above under the caption "— Certain Covenants — Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock;"

(9) loans and advances (including for business travel and relocation expenses) to employees of the Company or a Restricted Subsidiary in the ordinary course of business in an amount not to exceed $1.0 million in the aggregate at any one time outstanding;

(10) guarantees by the Company or any Guarantor of Indebtedness of the Company or a Guarantor otherwise permitted by clause (10) of the definition of Permitted Debt;

(11) (a) any TV One Investment described in clause (ii) of the definition thereof; or (b) any TV One Investment (A) in exchange for, or out of the net cash proceeds of the substantially concurrent sale (other than to a Subsidiary of the Company or, for so long as TV One remains a Designated Entity but is not otherwise a Subsidiary, TV One) of, Equity Interests of the Company (other than Disqualified Stock) or (B) from the net cash proceeds of a substantially concurrent cash contribution to the equity capital of the Company or any Restricted Subsidiary (other than cash from the Company, a Restricted Subsidiary, Reach Media or, for so long as TV One remains a Designated Entity, TV One); *provided*, that in each case, no Default or Event of Default shall have occurred and be continuing or result therefrom; and *provided*, *further*, that the amount of any net cash proceeds received pursuant to clause (B) that are utilized for a TV One Investment will be excluded from clause (b) of the definition of Restricted Payments Basket; and

(12) any Investment due to intercompany advances or payables resulting from any of the transactions covered by clause (7) of the covenant described under the caption "— Certain Covenants — Transactions with Affiliates."

"Permitted Junior Securities" means:

(1) Equity Interests in the Company or, subject to the provisions of the Existing Credit Agreement, any Guarantor; or

(2) debt securities that are subordinated to all Senior Debt and any debt securities issued in exchange for Senior Debt to substantially the same extent as, or to a greater extent than, the Notes and the Guarantees are subordinated to Senior Debt under the Indenture.

"Permitted Liens" means:

(1) Liens securing Indebtedness incurred pursuant to clauses (1) or (9) of the definition of "Permitted Debt" and all other Obligations related to such Indebtedness;

(2) [Reserved];

(3) Liens in favor of the Company or the Guarantors;

(4) Liens on property or assets of a Person existing at the time such Person is merged with or into or consolidated with the Company or a Restricted Subsidiary or on property or assets acquired by the Company or any Restricted Subsidiary (and in each case not created or incurred in anticipation of such transaction), including Liens securing Acquired Debt permitted to be incurred pursuant to clause (14) of

the definition of "Permitted Debt;" *provided* that such Liens are not extended to the property and assets of the Company and its Restricted Subsidiaries other than the property or assets acquired;

(5) Liens to secure Capital Lease Obligations, mortgage financings or purchase money debt permitted to be incurred pursuant to clause (5) of the definition of "Permitted Debt" covering only the assets financed by or acquired with such Indebtedness (and the proceeds thereof);

(6) Liens to secure the performance of statutory obligations, surety or appeal bonds, performance bonds or other obligations of a like nature incurred in the ordinary course of business;

(7) Liens existing on the Issue Date (other than Liens permitted under clause (1) above);

(8) Liens arising from Uniform Commercial Code financing statement filings regarding operating leases entered into by the Company and its Restricted Subsidiaries in the ordinary course of business;

(9) Liens securing Permitted Refinancing Indebtedness incurred to refinance Indebtedness that was previously so secured; *provided* that any such Lien is limited to all or part of the same property or assets (plus improvements, accessions, proceeds or dividends or distributions in respect thereof) that secured (or, under the written arrangements under which the original Lien arose, was required to secure and under the Indenture was permitted to secure) the Indebtedness being refinanced;

(10) any Lien incurred in the ordinary course of business incidental to the conduct of the business of the Company or the Restricted Subsidiaries or the ownership of their property (including (a) easements, rights of way and similar encumbrances or zoning or similar restrictions which do not individually or in the aggregate materially adversely affect the value of such property or materially impair the operation of the business of the Company or any Subsidiary, (b) rights or title of lessors under leases (other than Capital Lease Obligations), (c) rights of collecting banks having rights of setoff, revocation, refund or chargeback with respect to money or instruments of the Company or the Restricted Subsidiaries on deposit with or in the possession of such banks, (d) Liens imposed by law for sums not yet due or the validity of which are being contested in good faith by appropriate proceedings, promptly instituted and diligently conducted and which proceedings have the effect of preventing the forfeiture or sale of the property or assets subject to any such Lien, and for which adequate reserves have been established to the extent required by GAAP, including Liens under workers' compensation or similar legislation and mechanics', carriers', warehousemen's, materialmen's, suppliers' and vendors' Liens, (e) Liens arising under licensing agreements and (f) Liens incurred to secure performance of obligations with respect to statutory or regulatory requirements, worker's compensation, performance or return-of-money bonds, surety bonds or other obligations of a like nature and incurred in a manner consistent with industry practice);

(11) Liens for taxes, assessments and governmental charges not yet due or the validity of which are being contested in good faith by appropriate proceedings, promptly instituted and diligently conducted and which proceedings have the effect of preventing the forfeiture or sale of the property or assets subject to any such Lien, and for which adequate reserves have been established to the extent required by GAAP as in effect at such time;

(12) Liens securing judgments not constituting a Default or an Event of Default;

(13) Liens incurred in the ordinary course of business of the Company or any Restricted Subsidiary of the Company with respect to Indebtedness that does not exceed $1.0 million at any one time outstanding; and

(14) in the event TV One or its Subsidiaries become Restricted Subsidiaries, Liens securing Permitted TV One Indebtedness (and any refinancing thereof permitted in clause (18) of the definition of Permitted Debt).

"Permitted Refinancing Indebtedness" means any Indebtedness of the Company or any of its Restricted Subsidiaries issued in exchange for, or the net proceeds of which are used to extend, refinance, renew, replace,

defease or refund other Indebtedness of the Company or any of its Restricted Subsidiaries incurred in compliance with the Indenture (other than intercompany Indebtedness); *provided* that:

(1) the principal amount (or accreted value, if applicable) of such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable) of the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded (plus all accrued interest on the Indebtedness and the amount of all expenses and premiums incurred in connection therewith);

(2) such Permitted Refinancing Indebtedness has a final maturity date later than the final maturity date of, and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of, the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded;

(3) if the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded is subordinated in right of payment to any other Indebtedness, such Permitted Refinancing Indebtedness is subordinated in right of payment to the holders of such other Indebtedness on terms at least as favorable to the holders of such other Indebtedness as those contained in the documentation governing the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded; and

(4) such Indebtedness is not incurred by a Restricted Subsidiary of the Company if the Company is the obligor on the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded; *provided*, *however*, that a Restricted Subsidiary that is also a Guarantor may guarantee Permitted Refinancing Indebtedness incurred by the Company, whether or not such Restricted Subsidiary was an obligor or guarantor of the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded.

"Permitted TV One Indebtedness" means Indebtedness incurred or Preferred Stock issued by TV One or any of its Subsidiaries, the net proceeds of which are used to finance the acquisition of TV One Equity Interests resulting from the exercise of certain put rights pursuant to Section 12.2 of the TV One LLC Agreement of the Financial Investor Members (as such term is defined in the TV One LLC Agreement), the DTV Investors and the Class D Members (as such term is defined in the TV One LLC Agreement) and any payment obligations arising in connection with or as a result of such acquisition; *provided* that: (i) the aggregate principal amount at any time outstanding of such Indebtedness plus the aggregate liquidation value at any time outstanding of such Preferred Stock shall not exceed $120.0 million and (ii) such Indebtedness at all times constitutes TV One Non-Recourse Debt.

"Person" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company or government or other entity.

"Preferred Stock" means, with respect to any Person, Capital Stock of any class or classes (however designated) which is preferred as to the payment of dividends or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person over shares of Capital Stock of any other class of such Person.

"Principal" means Catherine L. Hughes and Alfred C. Liggins, III.

"Radio One Securities" means any Equity Interests or debt securities of the Company, any of its Restricted Subsidiaries or any Affiliates (other than TV One or any Subsidiary of TV One).

"Reach Media" means Reach Media, Inc., a Delaware corporation, and any successor entity.

"Registration Rights Agreement" means the registration rights agreement with respect to the registered exchange offer for the Old Notes.

"Related Party" means:

(1) any 80% (or more) owned Subsidiary or immediate family member of any Principal; or

(2) any trust, corporation, partnership or other entity, the beneficiaries, stockholders, partners, owners or Persons Beneficially Owning an 80% or more controlling interest of such entit(ies) consists of any one or more Principals and/or such other Persons referred to in the immediately preceding clause (1).

"Restricted Subsidiary" of a Person means any Subsidiary of the referenced Person that has not been designated as an Unrestricted Subsidiary in accordance with the Notes.

"ROCH" means Radio One Cable Holdings, Inc., a Delaware corporation, and any successor entity.

"Senior Debt" means all Obligations with respect to Indebtedness of the Company or any Guarantor outstanding under the Existing Credit Agreement, in each case as permitted to be incurred under clause (1) of the definition of "Permitted Debt" and all Hedging Obligations with respect thereto.

"Significant Subsidiary" means any Subsidiary that would be a "significant subsidiary" as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such regulation is in effect on the Issue Date.

"S&P" means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., and any successor to its rating agency business.

"Special Interest" has the meaning set forth in the Registration Rights Agreement.

"Stated Maturity" means, with respect to any security, the date specified in such security as the fixed date on which the final payment of principal of such security is due and payable, including pursuant to any mandatory redemption provision (but excluding any provisions providing for the repurchase of such security at the option of the holder thereof upon the happening of any contingency unless such contingency has occurred).

"Station" means a radio station operated to broadcast commercial radio programming over radio signals within a specified geographic area.

"Subordinated Obligation" means, with respect to a Person, any Indebtedness of such Person (whether outstanding on the Issue Date or thereafter incurred) which is subordinate or junior in right of payment to, in the case of the Company, the Notes, or, in the case of a Guarantor, the Guarantee of such Guarantor, pursuant to a written agreement to that effect, including the Existing Subordinated Notes.

"Subsidiary" means, with respect to any specified Person:

(1) any corporation, association or other business entity (other than a partnership) of which more than 50% of the total voting power of Voting Stock is at the time owned or controlled, directly or through another Subsidiary, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(2) any partnership (a) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (b) the only general partners of which are that Person or one or more Subsidiaries of that Person (or any combination thereof), or (c) as to which such Person and its Subsidiaries are entitled to receive more than 50% of the assets of such partnership upon its dissolution.

"Transactions" means, collectively, the issuance of the Old Notes in exchange for the Existing Subordinated Notes (including the payment of accrued interest thereon) or otherwise to facilitate the completion of such exchange offer and the transactions related thereto, including the execution and delivery of the amendment to the Existing Credit Agreement in connection therewith and the payment of fees and expenses associated therewith.

"TV One" means TV One, LLC, a Delaware limited liability company, and any successor entity (including by way of merger, consolidation or transfer of all or substantially all of the assets of TV One and its Subsidiaries, if any, taken as a whole).

"TV One Investment" means: (i) the acquisition by the Company or any of its Wholly Owned Restricted Subsidiaries of Equity Interests of TV One and any payment obligations arising in connection with or as a result of such acquisition and (ii) the contribution of any property or assets to the capital of TV One pursuant to the provisions of the TV One LLC Agreement and/or arising in connection with or as a result of any transaction described in clause (i) hereof in a net amount (after giving effect to a substantially concurrent dividend by TV One) not to exceed $13.7 million (and, in each case, any reasonable related fees and

expenses); *provided*, that any such Equity Interests of TV One, if not acquired by ROCH, shall be immediately contributed to ROCH so long as TV One remains a Designated Entity under the terms of the Indenture.

"TV One LLC Agreement" means the Second Amended Limited Liability Company Operating Agreement of TV One, dated as of December 28, 2004, as amended from time to time through June 15, 2010.

"TV One Non-Recourse Debt" means Indebtedness:

(1) as to which neither the Company nor any of its Restricted Subsidiaries (other than TV One and its Subsidiaries) (a) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness), (b) is directly or indirectly liable as a guarantor or otherwise, or (c) constitutes the lender;

(2) no default with respect to which (including any rights that the holders of the Indebtedness may have to take enforcement action against an Unrestricted Subsidiary) would permit upon notice, lapse of time or both any holder of any other Indebtedness (other than the Notes and the Senior Debt) of the Company or any of its Restricted Subsidiaries (other than TV One and its Subsidiaries) to declare a default on such other Indebtedness or cause the payment of such other Indebtedness to be accelerated or payable prior to its Stated Maturity; and

(3) as to which the holders of such Indebtedness do not otherwise have recourse to the stock or assets of the Company or any of its Restricted Subsidiaries (other than TV One and its Subsidiaries or Equity Interests of TV One owned by ROCH).

"TV One Percentage" means the Company's direct or indirect ownership percentage of the Equity Interests of TV One.

"TV One Permitted Business" means any business engaged in by TV One as of the Issue Date or any business reasonably related, ancillary, supportive or complementary thereto (including, without limitation, any media-related business), in each case, as determined in good faith by the Board of Directors of the Company.

"Unrestricted Subsidiary" means:

(1) as of the Issue Date, Reach Media (and each of its respective Subsidiaries, if any);

(2) in the event TV One becomes a Subsidiary of the Company on or after the Issue Date, TV One (and each of its Subsidiaries, if any), unless TV One is otherwise designated as a Restricted Subsidiary pursuant to the Indenture;

(3) any other Subsidiary of the Company that is designated by the Board of Directors of the Company as an Unrestricted Subsidiary pursuant to a Board Resolution, but only to the extent that such Subsidiary:

(a) has no Indebtedness other than Non-Recourse Debt;

(b) is not party to any agreement, contract, arrangement or understanding with the Company or any Restricted Subsidiary of the Company unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to the Company or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Company;

(c) is a Person with respect to which neither the Company nor any of its Restricted Subsidiaries has any direct or indirect obligation (i) to subscribe for additional Equity Interests or (ii) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results; and

(d) has not guaranteed or otherwise directly or indirectly provided credit support for any Indebtedness of the Company or any of its Restricted Subsidiaries; and

(4) any Subsidiary of an Unrestricted Subsidiary;

provided that (i) in no event may ROCH be designated as an Unrestricted Subsidiary, (ii) the Company may not designate TV One as an Unrestricted Subsidiary at any time after it has become a Restricted Subsidiary (if ever) and (iii) no Subsidiary may be designated as an Unrestricted Subsidiary unless it is also an "unrestricted subsidiary" for purposes of the Existing Credit Agreement.

Any future designation of a Subsidiary of the Company as an Unrestricted Subsidiary will be evidenced to the trustee by filing with the trustee the Board Resolution giving effect to such designation and an officers' certificate certifying that such designation complied with the preceding conditions and was permitted by the covenant described above under the caption "— Certain Covenants — Restricted Payments." If, at any time, (i) any Unrestricted Subsidiary would fail to meet the preceding requirements as an Unrestricted Subsidiary, (ii) the Company, any of its Restricted Subsidiaries and/or any Affiliate Entities become the Beneficial Owner of 90% or more of the outstanding Equity Interests of TV One or (iii) the Company, any of its Restricted Subsidiaries and/or any Affiliated Entities become the Beneficial Owner of 80% or more of the outstanding Equity Interests of Reach Media, then, in each case, such Unrestricted Subsidiary will thereafter cease to be an Unrestricted Subsidiary for all purposes of the Indenture, including that any Indebtedness of such Subsidiary will be deemed to be incurred by a Restricted Subsidiary of the Company as of such date and any Lien of such Subsidiary will be deemed to be incurred by a Restricted Subsidiary of the Company as of such date, and if such Indebtedness is not permitted to be incurred as of such date under the covenant described under the caption "— Certain Covenants — Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock," or such Lien is not permitted to be incurred as of such date under the covenant described under the caption "— Certain Covenants — Liens," then in, in either case, the Company will be in default of such covenant.

"Voting Stock" of any Person as of any date means the Capital Stock of such Person that is at the time entitled (without regard to the occurrence of any contingency) to vote in the election of the Board of Directors of such Person.

"Weighted Average Life to Maturity" means, when applied to any Indebtedness at any date, the number of years obtained by dividing:

(1) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect of the Indebtedness, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by

(2) the then outstanding principal amount of such Indebtedness.

"Wholly Owned Restricted Subsidiary" means any Restricted Subsidiary in which 90% or more of the outstanding Equity Interests (other than directors' qualifying shares and shares issued to foreign nationals under applicable law) are owned by the Company or another Wholly Owned Restricted Subsidiary of the Company and any other outstanding Equity Interests are owned by officers, directors or employees of such Restricted Subsidiary (provided that with respect to Reach Media in the event it ceases to be an Unrestricted Subsidiary, 80% or more of the outstanding Equity Interests are owned by the Company or another Wholly Owned Restricted Subsidiary of the Company and any other outstanding Equity Interests are owned by officers, directors or employees of Reach Media).

CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES

The following discussion is a summary of certain U.S. federal income tax considerations relating to the exchange of unregistered Old Notes for registered Exchange Notes pursuant to the exchange offer and the ownership and disposition of the Exchange Notes.

This summary is based upon the Internal Revenue Code of 1986, as amended (the "Code"), U.S. Treasury Regulations (the "Treasury Regulations"), published administrative interpretations of the Internal Revenue Service (the "IRS") and judicial decisions as of the date hereof, all of which are subject to change or differing interpretations at any time, possibly on a retroactive basis. We have not sought any ruling from the IRS, nor have we sought an opinion from counsel, with respect to the statements made and the conclusions reached in the following summary. There can be no assurance that the IRS will agree with these statements and conclusions, nor is there any assurance that such statements and conclusions will be sustained by a court if challenged by the IRS.

This summary does not discuss all aspects of U.S. federal income taxation that may be important to a particular holder of Old Notes or Exchange Notes (collectively, the "Notes") in light of their specific circumstances, including investors subject to special tax rules, such as financial institutions, banks, thrift institutions, personal holding companies, insurance companies, broker-dealers, tax-exempt organizations, regulated investment companies, real estate investment trusts, retirement plans, individual retirement accounts or other tax-deferred accounts, partnerships and other pass-through entities (or investors therein) persons who use or are required to use mark-to-market accounting for the Notes, investors that hold the Notes as part of a straddle, hedge, conversion, constructive sale, or other integrated transaction for U.S. federal income tax purposes, former citizens or permanent residents of the U.S., persons subject to the alternative minimum tax or U.S. persons that have a functional currency other than the U.S. dollar, all of whom may be subject to tax rules that differ significantly from those summarized below.

This summary also does not discuss any non-U.S. tax considerations, any state or local tax considerations, or any U.S. federal tax considerations other than income tax considerations (e.g., estate or gift tax considerations). This summary assumes that holders of Notes hold them as "capital assets" (generally, property held for investment) within the meaning of section 1221 of the Code. This summary assumes the Notes are and will be treated as "debt" for U.S. federal income tax purposes.

This summary also does not discuss the tax treatment of partnerships or other pass-through entities or persons who hold the Notes through such entities. If an entity classified as a partnership for U.S. federal income tax purposes is an owner of the Notes, the U.S. federal income tax treatment of a partner in the partnership will generally depend on the status of the partner and the activities of the partnership.

For purposes of this summary, a "U.S. Holder" is a beneficial owner of a Note that is for U.S. federal income tax purposes (1) an individual who is a citizen or resident of the United States, (2) a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created in, or organized under the laws of, the United States, any state thereof or the District of Columbia, (3) an estate the income of which is includible in gross income for U.S. federal income tax purposes regardless of its source, or (4) a trust if (i) a court within the United States is able to exercise primary supervision over its administration and one or more United States persons have the authority to control all of its substantial decisions, or (ii) certain other trusts that have made a valid election to continue to be treated as a United States person. A "Non-U.S. Holder" is a beneficial owner of a Note that is, for U.S. federal income tax purposes, an individual, corporation, estate or trust that is not a U.S. Holder.

EACH HOLDER IS URGED TO CONSULT ITS TAX ADVISOR REGARDING THE SPECIFIC FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES OF THE AMENDED EXCHANGE OFFER.

Exchange of Old Notes for Exchange Notes

The exchange of an Old Note for an Exchange Note pursuant to the exchange offer (described under "The Exchange Offer") will not constitute a taxable exchange for U.S. federal income tax purposes.

Consequently, a holder will not recognize any gain or loss upon the receipt of an Exchange Note pursuant to the exchange offer. The holding period for such an Exchange Note will include the holding period for the Old Note exchanged pursuant to the exchange offer, and the initial tax basis in such an Exchange Note will be the same as the adjusted tax basis in the Old Note as of the time of the exchange. The U.S. federal income tax consequences of holding and disposing of an Exchange Note received pursuant to the exchange offer generally will be the same as the U.S. federal income tax consequences of holding and disposing of an Old Note.

The following summary assumes that the exchange of the Old Notes for the Exchange Notes pursuant to the exchange offer will not be treated as a taxable exchange and that the Old Notes and the Exchange Notes will be treated as the same security for U.S. federal income tax purposes.

Certain Additional Payments

It is possible that the IRS could assert that the additional interest which we would have been obligated to pay if the exchange offer registration statement were not filed or declared effective within the applicable time periods was a contingent payment for purposes of the original issue discount ("OID") rules. It is also possible that the IRS could assert that the payment in excess of the face amount of any note purchased by us at the holder's election after a change of control, as described above under the heading "Description of Notes — Repurchase at the Option of Holders — Change of Control," is a contingent payment for purposes of the OID rules. If any such payment is treated as a contingent payment, the notes may be treated as contingent payment debt instruments, in which case the timing and amount of income inclusions and the character of income recognized may be different from the consequences described herein. The Treasury regulations regarding debt instruments that provide for one or more contingent payments state that, for purposes of determining whether a debt instrument is a contingent payment debt instrument, remote or incidental contingencies are ignored. We believe that the possibility of our making any of the above payments was and is remote and, accordingly, we will not treat the notes as contingent payment debt instruments. Our treatment will be binding on all holders, except a holder that discloses its differing treatment in a statement attached to its timely filed U.S. federal income tax return for the taxable year during which the note was acquired. However, our treatment is not binding on the IRS. If the IRS were to challenge our treatment, among other things, a holder might be required to accrue income on the notes in excess of stated interest. In any event, if we actually make any such payment, the timing, amount and character of a holder's income, gain or loss with respect to the notes may be affected. The remainder of this discussion assumes that the notes will not be contingent payment debt instruments.

Tax Considerations for U.S. Holders

This subsection describes the U.S. federal income tax considerations for a U.S. Holder. If you are not a U.S. Holder, this subsection does not apply to you and you should refer to "— Tax Considerations for Non-U.S. Holders" below.

Payments of Stated Interest

You will generally be required to include qualified stated interest in gross income as ordinary income at the time the interest is received or accrued, according to your method of tax accounting. The term "qualified stated interest" mean stated interest that is unconditionally payable in cash or in property (other than debt instruments of the issuer) at least annually at a single fixed rate, or, subject to certain conditions, based on one or more interest indices.

Issue Price

The "issue price" of the Exchange Notes will equal the issue price of the Old Notes. The determination of the "issue price" of Old Notes depends, in part, on whether the notes that were surrendered in the Private Placement (the "Prior Notes") or the Old Notes were treated as traded on an "established market" at any time during the 60-day period ending 30 days after the date the Old Notes were issued. In general, a debt instrument (or the property exchanged therefor) will be treated as traded on an established market if (a) it is

listed on (i) a qualifying national securities exchange, (ii) certain qualifying interdealer quotation systems, or (iii) certain qualifying foreign securities exchanges, (b) it appears on a system of general circulation that provides a reasonable basis to determine fair market value, or (c) the price quotations are readily available from dealers, brokers or traders. The issue price of a debt instrument that is traded on an established market or that is issued for another debt instrument so traded would be the fair market value of such debt instrument or such other debt instrument, as the case may be, on the issue date as determined by such trading. The issue price of a debt instrument that is neither so traded nor issued for another debt instrument so traded would be its stated principal amount.

Accordingly, if neither of the Prior Notes and the Old Notes were "publicly traded" within the meaning of the applicable Treasury Regulations, the "issue price" of the Exchange Notes should equal their stated principal amount. However, if the Prior Notes or Old Notes were treated as "publicly traded" within the meaning of the applicable Treasury Regulations, the issue price of the Old Notes would be the fair market value, at the time of the exchange (or deemed exchange, as applicable), (1) of the Old Notes if they are treated as publicly traded or (2) of the Prior Notes if they are treated as publicly traded and the Old Notes are not treated as publicly traded. Although not free from doubt, the Company intends to take the position that the Old Notes and the Prior Notes are "publicly traded."

Original Issue Discount

Because interest on the Exchange Notes is not unconditionally payable solely in cash at least annually, the Exchange Notes will be considered to be issued with OID. Under the rules governing OID, regardless of a U.S. Holder's method of accounting, a U.S. Holder will be required to accrue its pro rata share of OID on the Exchange Notes on a constant yield basis and include such accruals in gross income, whether or not such U.S. Holder receives a payment of interest solely in cash on the Exchange Notes on the scheduled interest payment date. The amount of OID on the Exchange Notes is the difference between their "stated redemption price at maturity" (i.e., the sum of all payments to be made on the Exchange Notes other than "qualified stated interest," as defined above) and their "issue price" (as defined above). Because we have the option up to but not including May 15, 2012 to pay a combination of payment-in-kind ("PIK") interest and cash instead of paying solely cash, portions of the stated interest payments on the Exchange Notes will not constitute qualified stated interest. Additionally, we expect that the "stated redemption price at maturity" on the Exchange Notes will exceed their "issue price" by more than the de minimis threshold if either the Old Notes or Prior Notes were treated as traded on an "established market."

To determine the amount of OID that a U.S. Holder must include in income, we will assume, as provided in the Treasury regulations, that we will make or not make elections to call the Exchange Notes and to accrue, rather than pay, interest in a manner that minimizes the yield on the Exchange Notes. **These assumptions are made solely for United States federal income tax purposes and do not constitute a representation by us regarding the actual amounts, or the timing of amounts, that will be paid on the Exchange Notes.** If the assumptions we make are contrary to actual circumstances (a "change in circumstances"), then solely for purposes of determining the amount of OID on the Exchange Notes, the Exchange Notes will be treated as retired and reissued on the date of the change in circumstances for an amount equal to the "adjusted issue price" of the Exchange Notes (as defined below).

The amount of OID that a U.S. Holder is required to include in income is the sum of the "daily portions" of OID with respect to the Exchange Notes for each day during the taxable year in which the U.S. Holder is the beneficial owner of the Exchange Notes. The "daily portions" of OID in respect of the Exchange Notes are determined by allocating to each day in an "accrual period" the ratable portion of interest on the Exchange Notes that accrues in the "accrual period." The "accrual period" for the Exchange Notes may be of any length and may vary in length over the term of the Exchange Notes, provided that each "accrual period" is no longer than one year and that each scheduled payment of interest or principal occurs on the first or final day of an "accrual period."

The amount of OID on the Exchange Notes that accrues in an "accrual period" is the product of the "yield to maturity" on the Exchange Notes (determined on the basis of compounding at the close of each

accrual period and adjusted to reflect the length of the accrual period) and the "adjusted issue price" of the exchange notes at the beginning of such accrual period, reduced by any qualified stated interest allocable to the accrual period. The "yield to maturity" on the Exchange Notes is the discount rate that, when used in computing the present value of all payments to be made under the notes, produces an amount equal to their issue price. The "adjusted issue price" of the Exchange Notes at the beginning of the first "accrual period" will equal their "issue price" (as described above) and for any "accrual periods" thereafter will be (x) the sum of the "issue price" of the Exchange Notes and any OID previously accrued thereon minus (y) the amount of any payments previously made on the Exchange Notes other than payments of qualified stated interest.

If we in fact pay interest solely in cash on the Exchange Notes, a U.S. Holder will not be required to adjust its OID inclusions. Each payment made in cash under an Exchange Note will be treated first as a payment of any accrued OID that has not been allocated to prior payments and second as a payment of principal. A U.S. Holder generally will not be required to include separately in income cash payments received on the Exchange Notes to the extent such payments constitute payments of previously accrued OID or payments of principal. The issuance of additional notes in respect of PIK interest is generally not treated as a payment of interest. Instead, the Exchange Notes and any additional notes issued in respect of PIK interest thereon are treated as a single debt instrument under the OID rules.

THE RULES REGARDING OID ARE COMPLEX AND THE RULES DESCRIBED ABOVE MAY NOT APPLY IN ALL CASES. ACCORDINGLY, U.S. HOLDERS ARE URGED TO CONSULT THEIR OWN INDEPENDENT TAX ADVISORS REGARDING THE APPLICATION OF THE OID RULES TO THE EXCHANGE NOTES.

Applicable High Yield Discount Obligations

The Exchange Notes may be treated, for U.S. federal income tax purposes, as subject to the applicable high-yield discount obligation ("AHYDO") rules. The AHYDO rules apply to debt issued by a corporation if the yield to maturity of a debt instrument equals or exceeds the applicable federal rate ("AFR") plus five (5) percentage points, (ii) the maturity date of the instrument is more than five (5) years from the date of issue, and (iii) the instrument has "significant original issue discount."

In the event that the AHYDO rules apply to the Exchange Notes, any OID deduction that we would otherwise be entitled to on the Exchange Notes will be deferred until we pay such OID in cash or other property. However, any OID deduction on the Exchange Notes will be permanently disallowed to the extent the yield on the Exchange Notes exceeds the applicable federal rate plus six percentage points. To the extent an OID deduction is permanently disallowed, the corresponding OID inclusion for certain corporate U.S. Holders will be treated, for purposes of the dividends received deduction, as a distribution in respect of our stock, entitling such U.S. Holders to a dividends received deduction to the extent provided under the Code.

Amortizable Bond Premium

If you purchased an Old Note or Exchange Note for an amount that is greater than the sum of all remaining payments on the note other than qualified stated interest, you will be treated as having purchased the note with "amortizable bond premium" in an amount equal to such excess. Amortizable bond premium on Old Notes should carry over to the Exchange Notes received in exchange therefor. A U.S. Holder may elect to amortize this premium using a constant yield method over the remaining term of the Exchange Notes and generally may offset interest income in respect of the Exchange Notes otherwise required to be included in income by the amortized amount of the premium for the taxable year. A U.S. Holder that elects to amortize bond premium must reduce its tax basis in its note by the amount of the premium amortized in any taxable year. An election to amortize bond premium is binding once made and applies to all bonds held by the U.S. Holder at the beginning of the first taxable year to which this election applies and to all bonds thereafter acquired. You are urged to consult your own tax advisor concerning the computation and amortization of any bond premium on your Exchange Notes.

Acquisition Premium

If your adjusted tax basis in an Exchange Note (determined as described above under "Exchange of Old Notes for New Notes"), immediately after the exchange of an Old Note for an Exchange Note, is greater than its issue price but is less than or equal to its principal amount, the amount by which your basis exceeds the issue price of the Exchange Notes will be "acquisition premium." In such case, the daily portion of OID to be included with respect to the Exchange Notes will be reduced by an amount equal to the daily portion of OID that you would otherwise include in its gross income multiplied by a fraction. The numerator of such fraction is the amount of acquisition premium, and the denominator is the OID in the Exchange Notes. Alternatively, you may elect to amortize acquisition premium on a constant yield to maturity basis, as described above in "Tax Considerations for U.S. Holders — Original Issue Discount."

Market Discount

If your initial tax basis in an Exchange Note is less than its issue price, subject to a *de minimis* exception, you will be treated as having acquired the note at a "market discount." Accrued market discount on Old Notes that has not previously been included in income by a U.S. Holder should carry over to the Exchange Notes received in exchange therefor. Under the market discount rules, a U.S. Holder generally will be required to treat any principal payment on, or any gain realized on the sale, exchange, retirement or other disposition of an Exchange Note as ordinary income to the extent of the lesser of (i) the amount of such payment or realized gain or (ii) the accrued market discount on the Exchange Note that has not previously been included in income (including any accrued but unrecognized market discount which was carried over from an Old Note). For this purpose, market discount will be considered to accrue ratably during the period from the date of the U.S. Holder's acquisition of the Note to the maturity date of the Note, unless the U.S. Holder made an election to accrue market discount on a constant yield basis. A U.S. Holder may be required to defer the deduction of all or a portion of the interest paid or accrued on any indebtedness incurred or maintained to purchase or carry an Exchange Note with market discount until the maturity date or certain earlier dispositions. A U.S. Holder may elect to include market discount in income currently as it accrues on either a ratable or a constant yield basis, in which case the rules described above regarding (1) the treatment as ordinary income of gain upon the disposition of the note and (2) the deferral of interest deductions will not apply. Currently included market discount is generally treated as ordinary interest income for U.S. federal income tax purposes. An election to include market discount in income as it accrues will apply to all debt instruments with market discount acquired by the U.S. Holder on or after the first day of the taxable year to which the election applies and may be revoked only with the consent of the IRS.

Sale, Exchange or Other Taxable Disposition of the Exchange Notes

You will generally recognize gain or loss upon the sale, exchange, redemption, repurchase or other taxable disposition of the notes equal to the difference between (1) the amount of cash proceeds and the fair market value of any property received (other than amounts representing accrued but unpaid interest, which, if not previously taxed, will be taxable as such) and (2) your adjusted tax basis in the note. Your adjusted tax basis in a note will, in general, be your cost for the note.

Subject to the market discount rules described above under the heading "— Market Discount," any gain or loss you recognize generally will be treated as a capital gain or loss. The capital gain or loss generally will be long-term if your holding period is more than one year at the time of sale, exchange, redemption, repurchase or other taxable disposition and will be short-term if your holding period is one year or less. Long-term capital gains of individuals and other non-corporate taxpayers are generally eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations.

Tax Considerations for Non-U.S. Holders

This subsection describes the U.S. federal income tax considerations for a Non-U.S. Holder. If you are not a Non-U.S. Holder, this subsection does not apply to you and you should refer to "— Tax Considerations for U.S. Holders" above.

Payments of Interest

Subject to the discussion below concerning backup withholding, if you are a Non-U.S. Holder, you will generally not be subject to U.S. federal income tax or the 30% U.S. federal withholding tax on interest paid on the Notes (including any additional interest) so long as that interest is not effectively connected with your conduct of a trade or business within the United States (or, if an income tax treaty applies, is not attributable to a permanent establishment maintained by you in the United States), provided that the interest qualifies for the "portfolio interest exemption." Interest you receive on the Exchange Notes will generally qualify for the portfolio interest exemption if each of the following requirements is satisfied:

- you do not (directly or indirectly, actually or constructively) own 10% or more of the total combined voting power of all classes of our stock that are entitled to vote;
- you are not a controlled foreign corporation, within the meaning of the Code, that is actually or constructively related to us through stock ownership;
- you are not a bank whose receipt of interest on a note is described in Section 881(c)(3)(A) of the Code;
- such interest is not deemed to be contingent within the meaning of the portfolio interest exemption provisions of the Code; and
- you provide the applicable withholding agent with, appropriate documentation (generally an IRS Form W-8BEN or applicable successor form) establishing that you are not a U.S. person.

Although not free from doubt, the Company believes that its ability to pay PIK interest at specified times and in specified amounts on the Exchange Notes should not be treated as contingent interest within the meaning of the portfolio interest exemption provisions of the Code. The certification requirement for the portfolio interest exemption generally will be satisfied if the Non-U.S. Holder provides the withholding agent with a statement on IRS Form W-8BEN (or suitable substitute form), together with all appropriate attachments, signed under penalties of perjury, identifying the Non-U.S. Holder and stating, among other things, that the Non-U.S. Holder is not a United States person. Prospective Non-U.S. Holders should consult their tax advisors regarding alternative methods for satisfying the certification requirement.

If you cannot satisfy the requirements described above, payments of accrued but unpaid interest will be subject to the 30% U.S. federal withholding tax (generally through withholding by our paying agent), unless another exemption is applicable. For example, an applicable income tax treaty may reduce or eliminate such tax, in which event to claim the benefit of such treaty you must provide the withholding agent with a properly executed IRS Form W-8BEN (or suitable substitute form). Alternatively, an exemption applies if the interest is U.S. trade or business income and you provide the withholding agent with a properly executed IRS Form W-8ECI (or suitable substitute form) or (in certain cases) IRS Form W-8BEN (or suitable substitute form).

Sale, Exchange or Other Taxable Disposition of the Notes

Subject to the discussion of backup withholding below, you will generally not be subject to U.S. federal income or withholding tax on any gain recognized on the sale, exchange, redemption, repurchase or other taxable disposition of a note, unless:

- that gain is effectively connected with the conduct by you of a trade or business within the United States (and if an income tax treaty applies, such gain is attributable to a permanent establishment maintained by you in the United States); or
- if you are an individual non-U.S. holder, you are present in the United States for at least 183 days in the taxable year of such sale, exchange, redemption, repurchase or disposition and certain other conditions are met.

If you are described in the first bullet point above, you will be required to pay U.S. federal income tax on any gain derived from the sale generally in the same manner as if you were a U.S. Holder unless an applicable income tax treaty provides otherwise, and if you are a foreign corporation, you may also be required to pay an

additional branch profits tax at a 30% rate (or a lower rate if so specified by an applicable income tax treaty). If you are described in the second bullet point above, you will generally be subject to U.S. federal income tax at a rate of 30% on the amount by which your capital gains allocable to U.S. sources, including gain from such sale, exchange, redemption, repurchase or disposition, exceed capital losses allocable to U.S. sources, except as otherwise required by an applicable income tax treaty, even though you are not considered a resident of the U.S.

To the extent that the amount realized on any sale, exchange, redemption, repurchase or other taxable disposition of notes is attributable to accrued but unpaid interest on the note, this amount generally will be treated in the same manner as payments of interest as described under the heading "— Payments of Interest" above.

Interest or Gain Effectively Connected with a U.S. Trade or Business

If you are engaged in a trade or business in the United States and interest on a note or gain recognized from the sale, exchange, redemption, repurchase or other taxable disposition of a note is effectively connected with the conduct of that trade or business (and, if an income tax treaty applies, is attributable to a permanent establishment maintained by you in the United States), you will generally be subject to U.S. federal income tax (but not the 30% U.S. federal withholding tax if you provide an IRS Form W-8ECI with respect to interest as described above) on that interest or gain on a net income basis in the same manner as if you were a U.S. person as defined under the Code. In addition, if you are a foreign corporation, you may be subject to a "branch profits tax" equal to 30% (or lower applicable income tax treaty rate) of your earnings and profits for the taxable year, subject to adjustments, that are effectively connected with your conduct of a trade or business in the United States. For this purpose, interest and gain effectively connected with your trade or business in the United States will be included in the earnings and profits of a foreign corporation.

Backup Withholding and Information Reporting

Under certain circumstances a U.S. Holder or a Non-U.S. Holder may be subject to information reporting and withholding (including backup withholding of U.S. federal income tax, currently at a rate of 28%) with respect to payments of interest or proceeds from a sale or exchange of the Notes. Backup withholding generally will not apply to a Holder that is a corporation or other exempt entity and demonstrates that status as required by applicable Treasury Regulations, or to a Holder that furnishes a correct taxpayer identification number and certifies that it is not subject to backup withholding on a form acceptable under applicable Treasury Regulations (generally an IRS Form W-9). Backup withholding generally will not apply to a Non-U.S. Holder that certifies its foreign status on a form acceptable under applicable Treasury Regulations (generally an IRS Form W-8BEN or other applicable Form W-8). Such forms may be obtained at the IRS website at www.irs.gov. Non-U.S. Holders may also need to furnish an acceptable form to avoid withholding on amounts effectively connected with a U.S. trade or business, to claim the benefits of an applicable tax treaty, or to claim the benefits of any exemption from U.S. federal income taxation described above. Backup withholding is not an additional tax, but rather is credited against the Holder's U.S. federal income tax liability. Holders of Notes are advised to consult their tax advisors to ensure compliance with the procedural requirements to reduce or avoid withholding or, if applicable, to file a claim for a refund of withheld amounts in excess of the Holder's U.S. federal income tax liability.

PLAN OF DISTRIBUTION

Each broker-dealer that receives Exchange Notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of Exchange Notes. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of Exchange Notes received in exchange for Old Notes if the Old Notes were acquired as a result of market-making activities or other trading activities.

We have agreed to make this prospectus, as amended or supplemented, available to any broker-dealer to use in connection with any such resale for a period of at least 180 days after the expiration date.

We will not receive any proceeds from any sale of Exchange Notes by broker-dealers. Exchange Notes received by broker-dealers for their own account pursuant to the exchange offer may be sold from time to time in one or more transactions:

- in the over-the-counter market;
- in negotiated transactions; or
- through the writing of options on the Exchange Notes or a combination of such methods of resale.

These resales may be made:

- at market prices prevailing at the time of resale;
- at prices related to such prevailing market prices; or
- at negotiated prices.

Any such resale may be made directly to purchasers or to or through brokers or dealers. Brokers or dealers may receive compensation in the form of commissions or concessions from any such broker-dealer or the purchasers of any such Exchange Notes. An "underwriter" within the meaning of the Securities Act includes:

- any broker-dealer that resells Exchange Notes that were received by it for its own account pursuant to the exchange offer; or
- any broker or dealer that participates in a distribution of such Exchange Notes.

Any profit on any resale of Exchange Notes and any commissions or concessions received by any persons may be deemed to be underwriting compensation under the Securities Act. The letter of transmittal states that, by acknowledging that it will deliver and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

For a period of not less than 180 days after the expiration of the exchange offer we will promptly send additional copies of this prospectus and any amendment or supplement to this prospectus to any broker-dealer that requests those documents in the letter of transmittal. We have agreed to pay all expenses incident to performance of our obligations in connection with the exchange offer, other than commissions or concessions of any brokers or dealers. We will indemnify the holders of the Exchange Notes (including any broker-dealers) against certain liabilities, including liabilities under the Securities Act, and will contribute to payments that they may be required to make in request thereof.

LEGAL MATTERS

Certain legal matters relating to the validity of the Exchange Notes will be passed upon for us by Kirkland & Ellis LLP, Chicago, Illinois. Certain matters of Michigan law will be passed on by Clark Hill PLC, Detroit, Michigan. Certain matters of Ohio law will be passed on by Keating Muething & Klekamp PLL, Cincinnati, Ohio.

EXPERTS

The consolidated financial statements of Radio One, Inc. at December 31, 2009 and 2008, and for each of the three years in the period ended December 31, 2009 appearing in this prospectus have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their report thereon (which contains an explanatory paragraph describing conditions that raise substantial doubt about the Company's ability to continue as a going concern as described in Note 1 to the consolidated financial statements) appearing elsewhere herein, and are included in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

	Page Number
Consolidated Financial Statements	
Report of Independent Registered Public Accounting Firm	F-2
Consolidated Balance Sheets at December 31, 2009 and 2008	F-3
Consolidated Statements Of Operations for the years ended December 31, 2009, 2008 and 2007	F-4
Consolidated Statements Of Changes in Stockholders' Equity for the years ended December 31, 2009, 2008 and 2007	F-5
Consolidated Statements Of Cash Flows for the years ended December 31, 2009, 2008 and 2007	F-7
Notes To Consolidated Financial Statements	F-9
Consolidated Condensed Financial Statements (Unaudited)	
Consolidated Statements of Operations for the three and nine months ended September 30, 2010 and 2009	F-66
Consolidated Balance Sheets at September 30, 2010 and December 31, 2009	F-67
Consolidated Statement of Changes in Stockholders' Equity for the nine months ended September 30, 2010	F-68
Consolidated Statements of Cash Flows for the nine months ended September 30, 2010 and 2009	F-69
Notes to Consolidated Financial Statements	F-70

In accordance with SEC Rule 3-10 of Regulation S-X, the consolidated financial statements of Radio One, Inc. are included herein and separate financial statements of Radio One's subsidiary guarantors are not included. Condensed financial data for Radio One's subsidiary guarantors is included in Note 20 to the audited consolidated financial statements and in Note 13 to the unaudited consolidated financial statements included herein.

Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders of Radio One, Inc.:

We have audited the accompanying consolidated balance sheets of Radio One, Inc. and subsidiaries as of December 31, 2009 and 2008, and the related consolidated statements of operations, changes in stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2009. Our audits also included the financial statement schedule listed in the Index at Item 15(a). These financial statements and schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Radio One, Inc. and subsidiaries at December 31, 2009 and 2008, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 2009, in conformity with U.S. generally accepted accounting principles. Also, in our opinion, the related financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

The accompanying financial statements have been prepared assuming that Radio One, Inc. and subsidiaries will continue as a going concern. As more fully described in Note 1, the Company in June and July 2010 violated certain covenants of loan agreements, which ultimately may result in significant amounts of outstanding debt becoming callable by lenders. These conditions raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters also are described in Note 1. The 2009 financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from the outcome of this uncertainty.

As discussed in Note 2 to the consolidated financial statements, the accompanying financial statements have been restated to correct the measurement and classification of the non-controlling interests in a subsidiary of the Company.

/s/ Ernst & Young LLP

Baltimore, Maryland
March 31, 2010
except for Notes 1(t), 1(v), 1(x), 2, 10, and 20, as to which the date is
August 23, 2010

RADIO ONE, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

	As of December 31, 2009	As of December 31, 2008 (As restated — see notes 1 and 2)
	(In thousands, except share data)	
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 19,963	$ 22,289
Trade accounts receivable, net of allowance for doubtful accounts of $2,651 and $3,520, respectively	47,019	49,408
Prepaid expenses and other current assets	4,950	5,304
Deferred tax assets	—	108
Current assets from discontinued operations	424	1,088
Total current assets	72,356	78,197
PROPERTY AND EQUIPMENT, net	40,585	48,546
GOODWILL	137,517	137,095
RADIO BROADCASTING LICENSES	698,645	763,657
OTHER INTANGIBLE ASSETS, net	35,059	44,106
INVESTMENT IN AFFILIATED COMPANY	48,452	47,852
OTHER ASSETS	2,854	5,797
NON-CURRENT ASSETS FROM DISCONTINUED OPERATIONS	74	227
Total assets	$ 1,035,542	$ 1,125,477
LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 4,160	$ 3,323
Accrued interest	9,499	10,082
Accrued compensation and related benefits	10,249	10,397
Income taxes payable	1,533	30
Other current liabilities	7,236	10,373
Current portion of long-term debt	652,534	43,807
Current liabilities from discontinued operations	2,949	3,191
Total current liabilities	688,160	81,203
LONG-TERM DEBT, net of current portion	1,000	631,555
OTHER LONG-TERM LIABILITIES	10,185	11,008
DEFERRED TAX LIABILITIES	88,144	86,236
Total liabilities	787,489	810,002
REDEEMABLE NONCONTROLLING INTERESTS	52,225	43,423
STOCKHOLDERS' EQUITY:		
Convertible preferred stock, $.001 par value; 1,000,000 shares authorized; no shares outstanding at December 31, 2009 and 2008, respectively	—	—
Common stock — Class A, $.001 par value, 30,000,000 shares authorized; 2,981,841 and 3,016,730 shares issued and outstanding at December 31, 2009 and 2008, respectively	3	3
Common stock — Class B, $.001 par value, 150,000,000 shares authorized; 2,861,843 shares issued and outstanding at December 31, 2009 and 2008, respectively	3	3
Common stock — Class C, $.001 par value, 150,000,000 shares authorized; 3,121,048 shares issued and outstanding at December 31, 2009 and 2008, respectively	3	3
Common stock — Class D, $.001 par value, 150,000,000 shares authorized; 42,280,153 and 69,971,551 shares issued and outstanding as of December 31, 2009 and 2008, respectively	42	70
Accumulated other comprehensive loss	(2,086)	(2,981)
Additional paid-in capital	968,275	992,479
Accumulated deficit	(770,412)	(717,525)
Total stockholders' equity	195,828	272,052
Total liabilities, redeemable noncontrolling interests and stockholders' equity	$ 1,035,542	$ 1,125,477

The accompanying notes are an integral part of these consolidated financial statements.

RADIO ONE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

	For the Years Ended December 31,		
	2009	2008	2007
	(In thousands, except share data)		
NET REVENUE	$ 272,092	$ 313,443	$ 316,398
OPERATING EXPENSES:			
Programming and technical, including stock-based compensation of $88, $187 and $479, respectively	75,635	79,304	70,463
Selling, general and administrative, including stock-based compensation of $321, $513 and $1,444, respectively	91,016	103,108	100,620
Corporate selling, general and administrative, including stock-based compensation of $1,240, $1,077 and $1,068 respectively	24,732	36,356	28,396
Depreciation and amortization	21,011	19,022	14,680
Impairment of long-lived assets	65,937	423,220	211,051
Total operating expenses	278,331	661,010	425,210
Operating loss	(6,239)	(347,567)	(108,812)
INTEREST INCOME	144	491	1,242
INTEREST EXPENSE	38,404	59,689	72,770
GAIN ON RETIREMENT OF DEBT	1,221	74,017	—
EQUITY IN INCOME (LOSS) OF AFFILIATED COMPANY	3,653	(3,652)	(15,836)
OTHER EXPENSE, net	104	316	290
Loss before provision for (benefit from) income taxes, noncontrolling interests in income of subsidiaries and loss from discontinued operations, net of tax	(39,729)	(336,716)	(196,466)
PROVISION FOR (BENEFIT FROM) INCOME TAXES	7,014	(45,183)	54,083
Net loss from continuing operations	(46,743)	(291,533)	(250,549)
LOSS FROM DISCONTINUED OPERATIONS, net of tax	(1,815)	(7,414)	(137,041)
CONSOLIDATED NET LOSS	(48,558)	(298,947)	(387,590)
NONCONTROLLING INTERESTS IN INCOME OF SUBSIDIARIES	4,329	3,997	3,910
CONSOLIDATED NET LOSS ATTRIBUTABLE TO COMMON STOCKHOLDERS	$ (52,887)	$ (302,944)	$ (391,500)
BASIC AND DILUTED NET LOSS ATTRIBUTABLE TO COMMON STOCKHOLDERS:			
Continuing operations	$ (0.86)	$ (3.14)	$ (2.58)
Discontinued operations, net of tax	(0.03)	(0.08)	(1.39)
Net loss attributable to common stockholders	$ (0.89)	$ (3.22)	$ (3.97)
WEIGHTED AVERAGE SHARES OUTSTANDING:			
Basic	59,465,252	94,118,699	98,710,633
Diluted	59,465,252	94,118,699	98,710,633

The accompanying notes are an integral part of these consolidated financial statements.

RADIO ONE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
For The Years Ended December 31, 2007, 2008 and 2009

	Radio One, Inc. Stockholders										
	Convertible Preferred Stock	Common Stock Class A	Common Stock Class B	Common Stock Class C	Common Stock Class D	Comprehensive Income (Loss)	Accumulated Other Comprehensive Income (Loss)	Stock Subscriptions Receivable	Additional Paid-In Capital (As restated see — note 2)	Accumulated Deficit	Total Stockholders' Equity (As restated see — note 2)
	In thousands, except share data										
BALANCE, as of December 31, 2006 (as restated)	$ —	$ 6	$ 3	$ 3	$ 87		$ 967	$ (1,642)	$ 986,649	$ (22,186)	$ 963,887
Comprehensive income:											
Net loss	—	—	—	—	—	$ (391,500)	—	—	—	(391,500)	(391,500)
Change in unrealized net loss on derivative and hedging activities, net of taxes	—	—	—	—	—	(323)	(323)	—	—	—	(323)
Comprehensive loss						$ (391,823)					
Vesting of non-employee restricted stock	—	—	—	—	—		—	—	(63)	—	(63)
Stock-based compensation expense	—	—	—	—	—		—	—	3,307	—	3,307
Interest income on stock subscriptions receivable	—	—	—	—	—		—	(75)	—	—	(75)
Cumulative impact of change in accounting for uncertainties in income taxes	—	—	—	—	—		—	—	—	(895)	(895)
Conversion of 1,998,281 shares of Class A common stock to 1,998,281 shares of Class D common stock	—	(2)	—	—	2		—	—	—	—	—
Conversion of 5,620 shares of Class B common stock to 5,620 shares of Class D common stock	—	—	—	—	—		—	—	—	—	—
Conversion of 11,410 shares of Class C common stock to 11,410 shares of Class D common stock	—	—	—	—	—		—	—	—	—	—
Accretion of redeemable noncontrolling interests to estimated redemption value (as restated)	—	—	—	—	—		—	—	(468)	—	(468)
BALANCE, as of December 31, 2007 (as restated)	—	4	3	3	89		644	(1,717)	989,425	(414,581)	573,870
Comprehensive income:											
Net loss	—	—	—	—	—	$ (302,944)	—	—	—	(302,944)	(302,944)
Change in unrealized net loss on derivative and hedging activities, net of taxes	—	—	—	—	—	(3,625)	(3,625)	—	—	—	(3,625)
Comprehensive loss						$ (306,569)					
Repurchase of 421,661 shares of Class A common stock and 20,029,538 shares of Class D common stock	—	—	—	—	(20)		—	—	(12,084)	—	(12,104)
Conversion of 882,987 shares of Class A common stock to 882,987 shares of Class D common stock	—	(1)	—	—	1		—	—	—	—	—
Vesting of non-employee restricted stock	—	—	—	—	—		—	—	89	—	89
Interest income on stock subscriptions receivable	—	—	—	—	—		—	(20)	—	—	(20)
Repayment of officer's loan	—	—	—	—	—		—	1,737	—	—	1,737
Stock-based compensation expense	—	—	—	—	—		—	—	1,643	—	1,643
Decretion of redeemable noncontrolling interests to estimated redemption value (as restated)									13,406	—	13,406
BALANCE, as of December 31, 2008 (as restated)	—	3	3	3	70		(2,981)	—	992,479	(717,525)	272,052

	Radio One, Inc. Stockholders										
	Convertible Preferred Stock	Common Stock Class A	Common Stock Class B	Common Stock Class C	Common Stock Class D	Comprehensive Income (Loss)	Accumulated Other Comprehensive Income (Loss)	Stock Subscriptions Receivable	Additional Paid-In Capital (As restated see — note 2)	Accumulated Deficit	Total Stockholders' Equity (As restated see — note 2)
	In thousands, except share data										
Comprehensive loss:											
Net loss	—	—	—	—	—	$ (52,887)	—	—	—	(52,887)	(52,887)
Change in unrealized gain on derivative and hedging activities, net of taxes	—	—	—	—	—	895	895	—	—	—	895
Comprehensive loss						$ (51,992)					
Repurchase of 34,889 shares of Class A common stock and 27,691,398 shares of Class D common stock	—	—	—	—	(28)		—	—	(19,670)	—	(19,698)
Vesting of non-employee restricted stock	—	—	—	—	—		—	—	554	—	554
Reach Media stock return from noncontrolling shareholder	—	—	—	—	—		—	—	(1,388)	—	(1,388)
Stock-based compensation expense	—	—	—	—	—		—	—	1,095	—	1,095
Accretion of redeemable noncontrolling interests to estimated redemption value (as restated)									(4,795)	—	(4,795)
BALANCE, as of December 31, 2009 (as restated)	$ —	$ 3	$ 3	$ 3	$ 42		$ (2,086)	$ —	$ 968,275	$ (770,412)	$ 195,828

The accompanying notes are an integral part of these consolidated financial statements.

RADIO ONE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Years Ended December 31,		
	2009	2008	2007
		(As adjusted — see note 1)	
		(In thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss attributable to common stockholders	$ (52,887)	$(302,944)	$(391,500)
Noncontrolling interests in income of subsidiaries	4,329	3,997	3,910
Consolidated net loss	(48,558)	(298,947)	(387,590)
Adjustments to reconcile consolidated net loss to net cash from operating activities:			
Depreciation and amortization	21,011	19,022	14,680
Amortization of debt financing costs	2,419	2,591	2,241
Deferred income taxes	1,996	(49,687)	(28,013)
Impairment of long-lived assets	65,937	423,220	211,051
Equity in (income) loss of affiliated company	(3,653)	3,652	15,836
Stock-based and other non-cash compensation	1,649	1,732	2,991
Gain on retirement of debt	(1,221)	(74,017)	—
Amortization of contract inducement and termination fee	(1,263)	(1,895)	(1,809)
Change in interest due on stock subscriptions receivable	—	(20)	(75)
Effect of change in operating assets and liabilities, net of assets acquired and disposed of:			
Trade accounts receivable	2,389	(1,800)	3,510
Prepaid expenses and other current assets	353	(571)	(1,225)
Income tax receivable	—	—	1,296
Other assets	4,829	(966)	(358)
Accounts payable	837	(266)	(4,289)
Accrued interest	(584)	(8,921)	(270)
Accrued compensation and related benefits	(148)	(5,439)	(1,230)
Income taxes payable	1,503	(4,433)	1,997
Other liabilities	(2,743)	4,899	194
Net cash flows from operating activities from discontinued operations	690	5,678	215,077
Net cash flows from operating activities	45,443	13,832	44,014
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchases of property and equipment	(4,528)	(12,541)	(9,815)
Equity investments	—	—	(12,590)
Cash paid for acquisitions	—	(70,455)	—
Deposits for station equipment and purchases of other assets	—	(215)	(5,904)
Proceeds from sale of assets	—	150,224	108,100
Purchase of intangible assets	(343)	(816)	—
Net cash flows used in investing activities from discontinued operations	—	(166)	(1,323)
Net cash flows (used in) from investing activities	(4,871)	66,031	78,468
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from credit facility	116,500	227,000	—
Repayment of long-term debt	(1,220)	(120,787)	(124,697)
Payment of dividend to noncontrolling interest shareholders of Reach Media	—	(6,364)	(2,940)
Repayment of credit facility	(136,670)	(170,299)	—
Repayment of other debt	(153)	(1,004)	—

	For the Years Ended December 31,		
	2009	2008	2007
		(As adjusted — see note 1)	
		(In thousands)	
Repayment of stock subscriptions receivable	—	1,737	—
Payment of bank financing costs	(1,658)	—	(3,004)
Repurchase of common stock	(19,697)	(12,104)	—
Net cash flows used in financing activities	(42,898)	(81,821)	(130,641)
DECREASE IN CASH AND CASH EQUIVALENTS	(2,326)	(1,958)	(8,159)
CASH AND CASH EQUIVALENTS, beginning of year	22,289	24,247	32,406
CASH AND CASH EQUIVALENTS, end of year	$ 19,963	$ 22,289	$ 24,247
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:			
Cash paid for:			
Interest	$ 36,568	$ 68,611	$ 70,798
Income taxes	$ 3,639	$ 7,907	$ 6,093

The accompanying notes are an integral part of these consolidated financial statements.

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

(a) Organization

Radio One, Inc. (a Delaware corporation referred to as "Radio One") and its subsidiaries (collectively, the "Company") is an urban-oriented, multi-media company that primarily targets African-American consumers. Our core business is our radio broadcasting franchise that is the largest radio broadcasting operation that primarily targets African-American and urban listeners. We currently own 53 broadcast stations located in 16 urban markets in the United States. While our primary source of revenue is the sale of local and national advertising for broadcast on our radio stations, our operating strategy is to operate the premier multi-media entertainment and information content provider targeting African-American consumers. Thus, we have diversified our revenue streams by making acquisitions and investments in other complementary media properties. Our other media interests include our approximately 37% ownership interest in TV One, LLC ("TV One"), an African-American targeted cable television network that we invested in with an affiliate of Comcast Corporation and other investors; our 53.5% ownership interest in Reach Media, Inc. ("Reach Media"), which operates the Tom Joyner Morning Show; our ownership of Interactive One, LLC ("Interactive One"), an online platform serving the African-American community through social content, news, information, and entertainment, which operates a number of branded sites, including News One, UrbanDaily and HelloBeautiful; and our ownership of Community Connect, LLC (formerly Community Connect Inc.) ("CCI"), an online social networking company, which operates a number of branded websites, including BlackPlanet, MiGente and Asian Avenue. Through our national multi-media presence, we provide advertisers with a unique and powerful delivery mechanism to the African-American audience.

In December 2009, the Company ceased publication of our urban-themed lifestyle periodical Giant Magazine. The remaining assets and liabilities of this publication have been classified as discontinued operations as of December 31, 2009 and 2008, and the publication's results of operations for the years ended December 31, 2009, 2008 and 2007, have been classified as discontinued operations in the accompanying consolidated financial statements.

During the period December 2006 to May 2008, we completed the sale of 20 non-core radio stations for approximately $287.9 million. While we maintained our core radio franchise, these dispositions have allowed the Company to more strategically allocate its resources consistent with its long-term multi-media operating strategy.

As part of our consolidated financial statements, consistent with our financial reporting structure and how the Company currently manages its businesses, we have provided selected financial information on the Company's two reportable segments: (i) Radio Broadcasting and (ii) Internet. (See Note 19 — *Segment Information*.)

(b) Basis of Presentation

The consolidated financial statements are prepared in conformity with accounting principles generally accepted in the United States and require management to make certain estimates and assumptions. These estimates and assumptions may affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the financial statements. The Company bases these estimates on historical experience, current economic environment or various other assumptions that are believed to be reasonable under the circumstances. However, uncertainties associated with the continuing economic downturn and disruption in financial markets increase the possibility that actual results may differ from these estimates.

Certain reclassifications associated with accounting for discontinued operations have been made to prior year balances to conform to the current year presentation. These reclassifications had no effect on any other previously reported or consolidated net income or loss or any other statement of operations, balance sheet or

cash flow amounts. Where applicable, these financial statements have been identified as "As Adjusted." (See Note 4 — *Disposition of Assets and Discontinued Operations*.)

During the quarter ended September 30, 2009, the Company identified and recorded deferred tax expense adjustments related to the year ended December 31, 2008. The effect of these adjustments in the third quarter of 2009 decreased tax expense and increased consolidated net income by approximately $1.9 million. The Company has concluded that these corrections are immaterial to the 2008 annual financial statements and the 2009 interim and annual financial statements and accordingly, retroactive adjustments to previously issued financial statements are unnecessary.

(c) Principles of Consolidation

The consolidated financial statements include the accounts of Radio One and subsidiaries in which Radio One has a controlling interest. In February 2005, the Company acquired a controlling interest in Reach Media and began consolidating Reach Media for financial reporting purposes. All significant intercompany accounts and transactions have been eliminated in consolidation. Noncontrolling interests have been recognized where a controlling interest exists, but the Company owns less than 100%. The equity method of accounting is used for investments in affiliates over which Radio One has significant influence (ownership between 20% and 50%), but does not have effective control. Investments in affiliates in which Radio One cannot exercise significant influence (ownership interest less than 20%) are accounted for using the cost method.

The Company accounts for its investment in TV One under the equity method of accounting in accordance with Accounting Standards Codification ("ASC") 323, *"Investments — Equity Method and Joint Ventures."* The Company has recorded its investment at cost and has adjusted the carrying amount of the investment to recognize the change in Radio One's claim on the net assets of TV One resulting from income or losses of TV One, as well as other capital transactions of TV One using a hypothetical liquidation at book value approach. The Company will review the realizability of the investment if conditions are present or events occur to suggest that an impairment of the investment may exist. The Company has determined that, although TV One is a variable interest entity (as defined by ASC 810, "*Consolidation*") the Company is not the primary beneficiary of TV One. (See Note 7 — *Investment in Affiliated Company*.)

(d) Cash and Cash Equivalents

Cash and cash equivalents consist of cash, repurchase agreements and money market funds at various commercial banks. All cash equivalents have original maturities of 90 days or less. For cash and cash equivalents, cost approximates fair value.

(e) Trade Accounts Receivable

Trade accounts receivable is recorded at the invoiced amount. The allowance for doubtful accounts is the Company's estimate of the amount of probable losses in the Company's existing accounts receivable. The Company determines the allowance based on the aging of the receivables, the impact of economic conditions on the advertisers' ability to pay and other factors. Inactive delinquent accounts that are past due beyond a certain amount of days are written off and often pursued by other collection efforts. Bankruptcy accounts are immediately written off upon receipt of the bankruptcy notice from the courts. In bankruptcy instances, we file a proof of claim with the courts in order to receive any later distribution of funds that may be forthcoming.

(f) Goodwill and Radio Broadcasting Licenses

In connection with past acquisitions, a significant amount of the purchase price was allocated to radio broadcasting licenses, goodwill and other intangible assets. Goodwill consists of the excess of the purchase price over the fair value of tangible and identifiable intangible net assets acquired. In accordance with ASC 350, "*Intangibles — Goodwill and Other,"* goodwill and radio broadcasting licenses are not amortized, but are tested annually for impairment at the reporting unit level and unit of accounting level, respectively. We test for impairment annually, on October 1 of each year, or more frequently when events or changes in

circumstances or other conditions suggest impairment may have occurred. Impairment exists when the asset carrying values exceed their respective fair values, and the excess is then recorded to operations as an impairment charge. With the assistance of a third-party valuation firm, we test for license impairment at the unit of accounting level using the income approach, which involves, but is not limited to judgmental estimates and assumptions about projected revenue growth, future operating margins discount rates and terminal values. In testing for goodwill impairment, we follow a two-step approach, also using the income approach that first estimates the fair value of the reporting unit. If the carrying value of the reporting unit exceeds its fair value, we then determine the implied goodwill after allocating the reporting unit's fair value of assets and liabilities in accordance with ASC 805-10, *"Business Combinations*." Any excess of carrying value of the reporting unit's goodwill balance over its respective implied goodwill is written off as a charge to operations. We then perform a reasonableness test by comparing the average implied multiple arrived at based on our cash flow projections and estimated fair values to multiples for actual recently completed sale transactions and by comparing our estimated fair values to the market capitalization of the Company

The recent economic downturn caused further deterioration to the 2009 outlook for radio and online advertising, and resulted in significant revenue and profitability declines beyond levels assumed in our 2008 annual impairment testing. As a result, we lowered many of our internal projections and we performed interim impairment assessments for our radio broadcasting licenses and goodwill in February and August 2009, as well as for CCI in August 2009, the results of which were to record approximately $49.0 million in impairment charges against radio broadcasting licenses in 11 of our 16 markets during the first quarter of 2009. In the third quarter of 2009, Reach Media lowered its 2009 projections as a result of amending its sales representation agreement with Citadel Broadcasting Corporation ("Citadel"), whereby, in exchange for prepayment, Citadel paid Reach Media $2.0 million less in guaranteed revenue for the fourth quarter of 2009. Consequently, interim impairment testing was also performed on Reach Media in August of 2009, as a result of which the Company concluded no impairment had occurred. As part of our annual 2009 testing, we recorded additional impairment charges of approximately $16.1 million against radio broadcasting licenses in seven of our 16 markets, and we impaired goodwill of $628,000 in another one of our markets for the entire amount during the fourth quarter of 2009. For the three years ended December 31, 2009, 2008 and 2007, the Company recorded broadcasting license and goodwill impairment charges of approximately $65.6 million, $420.2 million and $211.1 million, respectively. (See Note 6 — *Goodwill, Radio Broadcasting Licenses and Other Intangible Assets.)*

(g) Impairment of Long-Lived Assets, Excluding Goodwill and Radio Broadcasting Licenses

The Company accounts for the impairment of long-lived intangible assets, excluding goodwill and radio broadcasting licenses, in accordance with ASC 350, *"Intangibles — Goodwill and Other*." Long-lived intangible assets, excluding goodwill and radio broadcasting licenses, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or group of assets may not be fully recoverable. These events or changes in circumstances may include a significant deterioration in operating results, changes in business plans, or changes in anticipated future cash flows. If an impairment indicator is present, the Company evaluates recoverability by a comparison of the carrying amount of the assets to future undiscounted net cash flows expected to be generated by the assets. Assets are grouped at the lowest levels for which there are identifiable cash flows that are largely independent of the cash flows generated by other asset groups. If the assets are impaired, the impairment recognized is measured by the amount by which the carrying amount exceeds the fair value of the assets. Fair value is generally determined by estimates of discounted future cash flows. The discount rate used in any estimate of discounted cash flows would be the rate of return for a similar investment of like risk. Given the recent weak economy and the adverse impact on radio and online advertising, the Company performed impairment testing on certain advertising related long-lived assets for Reach Media and CCI in August 2009, and concluded that no impairment to the carrying value of the advertising related intangibles had occurred. No additional impairment indicators arose during the fourth quarter of 2009 for any of our reporting units; hence, additional testing of advertising related intangibles was not warranted. Given the radio broadcasting license impairment in two of our reporting units during 2009, we performed impairment testing on other intangibles in those reporting units, and recorded $297,000 in impairment charges during the fourth quarter against the carrying value of those intangible assets. For the

years ended December 31, 2009 and 2008, $297,000 and approximately $3.2 million were recorded, respectively, for impairment of intangible assets other than goodwill and FCC licenses. There were no impairment charges recorded for these assets in 2007.

(h) Financial Instruments

Financial instruments as of December 31, 2009 and 2008 consisted of cash and cash equivalents, trade accounts receivable, accounts payable, accrued expenses, note payable, long-term debt, redeemable noncontrolling interests and subscriptions receivable. The carrying amounts approximated fair value for each of these financial instruments as of December 31, 2009 and 2008, except for the Company's outstanding senior subordinated notes. The 8$^{7}/_{8}$% Senior Subordinated Notes due July 2011 had a carrying value of $101.5 million and a fair value of approximately $78.2 million as of December 31, 2009, and a carrying value of $104.0 million and a fair value of approximately $52.0 million as of December 31, 2008. The 6$^{3}/_{8}$% Senior Subordinated Notes due February 2013 had a carrying value of $200.0 million and a fair value of approximately $142.0 million as of December 31, 2009, and a carrying value of $200.0 million and a fair value of approximately $60.0 million as of December 31, 2008. The fair values were determined based on the current trading values of these instruments.

(i) Derivative Financial Instruments

The Company recognizes all derivatives at fair value, whether designated in hedging relationships or not, in the balance sheet as either an asset or liability. The accounting for changes in the fair value of a derivative, including certain derivative instruments embedded in other contracts, depends on the intended use of the derivative and the resulting designation. If the derivative is designated as a fair value hedge, the changes in the fair value of the derivative and the hedged item are recognized in the statement of operations. If the derivative is designated as a cash flow hedge, changes in the fair value of the derivative are recorded in other comprehensive income and are recognized in the statement of operations when the hedged item affects net income. If a derivative does not qualify as a hedge, it is marked to fair value through the statement of operations. Any fees associated with these derivatives are amortized over their term. (See Note 9 — *Derivative Instruments and Hedging Activities*.)

(j) Revenue Recognition

The Company recognizes revenue for broadcast advertising when a commercial is broadcast and is reported, net of agency and outside sales representative commissions, in accordance with ASC 605, "*Revenue Recognition*." Agency and outside sales representative commissions are calculated based on a stated percentage applied to gross billing. Generally, clients remit the gross billing amount to the agency or outside sales representative, and the agency or outside sales representative remits the gross billing, less their commission, to the Company. Agency and outside sales representative commissions were approximately $28.4 million, $34.6 million and $37.0 million for the years ended December 31, 2009, 2008 and 2007, respectively.

CCI, which the Company acquired in April 2008, currently generates the majority of the Company's internet revenue, and derives such revenue principally from advertising services, including advertising aimed at diversity recruiting. Advertising services include the sale of banner and sponsorship advertisements. Advertising revenue is recognized either as impressions (the number of times advertisements appear in viewed pages) are delivered, when "click through" purchases or leads are reported, or ratably over the contract period, where applicable. CCI has a diversity recruiting relationship with Monster, Inc. ("Monster"). Monster posts job listings and advertising on CCI's websites and CCI earns revenue for displaying the images on its websites.

(k) Barter Transactions

The Company provides broadcast advertising time in exchange for programming content and certain services. In accordance with ASC 605, "*Revenue Recognition*," the terms of these exchanges generally permit the Company to preempt such broadcast time in favor of advertisers who purchase time in exchange for cash.

The Company includes the value of such exchanges in both broadcasting net revenue and station operating expenses. The valuation of barter time is based upon the fair value of the network advertising time provided for the programming content and services received. For the years ended December 31, 2009, 2008 and 2007, barter transaction revenues were approximately $3.2 million, $2.6 million and $2.3 million, respectively. Additionally, barter transaction costs were reflected in programming and technical expenses and selling, general and administrative expenses of approximately $3.0 million, $2.5 million and $2.1 million, and $166,000, $166,000 and $166,000, for the years ended December 31, 2009, 2008 and 2007, respectively.

(l) Network Affiliation Agreements

The Company has network affiliation agreements classified as Other Intangible Assets. These agreements are amortized over their useful lives. Losses on contract terminations are determined based on the specifics of each contract in accordance with ASC 920-350, *"Entertainment Broadcasters."* (See Note 6 — *Goodwill, Radio Broadcasting Licenses and Other Intangible Assets.)*

(m) Advertising and Promotions

The Company expenses advertising and promotional costs as incurred. Total advertising and promotional expenses, including expenses related to discontinued operations, were approximately $4.9 million, $6.4 million and $14.1 million for the years ended December 31, 2009, 2008 and 2007, respectively. Total advertising and promotional expenses for continuing operations, for the years ended December 31, 2009, 2008 and 2007, were approximately $4.8 million, $6.2 million and $9.6 million, respectively.

(n) Income Taxes

The Company accounts for income taxes in accordance with ASC 740, *"Income Taxes."* Under ASC 740, deferred tax assets or liabilities are computed based upon the difference between financial statement and income tax bases of assets and liabilities using the enacted marginal tax rate. The Company has provided a valuation allowance on its net deferred tax assets where it is more likely than not such assets will not be realized. This has occurred for all entities except for Reach Media. Deferred income tax expense or benefits are based upon the changes in the asset or liability from period to period.

(o) Stock-Based Compensation

The Company accounts for stock-based compensation in accordance with ASC 718, *"Compensation — Stock Compensation."* Under the provisions of ASC 718, stock-based compensation cost is estimated at the grant date based on the award's fair value as calculated by the Black-Scholes ("BSM") valuation option-pricing model and is recognized as expense ratably over the requisite service period. The BSM incorporates various highly subjective assumptions including expected stock price volatility, for which historical data is heavily relied upon, expected life of options granted, forfeiture rates and interest rates. (See Note 12 — *Stockholders' Equity.*)

The Company is currently in a cumulative loss tax position; hence, tax benefits resulting from stock-based compensation deductions in excess of amounts reported for financial reporting purposes were not recognized in financing cash flows during the years ended December 31, 2009, 2008 and 2007.

(p) Comprehensive Loss

The Company's comprehensive loss consists of net loss and other items recorded directly to the equity accounts. The objective is to report a measure of all changes in equity of an enterprise that result from transactions and other economic events during the period, other than transactions with owners. The Company's comprehensive loss consists of gains and losses on derivative instruments that qualify for cash flow hedge treatment.

The following table sets forth the components of comprehensive loss:

	For the Years Ended December 31,		
	2009	2008	2007
		(In thousands)	
Consolidated net loss	$ (48,558)	$ (298,947)	$ (387,590)
Other comprehensive income (loss) (net of tax of $0, $0 and $242, respectively):			
Derivative and hedging activities	895	(3,625)	(323)
Comprehensive loss	(47,663)	(302,572)	(387,913)
Comprehensive income attributable to noncontrolling interests	4,329	3,997	3,910
Comprehensive loss attributable to common stockholders	$ (51,992)	$ (306,569)	$ (391,823)

(q) Segment Reporting and Major Customers

In accordance with ASC 820, "*Segment Reporting*," and given its diversification strategy, the Company has determined it has two reportable segments: (i) Radio Broadcasting; and (ii) Internet. These two segments operate in the United States and are consistently aligned with the Company's management of its businesses and its financial reporting structure.

The Radio Broadcasting segment consists of all broadcast and Reach Media results of operations. The Internet segment includes the results of our online business, including the operations of CCI since its date of acquisition. Intercompany revenue earned and expenses charged between segments are recorded at fair value and eliminated in consolidation.

We derived a significant portion of our net revenue for 2009, 2008 and 2007 from a single customer, Radio Networks, a media representation firm which is owned by Citadel. During those years, Reach Media derived a substantial majority of its net revenue from a sales representation agreement (the "Sales Representation Agreement") with Radio Networks. The Sales Representation Agreement called for Radio Networks to act as Reach Media's sales representative primarily for advertising airing on 105 affiliate radio stations broadcasting the Tom Joyner Morning Show, and to also serve as its sales representative for internet and events sales. The Sales Representation Agreement provided for Radio Networks to retain a portion of Reach Media's advertising revenues only after satisfying certain revenue guarantee obligations to Reach Media. Further, but to a lesser extent, in accordance with ASC 605, *"Revenue Recognition,"* revenue for Company owned radio stations is also generated from Radio Networks for barter agreements whereby the Company provides advertising time in exchange for programming content (the "RN Barter Revenue"). As a result of our 53.5% ownership of Reach Media, we consolidate net revenue derived by Reach Media from the Sales Representation Agreement into our financial statements. For the years ended December 31, 2009, 2008 and 2007, net revenue attributable to the Sales Representation Agreement and the RN Barter Revenue accounted for 11.9%, 10.6% and 10.8%, respectively, of our total consolidated net revenues.

The Sales Representation Agreement commenced January 2003 and in connection with entering into the Sales Representation Agreement, Radio Networks obtained an ownership interest in Reach Media. In June 2007, Radio Networks, a subsidiary of Citadel, assumed the Sales Representation Agreement as a result of Citadel's purchase of ABC Radio Networks from The Walt Disney Company. The agreement expired December 31, 2009; however, during the quarter ended September 30, 2009, Reach Media and Citadel reached an agreement whereby the revenue guarantee obligations to Reach Media for each of the months of November and December 2009 was reduced by $1.0 million in exchange for prepayment of the reduced revenue guarantee obligation for those months. Payment of the reduced revenue guarantee obligation was received by Reach Media. A new Sales Representation Agreement was executed in November 2009 to replace the old agreement, whereby, effective January 1, 2010, Citadel will sell advertising inventory outside the Tom Joyner Morning Show. As an inducement for Reach Media to enter into the new Sales Representation Agreement, Citadel returned its noncontrolling ownership interest in Reach Media back to Reach Media. This ownership

interest was part of the original agreement signed in 2003. As a result of classifying these shares as treasury stock, this transaction effectively increased Radio One's common stock interest in Reach Media to 53.5%. In exchange for the returned ownership interest, Reach Media issued a $1.0 million promissory note payable to Radio Networks due in December 2011.

(r) Net Loss Per Share

Basic earnings per share is computed on the basis of the weighted average number of shares of common stock outstanding during the period. Diluted earnings per share is computed on the basis of the weighted average number of shares of common stock plus the effect of dilutive potential common shares outstanding during the period using the treasury stock method.

The Company's potentially dilutive securities include stock options and unvested restricted stock. Diluted earnings per share considers the impact of potentially dilutive securities except in periods in which there is a net loss, as the inclusion of the potentially dilutive common shares would have an anti-dilutive effect.

(s) Discontinued Operations

For those businesses where management has committed to a plan to divest or discontinue operations, each business is valued at the lower of its carrying amount or estimated fair value less cost to sell. If the carrying amount of the business exceeds its estimated fair value, a loss is recognized. The fair values are estimated using accepted valuation techniques such as a discounted cash flow model, valuations performed by third parties, earnings multiples, or indicative bids, when available. A number of significant estimates and assumptions are involved in the application of these techniques, including the forecasting of markets and market share, revenues, costs and expenses, and multiple other factors. Management considers historical experience and all available information at the time the estimates are made. However, the fair values that are ultimately realized upon the sale of the businesses to be divested may differ from the estimated fair values reflected in the consolidated financial statements.

Businesses to be divested or operationally cease are classified in the consolidated financial statements as discontinued operations. For businesses classified as discontinued operations, the balance sheet amounts and statement of operations results are reclassified from their historical presentation to assets and liabilities of discontinued operations on the consolidated balance sheet and to discontinued operations in the consolidated statement of operations for all periods presented. The gains or losses associated with these divested or ceased businesses are recorded in income or loss from discontinued operations on the consolidated statement of operations. The consolidated statement of cash flows is also reclassified for discontinued operations for all periods presented. For businesses reclassified as discontinued, other than the collection of outstanding accounts receivable, management does not expect any continuing involvement with these businesses, and these businesses are expected to be disposed of within one year.

(t) Fair Value Measurements

We report our financial and non-financial assets and liabilities measured at fair value on a recurring basis under the provisions of ASC 820, *"Fair Value Measurements and Disclosures."* ASC 820 defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. Effective January 1, 2009, we adopted the provisions of ASC 820 for all non-financial instruments accounted for at fair value on a non-recurring basis. The adoption of ASC 820 for non-financial assets and liabilities did not have a significant impact on our financial condition or results of operations.

The fair value framework requires the categorization of assets and liabilities into three levels based upon the assumptions (inputs) used to price the assets or liabilities. Level 1 provides the most reliable measure of fair value, whereas Level 3 generally requires significant management judgment. The three levels are defined as follows:

Level 1: Inputs are unadjusted quoted prices in active markets for identical assets and liabilities that can be accessed at the measurement date.

Level 2: Observable inputs other than those included in Level 1, (i.e. quoted prices for similar assets or liabilities in active markets or quoted prices for identical assets or liabilities in inactive markets.)

Level 3: Unobservable inputs reflecting management's own assumptions about the inputs used in pricing the asset or liability.

As of December 31, 2009 and 2008, the fair values of our financial liabilities measured at fair value on a recurring basis are categorized as follows:

	Total	Level 1	Level 2	Level 3
		(In thousands)		
As of December 31, 2009				
Liabilities subject to fair value measurement:				
Interest rate swaps(a)	$ 2,086	$ —	$2,086	$ —
Employment agreement award(b)	4,657	—	—	4,657
Total	$ 6,743	$ —	$2,086	$ 4,657
Mezzanine equity subject to fair value measurement: (As restated)				
Redeemable noncontrolling interests(c)	$52,225	$ —	$ —	$52,225
As of December 31, 2008				
Liabilities subject to fair value measurement:				
Interest rate swaps(a)	$ 2,981	$ —	$2,981	$ —
Employment agreement award(b)	4,326	—	—	4,326
Total	$ 7,307	$ —	$2,981	$ 4,326
Mezzanine equity subject to fair value measurement: (As restated)				
Redeemable noncontrolling interests(c)	$43,423	$ —	$ —	$43,423

(a) Based on London Interbank Offered Rate ("LIBOR").

Pursuant to an employment agreement (the "Employment Agreement") executed in April 2008, the Chief Executive Officer ("CEO") is eligible to receive an award amount equal to 8% of any proceeds from distributions or other liquidity events in excess of the return of the Company's aggregate investment in TV One. The Company reviews the factors underlying this award at the end of each quarter. The Company's obligation to pay the award will be triggered only after the Company's recovery of the aggregate amount of its capital contribution in TV One and only upon actual receipt of distributions of cash or marketable securities or proceeds from a liquidity event with respect to the Company's membership interest in TV One. The CEO was fully vested in the award upon execution of the Employment Agreement, and the award lapses upon expiration of the Employment Agreement in April 2011, or earlier if the CEO voluntarily leaves the Company or is terminated for cause. A third-party valuation firm assisted the Company in calculating the fair valuation of the award. (See Note 9 — *Derivative Instruments and Hedging Activities*.)

Redeemable noncontrolling interest in Reach Media is measured at fair value using a discounted cash flow methodology. Significant inputs to the discounted cash flow analysis include forecasted operating results, discount rate and a terminal value.

The following table presents the changes in Level 3 liabilities measured at fair value on a recurring basis for the year ended December 31, 2009.

	Employment Agreement Award	Redeemable Noncontrolling Interests (As Restated)
	(In thousands)	
Balance at December 31, 2008	$ 4,657	$ 43,423
Losses (income) included in earnings (realized/unrealized)	945	—
Changes in accumulated other comprehensive loss	—	—
Purchases, issuances, and settlements	—	—
Net income attributable to noncontrolling interests		4,329
Stock repurchase from noncontrolling shareholder	—	(322)
Change in fair value	—	4,795
Balance at December 31, 2009	$ 5,602	$ 52,225
The amount of total losses for the period included in earnings attributable to the change in unrealized losses relating to assets and liabilities still held at the reporting date	$ (945)	$ —

Losses included in earnings were recorded in the consolidated statement of operations as corporate selling, general and administrative expenses for the year ended December 31, 2009.

Net income attributable to noncontrolling interests amounts reflected in the table above were recorded in the consolidated statements of operations as noncontrolling interests in income of subsidiaries for the year ended December 31, 2009.

Certain assets and liabilities are measured at fair value on a non-recurring basis. These assets are not measured at fair value on an ongoing basis but are subject to fair value adjustments only in certain circumstances. Included in this category are goodwill, radio broadcasting licenses and other intangible assets, net, that are written down to fair value when they are determined to be impaired.

As of December 31, 2009, each major category of assets and liabilities measured at fair value on a non-recurring basis during the period is categorized as follows:

	Total	Level 1	Level 2	Level 3	Total Gains (Losses)
			(In millions)		
As of December 31, 2009					
Non-recurring assets subject to fair value measurement:					
Goodwill	$137.5	$ —	$ —	$137.5	$ (0.6)
Radio broadcasting licenses	698.6	—	—	698.6	(65.0)
Other intangible assets, net	35.1	—	—	35.1	(0.3)
Total	$871.2	$ —	$ —	$871.2	$ (65.9)

As of December 31, 2008, the total recorded carrying values of goodwill and radio broadcasting licenses were approximately $137.1 million and $763.7 million, respectively. Pursuant to ASC 350, "Intangibles — Goodwill and Other," and in connection with its interim impairment testing performed in February 2009, the Company determined carrying values for radio broadcasting licenses in 11 of its 16 markets were impaired, and recorded an impairment charge of approximately $49.0 million for the quarter ended March 31, 2009, thus reducing the total license carrying values to approximately $714.7 million as of March 31, 2009. During the second quarter of 2009, no impairment indicators were identified; hence, no interim impairment testing was warranted. For the third quarter of 2009, the Company performed interim impairment testing in August

2009 and concluded that impairment to the carrying values of radio broadcasting licenses and goodwill had not occurred. During the fourth quarter of 2009, the Company determined carrying values for radio broadcasting licenses and goodwill in eight of its 16 markets were impaired, and recorded an impairment charge of approximately $16.1 million for the quarter ended December 31, 2009, thus reducing the total license carrying values to approximately $698.6 million and reducing the carrying value of goodwill to approximately $137.5 million as of December 31, 2009. A description of the Level 3 inputs and the information used to develop the inputs is discussed in Note 6 — Goodwill, Radio Broadcasting Licenses and Other Intangible Assets.

As of December 31, 2008, the total recorded carrying value of other intangible assets excluding goodwill and radio broadcasting licenses was approximately $44.1 million. Pursuant to ASC 360, "Property, Plant, and Equipment," due to the challenging economic climate and its negative impact on radio and online advertising, we performed interim impairment testing in the third quarter of 2009 on certain advertising related intangible assets, and concluded no impairment had occurred. During the fourth quarter of 2009, we performed impairment testing on other intangible assets in reporting units where impairment had occurred, and recorded an impairment charge of $297,000.

(u) Software and Web Development Costs

The Company capitalizes direct internal and external costs incurred to develop internal-use computer software during the application development stage pursuant to ASC 350-40, "*Intangibles — Goodwill and Other.*" Internal-use software is amortized under the straight-line method using an estimated life of three years. All web development costs incurred in connection with operating our websites are accounted for under the provisions of ASC 350-40, unless a plan exists or is being developed to market the software externally. The Company has no plans to market software externally.

(v) Redeemable noncontrolling interests

Noncontrolling interests in subsidiaries that are redeemable outside of the Company's control for cash or other assets are classified as mezzanine equity and measured at the greater of estimated redemption value at the end of each reporting period or the historical cost basis of the noncontrolling interests adjusted for cumulative earnings allocations. The resulting increases or decreases in the estimated redemption amount are affected by corresponding charges against retained earnings, or in the absence of retained earnings, additional paid-in-capital.

(w) Impact of Recently Issued Accounting Pronouncements

In December 2009, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU"), "*Improvements to Financial Reporting by Enterprises Involved with Variable Interest Entities,*" which amends the guidance on variable interest entities ("VIE") in ASC 810, *"Consolidation,"* and is effective for fiscal years beginning after November 15, 2009. It requires reporting entities to evaluate former qualified special purpose entities for consolidation, changes the approach to determining a VIE's primary beneficiary from a quantitative assessment to a qualitative assessment designed to identify a controlling financial interest, and increases the frequency of required reassessments to determine whether a company is the primary beneficiary of a VIE. Additional year-end and interim disclosures are required under this update. The adoption of this guidance on January 1, 2010 will not have a material effect on the Company's consolidated financial statements.

In June 2009, the FASB issued ASC 105, "*Generally Accepted Accounting Principles*," which establishes the ASC as the source of authoritative non-SEC U.S. generally accepted accounting principles ("GAAP") for non-governmental entities. ASC 105 is effective for financial statements issued for interim and annual periods ending after September 15, 2009. The adoption of ASC 105 did not have a material impact on the Company's consolidated financial statements.

In May 2009, the FASB issued ASC 855, "*Subsequent Events,*" which addresses accounting and disclosure requirements related to subsequent events. It requires management to evaluate subsequent events

through the date the financial statements are either issued or available to be issued. In February 2010, the FASB issued ASU 2010-09, which amends ASC 855 to remove all requirements for SEC filers to disclose the date through which subsequent events are considered. The amendment became effective upon issuance. The Company has provided the required disclosures regarding subsequent events in Note 21 — *Subsequent Events*.

The provisions under ASC 825, *"Financial Instruments,"* requiring disclosures about fair value of financial instruments for interim reporting periods of publicly traded companies, as well as in annual financial statements became effective for the Company during the quarter ended June 30, 2009. The additional disclosures required under ASC 825 are included in Note 1 — *Organization and Summary of Significant Accounting Policies*.

Effective January 1, 2009, the provisions under ASC 350, *"Intangibles — Goodwill and Other,"* related to the determination of the useful life of intangible assets and requiring additional disclosures related to renewing or extending the terms of recognized intangible assets became effective for the Company. The adoption of these provisions did not have a material effect on the Company's consolidated financial statements.

Effective January 1, 2009, the Company adopted an accounting standard update from the Emerging Issues Task Force ("EITF") consensus regarding the accounting for contingent consideration agreements of an equity method investment and the requirement for the investor to recognize its share of any impairment charges recorded by the investee. This update to ASC 323, *"Investments — Equity Method and Joint Ventures,"* requires the investor to record share issuances by the investee as if it has sold a portion of its investment with any resulting gain or loss being reflected in earnings. The adoption of this update did not have any impact on the Company's consolidated financial statements.

In March 2008, the FASB issued an update to ASC 815, *"Derivatives and Hedging,"* related to disclosures about derivative instruments and hedging activities. It requires disclosure of the fair value of derivative instruments and their gains and losses in a tabular format. It also provides for more information about an entity's liquidity by requiring disclosure of derivative features that are credit risk related. Finally, it requires cross referencing within footnotes to enable financial statement users to locate important information about derivative instruments. Effective January 1, 2009, the Company adopted the updated provisions of ASC 815. The Company's adoption of the updates had no impact on its financial condition or results of operations. (See Note 9 — *Derivative Instruments and Hedging Activities*.)

In February 2008, the FASB delayed the effective date for applying the fair value provisions of ASC 820, *"Fair Value Measurements and Disclosures,"* to non-financial assets and non-financial liabilities, except those that are recognized or disclosed on a recurring basis, to fiscal years beginning after November 15, 2008. Effective January 1, 2009, we adopted the provisions of ASC 820 for all non-financial instruments accounted for at fair value on a non-recurring basis. The adoption of ASC 820 for non-financial assets and liabilities did not have a significant impact on our financial condition or results of operations.

In December 2007, the FASB issued ASC 805-10, *"Business Combinations,"* which requires the acquirer of a business to recognize and measure the identifiable assets acquired, the liabilities assumed, and any noncontrolling interest in the acquiree at fair value. ASC 805-10 also requires transaction costs related to the business combination to be expensed as incurred. In April 2009, the FASB issued ASC 805-20, *"Business Combinations,"* which amends and clarifies ASC 805-10 to address application issues associated with initial recognition and measurement, subsequent measurement and accounting, and disclosure of assets and liabilities arising from contingencies in a business combination. ASC 805-10 and ASC 805-20 are effective for business combinations for which the acquisition date is on or after the January 1, 2009. Effective January 1, 2009, the Company adopted ASC 805-10 and ASC 805-20, which has had no effect on the Company's consolidated financial statements. The Company expects ASC 805-10 and ASC 805-20 to have an impact on its accounting for future business combinations, but the effect is dependent upon the acquisitions that are made in the future.

In December 2007, the FASB issued updated guidance on ASC 810, *"Consolidation,"* which changed the accounting and reporting requirements for the noncontrolling interests in a subsidiary and for the deconsolidation of a subsidiary. It clarifies that a noncontrolling interests in a subsidiary is an ownership interest in the consolidated entity that should be reported as equity in the consolidated financial statements. The requirements became effective for the Company on January 1, 2009 and changed the accounting and reporting for minority interests, which is

now characterized as noncontrolling interests. The updated guidance required retroactive adoption of the presentation and disclosure requirements for existing minority interests, with all other requirements applied prospectively. Reflected in the December 31, 2008 Form 10-K/A, minority interests on the consolidated balance sheet was approximately $2.0 million. See Note 2 — *Restatement of Consolidated Financial Statements*, for a discussion of the Company's accounting and reporting for its noncontrolling interests.

In December 2007, the SEC issued Staff Accounting Bulletin ("SAB") No. 110 that modified SAB No. 107 regarding the use of a "simplified" method in developing an estimate of expected term of "plain vanilla" share options in accordance with provisions related to stock compensation under ASC 718, *"Compensation — Stock Compensation."* Under SAB No. 107, the use of the "simplified" method was not allowed beyond December 31, 2007. SAB No. 110 allows, however, the use of the "simplified" method beyond December 31, 2007 under certain circumstances. We currently use the "simplified" method under SAB No. 107, and we expect to continue to use the "simplified" method in future periods if the facts and circumstances permit.

In February 2007, the FASB issued provisions under ASC 825, *"Financial Instruments,"* which permit companies to choose to measure certain financial instruments and other items at fair value that are not currently required to be measured at fair value. Effective January 1, 2008, the Company adopted the provisions under ASC 825, which provides entities the option to measure many financial instruments and certain other items at fair value. Entities that choose the fair value option will recognize unrealized gains and losses on items for which the fair value option was elected in earnings at each subsequent reporting date. The Company has chosen not to elect the fair value option for any items that are not already required to be measured at fair value in accordance with generally accepted accounting principles.

(x) Liquidity and Uncertainties Related to Going Concern

As of each of June 30, 2010 and July 1, 2010, we were not in compliance with the terms of our Credit Agreement. More specifically, (i) as of June 30, 2010, we failed to maintain a total leverage ratio of 7.25 to 1.00 and (ii) as of July 1, 2010, as a result of a step down of the total leverage ratio from no greater than 7.25 to 1.00 to no greater than 6.50 to 1.00 effective for the period July 1, 2010 to September 30, 2011, we also failed to maintain the requisite total leverage ratio. As previously disclosed in the Company's Current Report on Form 8-K, filed with the SEC on July 16, 2010, on July 15, 2010, the Company and its subsidiaries executed the Forbearance Agreement with Wells Fargo Bank, N.A. (successor by merger to Wachovia Bank, National Association), the Agent, and the Required Lenders under our Credit Agreement, relating to the above noted existing defaults and events of default. On August 13, 2010, we entered into the Forbearance Agreement Amendment that, among other things, extended the termination date of the Forbearance Agreement to September 10, 2010, unless terminated earlier by its terms, and provided additional forbearance related to an anticipated default that may be caused by an opinion of our independent registered public accounting firm, Ernst & Young LLP, that included an explanatory paragraph expressing substantial doubt about the Company's ability to continue as a going concern. Under the Forbearance Agreement and the Forbearance Agreement Amendment, the Agent and the Required Lenders maintained the right to deliver "payment blockage notices" to the trustees for the holders of the 2011 Notes and/or the 2013 Notes.

On August 5, 2010, the Agent delivered a payment blockage notice to the Trustee under the Indenture governing our 2013 Notes. Under the terms of the Indenture, neither the Company nor any of its guaranteeing subsidiaries may make any payment or distribution of any kind or character in respect of obligations under the 2013 Notes, including, without limitation, the interest payment to the noteholders that was scheduled for August 15, 2010. The Indenture permits a 30-day grace period for the nonpayment of interest before such nonpayment constitutes an event of default, in which case the Trustee or holders of at least 25% in principal amount of the then outstanding 2013 Notes may declare the principal amount, and accrued and unpaid interest on all outstanding 2013 Notes to be due and payable immediately.

The lenders under the Credit Agreement have not accelerated the indebtedness thereunder and the Company continues to actively pursue various financing alternatives with its lenders and the members of an ad hoc group of the holders of its 2011 Notes and 2013 Notes.

We have been actively engaged with the lenders under our Credit Agreement as well as with our bondholders to implement certain Refinancing Transactions to solve both for the defaults under the Credit Agreement and for our upcoming debt maturities. We anticipate that if we complete the Refinancing Transactions, we will cure or otherwise obtain a waiver of any defaults under the Credit Agreement and the 2013 Notes Indenture. However, there is no assurance that we will complete the Refinancing Transactions and that an event of default under the 2013 Notes Indenture will not arise. If we are unable to further amend the Forbearance Agreement or otherwise obtain waivers from our lenders under the Credit Agreement, an event of default under our 2013 Notes Indenture may arise causing a cross-default under our Credit Agreement, resulting in the acceleration of all of our indebtedness thereunder. The trustee under the 2013 Notes Indenture would also have the right to accelerate our indebtedness under the 2013 Notes, and accordingly, we have reclassified our long-term debt as a current obligation in the accompanying 2009 consolidated balance sheet from its original presentation in the Company's previously filed financial statements. Either of these events would make it difficult for us to operate our business in the ordinary course, and may force us to seek protection under Chapter 11 of the Bankruptcy Code, and accordingly, there is substantial doubt about our ability to continue as a going concern. The accompanying consolidated financial statements have been prepared assuming that we will continue as a going concern and do not include any adjustments to reflect the possible future effects on the recoverability and classification of liabilities that may result from the outcome of this uncertainty.

2. RESTATEMENT OF CONSOLIDATED FINANCIAL STATEMENTS:

As part of the Company's acquisition of a controlling 51% ownership interest of Reach Media in 2005, the noncontrolling shareholders of Reach Media were granted the right to require Reach Media to purchase all or a portion of their shares at the then current fair market value for such shares during the 30 day period beginning on February 28, 2012 and each anniversary thereafter ("the Put Right"). The purchase price for such shares may be paid in cash and/or registered Class D Common Stock of Radio One, at the sole discretion of Radio One. Because the Company cannot ensure that it will be able to settle the Put Right in registered shares, the Company determined that the Put Right is presumed to be settlable only in cash. Accordingly, the noncontrolling interests are considered to be instruments that are redeemable at the option of the holders for cash and should be classified outside of permanent equity in "mezzanine equity".

In its previously filed consolidated financial statements, the Company classified the noncontrolling interests as a component of permanent equity and recorded the noncontrolling interests at its historical cost basis adjusted for the portion of earnings attributable to the noncontrolling interests. Because the noncontrolling interests in Reach Media will become redeemable on February 28, 2012, the Company must elect to subsequently measure the noncontrolling interest to its expected redemption value by either accreting changes in the redemption value from the date of issuance to the earliest redemption date using an appropriate methodology or by recognizing changes in the redemption value immediately as they occur as if the end of the reporting period was the redemption date. The Company has elected to recognize changes in the redemption value immediately as they occur as if the end of the reporting period was the redemption date.

The following table summarizes the effects of the restatement adjustments on the consolidated balance sheets (in thousands):

	As of December 31, 2009			As of December 31, 2008		
	As Previously Reported	Adjustments	As Restated	As Previously Reported	Adjustments	As Restated
Redeemable noncontrolling interests	$ —	$ 52,225	$ 52,225	$ —	$ 43,423	$ 43,423
Additional paid-in capital	$1,014,512	$(46,237)	$968,275	$1,033,921	$(41,442)	$992,479
Total stockholders' equity	$ 242,065	$(46,237)	$195,828	$ 313,494	$(41,442)	$272,052
Noncontrolling interests	$ 5,988	$ (5,988)	$ —	$ 1,981	$ (1,981)	$ —
Total equity	$ 248,053	$(52,225)	$195,828	$ 315,475	$(43,423)	$272,052

The following table summarizes the effects of the restatement adjustments on our previously issued consolidated statements of changes in equity for the years ended December 31, 2007, 2008, and 2009 (in thousands).

Changes in additional paid-in-capital

	As Previously Reported	Adjustments	As Restated
Additional paid-in capital as of December 31, 2006	$ 1,041,029	$ (54,380)	$986,649
Vesting of non-employee restricted stock	(63)	—	(63)
Stock-based compensation expense	3,307	—	3,307
Accretion of redeemable noncontrolling interests	—	(468)	(468)
Additional paid-in capital at December 31, 2007	1,044,273	(54,848)	989,425
Repurchase of common stock	(12,084)	—	(12,084)
Vesting of non-employee restricted stock	89	—	89
Stock-based compensation expense	1,643	—	1,643
Decretion of redeemable noncontrolling interests	—	13,406	13,406
Additional paid-in capital as of December 31, 2008	1,033,921	(41,442)	992,479
Repurchase of common stock	(19,670)	—	(19,670)
Vesting of non-employee restricted stock	554	—	554
Reach Media stock return from non-controlling shareholder	(1,388)	—	(1,388)
Stock-based compensation expense	1,095	—	1,095
Accretion of redeemable noncontrolling interests	—	(4,795)	(4,795)
Additional paid-in capital as of December 31, 2009	$ 1,014,512	$ (46,237)	$968,275

Changes in stockholders' equity

	As Previously Reported	Adjustments	As Restated
Total stockholders' equity as of December 31, 2006	$ 1,018,267	$ (54,380)	$ 963,887
Net loss	(391,500)	—	(391,500)
Other comprehensive loss	(323)	—	(323)
Vesting of non-employee restricted stock	(63)	—	(63)
Stock-based compensation expense	3,307	—	3,307
Interest income on stock subscription receivable	(75)	—	(75)
Accretion of redeemable noncontrolling interests	—	(468)	(468)
Cumulative effect of change in accounting for uncertain tax positions	(895)	—	(895)
Total stockholders' equity as of December 31, 2007	628,718	(54,848)	573,870
Net loss	(302,944)	—	(302,944)
Other comprehensive loss	(3,625)	—	(3,625)
Repurchase of common stock	(12,104)	—	(12,104)
Vesting of non-employee restricted stock	89	—	89
Interest income on stock subscription receivable	(20)		(20)
Repayment of officer's loan	1,737	—	1,737
Stock-based compensation expense	1,643	—	1,643
Decretion of redeemable noncontrolling interests	—	13,406	13,406

	As Previously Reported	Adjustments	As Restated
Total stockholders' equity as of December 31, 2008	313,494	(41,442)	272,052
Net loss	(52,887)	—	(52,887)
Other comprehensive loss	895	—	895
Repurchase of common stock	(19,698)	—	(19,698)
Vesting of non-employee restricted stock	554	—	554
Reach Media stock return from non-controlling shareholder	(1,388)	—	(1,388)
Stock-based compensation expense	1,095	—	1,095
Accretion of redeemable noncontrolling interests	—	(4,795)	(4,795)
Total stockholders' equity as of December 31, 2009	$ 242,065	$ (46,237)	$ 195,828

In connection with the restatement, noncontrolling interests previously classified as a component of stockholders' equity are now classified outside of equity (in "mezzanine" equity) as redeemable noncontrolling interests. A rollforward of redeemable noncontrolling interests from January 1, 2007 through December 31, 2009 is as follows:

	Redeemable Noncontrolling Interests (As restated) (In thousands)
Balance at January 1, 2007	$ 54,360
Net income attributable to noncontrolling interests	3,910
Accretion to estimated redemption value	468
Balance at December 31, 2007	$ 58,738
Balance at January 1, 2008	$ 58,738
Net income attributable to noncontrolling interests	3,997
Reach Media stock option cancellation	208
Noncontrolling interest in Distribution One	250
Dividends paid to noncontrolling interests	(6,364)
Decretion to estimated redemption value	(13,406)
Balance at December 31, 2008	$ 43,423
Balance at January 1, 2009	$ 43,423
Net income attributable to noncontrolling interests	4,329
Stock repurchase from noncontrolling shareholder	(322)
Accretion to estimated redemption value	4,795
Balance at December 31, 2009	$ 52,225

3. ACQUISITIONS:

In June 2008, the Company purchased the assets of WPRS-FM, a radio station located in the Washington, DC metropolitan area for $38.0 million in cash. Since April 2007 and until closing, the station had been operated under a local marketing agreement ("LMA"), and the results of its operations had been included in the Company's consolidated financial statements since the inception of the LMA. The station was consolidated with the Company's existing Washington, DC operations in April 2007. The Company's final purchase price allocation consisted of approximately $33.9 million to radio broadcasting license, approximately $1.3 million to definitive-lived intangibles (acquired favorable income leases), $965,000 to goodwill and approximately $1.8 million to fixed assets on the Company's consolidated balance sheet as of December 31, 2008.

In April 2008, the Company acquired CCI for $38.0 million in cash. CCI is an online social networking company operating branded websites including BlackPlanet, MiGente, and AsianAvenue. The Company's purchase price allocation consists of approximately $10.2 million to current assets, $4.6 million to fixed assets, $20.4 million to goodwill, $9.9 million to definitive-lived intangibles (brand names, advertiser relationships and lists, favorable subleases, trademarks, trade names, etc.), and $5.0 million to current liabilities on the Company's consolidated balance sheet as of December 31, 2008.

In July 2007, the Company purchased the assets of WDBZ-AM, a radio station located in the Cincinnati metropolitan area for approximately $2.6 million financed by the seller. Since August 2001 and up until closing, the station had been operated under a LMA, and the results of its operations had been included in the Company's consolidated financial statements since the LMA. The station was consolidated with the Company's existing Cincinnati operations in 2001. In accordance with ASC 350, "*Intangibles — Goodwill and Other*," for the years ended 2009, 2008 and 2007, we recorded an impairment charge for radio broadcasting licenses and goodwill, and intellectual property for all stations in the Cincinnati market by approximately $3.3 million, $27.9 million and $3.8 million, respectively. (See Note 6 — *Goodwill*, *Radio Broadcasting Licenses and Other Intangible Assets* and Note 13 — *Related Party Transactions.*)

In February 2005, the Company acquired approximately 51% of the common stock of Reach Media for approximately $55.8 million in a combination of approximately $30.4 million of cash and 1,809,648 shares of the Company's Class D Common Stock valued at approximately $25.4 million. The purchase price allocation consisted of approximately $36.5 million to definite-lived intangibles ($19.5 million to a talent agreement, $9.2 million to intellectual property and $7.8 million to affiliate agreements), $13.7 million to deferred tax liability, $32.5 million to goodwill, and $1.3 million to other net assets. Reach Media commenced operations in 2003 and was formed by Tom Joyner, Chairman, and David Kantor, Chief Executive Officer, to operate the Tom Joyner Morning Show and related businesses. Reach Media primarily derives its revenue from the sale of advertising inventory in connection with its syndication agreements. Mr. Joyner is a leading nationally syndicated radio personality. The Tom Joyner Morning Show is currently broadcast on 105 affiliate stations across the United States and is a top-rated morning show in many of the markets in which it is broadcast. Reach Media also operates the Tom Joyner Family Reunion and various other special event-related activities. Additionally, Reach Media operates *www.BlackAmericaWeb.com*, an African-American targeted internet destination, and provides programming content which is aired on TV One. In November 2009, Citadel agreed to return its noncontrolling ownership interest in Reach Media back to the Reach Media as an inducement to execute a new sales representation agreement replacing the old sales agreement that expired December 31, 2009. This transaction effectively increased Radio One's common stock interest in Reach Media to 53.5%.

4. DISPOSITION OF ASSETS AND DISCONTINUED OPERATIONS:

In December 2009, the Company ceased publication of Giant Magazine. The remaining assets and liabilities of this publication have been classified as discontinued operations as of December 31, 2009 and 2008, and the publications' results of operations for the years ended December 31, 2009, 2008 and 2007, have been classified as discontinued operations in the accompanying consolidated financial statements.

Between December 2006 and May 2008, the Company sold the assets of 20 radio stations in seven markets for approximately $287.9 million in cash. The remaining assets and liabilities of these stations have been classified as discontinued operations as of December 31, 2009 and 2008, and the stations' results of operations for the years ended December 31, 2009, 2008 and 2007, have been classified as discontinued operations in the accompanying consolidated financial statements. For the period beginning December 1, 2006 and ending December 31, 2008, the Company used approximately $262.0 million of the proceeds from these asset sales to pay down debt.

Los Angeles Station: In May 2008, the Company sold the assets of its radio station KRBV-FM, located in the Los Angeles metropolitan area, to Bonneville International Corporation ("Bonneville") for approximately $137.5 million in cash. Bonneville began operating the station under an LMA on April 8, 2008.

Miami Station: In April 2008, the Company sold the assets of its radio station WMCU-AM, located in the Miami metropolitan area, to Salem Communications Holding Corporation ("Salem") for approximately $12.3 million in cash. Salem began operating the station under an LMA effective October 18, 2007.

Augusta Stations: In December 2007, the Company sold the assets of its five radio stations in the Augusta metropolitan area to Perry Broadcasting Company for approximately $3.1 million in cash.

Louisville Station: In November 2007, the Company sold the assets of its radio station WLRX-FM in the Louisville metropolitan area to WAY FM Media Group, Inc. for approximately $1.0 million in cash.

Dayton and Louisville Stations: In September 2007, the Company sold the assets of its five radio stations in the Dayton metropolitan area and five of its six radio stations in the Louisville metropolitan area to Main Line Broadcasting, LLC for approximately $76.0 million in cash.

Minneapolis Station: In August 2007, the Company sold the assets of its radio station KTTB-FM in the Minneapolis metropolitan area to Northern Lights Broadcasting, LLC for approximately $28.0 million in cash.

Boston Station: In December 2006, the Company sold the assets of its radio station WILD-FM in the Boston metropolitan area to Entercom Boston, LLC ("Entercom") for approximately $30.0 million in cash. Entercom began operating the station under an LMA effective August 18, 2006.

The following table summarizes the operating results for Giant Magazine and all of the stations sold and classified as discontinued operations for all periods presented:

	For the Years Ended December 31,		
	2009	2008 (As adjusted — see note 1)	2007
	(In thousands)		
Net revenue	$ 1,766	$ 5,336	$ 32,763
Operating expenses	3,306	8,999	36,499
Depreciation and amortization	87	183	1,598
Impairment of intangible assets	—	5,077	208,948
Other income	—	145	117
Loss on investment	448	49	56
Gain on sale of assets	260	1,497	2,183
Loss before income taxes	(1,815)	(7,330)	(212,038)
Provision for (benefit from) income taxes	—	84	(74,997)
Loss from discontinued operations, net of tax	$ (1,815)	$ (7,414)	$ (137,041)

The assets and liabilities of Giant Magazine and the stations sold or to be sold are classified as discontinued operations in the accompanying consolidated balance sheets consisted of the following:

	As of December 31,	
	2009	2008 (As adjusted — see note 1)
	(In thousands)	
Currents assets:		
Accounts receivable, net of allowance for doubtful accounts	$ 424	$ 832
Prepaid expenses and other current assets	—	256
Total current assets	424	1,088
Property and equipment, net	14	117
Intangible assets, net	60	110
Other assets	—	—
Total assets	$ 498	$ 1,315

	As of December 31,	
	2009	2008 (As adjusted — see note 1)
	(In thousands)	
Current liabilities:		
Accounts payable	$ 91	$ 368
Accrued compensation and related benefits	70	137
Other current liabilities	2,788	2,686
Total current liabilities	2,949	3,191
Other long-term liabilities	—	—
Total liabilities	$2,949	$ 3,191

5. PROPERTY AND EQUIPMENT:

Property and equipment are carried at cost less accumulated depreciation and amortization. Depreciation is calculated using the straight-line method over the related estimated useful lives. Property and equipment consists of the following:

	As of December 31,		Estimated Useful Lives
	2009	2008 (As adjusted — see note 1)	
	(In thousands)		
Land and improvements	$ 3,765	$ 3,753	—
Buildings and improvements	1,535	1,525	31 years
Transmitters and towers	34,724	33,619	7-15 years
Equipment	45,628	44,294	3-7 years
Furniture and Fixtures	7,383	7,271	7 years
Software and Web Development	11,597	9,320	3 years
Leasehold improvements	18,712	18,174	Lease Term
Construction-in-progress	1,398	2,258	—
	124,742	120,214	
Less: Accumulated depreciation and amortization	(84,157)	(71,668)	
Property and equipment, net	$ 40,585	$ 48,546	

Depreciation and amortization expense for the years ended December 31, 2009, 2008 and 2007 was approximately $21.0 million, $19.0 million and $14.7 million, respectively.

Repairs and maintenance costs are expensed as incurred.

6. GOODWILL, RADIO BROADCASTING LICENSES AND OTHER INTANGIBLE ASSETS:

Impairment Testing

In the past, we have made acquisitions whereby a significant amount of the purchase price was allocated to radio broadcasting licenses, goodwill and other intangible assets. In accordance with ASC 350, *"Intangibles — Goodwill and Other,"* we do not amortize our radio broadcasting licenses and goodwill. Instead, we perform a test for impairment annually or on an interim basis when events or changes in circumstances or other conditions suggest impairment may have occurred. Other intangible assets continue to be amortized on a straight-line basis over their useful lives. We perform our annual impairment test as of October 1 of each year.

2009 Interim Impairment Testing

Since our annual testing in October 2008, the lingering economic downturn and limited credit environment has weakened advertising demand in general, and has led to declining radio and online advertising, reduced growth expectations, deteriorating profits and cash flows, debt downgrades and fewer sales transactions with lower multiples. As a result, we made considerable reductions to our internal 2009 projections in early 2009. Given the adverse impact on terminal values, we deemed the weak economic, credit and advertisement environments and the lowering of our internal projections as triggering events that warranted interim impairment testing in 2009. We performed such testing as of February 28, 2009 for all of our radio markets and as of August 31, 2009 for two of our radio markets, Reach Media and CCI. The Reach Media interim testing was also driven by the amendment effective September 2009 to its sales representation agreement with Citadel, whereby the guaranteed revenue that Citadel paid Reach Media in the fourth quarter of 2009 was reduced by $2.0 million, (the final quarter of the term of the sales agreement). (See Note 1 — *Organization and Summary of Significant Accounting Policies*.) The outcome of our February 2009 interim testing was to record impairment charges of approximately $49.0 million against radio broadcasting licenses in 11 of our 16 markets during the first quarter of 2009. The results of our August 2009 interim testing indicated carrying values for the two radio markets tested, Reach Media and CCI had not been impaired.

2009 Annual Impairment Testing

The results of our annual impairment testing in October 2009 were to record additional impairment charges of approximately $16.1 million against radio broadcasting licenses in seven of our 16 radio markets and to impair the remaining goodwill of $628,000 in another one of our markets for that same amount. Similar to our August 2009 interim impairment testing, our October 2009 annual impairment testing indicated the carrying values for Reach Media and CCI had not been impaired. For the years ended December 31, 2009, 2008 and 2007, we recorded impairment charges against radio broadcasting licenses and goodwill of approximately $65.6 million, $420.2 million and $211.1 million, respectively.

Valuation of Broadcasting Licenses

We utilize the services of a third-party valuation firm to provide independent analysis when evaluating the fair value of our radio broadcasting licenses and reporting units. Fair value is estimated to be the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Effective January 1, 2002, we began using the income approach to test for impairment of radio broadcasting licenses. A projection period of 10 years is used, as we believe that is the time horizon in which operators and investors generally expect to recover their investments.

When evaluating our radio broadcasting licenses for impairment, the testing is done at the unit of accounting level as determined by ASC 350, *"Intangibles — Goodwill and Other."* In our case, each unit of accounting is a clustering of radio stations into one of our 16 geographical markets. Broadcasting license fair values are based on the estimated after-tax discounted future cash flows of the applicable unit of accounting assuming an initial hypothetical start-up operation which possesses FCC licenses as the only asset. Over time, it is assumed the operation acquires other tangible assets such as advertising and programming contracts, employment agreements and going concern value, and matures into an average performing operation in a specific radio market. The income approach model incorporates several variables, including, but not limited to: (i) radio market revenue estimates and growth projections; (ii) estimated market share and revenue for the hypothetical participant; (iii) likely media competition within the market; (iv) estimated start-up costs and losses incurred in the early years; (v) estimated profit margins and cash flows based on market size and station type; (vi) anticipated capital expenditures; (vii) probable future terminal values; (viii) an effective tax rate assumption; and (ix) a discount rate based on the weighted-average cost of capital for the radio broadcast industry. In calculating the discount rate, we considered: (i) the cost of equity, which includes estimates of the risk-free return, the long-term market return, small stock risk premiums and industry beta; (ii) the cost of debt, which includes estimates for corporate borrowing rates and tax rates; and (iii) estimated average percentages of equity and debt in capital structures.

Our February and August 2009 interim impairment testing was reflective of the recent economic downturn and tightened credit markets, in that it incorporated more conservative assumptions compared to the

annual testing in October 2008. Specifically, we updated our projections to reflect a weaker, more deteriorated radio marketplace with reduced potential for growth. We increased the Year 1 (2009) radio marketplace decline from (8.0)% to a range of (13.1)% to (17.7)% in our 2009 interim testing, compared to the 2008 annual testing. The 2009 interim testing assumed a slight recovery in Year 2 (2010), with growth rates ranging from 0.3% to 0.5%. Given the somewhat improving economy and the more positive outlook for the radio marketplace, the 2009 annual testing assumes a Year 1 (2010) recovery of 1.0% and we also lowered the long-term market growth rate for a certain market from 1.5% to 1.0%. Year 2010 includes assumptions of what could be significant cyclical content for political advertising typically seen in the even numbered years.

Although the industry has responded to declining revenues with significant cost-cutting initiatives, profitability levels have been adversely impacted, as fixed costs represent a large component of a radio station's operating costs. Depending on the given market, we lowered the minimum profit margins in our 2009 interim and annual testing by as much as 230 basis points, compared to our 2008 annual testing. Since our annual assessment in October 2008, we have not made any changes to the methodology for valuing broadcasting licenses.

Below are some of the key assumptions used in the income approach model for estimating broadcasting licenses fair values for all annual and interim impairments assessments performed since August 2008.

Radio Broadcasting Licenses	August 31, 2008	October 1, 2008	February 28, 2009	August 31, 2009(a)	October 1, 2009
			(In millions)		
Pre-tax impairment charge	$337.9	$51.2	$49.0	$—	$16.1
Discount Rate	10.0%	10.5%	10.5%	—	10.5%
Year 1 Market Revenue Growth or Decline Rate or Range	(2.0)%	(8.0)%	(13.1)% - (17.7)%	(22.3)%	1.0%
Long-term Market Revenue Growth Rate Range (Years 6 — 10)	1.5% - 2.5%	1.5% - 2.5%	1.5% - 2.5%	—	1.0% - 2.5%
Mature Market Share Range	5.8% - 27.0%	1.2% - 27.0%	1.2% - 27.0%	—	0.8% - 28.1%
Operating Profit Margin Range	34.0% - 50.7%	20.0% - 50.7%	17.7% - 50.7%	—	18.5% - 50.7%

(a) Reflects changes only to the key assumptions used in the February 2009 interim testing for a certain unit of accounting.

Broadcasting Licenses Valuation Results

The Company's total broadcasting licenses carrying value decreased to approximately $698.6 million as of December 31, 2009, compared to approximately $763.7 million as of December 31, 2008. The decrease of approximately $65.0 million was for license impairment charges recorded in 11 of our 16 markets. The table below represents the changes to the carrying values of the Company's radio broadcasting licenses for the year ended December 31, 2009 for each unit of accounting. As noted above, each unit of accounting is a clustering of radio stations into one geographical market. The units of accounting are not disclosed on a specific market basis so as to not make sensitive information publicly available that could be competitively harmful to the Company.

	Radio Broadcasting Licenses Carrying Balances		
Unit of Accounting	As of December 31, 2008	Impairment	As of December 31, 2009
		(In thousands)	
Unit of Accounting 3	$ 1,289	$ —	$ 1,289
Unit of Accounting 2	3,086	—	3,086
Unit of Accounting 4	11,218	(1,736)	9,482
Unit of Accounting 5	22,005	(3,348)	18,657
Unit of Accounting 7	22,577	(3,312)	19,265
Unit of Accounting 14	23,533	(3,098)	20,435
Unit of Accounting 15	23,955	(3,069)	20,886

Unit of Accounting	Radio Broadcasting Licenses Carrying Balances		
	As of December 31, 2008	Impairment	As of December 31, 2009
		(In thousands)	
Unit of Accounting 11	27,544	(6,409)	21,135
Unit of Accounting 9	34,270	—	34,270
Unit of Accounting 6	35,260	(9,017)	26,243
Unit of Accounting 16	52,965	—	52,965
Unit of Accounting 13	57,659	(5,103)	52,556
Unit of Accounting 8	75,441	(8,726)	66,715
Unit of Accounting 12	81,534	(2,808)	78,726
Unit of Accounting 1	93,394	—	93,394
Unit of Accounting 10	197,927	(18,386)	179,541
Total	$ 763,657	$ (65,012)	$ 698,645

Valuation of Goodwill

The impairment testing of goodwill is performed at the reporting unit level. We had 20 reporting units as of our October 2009 annual impairment assessments. For the purpose of valuing goodwill, the 20 reporting units consist of the 16 radio markets and four other business divisions. In testing for the impairment of goodwill, we also use the income approach. The approach involves a 10-year model with similar variables as described above for broadcasting licenses, except that the discounted cash flows are based on the Company's estimated and projected market revenue, market share and operating performance for its reporting units, instead of those for a hypothetical participant. We follow a two-step process to evaluate if a potential impairment exists for goodwill. The first step of the process involves estimating the fair value of each reporting unit. If the reporting unit's fair value is less than its carrying value, a second step is performed as per the guidance of ASC 805-10, *"Business Combinations,"* to allocate the fair value of the reporting unit to the individual assets and liabilities of the reporting unit in order to determine the implied fair value of the reporting unit's goodwill as of the impairment assessment date. Any excess of the carrying value of the goodwill over the implied fair value of the goodwill is written off as a charge to operations.

While our internal projections considered the recent revenue and cash flow declines experienced by the Company, those results may not be necessarily indicative of our future results. Similar to the 2009 interim assessments, which included more conservative estimates and projections compared to our 2008 annual assessment, we believe the October 2009 annual goodwill valuation estimates and assumptions reflect the recent economic downturn. We maintained the use of a consistent discount rate of 10.5%, however, with the improving economy and more positive outlook for the radio marketplace, we raised the Year 2 (2010) recovery period from a slight growth rate range from 0.3% to 0.5% in the 2009 interim testing to 1.0% in the 2009 annual testing. In addition, since our assessment in October 2008, we have not made any changes to the methodology for valuing or allocating goodwill when determining the carrying values of the radio markets.

For Reach Media, in the annual testing in October 2009, we raised the Year 1 growth rate (2010), to 16.5% primarily due to the September 2009 amendment of Reach Media's sales representation agreement with Citadel, whereby the guaranteed revenue paid to Reach Media by Citadel was reduced by $2.0 million in the fourth of quarter 2009, (the final quarter of the term of the sales agreement). (See Note 1 — *Organization and Summary of Significant Accounting Policies*.) Since our annual assessment in October 2008, we have not made any changes to the methodology for valuing or allocating goodwill when determining the carrying value for Reach Media.

Below are some of the key assumptions used in the income approach model for estimating reporting unit fair values for all interim and annual impairment assessments performed since August 2008.

Goodwill (Radio Market Reporting Units)	August 31, 2008	October 1, 2008	February 28, 2009	August 31, 2008(a)	October 1, 2009(b)
			(In millions)		
Pre-tax impairment charge	$—	$31.1	$—	$—	$0.6
Discount Rate	10.0%	10.5%	10.5%	—	10.5%
Year 1 Market Revenue Decline or Growth Rate or Range	(2.0)%	(8.0)%	(13.1)% - (17.7)%	(19.9) %	1.0%
Long-term Market Revenue Growth Rate Range (Years 6 — 10)	1.5% - 2.5%	1.5% - 2.5%	1.5% - 2.5%	—	1.5% - 2.5%
Mature Market Share Range	5.2% - 16.5%	1.1% - 23.0%	2.8% - 22.0%	—	7.0% - 16.5%
Operating Profit Margin Range	31.0% - 58.5%	18.0% - 60.0%	15.0% - 61.5%	—	30.0% - 57.5%

(a) Reflects changes only to the key assumptions used in the February 2009 interim testing for a certain unit of accounting.

(b) Reflects some of the key assumptions for testing only those radio markets with remaining goodwill for October 2009, as compared to testing all markets in October 2008 and February 2009.

The outcome of our annual testing in October 2009 was to eliminate the remaining goodwill of $628,000 in one of our radio market reporting units.

Below are some of the key assumptions used in the income approach model for estimating the fair value for Reach Media for all interim and annual assessments since October 2008. When compared to the discount rates used for assessing radio market reporting units, the higher discount rates used in these assessments reflect a premium for a riskier and broader media business, with a heavier concentration and significantly higher amount of programming content related intangible assets that are highly dependent on the on-air personality Tom Joyner. As a result of both the August and October 2009 interim and annual assessments, the Company concluded no impairment to the carrying value of Reach Media had occurred.

Reach Media Goodwill (Within Radio Segment)	October 1, 2008	August 31, 2009	October 1, 2009
		(In millions)	
Pre-tax impairment charges	$—	$—	$—
Discount Rate	14.5%	14.0%	14.0%
Year 1 Revenue Growth Rate	5.9%	9.9%(a)	16.5% (a)
Long-term Revenue Growth Rate (Years 6 — 10)	2.5%	2.5%	2.5%
Operating Profit Margin Range	27.2% - 31.3%	28.9% - 33.5%	27.2% - 35.3%

(a) The Year 1 revenue growth rate is driven by the September 2009 amendment of Reach Media's sales representation agreement with Citadel, whereby the guaranteed revenue paid to Reach Media by Citadel was reduced by $2.0 million in the fourth quarter of 2009, which was the final quarter for the term of the agreement. A new agreement was executed in November 2009, whereby, effective 2010, Citadel will sell advertising inventory outside the Tom Joyner Morning Show. In addition Reach Media has expanded its internal sales force to sell in-show advertising inventory, event sponsorships and BlackAmericaWeb.com advertising.

CCI, an online social networking company, was acquired by the Company in April 2008. The preliminary purchase price accounting was completed for this reporting unit during the second quarter of 2009. With the weak economy and its negative impact on online advertising, the Company lowered its internal projections for CCI, and performed its first interim impairment testing in August 2009. Below are some of the key assumptions used in the income approach model for determining CCI's fair value as of August 2009 and again as of October 2009. When compared to discount rates for the radio reporting units, the higher discount rate used to value CCI is reflective of discount rates applicable to internet media businesses. As a result of the

August and October 2009 interim and annual testing, the Company concluded no impairment to the carrying value of CCI had occurred. We did not make any changes to the methodology for valuing or allocating goodwill when determining the carrying value for CCI.

Goodwill (CCI — Within Internet Segment)	August 31, 2009	October 1, 2009
	(In millions)	
Pre-tax impairment charges	$—	$—
Discount Rate	17.0%	16.5%
Year 1 Revenue Growth Rate	13.7%	13.7%
Long-term Revenue Growth Rate (Year 10)	3.5%	3.5%
Operating Profit Margin Range	8.8% - 42.9%	10.8% - 42.2%

The above three goodwill tables reflect some of the key valuation assumptions used for 13 of our 20 reporting units. As a result of our annual testing in October 2009, goodwill of $628,000 was impaired in one of our radio markets for the entire amount, thus leaving eight remaining reporting units that had no goodwill carrying value balances as of December 31, 2009.

Goodwill Valuation Results

The table below presents the changes in the Company's goodwill carrying values for each of its 20 reporting units and two reportable segments. The Company's goodwill balance increased from approximately $137.1 million at December 31, 2008 to $137.5 million at December 31, 2009. The $422,000 increase was due to a purchase price adjustment of approximately $1.1 million for the CCI acquisition and the impairment of $628,000 of remaining goodwill in one of our radio market reporting units. As noted above, the 20 reporting units consist of the 16 radio markets plus four other business divisions. The actual reporting units are not disclosed so as to not make sensitive information publicly available that could potentially be competitively harmful to the Company.

Reporting Unit	Goodwill Carrying Balances		
	As of December 31, 2008	Increase/Decrease	As of December 31, 2009
		(In thousands)	
Reporting Unit 3	$ —	$ —	$ —
Reporting Unit 4	—	—	—
Reporting Unit 8	—	—	—
Reporting Unit 9	—	—	—
Reporting Unit 15	—	—	—
Reporting Unit 14	628	(628)	—
Reporting Unit 2	406	—	406
Reporting Unit 6	928	—	928
Reporting Unit 10	2,081	—	2,081
Reporting Unit 13	2,491	—	2,491
Reporting Unit 12	2,915	—	2,915
Reporting Unit 11	3,791	—	3,791
Reporting Unit 16	4,442	—	4,442
Reporting Unit 5	5,074	—	5,074
Reporting Unit 7	12,887	—	12,887
Reporting Unit 19	30,468	—	30,468
Reporting Unit 1	50,194	—	50,194
Radio Broadcasting Segment	116,305	(628)	115,677

Reporting Unit	As of December 31, 2008	Increase/Decrease	As of December 31, 2009
	Goodwill Carrying Balances		
		(In thousands)	
Reporting Unit 20	—	—	—
Corporate/Eliminations/Other	—	—	—
Reporting Unit 17	—	—	—
Reporting Unit 18	20,790	1,050	21,840
Internet Segment	20,790	1,050	21,840
Total	$ 137,095	$ 422	$ 137,517

In arriving at the estimated fair values for radio broadcasting licenses and goodwill, we also performed a reasonableness test by comparing our overall average implied multiple based on our cash flow projections and fair values to recently completed sales transactions, and by comparing our estimated fair values to the market capitalization of the Company. The results of these comparisons confirmed that the fair value estimates resulting from our annual assessments in 2009 were reasonable.

Intangible Assets Excluding Goodwill and Radio Broadcasting Licenses

Other intangible assets, excluding goodwill and radio broadcasting licenses, are being amortized on a straight-line basis over various periods. Other intangible assets consist of the following:

	As of December 31, 2009	2008	Period of Amortization
	(In thousands)		
Trade names	$ 16,965	$ 16,893	2-5 Years
Talent agreement	19,549	19,549	10 Years
Debt financing and modification costs	17,527	15,586	Term of debt
Intellectual property	13,011	13,011	4-10 Years
Affiliate agreements	7,769	7,769	1-10 Years
Acquired income leases	1,282	1,282	3-9 Years
Non-compete agreements	1,260	1,260	1-3 Years
Advertiser agreements	6,613	6,613	2-7 Years
Favorable office and transmitter leases	3,358	3,655	2-60 Years
Brand names	2,539	2,539	2.5 Years
Other intangibles	1,260	1,241	1-5 Years
	91,133	89,398	
Less: Accumulated amortization	(56,074)	(45,292)	
Other intangible assets, net	$ 35,059	$ 44,106	

Amortization expense of intangible assets for the years ended December 31, 2009, 2008 and 2007 was approximately $8.4 million, $7.3 million and $4.9 million, respectively. The amortization of deferred financing costs was charged to interest expense for all periods presented. The amount of deferred financing costs included in interest expense for the years ended December 31, 2009, 2008 and 2007 was approximately $2.4 million, $2.6 million and $2.2 million, respectively.

The following table presents the Company's estimate of amortization expense for the years 2010 through 2014 for intangible assets, excluding deferred financing costs:

	(In thousands)
2010	$ 6,884
2011	$ 5,631
2012	$ 5,350
2013	$ 4,765
2014	$ 4,066

Actual amortization expense may vary as a result of future acquisitions and dispositions.

7. INVESTMENT IN AFFILIATED COMPANY:

In January 2004, the Company, together with an affiliate of Comcast Corporation and other investors, launched TV One, an entity formed to operate a cable television network featuring lifestyle, entertainment and news-related programming targeted primarily towards African-American viewers. At that time, we committed to make a cumulative cash investment of $74.0 million in TV One, of which $60.3 million had been funded as of April 30, 2007, with no additional funding investment made since then. The initial four year commitment period for funding the capital was extended to June 30, 2010, due in part to TV One's lower than anticipated capital needs during the initial commitment period. In December 2004, TV One entered into a distribution agreement with DIRECTV and certain affiliates of DIRECTV became investors in TV One. As of December 31, 2009 and 2008, the Company owned approximately 37% of TV One on a fully-converted basis.

The Company has recorded its investment at cost and has adjusted the carrying amount of the investment to recognize the change in the Company's claim on the net assets of TV One resulting from operating income or losses of TV One as well as other capital transactions of TV One using a hypothetical liquidation at book value approach. For the years ended December 31, 2009, 2008 and 2007, the Company's allocable share of TV One's operating income or (losses) was approximately $3.7 million, $(3.7) million and $(15.8) million, respectively.

We entered into separate network services and advertising services agreements with TV One in 2003. Under the network services agreement, we are providing TV One with administrative and operational support services and access to Radio One personalities. This agreement was originally scheduled to expire in January 2009, and has now been extended to January 2011. Under the advertising services agreement, we are providing a specified amount of advertising to TV One. This agreement was also originally scheduled to expire in January 2009 and has now been extended to January 2011. In consideration of providing these services, we have received equity in TV One, and receive an annual cash fee of $500,000 for providing services under the network services agreement.

The Company is accounting for the services provided to TV One under the advertising and network services agreements in accordance with ASC 505-50-30, "*Equity*." As services are provided to TV One, the Company is recording revenue based on the fair value of the most reliable unit of measurement in these transactions. For the advertising services agreement, the most reliable unit of measurement has been determined to be the value of underlying advertising time that is being provided to TV One. For the network services agreement, the most reliable unit of measurement has been determined to be the value of the equity received in TV One. The Company recognized $2.3 million, $3.6 million and $4.3 million in revenue relating to these two agreements for the year ended December 31, 2009, 2008 and 2007, respectively.

8. OTHER CURRENT LIABILITIES:

Other current liabilities consist of the following:

	As of December 31, 2009	As of December 31, 2008 (As adjusted — see note 1)
	(In thousands)	
Deferred revenue	$2,964	$ 6,125
Deferred barter revenue	1,344	1,107
Deferred contract credits	237	1,263
Deferred rent	456	470
Accrued national representative fees	720	549
Accrued miscellaneous taxes	417	371
Current deferred tax liability	9	159
Other current liabilities	1,089	329
Other current liabilities	$7,236	$ 10,373

9. DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES:

ASC 815, *"Derivatives and Hedging,"* establishes disclosure requirements related to derivative instruments and hedging activities with the intent to provide users of financial statements with an enhanced understanding of: (a) how and why an entity uses derivative instruments; (b) how derivative instruments and related hedged items are accounted for and its related interpretations; and (c) how derivative instruments and related hedged items affect an entity's financial position, financial performance, and cash flows. ASC 815 requires qualitative disclosures about objectives and strategies for using derivatives, quantitative disclosures about the fair value of gains and losses on derivative instruments, and disclosures about credit-risk-related contingent features in derivative instruments.

The fair values and the presentation of the Company's derivative instruments in the consolidated balance sheet are as follows:

	Liability Derivatives			
	As of December 31, 2009		As of December 31, 2008	
	Balance Sheet Location	Fair Value	Balance Sheet Location	Fair Value
		(In thousands)		
Derivatives designated as hedging instruments:				
Interest rate swaps	Other Current Liabilities	$ 486	Other Current Liabilities	$ —
Interest rate swaps	Other Long-Term Liabilities	1,600	Other Long-Term Liabilities	2,981
Derivatives not designated as hedging instruments:				
Employment agreement award	Other Long-Term Liabilities	4,657	Other Long-Term Liabilities	4,326
Total derivatives		$6,743		$7,307

The effect and the presentation of the Company's derivative instruments on the consolidated statement of operations are as follows:

Derivatives in Cash Flow Hedging Relationships	For the Years Ended December 31, Amount of Gain (Loss) in Other Comprehensive Income on Derivative (Effective Portion) Amount			Gain (Loss) Reclassified from Accumulated Other Comprehensive Income into Income (Effective Portion)				Gain (Loss) in Income (Ineffective Portion and Amount Excluded from Effectiveness Testing)			
	2009	2008	2007	Location	2009 (In thousands)	2008	2007	Location	2009	2008	2007
Interest rate swaps	$ 895	$ (3,625)	$ (323)	Interest expense	$ (1,749)	$ (601)	$ 1,006	Interest expense	$ —	$ —	$ —

Derivatives Not Designated as Hedging Instruments	Location of Gain (Loss) in Income of Derivative	Amount of Gain (Loss) in Income of Derivative For the Years Ended December 31, 2009	2008 (In thousands)	2007
Employment agreement award	Corporate selling, general and administrative expense	$ (331)	$ (4,326)	$ —

Hedging Activities

In June 2005, pursuant to the Credit Agreement (as defined in Note 10 — *Long-Term Debt*), the Company entered into four fixed rate swap agreements to reduce interest rate fluctuations on certain floating rate debt commitments. Two of the four $25.0 million swap agreements expired in June 2007 and 2008, respectively.

The remaining swap agreements have the following terms:

Agreement	Notional Amount	Expiration	Fixed Rate
No. 1	$ 25.0 million	June 16, 2010	4.27%
No. 2	$ 25.0 million	June 16, 2012	4.47%

Each swap agreement has been accounted for as a qualifying cash flow hedge of the Company's senior bank debt, in accordance with ASC 815*, "Derivatives and Hedging,"* whereby changes in the fair market value are reflected as adjustments to the fair value of the derivative instruments as reflected on the accompanying consolidated financial statements.

The Company's objectives in using interest rate swaps are to manage interest rate risk associated with the Company's floating rate debt commitments and to add stability to future cash flows. To accomplish this objective, the Company uses interest rate swaps as part of its interest rate risk management strategy. Interest rate swaps designated as cash flow hedges involve the receipt of variable-rate amounts from a counterparty in exchange for the Company making fixed-rate payments over the life of the agreements without exchange of the underlying notional amount.

The effective portion of changes in the fair value of derivatives designated and qualifying as cash flow hedges is recorded in Accumulated Other Comprehensive Loss and is subsequently reclassified into earnings in the period that the hedged forecasted transaction affects earnings. During 2009, such derivatives were used to hedge the variable cash flows associated with existing floating rate debt commitments. The ineffective portion of the change in fair value of the derivatives, if any, is recognized directly in earnings. There was no hedging ineffectiveness during the years ended December 31, 2009, 2008 and 2007.

Amounts reported in Accumulated Other Comprehensive Loss related to derivatives are reclassified to interest expense as interest payments are made on the Company's floating rate debt. During the next 12 months, the Company estimates that an additional amount of approximately $1.7 million will be reclassified as an increase to interest expense.

Under the swap agreements, the Company pays the fixed rate listed in the table above. The counterparties to the agreements pay the Company a floating interest rate based on the three month LIBOR, for which

measurement and settlement is performed quarterly. The counterparties to these agreements are international financial institutions. The Company estimates the net fair value of these instruments as of December 31, 2009 to be a liability of approximately $2.1 million. The fair value of the interest rate swap agreements is estimated by obtaining quotations from the financial institutions, which are parties to the Company's swap agreements.

Costs incurred to execute the swap agreements are deferred and amortized over the term of the swap agreements. The amounts incurred by the Company, representing the effective difference between the fixed rate under the swap agreements and the variable rate on the underlying term of the debt, are included in interest expense in the accompanying consolidated statements of operations. In the event of early termination of these swap agreements, any gains or losses would be amortized over the respective lives of the underlying debt or recognized currently if the debt is terminated earlier than initially anticipated.

Other Derivative Instruments

The Company recognizes all derivatives at fair value, whether designated in hedging relationships or not, in the balance sheet as either an asset or liability. The accounting for changes in the fair value of a derivative, including certain derivative instruments embedded in other contracts, depends on the intended use of the derivative and the resulting designation. If the derivative is designated as a fair value hedge, the changes in the fair value of the derivative and the hedged item are recognized in the statement of operations. If the derivative is designated as a cash flow hedge, changes in the fair value of the derivative are recorded in other comprehensive income and are recognized in the statement of operations when the hedged item affects net income. If a derivative does not qualify as a hedge, it is marked to fair value through the statement of operations. Any fees associated with these derivatives are amortized over their term.

As of December 31, 2009, the Company was party to an Employment Agreement executed in April 2008 with the CEO which calls for an award that has been accounted for as a derivative instrument without a hedging relationship in accordance with the guidance under ASC 815, *"Derivatives and Hedging."* Pursuant to the Employment Agreement, the CEO is eligible to receive an award amount equal to 8% of any proceeds from distributions or other liquidity events in excess of the return of the Company's aggregate investment in TV One. With the assistance of a third party valuation firm, the Company reassessed the estimated fair value of the award at December 31, 2009 to be approximately $4.7 million, and accordingly, adjusted its liability to this amount. The Company's obligation to pay the award will be triggered only after the Company's recovery of the aggregate amount of its capital contribution in TV One and only upon actual receipt of distributions of cash or marketable securities or proceeds from a liquidity event with respect to the Company's membership interest in TV One. The CEO was fully vested in the award upon execution of the Employment Agreement, and the award lapses upon expiration of the Employment Agreement in April 2011, or earlier if the CEO voluntarily leaves the Company, or is terminated for cause.

10. LONG-TERM DEBT:

Long-term debt consists of the following:

	As of December 31,	
	2009	2008
	(In thousands)	
Senior bank term debt	$ 45,024	$164,701
Senior bank revolving debt	306,000	206,500
8 7/8% Senior Subordinated Notes due July 2011	101,510	103,951
6 3/8% Senior Subordinated Notes due February 2013	200,000	200,000
Note payable	1,000	—
Capital lease	—	210
Total long-term debt	653,534	675,362
Less: current portion	652,534	43,807
Long-term debt, net of current portion	$ 1,000	$631,555

Credit Facilities

In June 2005, the Company entered into the Credit Agreement with a syndicate of banks. Simultaneous with entering into the Credit Agreement, the Company borrowed $437.5 million to retire all outstanding obligations under its previous credit agreement. The Credit Agreement was amended in April 2006 and September 2007 to modify certain financial covenants and other provisions. The Credit Agreement expires the earlier of (a) six months prior to the scheduled maturity date of the 8$^{7}/_{8}$% Senior Subordinated Notes due July 1, 2011 (January 1, 2011) (unless the 8$^{7}/_{8}$% Senior Subordinated Notes have been repurchased or refinanced prior to such date) or (b) June 30, 2012. The total amount available under the Credit Agreement is $800.0 million, consisting of a $500.0 million revolving facility and a $300.0 million term loan facility.

Borrowings under the credit facilities are subject to compliance with certain provisions including, but not limited, to financial covenants. The Company may use proceeds from the credit facilities for working capital, capital expenditures made in the ordinary course of business, its common stock repurchase program, permitted direct and indirect investments and other lawful corporate purposes.

The Credit Agreement contains affirmative and negative covenants that the Company must comply with, including:

(a) maintaining an interest coverage ratio of no less than:

- 1.90 to 1.00 from January 1, 2006 to September 13, 2007;
- 1.60 to 1.00 from September 14, 2007 to June 30, 2008;
- 1.75 to 1.00 from July 1, 2008 to December 31, 2009;
- 2.00 to 1.00 from January 1, 2010 to December 31, 2010; and
- 2.25 to 1.00 from January 1, 2011 and thereafter;

(b) maintaining a total leverage ratio of no greater than:

- 7.00 to 1.00 beginning April 1, 2006 to September 13, 2007;
- 7.75 to 1.00 beginning September 14, 2007 to March 31, 2008;
- 7.50 to 1.00 beginning April 1, 2008 to September 30, 2008;
- 7.25 to 1.00 beginning October 1, 2008 to June 30, 2010;
- 6.50 to 1.00 beginning July 1, 2010 to September 30, 2011; and
- 6.00 to 1.00 beginning October 1, 2011 and thereafter;

(c) maintaining a senior leverage ratio of no greater than:

- 5.00 to 1.00 beginning June 13, 2005 to September 30, 2006;
- 4.50 to 1.00 beginning October 1, 2006 to September 30, 2007; and
- 4.00 to 1.00 beginning October 1, 2007 and thereafter; and

(d) limitations on:

- liens;
- sale of assets;
- payment of dividends; and
- mergers.

As of December 31, 2009, approximate ratios calculated in accordance with the Credit Agreement, are as follows:

	As of December 31, 2009	Covenant Limit	Cushion
PF LTM Covenant EBITDA (In millions)	$ 90.8		
PF LTM Interest Expense (In millions)	$ 38.4		
Senior Debt (In millions)	$ 351.9		
Total Debt (In millions)	$ 653.9		
Senior Secured Leverage			
Senior Secured Debt/Covenant EBITDA	3.88x	4.00x	0.12x
Total Leverage			
Total Debt / Covenant EBITDA	7.20x	7.25x	0.05x
Interest Coverage			
Covenant EBITDA / Interest Expense	2.37x	1.75x	0.62x

PF — Pro forma

LTM — Last twelve months

EBITDA — Earnings before interest, taxes, depreciation and amortization

Based on its fiscal year end 2007 excess cash flow calculation, the Company made a principal prepayment of approximately $6.0 million in May 2008. For the years ended December 31, 2009 and 2008, no excess cash calculation was required and, therefore, no payment was required. In March 2009 and May 2009, the Company made prepayments of $70.0 million and $31.5 million, respectively, on the term loan facility based on its excess proceeds calculation, which included asset acquisition and disposition activity for the twelve month period ended May 31, 2008. These prepayments were funded with $70.0 million and $31.5 million in loan proceeds from the revolving facility in March 2009 and May 2009, respectively.

As of December 31, 2009, the Company had approximately $193.0 million of borrowing capacity under its revolving credit facility. Taking into consideration the financial covenants under the Credit Agreement, approximately $5.0 million of that amount was available for borrowing.

Under the terms of the Credit Agreement, upon any breach or default under either the $8^{7}/_{8}$% Senior Subordinated Notes due July 2011 or the 6(3/8}% Senior Subordinated Notes due February 2013, the lenders could among other actions immediately terminate the Credit Agreement and declare the loans then outstanding under the Credit Agreement to be due and payable in whole immediately. Similarly, under the $8^{7}/_{8}$% Senior Subordinated Notes and the $6^{3}/_{8}$% Senior Subordinated Notes, a default under the terms of the Credit Agreement would constitute an event of default, and the trustees or the holders of at least 25% in principal amount of the then outstanding notes (under either class) may declare the principal of such class of note and interest to be due and payable immediately.

Interest payments under the terms of the Credit Agreement are due based on the type of loan selected. Interest on alternate base rate loans as defined under the terms of the Credit Agreement is payable on the last day of each March, June, September and December. Interest due on the LIBOR loans is payable on the last day of the interest period applicable for borrowings up to three months in duration, and on the last day of each March, June, September and December for borrowings greater than three months in duration. In addition, quarterly installments of principal on the term loan facility are payable on the last day of each March, June, September and December commencing on September 30, 2007 in a percentage amount of the principal balance of the term loan facility outstanding on September 30, 2007, net of loan repayments, of 1.25% between September 30, 2007 and June 30, 2008, 5.0% between September 30, 2008 and June 30, 2009, and 6.25% between September 30, 2009 and June 30, 2012. Based on the (i) $194.0 million net principal balance of the term loan facility outstanding on September 30, 2007, (ii) a $70.0 million prepayment in March 2009 and (iii) a $31.5 million prepayment in May 2009, quarterly payments of $4.5 million are payable between December 31, 2009 and June 30, 2012.

As of December 31, 2009, the Company had outstanding approximately $351.0 million on its credit facility. During the year ended December 31, 2009 the Company borrowed approximately $116.5 million and repaid approximately $136.7 million.

The Credit Agreement expires the earlier of (a) six months prior to the scheduled maturity of the 8⅞% Senior Subordinated Notes due July 1, 2011 (January 1, 2011) (unless the 8⅞% Senior Subordinated Notes have been refinanced or repurchased prior to such date) or (b) June 30, 2012. In prior reporting, management had assumed that the Company would refinance the 8⅞ % Senior Subordinated Notes prior to January 1, 2011 and, therefore, the maturity date for the loans governed by the Credit Agreement would be June 30, 2012. However, while management continues to believe it is probable that the Company will refinance the 8⅞ % Senior Subordinated Notes prior to January 1, 2011, given the current state of the U.S. economy and the volatility and tightening of the credit markets, management believes it is appropriate to reflect that the loans governed by the Credit Agreement will mature on January 1, 2011, six months prior to the scheduled maturity of the 8⅞% Senior Subordinated Notes.

Senior Subordinated Notes

As of December 31, 2009, the Company had outstanding $200.0 million of its 6⅜% Senior Subordinated Notes due February 2013 and $101.5 million of its 8⅞% Senior Subordinated Notes due July 2011. During the year ended December 31, 2009, the Company repurchased $2.4 million of the 8⅞% Senior Subordinated Notes at an average discount of 50.0%, and recorded a gain on the retirement of debt, net of the write-off of deferred financing costs, of approximately $1.2 million. The 8⅞% Senior Subordinated Notes due July 2011 had a carrying value of $101.5 million and a fair value of approximately $78.2 million as of December 31, 2009, and a carrying value of $104.0 million and a fair value of approximately $52.0 million as of December 31, 2008, The 6⅜% Senior Subordinated Notes due February 2013 had a carrying value of $200.0 million and a fair value of approximately $142.0 million as of December 31, 2009, and a carrying value of $200.0 million and a fair value of approximately $60.0 million as of December 31, 2008. The fair values were determined based on the fair market value of similar instruments.

Interest payments under the terms of the 6⅜% and the 8⅞% Senior Subordinated Notes are due in February and August, and January and July of each year, respectively. Based on the $200.0 million principal balance of the 6⅜% Senior Subordinated Notes outstanding on December 31, 2009, interest payments of $6.4 million are payable each February and August through February 2013. The Company made this $6.4 million payment in February and August 2009, and in February 2010. Based on the $101.5 million principal balance of the 8⅞% Senior Subordinated Notes outstanding on December 31, 2009, interest payments of $4.5 million are payable each January and July through July 2011. The Company made a $4.6 million interest payment in January 2009, and $4.5 million interest payments in July 2009 and in January 2010.

The indentures governing the Company's senior subordinated notes also contain covenants that restrict, among other things, the ability of the Company to incur additional debt, purchase common stock, make capital expenditures, make investments or other restricted payments, swap or sell assets, engage in transactions with related parties, secure non-senior debt with assets, or merge, consolidate or sell all or substantially all of its assets.

Subsequent to December 31, 2009, we noted that certain of our subsidiaries identified as guarantors in our financial statements did not have requisite guarantees filed with the trustee as required under the terms of the indentures (the "Non-Joinder of Certain Subsidiaries"). The Non-Joinder of Certain Subsidiaries caused a non-monetary, technical default under the terms of the relevant indentures at December 31, 2009, causing a non-monetary, technical cross-default at December 31, 2009 under the terms of our Credit Agreement dated as of June 13, 2005. We have since joined the relevant subsidiaries as guarantors under the relevant indentures (the "Joinder"). Further, on March 30, 2010, we entered into a third amendment (the "Third Amendment") to the Credit Agreement. The Third Amendment provides for, among other things: (i) a $100.0 million revolver commitment reduction under the bank facilities; (ii) a 1.0% floor with respect to any loan bearing interest at a rate determined by reference to the adjusted LIBOR (iii) certain additional collateral requirements; (iv) certain limitations on the use of proceeds from the revolving loan commitments; (v) the addition of Interactive One, LLC as a guarantor of the loans under the Credit Agreement and under the notes governed by the Company's 2001 and 2005 senior subordinated debt documents; (vi) the waiver of the technical cross-defaults that existed

as of December 31, 2009 and through the date of the amendment arising due to the Non-Joinder of Certain Subsidiaries; and (vii) the payment of certain fees and expenses of the lenders in connection with their diligence in connection with the amendment.

As of each of June 30, 2010 and July 1, 2010, we were not in compliance with the terms of our Credit Agreement. More specifically, (i) as of June 30, 2010, we failed to maintain a total leverage ratio of 7.25 to 1.00 and (ii) as of July 1, 2010, as a result of a step down of the total leverage ratio from no greater than 7.25 to 1.00 to no greater than 6.50 to 1.00 effective for the period July 1, 2010 to September 30, 2011, we also failed to maintain the requisite total leverage ratio. As previously disclosed in the Company's Current Report on Form 8-K, filed with the SEC on July 16, 2010, on July 15, 2010, the Company and its subsidiaries executed the Forbearance Agreement with the Agent, and the Required Lenders under our Credit Agreement, relating to the above noted existing defaults and events of default. On August 13, 2010, we entered into the Forbearance Agreement Amendment that, among other things, extended the termination date of the Forbearance Agreement to September 10, 2010, unless terminated earlier by its terms, and provided additional forbearance related to an anticipated default that may be caused by an opinion of our independent registered public accounting firm, Ernst & Young LLP, that included an explanatory paragraph that raises substantial doubt about the Company's ability to continue as a going concern. Under the Forbearance Agreement and the Forbearance Agreement Amendment, the Agent and the Required Lenders maintained the right to deliver "payment blockage notices" to the trustees for the holders of the 2011 Notes and/or the 2013 Notes.

On August 5, 2010, the Agent delivered a payment blockage notice to the Trustee under the Indenture governing our 2013 Notes. Under the terms of the Indenture, neither the Company nor any of its guaranteeing subsidiaries may make any payment or distribution of any kind or character in respect of obligations under the 2013 Notes, including, without limitation, the interest payment to the noteholders that was scheduled for August 15, 2010. The Indenture permits a 30-day grace period for the nonpayment of interest before such nonpayment constitutes an event of default, in which case the Trustee or holders of at least 25% in principal amount of the then outstanding 2013 Notes may declare the principal amount, and accrued and unpaid interest on all outstanding 2013 Notes to be due and payable immediately.

The lenders under the Credit Agreement have not accelerated the indebtedness thereunder and the Company continues to actively pursue various financing alternatives with its lenders and the members of an ad hoc group of the holders of its 2011 Notes and 2013 Notes.

The remaining outstanding amounts of our $8^{7}/_{8}$% Senior Subordinated Notes are due in July 2011. We have been actively engaged with the lenders under our Credit Agreement as well as with our bondholders to implement certain Refinancing Transactions to solve both for the defaults under the Credit Agreement and for our upcoming debt maturities. We anticipate that if we complete the Refinancing Transactions, we will cure or otherwise obtain a waiver of any defaults under the Credit Agreement and the 2013 Notes Indenture. However, there is no assurance that we will complete the Refinancing Transactions and that an event of default under the 2013 Notes Indenture will not arise. If we are unable to further amend the Forbearance Agreement or otherwise obtain waivers from our lenders under the Credit Agreement, an event of default under our 2013 Notes Indenture may arise causing a cross-default under our Credit Agreement, resulting in the acceleration of all of our indebtedness thereunder. The trustee under the 2013 Notes Indenture would also have the right to accelerate our indebtedness under the 2013 Notes. Either of these events would make it difficult for us to operate our business in the ordinary course, and may force us to seek protection under Chapter 11 of the Bankruptcy Code.

The Company conducts a portion of its business through its subsidiaries. Certain of the Company's subsidiaries have fully and unconditionally guaranteed the Company's $8^{7}/_{8}$% Senior Subordinated Notes, the $6^{3}/_{8}$% Senior Subordinated Notes and the Company's obligations under the Credit Agreement.

Note Payable

Reach Media issued a $1.0 million promissory note payable in November 2009 to Radio Networks, a subsidiary of Citadel. The note was issued in connection with Reach Media entering into a new sales representation agreement with Radio Networks. The note bears interest at 7.0% per annum, which is payable quarterly, and the entire principal amount is due on December 31, 2011.

Future scheduled minimum principal payments of debt as of December 31, 2009 are as follows:

	Senior Subordinated Notes	Credit Facilities	Note Payable
		(In thousands)	
2010	$ —	$ 18,010	$ —
2011	101,510	333,014	1,000
2012	—	—	—
2013	200,000	—	—
2014	—	—	—
2015 and thereafter	—	—	—
Total Debt	$ 301,510	$ 351,024	$ 1,000

The Senior Subordinated Notes and credit facilities are classified as current in the accompanying consolidated balance sheet at December 31, 2009 as these obligations may become callable upon the termination of the Forebearance Agreement Amendment on September 10, 2010.

11. INCOME TAXES:

The Company's provision for income taxes from continuing operations was approximately $7.0 million for the year ended December 31, 2009, compared to a benefit from income taxes of approximately $45.2 million for the year ended December 31, 2008, and compared to a provision for income taxes of $54.1 million for 2007. A reconciliation of the statutory federal income taxes to the recorded benefit from and provision for income taxes for continuing operations is as follows:

	For The Years Ended December 31,		
	2009	2008 (As adjusted — see note 1)	2007
		(In thousands)	
Statutory tax (@ 35% rate)	$ (13,905)	$ (117,851)	$ (68,763)
Effect of state taxes, net of federal	(2,267)	(8,651)	(9,614)
Effect of state rate and tax law changes	255	—	(959)
Permanent items, excluding impairment of long-lived assets, Internal Revenue Code Section 162(m) and ASC 718	152	220	(912)
Effect of equity adjustments including ASC 718	198	321	607
Internal Revenue Code Section 162(m)	534	3,684	58
Valuation allowance	22,259	65,478	132,911
Effect of permanent impairment of long-lived assets	—	10,429	643
Other	(212)	1,187	112
Provision for (benefit from) income taxes	$ 7,014	$ (45,183)	$ 54,083

The components of the benefit from and provision for income taxes from continuing operations are as follows:

	For the Years Ended December 31,		
	2009	2008 (As adjusted — see note 1)	2007
		(In thousands)	
Federal:			
Current	$ 3,834	$ 4,186	$ 4,194
Deferred	5,679	(42,805)	45,980
State:			
Current	1,184	301	787
Deferred	(3,683)	(6,865)	3,122
Provision for (benefit from) income taxes	$ 7,014	$ (45,183)	$ 54,083

The increase of approximately $52.2 million in the provision for income taxes for continuing operation for the year ended December 31, 2009 compared to the year ended December 31, 2008 relates to the tax impact from indefinite-lived intangibles. In 2008, the impairment of indefinite-lived intangibles generated a gross tax benefit of approximately $149.0 million. This benefit was offset by the imposition of a valuation allowance of approximately $63.2 million against the deferred tax asset ("DTA") created by the impairment and the tax expense of approximately $37.2 million from the increase in the deferred tax liability ("DTL") from tax amortization deductions related to indefinite-lived intangibles. This reduced the 2008 tax benefit from indefinite-lived intangibles to approximately $48.6 million. In 2009, the impairment of intangibles was significantly smaller and resulted in a net tax benefit after valuation allowance of approximately $7.8 million, which partially offset the tax expense of approximately $11.6 million from the increase in the DTL from tax amortization deductions related to indefinite-lived intangibles that have a DTL. In 2009, tax amortization deductions related to indefinite-lived intangibles with a DTA did not generate a net tax expense due to the impact of the valuation allowance. Thus, in 2009, the indefinite-lived intangibles generated a tax expense of approximately $3.8 million, which was approximately $52.4 million higher than their impact in 2008. Other items contributed a net reduction of $200,000 between the two years. In 2007, the provision for income taxes of approximately $54.1 million was primarily due to the recording of a significant and full valuation allowance for most of the Company's DTAs, consisting primarily of net operating loss ("NOL") carryforwards.

The tax provision for the year ended December 31, 2009 of approximately $7.0 million consists of approximately $3.8 million for indefinite-lived intangibles, approximately $4.5 million for the subsidiary Reach Media, which does not have a valuation allowance, $100,000 for state taxes, and a benefit of approximately $1.4 million driven by an adjustment recorded in 2009 for approximately $1.9 million that relates to 2008. (See Note 1(b) — *Organization and Summary of Significant Accounting Policies — Basis of Presentation*.)

There was no tax benefit for the loss from discontinued operations for the year ended December 31, 2009 due to the valuation allowance. The components of the provision for and benefit from income taxes from discontinued operations are as follows:

	For the Years Ended December 31,		
	2009	2008	2007
		(As adjusted — see note 1)	
		(In thousands)	
Federal:			
Current	$ —	$ —	$ —
Deferred	—	1,078	(68,172)
State:			
Current	—	(1,077)	3,890
Deferred	—	83	(10,715)
Provision for (benefit from) income taxes	$ —	$ 84	$ (74,997)

The significant components of the Company's deferred tax assets and liabilities as of December 31, 2009 and 2008 are as follows:

	As of December 31,	
	2009	2008
	(In thousands)	
Deferred tax assets:		
Allowance for doubtful accounts	$ 1,095	$ 1,478
Accruals	2,447	1,622
Total current deferred tax assets before valuation allowance	3,542	3,100
Valuation allowance	(3,365)	(2,833)
Total current deferred tax assets, net	177	267
Intangible assets	49,753	66,277
Depreciation	—	(201)
Stock-based compensation	1,857	1,983
Other accruals	—	242
Net operating loss carryforwards	181,344	150,299
Other	2,354	3,409
Total noncurrent deferred tax assets before valuation allowance	235,308	222,009
Valuation allowance	(224,654)	(202,923)
Net noncurrent deferred tax assets	10,654	19,086
Total deferred tax assets	$ 10,831	$ 19,353
Deferred tax liabilities:		
Prepaid expenses	(186)	(157)
Other	—	(2)
Total current deferred tax liability	(186)	(159)
Intangible assets	(87,592)	(91,724)
Depreciation	(1,041)	(1,122)
Partnership interests	(9,496)	(12,247)
Other	(667)	(256)
Total noncurrent deferred tax liabilities	(98,796)	(105,349)
Total deferred tax liabilities	(98,982)	(105,508)
Net deferred tax liabilities	$ (88,151)	$ (86,155)

The Company's April 2008 purchase of 100% of both the common and convertible preferred stock of CCI via a merger was treated as a stock acquisition. For income tax purposes, in stock acquisitions where the purchase price exceeds the tax basis of the underlying assets (including separately identified intangibles), with the residual allocated to goodwill, a DTL or DTA is recorded to reflect the differences between the book and tax bases for the assets acquired, exclusive of goodwill. At the time of acquisition, CCI had DTAs resulting from net operating losses, depreciation and provision for doubtful accounts of approximately $5.8 million. Additionally, the amount of the DTL that resulted from the purchase price accounting was approximately $4.7 million. It was determined that the DTA could be benefited to the extent of reversing DTLs, resulting in a net DTA, prior to any valuation allowance, of approximately $1.1 million. Based on the lack of realizability of this DTA, the Company recorded a valuation allowance of approximately $1.1 million as part of its purchase price accounting for this acquisition. The federal and state NOLs acquired with the CCI acquisition were approximately $12.1 million and $11.8 million, respectively. None of the federal NOL has been used

since acquisition. Approximately $2.3 million of the state NOL was used in 2008 and approximately $2.4 million is expected to be utilized in 2009.

Deferred income taxes reflect the impact of temporary differences between the assets and liabilities recognized for financial reporting purposes and amounts recognized for tax purposes. Deferred taxes are based on tax laws as currently enacted.

As of December 31, 2009, the Company had federal, state, and city NOL carryforward amounts of approximately $452.5 million, $459.4 million, and $50.5 million respectively. The state and city NOLs are applied separately from the federal NOL as the Company generally files separate state and city returns for each subsidiary. Additionally, the amount of the state NOLs can change whenever future state apportionment factors differ from current factors. The NOLs may be subject to limitation under Internal Revenue Code Section 382. The NOLs begin to expire as early as 2010, with the final expirations in 2029.

The Company had unrecognized tax benefits of approximately $5.5 million related to state NOLs of approximately $62.8 million as of December 31, 2009.

In 2007, the Company concluded it was more likely than not that the benefit from certain of its DTAs would not be realized. The Company considered its historically profitable jurisdictions, its sources of future taxable income and tax planning strategies in determining the amount of valuation allowance recorded. As part of that assessment, the Company also determined that it was not appropriate under generally accepted accounting principles to benefit its DTAs based on DTLs related to indefinite-lived intangibles that cannot be scheduled to reverse in the same period. Because the DTL in this case would not reverse until some future indefinite period when the intangibles are either sold or impaired, any resulting temporary differences cannot be considered a source of future taxable income to support realization of the DTAs. As a result of the assessment, and given its then current total three year cumulative loss position, the uncertainty of future taxable income and the feasibility of tax planning strategies, the Company recorded a valuation allowance of approximately $134.0 million as of December 31, 2007. In 2009 and 2008, the Company again concluded it was more likely than not that the benefit from certain of its DTAs would again not be realized, and recorded an additional valuation allowance of approximately $22.2 and $68.8 million, respectively. The total valuation allowance for DTAs at December 31, 2009 is approximately $228.0 million.

As disclosed in Note 1 — *Organization and Summary of Significant Accounting Policies,* the Company accounts for income taxes in accordance with ASC 740, *"Income Taxes."* The nature of the uncertainties pertaining to our income taxes is primarily due to various state tax positions. As of December 31, 2009, we had unrecognized tax benefits of approximately $6.3 million, of which a net amount of approximately $4.1 million, if recognized, would impact the effective tax rate if there was no valuation allowance. The Company recognizes accrued interest and penalties related to unrecognized tax benefits as a component of tax expense. Accordingly, during the year ended December 31, 2009, we recorded interest related to unrecognized tax benefits of $87,000, and at December 31, 2009, we had recorded a liability for accrued interest of $205,000. The Company estimates the possible change to its unrecognized tax benefits prior to December 31, 2010 would be up to $70,000, due to closed statutes. A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

	2009	2008	2007
		(In thousands)	
Balance as of January 1	$4,953	$4,534	$4,932
Additions for tax position related to current year	82	134	71
Additions for tax positions related to prior years	1,525	457	71
Settlements	—	—	(500)
Reductions for tax positions as a result of the lapse of applicable statutes of limitations	(234)	(172)	(40)
Balance as of December 31	$6,326	$4,953	$4,534

As of December 31, 2009, the Company was not under audit in any jurisdiction for federal or state income tax purposes. However, the Company's open tax years for federal income tax examinations include the tax years ended December 31, 2006 through 2008. Additionally, prior years are open to the extent of the amount of the net operating loss from that year. For state and local purposes, the open years for tax examinations include the tax years ended December 31, 2005 through 2008.

12. STOCKHOLDERS' EQUITY:

Common Stock

The Company has four classes of common stock, Class A, Class B, Class C and Class D. Generally, the shares of each class are identical in all respects and entitle the holders thereof to the same rights and privileges. However, with respect to voting rights, each share of Class A Common Stock entitles its holder to one vote and each share of Class B Common Stock entitles its holder to ten votes. The holders of Class C and Class D Common Stock are not entitled to vote on any matters. The holders of Class A Common Stock can convert such shares into shares of Class C or Class D Common Stock. Subject to certain limitations, the holders of Class B Common Stock can convert such shares into shares of Class A Common Stock. The holders of Class C Common Stock can convert such shares into shares of Class A Common Stock. The holders of Class D Common Stock have no such conversion rights.

Stock Repurchase Program

In March 2008, the Company's board of directors authorized a repurchase of shares of the Company's Class A and Class D Common Stock through December 31, 2009, in an amount of up to $150.0 million, the maximum amount allowable under the Credit Agreement. The amount and timing of such repurchases was based on pricing, general economic and market conditions, and the restrictions contained in the agreements governing the Company's credit facilities and subordinated debt and certain other factors. While $150.0 million is the maximum amount allowable under the Credit Agreement, in 2005, under a prior board authorization, the Company utilized approximately $78.0 million to repurchase common stock leaving capacity of $72.0 million under the Credit Agreement. During the year ended December 31, 2009, the Company repurchased 34,889 shares of Class A Common Stock at an average price of $0.68 and 27.7 million shares of Class D Common Stock at an average price of $0.71. During the year ended December 31, 2008, the Company repurchased 421,661 shares of Class A Common Stock at an average price of $1.32 and 20.0 million shares of Class D Common Stock at an average price of $0.58. As of December 31, 2009, the Company did not have any capacity available to repurchase stock since the authorization expired by its terms December 31, 2009.

Stock Option and Restricted Stock Grant Plan

Under the Company's 1999 Stock Option and Restricted Stock Grant Plan ("Plan"), the Company had the authority to issue up to 10,816,198 shares of Class D Common Stock and 1,408,099 shares of Class A Common Stock. The Plan expired March 10, 2009. The options previously issued under this plan are exercisable in installments determined by the compensation committee of the Company's board of directors at the time of grant. These options expire as determined by the compensation committee, but no later than ten years from the date of the grant. The Company uses an average life for all option awards. The Company settles stock options upon exercise by issuing stock.

On January 1, 2006, the Company adopted the provisions under ASC 718, *"Compensation — Stock Compensation,"* using the modified prospective method, which requires measurement of compensation cost for all stock-based awards at fair value on date of grant and recognition of compensation over the service period for awards expected to vest. These stock-based awards do not participate in dividends until fully vested. The fair value of stock options is determined using the Black-Scholes ("BSM") valuation model, which is consistent with our valuation methodologies previously used for options in footnote disclosures. Such fair value is recognized as an expense over the service period, net of estimated forfeitures, using the straight-line method. Estimating the number of stock awards that will ultimately vest requires judgment, and to the extent actual forfeitures differ substantially from our current estimates, amounts will be recorded as a cumulative

adjustment in the period the estimated number of stock awards are revised. We consider many factors when estimating expected forfeitures, including the types of awards, employee classification and historical experience. Actual forfeitures may differ substantially from our current estimate.

The Company also uses the BSM valuation model to calculate the fair value of stock-based awards. The BSM incorporates various assumptions including volatility, expected life, and interest rates. For options granted the Company uses the BSM option-pricing model and determines: (i) the term by using the simplified "plain-vanilla" method as allowed under SAB No. 110; (ii) a historical volatility over a period commensurate with the expected term, with the observation of the volatility on a daily basis; and (iii) a risk-free interest rate that was consistent with the expected term of the stock options and based on the U.S. Treasury yield curve in effect at the time of the grant.

The Company did not grant stock options during the year ended December 31, 2009. The Company granted 1,913,650 and 230,800 stock options during the years ended December 31, 2008 and 2007, respectively. The per share weighted-average fair value of options granted during the years ended December 31, 2009, 2008 and 2007 was $0.00, $0.74 and $2.77, respectively.

These fair values were derived using the BSM with the following weighted-average assumptions:

	For the Years Ended December 31,		
	2009	2008	2007
Average risk-free interest rate	—	3.37%	4.67%
Expected dividend yield	—	0.00%	0.00%
Expected lives	—	6.5 years	7.4 years
Expected volatility	—	49.7%	39.6%

Transactions and other information relating to stock options for the years December 31, 2009, 2008 and 2007 are summarized below:

	Number of Options	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value
			(In Years)	
Outstanding at December 31, 2006	5,876,100	$ 14.49	—	—
Grants	230,800	$ 5.54		
Exercised	—	$ —		
Forfeited/cancelled/expired	(1,722,900)	$ 14.50		
Outstanding at December 31, 2007	4,384,000	$ 14.05	—	—
Grants	1,913,000	$ 1.41		
Exercised	—	$ —		
Forfeited/cancelled/expired	(750,000)	$ 14.32		
Outstanding at December 31, 2008	5,547,000	$ 9.64	—	—
Grants	—	$ —		
Exercised	—	$ —		
Forfeited/cancelled/expired	(182,000)	$ 9.68		
Outstanding at December 31, 2009	5,365,000	$ 9.64	5.85	$ 2,870,475
Vested and expected to vest at December 31, 2009	5,132,000	$ 9.98	5.74	$ 2,569,416
Unvested at December 31, 2009	1,366,000	$ 1.83	8.32	$ 1,891,484
Exercisable at December 31, 2009	3,999,000	$ 12.31	5.01	$ 978,992

The aggregate intrinsic value in the table above represents the difference between the Company's stock closing price on the last day of trading during the year ended December 31, 2009 and the exercise price,

multiplied by the number of shares that would have been received by the holders of in-the-money options had all the option holders exercised their options on December 31, 2009. This amount changes based on the fair market value of the Company's stock. There were no options exercised during year ended December 31, 2009. The number of options that vested during the year ended December 31, 2009 was 858,375.

As of December 31, 2009, approximately $821,000 of total unrecognized compensation cost related to stock options is expected to be recognized over a weighted-average period of 10.5 months. The stock option weighted-average fair value per share was $4.39 at December 31, 2009.

Transactions and other information relating to restricted stock grants for the years ended December 31, 2009, 2008 and 2007 are summarized below:

	Shares	Average Fair Value at Grant Date
Unvested at December 31, 2006	16,500	$ 19.71
Grants	232,200	$ 6.20
Vested	(16,700)	$ 19.71
Forfeited/cancelled/expired	—	$ —
Unvested at December 31, 2007	232,000	$ 6.20
Grants	525,000	$ 1.41
Vested	(84,000)	$ 5.05
Forfeited/cancelled/expired	(45,000)	$ 7.33
Unvested at December 31, 2008	628,000	$ 2.14
Grants	—	$ —
Vested	(235,000)	$ 2.48
Forfeited/cancelled/expired	—	$ —
Unvested at December 31, 2009	393,000	$ 1.94

The restricted stock grants were included in the Company's outstanding share numbers on the effective date of grant. As of December 31, 2009, $431,000 of total unrecognized compensation cost related to restricted stock grants was expected to be recognized over the next 11.4 months.

A new stock option and restricted stock plan ("the 2009 Stock Plan") was approved by the stockholders at the Company's annual meeting on December 16, 2009. The terms of the 2009 Stock Plan are substantially similar to the prior Plan. The compensation committee and the non-executive members of the Board of Directors have approved a long-term incentive plan (the "2009 LTIP") for certain "key" employees of the Company. The purpose of the 2009 LTIP is to retain and incent these "key" employees in light of sacrifices they have made as a result of the cost savings initiatives in response to current economic conditions. These sacrifices included not receiving performance-based bonuses in 2008 and salary reductions and shorter work weeks in 2009 in order to provide expense savings and financial flexibility to the Company. The 2009 LTIP is comprised of 3,250,000 shares (the "LTIP Shares") of the 2009 Stock Plan's 8,250,000 shares of Class D Common Stock. Awards of the LTIP Shares have been granted in the form of restricted stock and allocated among 31 employees of the Company, including the named executive officers. The named executive officers were allocated LTIP Shares as follows: (i) Chief Executive Officer ("CEO") (1.0 million shares); (ii) the Chairperson (300,000 shares); (iii) the Chief Financial Officer ("CFO") (225,000 shares); (iv) the Chief Administrative Officer ("CAO") (225,000 shares); and (v) the President of the Radio Division ("PRD") (130,000 shares). The remaining 1,370,000 shares were allocated among 26 other "key" employees. All awards will vest in three installments. The awards were granted effective January 5, 2010 and the first installment of 33% will vest on June 5, 2010. The remaining two installments will vested equally on June 5, 2011 and 2012.

13. RELATED PARTY TRANSACTIONS:

In 2000, an officer of the Company, the former Chief Financial Officer ("Former CFO"), purchased shares of the Company's common stock. The Former CFO purchased 333,334 shares of the Company's Class A Common Stock and 666,666 shares of the Company's Class D Common Stock. The stock was purchased with the proceeds of full recourse loans from the Company in the amount of approximately $7.0 million. In September 2005, the Former CFO repaid a portion of his loan. The partial repayment of approximately $7.5 million, which included accrued interest, was effected using 300,000 shares of the Company's Class A Common Stock and 230,000 shares of the Company's Class D Common Stock owned by the Former CFO. All shares transferred to the Company in satisfaction of this loan have been retired. As of December 31, 2008, there was no remaining principal and interest balance on the Former CFO's loan. The Former CFO was employed with the Company through December 31, 2007, and pursuant to an agreement with the Company, the loan became due in full in July 2008. Pursuant to his employment agreement, the Former CFO was eligible to receive a retention bonus in the amount of approximately $3.1 million in cash on July 1, 2008, for having remained employed with the Company through December 31, 2007. The $3.1 million retention bonus was a pro rata portion of a $7.0 million retention bonus called for in his employment agreement, had he remained employed with the Company for ten years, and is based on the number of days of employment between October 18, 2005 and December 31, 2007. In July 2008, the Former CFO settled the remaining balance of the loan in full by offsetting the loan with his after-tax proceeds from the $3.1 million retention bonus, in addition to paying a cash amount of $34,000 to the Company.

As of December 31, 2007, the Company had an additional loan outstanding to the Former CFO in the amount of $88,000. The loan was due on demand and accrued interest at 5.6%, totaling an amount of $53,000 as of December 31, 2007. In January 2008, the former CFO repaid the full remaining balance of the loan in cash in the amount of $140,000.

In July 2007, the Company acquired the assets of WDBZ-AM, a radio station located in the Cincinnati metropolitan area from Blue Chip Communications, Inc. ("Blue Chip") for approximately $2.6 million in seller financing. The financing was a 5.1% interest bearing loan payable monthly, which was fully paid in July 2008. In addition to the full principal repayment, interest in the amount of $15,000 and $79,000 was paid for the years ended December 31, 2008 and 2007, respectively. Blue Chip is owned by L. Ross Love, a former member of the Company's board of directors. The transaction was approved by a special committee of independent directors appointed by the board of directors. Additionally, the Company retained an independent valuation firm to provide a fair value appraisal of the station. Prior to the closing, and since August of 2001, the Company consolidated WDBZ-AM within its existing Cincinnati operations, and operated WDBZ-AM under an LMA for no annual fee, the results of which were incorporated in the Company's financial statements.

The Company's CEO and Chairperson own a music company called Music One, Inc. ("Music One"). The Company sometimes engages in promoting the recorded music product of Music One. Based on the cross-promotional value received by the Company, we believe that the provision of such promotion is fair. During the years ended December 31, 2009, 2008 and 2007, Radio One paid $38,000, $151,000 and $69,000, respectively, to or on behalf of Music One, primarily for market talent event appearances, travel reimbursement and sponsorships. For the years ended December 31, 2009, 2008 and 2007 the Company provided advertising to Music One in the amount of $0, $61,000 and $0, respectively. There were no cash, trade or no-charge orders placed by Music One in 2009 or 2007. As of December 31, 2009, Music One owed Radio One $102,000 for office space and administrative services provided in 2009, 2008 and 2007. In 2007, Music One paid to Radio One a total of $169,000 for similar services provided during 2006 and 2005.

The office space and administrative support transactions between Radio One and Music One are conducted at cost and all expenses associated with the transactions are passed through at actual costs. Costs associated with office space on behalf of Music One are calculated based on square footage used by Music One, multiplied by Radio One's actual per square foot lease costs for the appropriate time period. Administrative services are calculated based on the approximate hours provided by each Radio One employee to Music One, multiplied by such employee's applicable hourly rate and related benefits allocation.

Advertising spots are priced at an average unit rate. Based on the cross-promotional nature of the activities provided by Music One and received by the Company, we believe that these methodologies of charging average unit rates or passing through the actual costs incurred are fair and reflect terms no more favorable than terms generally available to a third-party.

14. PROFIT SHARING AND EMPLOYEE SAVINGS PLAN:

The Company maintains a profit sharing and employee savings plan under Section 401(k) of the Internal Revenue Code. This plan allows eligible employees to defer allowable portions of their compensation on a pre-tax basis through contributions to the savings plan. The Company may contribute to the plan at the discretion of its board of directors. Effective January 1, 2006, the Company began matching employee contributions to the employee savings plan. As of January 1, 2008, the Company suspended the matching employer contribution indefinitely. Employer contributions paid for the years ended December 31, 2009, 2008 and 2007 were $0, $0 and $1.3 million, respectively.

15. COMMITMENTS AND CONTINGENCIES:

Radio Broadcasting Licenses

Each of the Company's radio stations operates pursuant to one or more licenses issued by the Federal Communications Commission that have a maximum term of eight years prior to renewal. The Company's radio broadcasting licenses expire at various times through August 1, 2014. Although the Company may apply to renew its radio broadcasting licenses, third parties may challenge the Company's renewal applications. The Company is not aware of any facts or circumstances that would prevent the Company from having its current licenses renewed.

TV One Cable Network

Pursuant to a limited liability company agreement dated July 18, 2003, the Company and certain other investors formed TV One for the purpose of developing and distributing a new television programming service. At that time, we committed to make a cumulative cash investment in TV One of $74.0 million, of which $60.3 million had been funded as of April 30, 2007, with no additional funding investment made since then. The initial commitment period for funding the capital was extended to June 30, 2010, due in part to TV One's lower than anticipated capital needs during the initial commitment period.

Royalty Agreements

The Company has entered into fixed fee and variable share agreements with music performance rights organizations that expire as late as 2011. During the years ended December 31, 2009, 2008 and 2007, the Company incurred expenses, including discontinued operations, of approximately $12.6 million, $12.2 million and $13.8 million, respectively, in connection with these agreements. For continuing operations, for the years ended December 31, 2009, 2008 and 2007, the Company incurred expenses of approximately $12.6 million, $11.8 million and $11.5 million, respectively, in connection with these agreements.

Leases and Other Operating Contracts and Agreements

The Company has noncancelable operating leases for office space, studio space, broadcast towers and transmitter facilities that expire over the next 20 years. The Company's leases for broadcast facilities generally provide for a base rent plus real estate taxes and certain operating expenses related to the leases. Certain of the Company's leases contain renewal options, escalating payments over the life of the lease and rent concessions. Scheduled rent increases and rent concessions are being amortized over the terms of the agreements using the straight-line method, and are included in other liabilities in the accompanying consolidated balance sheet. The future rentals under non-cancelable leases as of December 31, 2009 are shown below.

The Company has other operating contracts and agreements including employment contracts, on-air talent contracts, severance obligations, retention bonuses, consulting agreements, equipment rental agreements, programming related agreements, and other general operating agreements that expire over the next five years. The amounts the Company is obligated to pay for these agreements are shown below.

	Operating Lease Payments	Other Operating Contracts and Agreements
	(In thousands)	
Years ending December 31:		
2010	$ 8,034	$ 42,298
2011	6,414	25,013
2012	4,665	23,332
2013	3,750	11,097
2014	2,847	11,301
2015 and thereafter	7,320	—
Total	$ 33,030	$ 113,041

Rent expense included in continuing operations for the years ended December 31, 2009, 2008 and 2007 was approximately $8.8 million, $8.9 million and $7.5 million, respectively. Rent expense, including discontinued operations, for the years ended December 31, 2009, 2008 and 2007 was approximately $8.8 million, $9.0 million and $8.3 million, respectively.

Reach Media Noncontrolling Interest Shareholders' Put Rights

On February 28, 2012, and for a 30 day period thereafter, the noncontrolling interest shareholders of Reach Media have the right to require Reach Media to purchase all or a portion of their shares at the then current fair market value for such shares. The purchase price for such shares may be paid in cash and/or registered Class D Common Stock of Radio One, at the discretion of Radio One. As a result, our ability to fund business operations, new acquisitions or new business initiatives could be limited.

Letters of Credit

As of December 31, 2009, we had three standby letters of credit totaling $610,000 in connection with our annual insurance policy renewals. In addition, we had a letter of credit of $295,000 in connection with a contract that we inherited as part of the acquisition of CCI. Other than a $40,000 reduction to the insurance letters of credit in April 2009 and the cancellation of a $200,000 letter of credit for a sponsorship event, there has been no activity on these standby letters of credit.

Investment in Private Equity Fund

In October 2007, the Company had committed (subject to the completion and execution of requisite legal documentation) to invest in QCP Capital Partners, L.P. ("QCP"). At that time the Company also had agreed to provide an unsecured working capital line of credit to QCP Capital Partners, LLC, the management company for QCP, in the amount of $775,000. As of December 31, 2008, the Company had provided $457,000 under the line of credit. In December 2008, the Company made a determination that there was a substantial likelihood that QCP would not be able to proceed successfully with its fundraising, and therefore the Company was unlikely to recover any of the amounts provided to QCP Capital Partners, LLC pursuant to the October 2007 line of credit agreement. As a result, in December 2008, the Company wrote off the full amount outstanding under the line of credit agreement. No further investments in, or loans to, QCP are anticipated to be made in the future.

Other Contingencies

The Company has been named as a defendant in several legal actions arising in the ordinary course of business. It is management's opinion, after consultation with its legal counsel, that the outcome of these claims will not have a material adverse effect on the Company's financial position or results of operations.

16. CONTRACT TERMINATION:

In connection with the September 2005 termination of the Company's sales representation agreements with Interep National Radio Sales, Inc. ("Interep"), and its subsequent agreements with Katz Communications, Inc. ("Katz") making Katz the Company's sole national sales representative, Katz paid the Company $3.4 million as an inducement to enter into new agreements and paid Interep approximately $5.3 million to satisfy the Company's termination obligations. In August 2009, the Company completed amortizing both over the four-year life of the subsequent Katz agreements as a reduction to selling, general, and administrative expense. For each of the years ended December 31, 2009, 2008 and 2007, selling, general and administrative expense was reduced by approximately $1.3 million, $1.9 million and $1.9 million, respectively. As of December 31, 2009 and December 31, 2008, an unamortized amount of $0 and approximately $1.3 million, respectively, is reflected in other current liabilities on the accompanying consolidated balance sheets.

17. REACH MEDIA SALES REPRESENTATION AND SHARES SALE AND REDEMPTION AGREEMENT

In November 2009, Reach Media entered into a new sales representation agreement (the "New Agreement") with Radio Networks, a subsidiary of Citadel. The New Agreement replaces the original sales representation agreement (the "Original Agreement,") which expired December 31, 2009, whereby Radio Networks will serve as Reach Media's sales representative for certain portions of advertising inventory available on affiliate radio stations broadcasting the Tom Joyner Morning Show. The term of the New Agreement commences January 1, 2010 and expires on December 31, 2012; however, either party has termination rights effective December 31, 2011 given 90 days prior notice. As part of the Original Agreement, Radio Networks owned a noncontrolling interest in Reach Media. As an inducement to enter into the New Agreement, Radio Networks returned its noncontrolling interest in Reach Media back to Reach Media, and in exchange, Reach Media issued a $1.0 million promissory note, whereby the $1.0 million principal is due December 31, 2011, and interest of 7.0% per annum is paid quarterly. The Company has accounted for the consideration of the return of the noncontrolling interest shares pursuant to ASC 605, *"Revenue Recognition."* Accordingly, as of December 31, 2009, the Company has recorded deferred credits of $237,000 and $474,000 in other current and long-term liabilities, respectively, on the accompanying balance sheet. The deferred credits will be recognized as other income ratably over the three year life of the New Agreement.

18. QUARTERLY FINANCIAL DATA (UNAUDITED):

	Quarters Ended			
	March 31(a)	June 30	September 30	December 31(a)
		(As adjusted see note 1)		
	(In thousands, except share data)			
2009:				
Net revenue	$ 60,310	$ 69,874	$ 74,652	$ 67,258
Operating (loss) income	(42,821)	18,823	22,352	(4,590)
Net (loss) income from continuing operations	(59,103)	7,627	14,315	(13,909)
Net loss from discontinued operations	(334)	(412)	(90)	(979)
Consolidated net (loss) income attributable to common stockholders	(59,437)	7,215	14,225	(14,888)
BASIC NET (LOSS) INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS				
Net (loss) income from continuing operations per share	$ (0.84)	$ 0.13	$ 0.25	$ (0.26)
Net loss from discontinued operations per share	(0.00)	(0.01)	(0.00)	(0.02)
Consolidated net (loss) income per share attributable to common stockholders	$ (0.84)	$ 0.12	$ 0.25	$ (0.28)
DILUTED NET (LOSS) INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS				
Net (loss) income from continuing operations per share	$ (0.84)	$ 0.13	$ 0.25	$ (0.26)
Net loss from discontinued operations per share	(0.00)	(0.01)	(0.00)	(0.02)
Consolidated net (loss) income per share attributable to common stockholders	$ (0.84)	$ 0.12	$ 0.25	$ (0.28)
WEIGHTED AVERAGE SHARES OUTSTANDING				
Weighted average shares outstanding — basic	70,719,332	59,421,562	56,242,964	52,735,892
Weighted average shares outstanding — diluted	70,719,332	60,034,168	56,684,369	52,735,892

(a) The net loss from continuing operations for the quarters ended March 31, 2009 and December 31, 2009 includes approximately $49.0 million and $17.0 million of pre-tax impairment of long-lived assets, respectively. The quarter ended December 31, 2009 includes an approximate $21.9 million charge for recording a valuation allowance against deferred tax assets.

	Quarters Ended			
	March 31(a)	June 30	September 30(a)	December 31(a)
	(As adjusted see note 1) (In thousands, except share data)			
2008:				
Net revenue	$ 71,647	$ 82,989	$ 84,954	$ 73,853
Operating income (loss)	19,022	12,457	(315,147)	(63,900)
Net loss from continuing operations	(10,585)	(12,349)	(266,263)	(6,333)
Net (loss) income from discontinued operations	(8,267)	673	150	30
Consolidated net loss attributable to common stockholders	(18,852)	(11,676)	(266,113)	(6,303)
BASIC NET (LOSS) INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS				
Net loss from continuing operations per share — basic and diluted	$ (0.11)	$ (0.13)	$ (2.82)*	$ (0.07)
Net (loss) income from discontinued operations per share — basic and diluted	(0.08)	0.01	0.00*	(0.00)
Consolidated net loss per share attributable to common stockholders — basic and diluted	$ (0.19)	$ (0.12)	$ (2.81)*	$ (0.07)
WEIGHTED AVERAGE SHARES OUTSTANDING				
Weighted average shares outstanding — basic	98,728,411	98,403,298	94,537,081	85,093,359
Weighted average shares outstanding — diluted	98,728,411	98,403,298	94,537,081	85,093,359

(a) The net loss from continuing operations for the quarters ended September 30, 2008 and December 31, 2008 includes approximately $337.9 million and $85.3 million of pre-tax impairment of long-lived assets, respectively. The quarter ended March 31, 2008 included a pre-tax impairment for long-lived assets of approximately $5.1 million for discontinued operations.

* Per share amounts may not add due to rounding.

19. SEGMENT INFORMATION:

The Company has two reportable segments: (i) Radio Broadcasting; and (ii) Internet. These two segments operate in the United States and are consistently aligned with the Company's management of its businesses and its financial reporting structure.

The Radio Broadcasting segment consists of all broadcast and Reach Media results of operations. The Internet segment includes the results of our online business, including the operations of CCI since its date of acquisition. Corporate/Eliminations/Other represents financial activity associated with our corporate staff and offices, intercompany activity between the two segments and activity associated with a small film venture.

Operating loss or income represents total revenues less operating expenses, depreciation and amortization, and impairment of long-lived assets. Intercompany revenue earned and expenses charged between segments are recorded at fair value and eliminated in consolidation.

The accounting policies described in the summary of significant accounting policies in Note 1 — *Organization and Summary of Significant Accounting Policies* are applied consistently across the two segments.

Detailed segment data for the years ended December 31, 2009, 2008 and 2007 is presented in the following table:

	For the Years Ended December 31,		
	2009	2008	2007
		(In thousands)	
Net Revenue:			
Radio Broadcasting	$ 264,058	$ 304,976	$ 319,647
Internet	14,044	12,325	—
Corporate/Eliminations/Other	(6,010)	(3,858)	(3,249)
Consolidated	$ 272,092	$ 313,443	$ 316,398
Operating Expenses (including stock-based compensation):			
Radio Broadcasting	$ 157,777	$ 175,706	$ 181,155
Internet	23,046	19,002	1,704
Corporate/Eliminations/Other	10,560	24,060	16,620
Consolidated	$ 191,383	$ 218,768	$ 199,479
Depreciation and Amortization:			
Radio Broadcasting	$ 13,364	$ 13,483	$ 13,550
Internet	6,408	4,159	—
Corporate/Eliminations/Other	1,239	1,380	1,130
Consolidated	$ 21,011	$ 19,022	$ 14,680
Impairment of Long-Lived Assets:			
Radio Broadcasting	$ 65,937	$ 423,220	$ 211,051
Internet	—	—	—
Corporate/Eliminations/Other	—	—	—
Consolidated	$ 65,937	$ 423,220	$ 211,051
Operating income (loss):			
Radio Broadcasting	$ 26,980	$ (307,433)	$ (86,109)
Internet	(15,410)	(10,836)	(1,704)
Corporate/Eliminations/Other	(17,809)	(29,298)	(20,999)
Consolidated	$ (6,239)	$ (347,567)	$ (108,812)

	As of	
	December 31, 2009	December 31, 2008
	(In thousands)	
Total Assets:		
Radio Broadcasting	$ 921,946	$ 1,169,925
Internet/Publishing	37,784	43,001
Corporate/Eliminations/Other	75,812	(87,449)
Consolidated	$ 1,035,542	$ 1,125,477

20. CONDENSED CONSOLIDATING FINANCIAL STATEMENTS:

The Company conducts a portion of its business through its subsidiaries. All of the Company's Subsidiary Guarantors have fully and unconditionally guaranteed the Company's $8\frac{7}{8}\%$ Senior Subordinated Notes due July 2011, the $6\frac{3}{8}\%$ Senior Subordinated Notes due February 2013, and the Company's obligations under the Credit Agreement.

Set forth below are consolidated balance sheets for the Company and the Subsidiary Guarantors as of December 31, 2009 and 2008, and related consolidated statements of operations and cash flow for each of the three years ended December 31, 2009, 2008 and 2007. The equity method of accounting has been used by the Company to report its investments in subsidiaries. Separate financial statements for the Subsidiary Guarantors are not presented based on management's determination that they do not provide additional information that is material to investors.

RADIO ONE, INC. AND SUBSIDIARIES

CONSOLIDATING BALANCE SHEETS
As of December 31, 2009

	Combined Guarantor Subsidiaries	Radio One, Inc.	Eliminations	Consolidated
	(As restated — see note 2) (In thousands)			
ASSETS				
CURRENT ASSETS:				
Cash and cash equivalents	$ 127	$ 19,836	$ —	$ 19,963
Trade accounts receivable, net of allowance for doubtful accounts	27,934	19,085	—	47,019
Prepaid expenses and other current assets	1,818	3,132	—	4,950
Deferred tax assets	—	—	—	—
Current assets from discontinued operations	300	124	—	424
Total current assets	30,179	42,177	—	72,356
PROPERTY AND EQUIPMENT, net	23,429	17,156	—	40,585
INTANGIBLE ASSETS, net	572,449	298,772	—	871,221
INVESTMENT IN SUBSIDIARIES	—	610,712	(610,712)	—
INVESTMENT IN AFFILIATED COMPANY	—	48,452	—	48,452
OTHER ASSETS	1,482	1,372	—	2,854
NON-CURRENT ASSESTS FROM DISCONTINUED OPERATIONS	74	—	—	74
Total assets	$ 627,613	$ 1,018,641	$ (610,712)	$ 1,035,542
LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND STOCKHOLDERS' EQUITY				
CURRENT LIABILITIES:				
Accounts payable	$ 828	$ 3,332	$ —	$ 4,160
Accrued interest	—	9,499	—	9,499
Accrued compensation and related benefits	2,659	7,590	—	10,249
Income taxes payable	—	1,533	—	1,533
Other current liabilities	8,007	(771)	—	7,236
Current portion of long-term debt	—	652,534	—	652,534
Current liabilities from discontinued operations	2,924	25	—	2,949
Total current liabilities	14,418	673,742	—	688,160
LONG-TERM DEBT, net of current portion	—	1,000	—	1,000
OTHER LONG-TERM LIABILITIES	2,483	7,702	—	10,185
DEFERRED TAX LIABILITIES	—	88,144	—	88,144
Total liabilities	16,901	770,588	—	787,489
REDEEMABLE NONCONTROLLING INTERESTS	—	52,225	—	52,225
STOCKHOLDERS' EQUITY:				
Common stock	—	51	—	51
Accumulated comprehensive income adjustments	—	(2,086)	—	(2,086)
Additional paid-in capital	270,985	968,275	(270,985)	968,275
Retained earnings (accumulated deficit)	339,727	(770,412)	(339,727)	(770,412)
Total stockholders' equity	610,712	195,828	(610,712)	195,828
Total liabilities, redeemable noncontrolling interests and stockholders' equity	$ 627,613	$ 1,018,641	$ (610,712)	$ 1,035,542

RADIO ONE, INC. AND SUBSIDIARIES

CONSOLIDATING BALANCE SHEETS
As of December 31, 2008

	Combined Guarantor Subsidiaries	Radio One, Inc.	Eliminations	Consolidated
	(As adjusted and restated — see notes 1 and 2) (In thousands)			
ASSETS				
CURRENT ASSETS:				
Cash and cash equivalents	$ 2,601	$ 19,688	$ —	$ 22,289
Trade accounts receivable, net of allowance for doubtful accounts	25,401	24,007	—	49,408
Prepaid expenses and other current assets	1,685	3,619	—	5,304
Deferred tax assets	—	108	—	108
Current assets from discontinued operations	1,031	57	—	1,088
Total current assets	30,718	47,479		78,197
PROPERTY AND EQUIPMENT, net	28,105	20,441	—	48,546
INTANGIBLE ASSETS, net	626,614	318,244	—	944,858
INVESTMENT IN SUBSIDIARIES	—	669,308	(669,308)	—
INVESTMENT IN AFFILIATED COMPANY	—	47,852	—	47,852
OTHER ASSETS	413	5,384	—	5,797
NON-CURRENT ASSESTS FROM DISCONTINUED OPERATIONS	227	—	—	227
Total assets	$ 686,077	$ 1,108,708	$ (669,308)	$ 1,125,477
LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND STOCKHOLDERS' EQUITY				
CURRENT LIABILITIES:				
Accounts payable	$ 1,514	$ 1,809	$ —	$ 3,323
Accrued interest	—	10,082	—	10,082
Accrued compensation and related benefits	2,905	7,492	—	10,397
Income taxes payable	—	30	—	30
Other current liabilities	3,260	7,113	—	10,373
Current portion of long-term debt	210	43,597	—	43,807
Current liabilities from discontinued operations	2,639	552	—	3,191
Total current liabilities	10,528	70,675	—	81,203
LONG-TERM DEBT, net of current portion	—	631,555	—	631,555
OTHER LONG-TERM LIABILITIES	—	11,008	—	11,008
DEFERRED TAX LIABILITIES	6,241	79,995	—	86,236
Total liabilities	16,769	793,233	—	810,002
REDEEMABLE NONCONTROLLING INTERESTS	—	43,423	—	43,423
STOCKHOLDERS' EQUITY:				
Common stock	—	79	—	79
Accumulated comprehensive income adjustments	—	(2,981)	—	(2,981)
Additional paid-in capital	301,002	992,479	(301,002)	992,479
Retained earnings (accumulated deficit)	368,306	(717,525)	(368,306)	(717,525)
Total stockholders' equity	669,308	272,052	(669,308)	272,052
Total liabilities, redeemable noncontrolling interests and stockholders' equity	$ 686,077	$ 1,108,708	$ (669,308)	$ 1,125,477

RADIO ONE, INC. AND SUBSIDIARIES

CONSOLIDATING STATEMENTS OF OPERATIONS
For the Year Ended December 31, 2009

	Combined Guarantor Subsidiaries	Radio One, Inc.	Eliminations	Consolidated
	(In thousands)			
NET REVENUE	$ 124,672	$147,420	$ —	$ 272,092
OPERATING EXPENSES:				
Programming and technical, including stock-based Compensation	34,654	40,981	—	75,635
Selling, general and administrative, including stock-based Compensation	53,830	37,186	—	91,016
Corporate selling, general and administrative, including stock-based compensation	—	24,732	—	24,732
Depreciation and amortization	11,960	9,051	—	21,011
Impairment of long-lived assets	50,933	15,004	—	65,937
Total operating expenses	151,377	126,954	—	278,331
Operating (loss) income	(26,705)	20,466	—	(6,239)
INTEREST INCOME	—	144	—	144
INTEREST EXPENSE	3	38,401	—	38,404
EQUITY IN INCOME OF AFFILIATED COMPANY	—	3,653	—	3,653
GAIN ON RETIREMENT OF DEBT	—	1,221	—	1,221
OTHER INCOME (EXPENSE)	36	(140)	—	(104)
Loss before provision for income taxes, noncontrolling interests in income of subsidiaries and discontinued operations	(26,672)	(13,057)	—	(39,729)
PROVISION FOR INCOME TAXES	—	7,014	—	7,014
Net loss before equity in loss of subsidiaries and discontinued operations	(26,672)	(20,071)	—	(46,743)
EQUITY IN LOSS OF SUBSIDIARIES	—	(28,579)	28,579	—
Net loss from continuing operations	(26,672)	(48,650)	28,579	(46,743)
(LOSS) INCOME FROM DISCONTINUED OPERATIONS, net of tax	(1,907)	92	—	(1,815)
Consolidated net loss	(28,579)	(48,558)	28,579	(48,558)
NONCONTROLLING INTERESTS IN INCOME OF SUBSIDIARIES	—	4,329	—	4,329
Net loss attributable to common stockholders	$ (28,579)	$ (52,887)	$ 28,579	$ (52,887)

RADIO ONE, INC. AND SUBSIDIARIES

CONSOLIDATING STATEMENTS OF OPERATIONS
For the Year Ended December 31, 2008

	Combined Guarantor Subsidiaries	Radio One, Inc.	Eliminations	Consolidated
		(As adjusted — see note 1) (In thousands)		
NET REVENUE	$ 142,933	$ 170,510	$ —	$ 313,443
OPERATING EXPENSES:				
Programming and technical, including stock-based Compensation	35,697	43,607	—	79,304
Selling, general and administrative, including stock-based Compensation	56,768	46,340	—	103,108
Corporate selling, general and administrative, including stock-based compensation	—	36,356	—	36,356
Depreciation and amortization	9,929	9,093	—	19,022
Impairment of long-lived assets	328,971	94,249	—	423,220
Total operating expenses	431,365	229,645	—	661,010
Operating (loss) income	(288,432)	(59,135)	—	(347,567)
INTEREST INCOME	4	487	—	491
INTEREST EXPENSE	24	59,665	—	59,689
EQUITY IN LOSS OF AFFILIATED COMPANY	—	3,652	—	3,652
GAIN ON RETIREMENT OF DEBT	—	74,017	—	74,017
OTHER EXPENSE	—	316	—	316
Loss before provision for income taxes, noncontrolling interests in income of subsidiaries and discontinued operations	(288,452)	(48,264)	—	(336,716)
(BENEFIT FROM) PROVISION FOR INCOME TAXES	(56,025)	10,842	—	(45,183)
Net loss before equity in loss of subsidiaries and discontinued operations	(232,427)	(59,106)	—	(291,533)
EQUITY IN LOSS OF SUBSIDIARIES	—	(234,470)	234,470	—
Net loss from continuing operations	(232,427)	(293,576)	234,470	(291,533)
(LOSS) INCOME FROM DISCONTINUED OPERATIONS, net of tax	(2,043)	(5,371)	—	(7,414)
Consolidated net loss	(234,470)	(298,947)	234,470	(298,947)
NONCONTROLLING INTERESTS IN INCOME OF SUBSIDIARIES	—	3,997	—	3,997
Net loss attributable to common stockholders	$ (234,470)	$(302,944)	$ 234,470	$ (302,944)

RADIO ONE, INC. AND SUBSIDIARIES

CONSOLIDATING STATEMENTS OF OPERATIONS
For The Year Ended December 31, 2007

	Combined Guarantor Subsidiaries	Radio One, Inc.	Eliminations	Consolidated
	(As adjusted — see note 1) (In thousands)			
NET REVENUE	$ 140,882	$ 175,516	$ —	$ 316,398
OPERATING EXPENSES:				
Programming and technical, including stock-based Compensation	27,250	43,213	—	70,463
Selling, general and administrative, including stock-based Compensation	51,934	48,686	—	100,620
Corporate selling, general and administrative, including stock-based compensation	—	28,396	—	28,396
Depreciation and amortization	5,824	8,856	—	14,680
Impairment of long-lived assets	206,828	4,223	—	211,051
Total operating expenses	291,836	133,374	—	425,210
Operating (loss) income	(150,954)	42,142	—	(108,812)
INTEREST INCOME	—	1,242	—	1,242
INTEREST EXPENSE	1	72,769	—	72,770
EQUITY IN LOSS OF AFFILIATED COMPANY	—	15,836	—	15,836
GAIN ON RETIREMENT OF DEBT	—	—	—	—
OTHER (EXPENSE)	—	(290)	—	(290)
Loss before provision for income taxes, noncontrolling interests in income of subsidiaries and discontinued operations	(150,955)	(45,511)	—	(196,466)
PROVISION FOR INCOME TAXES	41,932	12,151	—	54,083
Net loss before equity in loss of subsidiaries and discontinued operations	(192,887)	(57,662)	—	(250,549)
EQUITY IN LOSS OF SUBSIDIARIES	—	(202,996)	202,996	—
Net loss from continuing operations	(192,887)	(260,658)	202,996	(250,549)
(LOSS) INCOME FROM DISCONTINUED OPERATIONS, net of tax	(10,109)	(126,932)	—	(137,041)
Consolidated net loss	(202,996)	(387,590)	202,996	(387,590)
NONCONTROLLING INTERESTS IN INCOME OF SUBSIDIARIES	—	3,910	—	3,910
Net loss attributable to common stockholders	$ (202,996)	$(391,500)	$ 202,996	$ (391,500)

RADIO ONE, INC. AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2009

	Combined Guarantor Subsidiaries	Radio One, Inc.	Eliminations	Consolidated
	(As adjusted — see note 1) (In thousands)			
CASH FLOWS FROM OPERATING ACTIVITIES:				
Net loss attributable to common stockholders	$ (28,579)	$ (24,308)	$ —	$ (52,887)
Noncontrolling interests in income of subsidiaries	—	4,329	—	4,329
Consolidated net loss	(28,579)	(19,979)	—	(48,558)
Adjustments to reconcile consolidated net loss to net cash from operating activities:				
Depreciation and amortization	11,960	9,051	—	21,011
Amortization of debt financing costs	—	2,419	—	2,419
Deferred income taxes	—	1,996	—	1,996
Impairment of long-lived assets	50,933	15,004	—	65,937
Equity in net losses of affiliated company	—	(3,653)	—	(3,653)
Stock-based compensation and other non-cash compensation	—	1,649	—	1,649
Gain on retirement of debt	—	(1,221)	—	(1,221)
Amortization of contract inducement and termination fee	(598)	(665)	—	(1,263)
Effect of change in operating assets and liabilities, net of assets acquired:				
Trade accounts receivable, net	(2,533)	4,922	—	2,389
Prepaid expenses and other current assets	151	202	—	353
Other assets	(272)	5,101	—	4,829
Accounts payable	(378)	1,215	—	837
Due to corporate/from subsidiaries	(30,646)	30,646	—	—
Accrued interest	—	(584)	—	(584)
Accrued compensation and related benefits	435	(583)	—	(148)
Income taxes payable	1	1,502	—	1,503
Other liabilities	(634)	(2,109)	—	(2,743)
Net cash flows used in operating activities from discontinued operations	744	(54)	—	690
Net cash flows from operating activities	584	44,859	—	45,443
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchase of property and equipment	(3,058)	(1,470)	—	(4,528)
Purchase of intangible assets	—	(343)	—	(343)
Net cash flows used in investing activities	(3,058)	(1,813)	—	(4,871)
CASH FLOWS FROM FINANCING ACTIVITIES:				
Repayment of Senior Subordinated Notes	—	(1,220)	—	(1,220)
Repayment of other debt	—	(153)	—	(153)
Proceeds from credit facility	—	116,500	—	116,500
Repurchase of common stock	—	(19,697)	—	(19,697)
Payment of credit facility	—	(136,670)	—	(136,670)
Payment of bank financing costs	—	(1,658)	—	(1,658)
Net cash flows used in financing activities	—	(42,898)	—	(42,898)
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(2,474)	148	—	(2,326)
CASH AND CASH EQUIVALENTS, beginning of period	2,601	19,688	—	22,289
CASH AND CASH EQUIVALENTS, end of period	$ 127	$ 19,836	$ —	$ 19,963

RADIO ONE, INC. AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2008

	Combined Guarantor Subsidiaries	Radio One, Inc.	Eliminations	Consolidated
	(As adjusted — see note 1) (In thousands)			
CASH FLOWS FROM OPERATING ACTIVITIES:				
Net loss attributable to common stockholders	$ (234,470)	$ (302,944)	$ 234,470	$ (302,944)
Noncontrolling interests in income of subsidiaries	—	3,997	—	3,997
Consolidated net loss	(234,470)	(298,947)	234,470	(298,947)
Adjustments to reconcile consolidated net loss to net cash from operating activities:				
Depreciation and amortization	9,929	9,093	—	19,022
Amortization of debt financing costs	—	2,591	—	2,591
Deferred income taxes	—	(49,687)	—	(49,687)
Impairment of long-lived assets	328,972	94,248	—	423,220
Equity in net losses of affiliated company	—	3,652	—	3,652
Stock-based compensation and other non-cash compensation	389	1,343	—	1,732
Gain on retirement of debt	—	(74,017)	—	(74,017)
Amortization of contract inducement and termination fee	(896)	(999)	—	(1,895)
Change in interest due on stock subscription receivable	—	(20)	—	(20)
Effect of change in operating assets and liabilities, net of assets acquired:				
Trade accounts receivable, net	(2,921)	1,121	—	(1,800)
Prepaid expenses and other current assets	(198)	(373)	—	(571)
Other assets	(165)	(801)	—	(966)
Accounts payable	1,648	(1,914)	—	(266)
Due to corporate/from subsidiaries	(50,128)	50,128	—	—
Accrued interest	—	(8,921)	—	(8,921)
Accrued compensation and related benefits	590	(6,029)	—	(5,439)
Income taxes payable	—	(4,433)	—	(4,433)
Other liabilities	(11,733)	16,632	—	4,899
Net cash flows used in operating activities from discontinued operations	1,322	4,356	—	5,678
Net cash flows from (used in) operating activities	42,339	(262,977)	234,470	13,832
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchase of property and equipment	(5,002)	(7,539)	—	(12,541)
Cash paid for acquisitions	(34,918)	(35,537)	—	(70,455)
Investment in subsidiaries	—	234,470	(234,470)	—
Proceeds from sale of assets	—	150,224	—	150,224
Purchase of intangible assets	(474)	(342)	—	(816)
Deposits and payments for station purchases and other assets	—	(215)	—	(215)
Net cash flows used in investing activities from discontinued operations	(166)	—	—	(166)
Net cash flows (used in) from investing activities	(40,560)	341,061	(234,470)	66,031
CASH FLOWS FROM FINANCING ACTIVITIES:				
Repayment of Senior Subordinated Notes	—	(120,787)	—	(120,787)
Repayment of other debt	—	(1,004)	—	(1,004)
Proceeds from credit facility	—	227,000	—	227,000
Repurchase of common stock	—	(12,104)	—	(12,104)
Payment of credit facility	—	(170,299)	—	(170,299)
Payment of stock subscriptions receivable	—	1,737	—	1,737
Payment to noncontrolling interest shareholders of Reach Media	—	(6,364)	—	(6,364)
Net cash flows used in financing activities	—	(81,821)	—	(81,821)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,779	(3,737)	—	(1,958)
CASH AND CASH EQUIVALENTS, beginning of period	822	23,425	—	24,247
CASH AND CASH EQUIVALENTS, end of period	$ 2,601	$ 19,688	$ —	$ 22,289

RADIO ONE, INC. AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2007

	Combined Guarantor Subsidiaries	Radio One, Inc.	Eliminations	Consolidated
	(As adjusted — see note 1) (In thousands)			
CASH FLOWS FROM OPERATING ACTIVITIES:				
Net loss attributable to common stockholders	$ (202,996)	$ (391,500)	$ 202,996	$ (391,500)
Noncontrolling interests in income of subsidiaries	—	3,910		3,910
Consolidated net loss	(202,996)	(387,590)	202,996	(387,590)
Adjustments to reconcile consolidated net loss to net cash from operating activities:				
Depreciation and amortization	5,881	8,799	—	14,680
Amortization of debt financing costs	—	2,241	—	2,241
Deferred income taxes	—	(28,013)	—	(28,013)
Impairment of long-lived assets	206,828	4,223	—	211,051
Equity in net losses of affiliated company	—	15,836	—	15,836
Stock-based compensation and other non-cash compensation	1,200	1,791	—	2,991
Amortization of contract inducement and termination fee	(896)	(913)	—	(1,809)
Change in interest due on stock subscription receivable	—	(75)	—	(75)
Effect of change in operating assets and liabilities, net of assets acquired:				
Trade accounts receivable, net	952	2,558	—	3,510
Prepaid expenses and other current assets	(481)	(744)	—	(1,225)
Income tax receivable	—	1,296	—	1,296
Other assets	41	(399)	—	(358)
Due to corporate/from subsidiaries	(18,564)	18,564	—	—
Accounts payable	(1,669)	(2,620)	—	(4,289)
Accrued interest	—	(270)	—	(270)
Accrued compensation and related benefits	223	(1,453)	—	(1,230)
Income taxes payable	—	1,997	—	1,997
Other liabilities	(1,027)	1,221	—	194
Net cash flows from operating activities from discontinued operations	15,012	200,065		215,077
Net cash flows from (used in) operating activities	4,504	(163,486)	202,996	44,014
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchase of property and equipment	(4,164)	(5,651)	—	(9,815)
Equity investments	—	(12,590)	—	(12,590)
Investment in subsidiaries	—	202,996	(202,996)	—
Proceeds from sale of assets	—	108,100	—	108,100
Deposits and payments for station purchases and other assets	—	(5,904)	—	(5,904)
Net cash flows used in investing activities from discontinued operations	(388)	(935)	—	(1,323)
Net cash flows (used in) from investing activities	(4,552)	286,016	(202,996)	78,468
CASH FLOWS FROM FINANCING ACTIVITIES:				
Repayment of debt	(14)	(124,683)	—	(124,697)
Payment of bank financing costs	—	(3,004)	—	(3,004)
Payment to noncontrolling interest shareholders in Reach Media	—	(2,940)	—	(2,940)
Net cash flows used in financing activities	(14)	(130,627)	—	(130,641)
DECREASE IN CASH AND CASH EQUIVALENTS	(62)	(8,097)	—	(8,159)
CASH AND CASH EQUIVALENTS, beginning of period	884	31,522	—	32,406
CASH AND CASH EQUIVALENTS, end of period	$ 822	$ 23,425	$ —	$ 24,247

21. SUBSEQUENT EVENTS:

Subsequent to December 31, 2009, we noted that certain of our subsidiaries identified as guarantors in our financial statements did not have requisite guarantees filed with the trustee as required under the terms of the indentures (the "Non-Joinder of Certain Subsidiaries"). The Non-Joinder of Certain Subsidiaries caused a non-monetary, technical default under the terms of the relevant indentures at December 31, 2009, causing a non-monetary, technical cross-default at December 31, 2009 under the terms of our Credit Agreement dated as of June 13, 2005. We have since joined the relevant subsidiaries as guarantors under the relevant indentures (the "Joinder"). Further, on March 30, 2010, we entered into a third amendment (the "Third Amendment") to the Credit Agreement. The Third Amendment provides for, among other things: (i) a $100.0 million revolver commitment reduction under the bank facilities; (ii) a 1.0% floor with respect to any loan bearing interest at a rate determined by reference to the adjusted LIBOR; (iii) certain additional collateral requirements; (iv) certain limitations on the use of proceeds from the revolving loan commitments; (v) the addition of Interactive One, LLC as a guarantor of the loans under the Credit Agreement and under the notes governed by the Company's 2001 and 2005 senior subordinated debt documents; (vi) the waiver of the technical cross-defaults that existed as of December 31, 2009 and through the date of the amendment arising due to the Non-Joinder of Certain Subsidiaries; and (vii) the payment of certain fees and expenses of the lenders in connection with their diligence in connection with the amendment.

A new stock option and restricted stock plan (the "2009 Stock Plan") was approved by the stockholders at the Company's annual meeting on December 16, 2009. The terms of the 2009 Stock Plan are substantially similar to the prior Plan. The compensation committee and the non-executive members of the Board of Directors have approved a long-term incentive plan (the "2009 LTIP") for certain "key" employees of the Company. The purpose of the 2009 LTIP is to retain and incent these "key" employees in light of sacrifices they have made as a result of the cost savings initiatives in response to current economic conditions. These sacrifices included not receiving performance-based bonuses in 2008 and salary reductions and shorter work weeks in 2009 in order to provide expense savings and financial flexibility to the Company. The 2009 LTIP is comprised of 3,250,000 shares (the "LTIP Shares") of the 2009 Stock Plan's 8,250,000 shares of Class D Common Stock. Awards of the LTIP Shares have been granted in the form of restricted stock and allocated among 31 employees of the Company, including the named executive officers. The named executive officers were allocated LTIP Shares as follows: (i) Chief Executive Officer ("CEO") (1.0 million shares); (ii) the Chairperson (300,000 shares); (iii) the Chief Financial Officer ("CFO") (225,000 shares); (iv) the Chief Administrative Officer ("CAO") (225,000 shares); and (v) the President of the Radio Division ("PRD") (130,000 shares). The remaining 1,370,000 shares were allocated among 26 other "key" employees. All awards will vest in three installments. The awards were granted effective January 5, 2010 and the first installment of 33% will vest on June 5, 2010. The remaining two installments will vested equally on June 5, 2011 and 2012.

RADIO ONE, INC. AND SUBSIDIARIES

SCHEDULE II — VALUATION AND QUALIFYING ACCOUNTS
For the Years Ended December 31, 2009, 2008 and 2007

Description	Balance at Beginning of Year	Additions Charged to Expense	Acquired from Acquisitions	Deductions	Balance at End of Year
			(In thousands)		
Allowance for Doubtful Accounts:					
2009	$ 3,520	$ 2,124	$ —	$ 2,993	$2,651
2008	1,862	4,946	55	3,343	3,520
2007	3,721	1,269	—	3,128	1,862

Description	Balance at Beginning of Year	Additions Charged to Expense	Acquired from Acquisitions	Deductions(1)	Balance at End of Year
			(In thousands)		
Valuation Allowance for Deferred Tax Assets:					
2009	$ 205,756	$ 21,958	$ —	$ 305	$228,019
2008	133,977	69,212	1,088	(1,479)	205,756
2007	2,248	132,085	—	(356)	133,977

(1) Relates to an increase or (decrease) to the valuation allowance for deferred tax assets pertaining to interest rate swaps charged to accumulated other comprehensive income instead of provision for income taxes.

RADIO ONE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2010	2009	2010	2009
	(Unaudited)			
		(As adjusted — see note 1)		(As adjusted — see note 1)
	(In thousands, except share data)			
NET REVENUE	$ 74,491	$ 74,651	$ 208,703	$ 204,835
OPERATING EXPENSES:				
Programming and technical, including stock-based compensation of $0 and $0, and $0 and $88, respectively	18,811	17,994	56,736	56,856
Selling, general and administrative, including stock-based compensation of $151 and $54, and $833 and $285, respectively	27,517	24,018	78,290	68,828
Corporate selling, general and administrative, including stock-based compensation of $757 and $248, and $4,044 and $1,014, respectively	6,245	4,950	24,581	16,048
Depreciation and amortization	4,625	5,337	14,195	15,804
Impairment of long-lived assets	—	—	—	48,953
Total operating expenses	57,198	52,299	173,802	206,489
Operating income (loss)	17,293	22,352	34,901	(1,654)
INTEREST INCOME	28	33	95	98
INTEREST EXPENSE	12,122	9,224	31,059	29,036
GAIN ON RETIREMENT OF DEBT	—	—	—	1,221
EQUITY IN INCOME OF AFFILIATED COMPANY	(1,784)	(1,397)	(3,832)	(3,294)
OTHER EXPENSE, net	50	38	2,934	96
Income (loss) before provision for (benefit from) income taxes, noncontrolling interests in income of subsidiaries and loss from discontinued operations	6,933	14,520	4,835	(26,173)
PROVISION FOR (BENEFIT FROM) INCOME TAXES	4,760	(1,508)	4,685	7,340
Net income (loss) from continuing operations	2,173	16,028	150	(33,513)
LOSS FROM DISCONTINUED OPERATIONS, net of tax	(125)	(90)	(205)	(835)
CONSOLIDATED NET INCOME (LOSS)	2,048	15,938	(55)	(34,348)
NONCONTROLLING INTERESTS IN INCOME OF SUBSIDIARIES	1,010	1,712	1,427	3,650
CONSOLIDATED NET INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS	$ 1,038	$ 14,226	$ (1,482)	$ (37,998)
BASIC AND DILUTED CONSOLIDATED NET INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS				
Continuing operations	$ 0.02	$ 0.25	$ (0.02)*	$ (0.60)
Discontinued operations, net of tax	(0.00)	(0.00)	(0.00)*	(0.01)
Net income (loss) attributable to common stockholders	$ 0.02	$ 0.25	$ (0.03)*	$ (0.61)
WEIGHTED AVERAGE SHARES OUTSTANDING:				
Basic	52,064,108	56,242,964	51,316,498	61,873,161
Diluted	54,262,885	56,684,369	51,316,498	61,873,161

* Earnings per share amounts may not add due to rounding.

The accompanying notes are an integral part of these consolidated financial statements.

RADIO ONE, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

	As of	
	September 30, 2010	December 31, 2009
	(Unaudited)	
	(In thousands, except share data)	
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 21,571	$ 19,963
Trade accounts receivable, net of allowance for doubtful accounts of $2,784 and $2,651, respectively	60,840	47,019
Prepaid expenses and other current assets	4,739	4,950
Current assets from discontinued operations	78	424
Total current assets	87,228	72,356
PROPERTY AND EQUIPMENT, net	35,318	40,585
GOODWILL	137,493	137,517
RADIO BROADCASTING LICENSES	698,645	698,645
OTHER INTANGIBLE ASSETS, net	36,656	35,059
INVESTMENT IN AFFILIATED COMPANY	46,479	48,452
OTHER ASSETS	2,565	2,854
NON-CURRENT ASSETS FROM DISCONTINUED OPERATIONS	—	74
Total assets	$ 1,044,384	$ 1,035,542
LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 2,719	$ 4,160
Accrued interest	10,355	9,499
Accrued compensation and related benefits	12,085	10,249
Income taxes payable	2,444	1,533
Other current liabilities	7,105	7,236
Current portion of long-term debt	652,138	652,534
Current liabilities from discontinued operations	2,428	2,949
Total current liabilities	689,274	688,160
LONG-TERM DEBT, net of current portion	1,000	1,000
OTHER LONG-TERM LIABILITIES	10,147	10,185
DEFERRED TAX LIABILITIES	90,762	88,144
Total liabilities	791,183	787,489
REDEEMABLE NONCONTROLLING INTERESTS	44,047	52,225
STOCKHOLDERS' EQUITY:		
Convertible preferred stock, $.001 par value, 1,000,000 shares authorized; no shares outstanding at September 30, 2010 and December 31, 2009	—	—
Common stock — Class A, $.001 par value, 30,000,000 shares authorized; 2,863,912 and 2,981,841 shares issued and outstanding as of September 30, 2010 and December 31, 2009, respectively	3	3
Common stock — Class B, $.001 par value, 150,000,000 shares authorized; 2,861,843 shares issued and outstanding as of September 30, 2010 and December 31, 2009, respectively	3	3
Common stock — Class C, $.001 par value, 150,000,000 shares authorized; 3,121,048 shares issued and outstanding as of September 30, 2010 and December 31, 2009, respectively	3	3
Common stock — Class D, $.001 par value, 150,000,000 shares authorized; 45,416,082 and 42,280,153 shares issued and outstanding as of September 30, 2010 and December 31, 2009, respectively	45	42
Accumulated other comprehensive loss	(1,685)	(2,086)
Additional paid-in capital	982,679	968,275
Accumulated deficit	(771,894)	(770,412)
Total stockholders' equity	209,154	195,828
Total liabilities, redeemable noncontrolling interests and stockholders' equity	$ 1,044,384	$ 1,035,542

The accompanying notes are an integral part of these consolidated financial statements.

RADIO ONE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2010 (UNAUDITED)

	Convertible Preferred Stock	Common Stock Class A	Common Stock Class B	Common Stock Class C	Common Stock Class D	Comprehensive Income (Loss)	Accumulated Other Comprehensive Loss	Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity
						(In thousands)				
BALANCE, as of December 31, 2009	$ —	$ 3	$ 3	$ 3	$ 42		$ (2,086)	$ 968,275	$ (770,412)	$ 195,828
Comprehensive loss:										
Net loss	—	—	—	—	—	$ (1,482)	—	—	(1,482)	(1,482)
Change in unrealized loss on derivative and hedging activities, net of taxes	—	—	—	—	—	401	401	—	—	401
Comprehensive loss						$ (1,081)				
Stock-based compensation expense	—	—	—	—	3		—	4,874	—	4,877
Decretion of redeemable noncontrolling interests to estimated redemption value								9,530	—	9,530
BALANCE, as of September 30, 2010	$ —	$ 3	$ 3	$ 3	$ 45		$ (1,685)	$ 982,679	$ (771,894)	$ 209,154

The accompanying notes are an integral part of these consolidated financial statements.

RADIO ONE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine Months Ended September 30,	
	2010	2009
	(Unaudited)	(As adjusted — see note 1)
	(In thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Consolidated net loss	(55)	(34,348)
Adjustments to reconcile consolidated net loss to net cash from operating activities:		
Depreciation and amortization	14,195	15,804
Amortization of debt financing costs	1,694	1,811
Write off of debt financing costs	3,055	—
Deferred income taxes	2,611	3,887
Impairment of long-lived assets	—	48,953
Equity in income of affiliated company	(3,832)	(3,294)
Stock-based compensation	4,877	1,381
Gain on retirement of debt	—	(1,221)
Amortization of contract inducement and termination fee	—	(1,263)
Effect of change in operating assets and liabilities, net of assets acquired:		
Trade accounts receivable	(13,821)	(617)
Prepaid expenses and other assets	211	1,404
Other assets	6,868	1,481
Accounts payable	(1,824)	348
Accrued interest	856	(6,122)
Accrued compensation and related benefits	1,836	(2,715)
Income taxes payable	911	855
Other liabilities	(403)	(4,687)
Net cash flows (used in) provided from operating activities of discontinued operations	(404)	207
Net cash flows provided from operating activities	16,775	21,864
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(3,251)	(3,368)
Purchase of other intangible assets	(341)	(272)
Net cash flows used in investing activities	(3,592)	(3,640)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of other debt	—	(153)
Proceeds from credit facility	12,000	111,500
Repayment of credit facility	(12,396)	(125,170)
Repurchase of senior subordinated notes	—	(1,220)
Debt refinancing and modification costs	(11,179)	—
Repurchase of common stock	—	(10,695)
Net cash flows used in financing activities	(11,575)	(25,738)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,608	(7,514)
CASH AND CASH EQUIVALENTS, beginning of period	19,963	22,289
CASH AND CASH EQUIVALENTS, end of period	$ 21,571	$ 14,775
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for:		
Interest	$ 28,510	$ 33,346
Income taxes	$ 1,160	$ 2,731

The accompanying notes are an integral part of these consolidated financial statements.

RADIO ONE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Organization

Radio One, Inc. (a Delaware corporation referred to as "Radio One") and its subsidiaries (collectively, the "Company") is an urban-oriented, multi-media company that primarily targets African-American consumers. Our core business is our radio broadcasting franchise that is the largest radio broadcasting operation that primarily targets African-American and urban listeners. We currently own 53 broadcast stations located in 16 urban markets in the United States. While our primary source of revenue is the sale of local and national advertising for broadcast on our radio stations, our business strategy is to operate the premier multi-media entertainment and information content provider targeting African-American consumers. Thus, we have diversified our revenue streams by making acquisitions and investments in other complementary media properties. Our other media interests include our approximately 37% ownership interest in TV One, LLC ("TV One"), an African-American targeted cable television network that we invested in with an affiliate of Comcast Corporation and other investors; our 53.5% ownership interest in Reach Media, Inc. ("Reach Media"), which operates the Tom Joyner Morning Show; our ownership of Interactive One, LLC ("Interactive One"), an online platform serving the African-American community through social content, news, information, and entertainment, which operates a number of branded sites, including News One, UrbanDaily and HelloBeautiful; and our ownership of Community Connect, LLC (formerly Community Connect Inc.) ("CCI"), an online social networking company, which operates a number of branded websites, including BlackPlanet, MiGente and Asian Avenue. Through our national multi-media presence, we provide advertisers with a unique and powerful delivery mechanism to the African-American and urban audience.

In December 2009, the Company ceased publication of our urban-themed lifestyle periodical Giant Magazine. The remaining assets and liabilities of this publication have been classified as discontinued operations as of September 30, 2010 and December 31, 2009, and the publication's results from operations for the three months and nine months ended September 30, 2010 and 2009, have been classified as discontinued operations in the accompanying consolidated financial statements.

As part of our consolidated financial statements, consistent with our financial reporting structure and how the Company currently manages its businesses, we have provided selected financial information on the Company's two reportable segments: (i) Radio Broadcasting; and (ii) Internet. (See Note 10 — *Segment Information*.)

(b) Interim Financial Statements

The interim consolidated financial statements included herein have been prepared by the Company, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"). In management's opinion, the interim financial data presented herein include all adjustments (which include only normal recurring adjustments) necessary for a fair presentation. Certain information and footnote disclosures normally included in the financial statements prepared in accordance with accounting principles generally accepted in the United States ("GAAP") have been condensed or omitted pursuant to such rules and regulations.

Results for interim periods are not necessarily indicative of results to be expected for the full year. This Form 10-Q should be read in conjunction with the financial statements and notes thereto included in the Company's 2009 Annual Report on Form 10-K/A.

Certain reclassifications associated with accounting for discontinued operations have been made to the accompanying prior period financial statements to conform to the current period presentation. These reclassifications had no effect on previously reported net income or loss, or any other previously reported statements of operations, balance sheet or cash flow amounts. (See Note 3 — *Discontinued Operations*.)

(c) Financial Instruments

Financial instruments as of September 30, 2010 and December 31, 2009 consisted of cash and cash equivalents, trade accounts receivable, accounts payable, accrued expenses, note payable, redeemable noncontrolling interests and long-term debt. The carrying amounts approximated fair value for each of these financial instruments as of September 30, 2010 and December 31, 2009, except for the Company's outstanding senior subordinated notes. The 87/8% Senior Subordinated Notes due July 2011 had a carrying value of $101.5 million and a fair value of approximately $89.3 million as of September 30, 2010, and a carrying value of $101.5 million and a fair value of approximately $78.2 million as of December 31, 2009. The 63/8% Senior Subordinated Notes due February 2013 had a carrying value of $200.0 million and a fair value of approximately $168.0 million as of September 30, 2010, and a carrying value of $200.0 million and a fair value of approximately $142.0 million as of December 31, 2009. The fair values were determined based on the trading values of these instruments as of the reporting date.

(d) Revenue Recognition

The Company recognizes revenue for broadcast advertising when a commercial is broadcast and is reported, net of agency and outside sales representative commissions, in accordance with Accounting Standards Codification ("ASC") 605, "*Revenue Recognition*." Agency and outside sales representative commissions are calculated based on a stated percentage applied to gross billing. Generally, clients remit the gross billing amount to the agency or outside sales representative, and the agency or outside sales representative remits the gross billing, less their commission, to the Company. Agency and outside sales representative commissions were approximately $8.3 million and $7.8 million for the three months ended September 30, 2010 and 2009, respectively. Agency and outside sales representative commissions were approximately $23.4 million and $20.7 million for the nine months ended September 30, 2010 and 2009, respectively.

CCI, which the Company acquired in April 2008, currently generates the majority of the Company's internet revenue, and derives such revenue principally from advertising services, including advertising aimed at diversity recruiting. Advertising services include the sale of banner and sponsorship advertisements. Advertising revenue is recognized either as impressions (the number of times advertisements appear in viewed pages) are delivered, when "click through" purchases or leads are reported, or ratably over the contract period, where applicable. CCI has a diversity recruiting relationship with Monster, Inc. ("Monster"). Monster posts job listings and advertising on CCI's websites and CCI earns revenue for displaying the images on its websites.

(e) Barter Transactions

From time to time, as part of our normal operations, the Company provides broadcast advertising time in exchange for programming content and certain services. In accordance with ASC 605, "*Revenue Recognition*," the terms of these exchanges generally permit the Company to preempt such broadcast time in favor of advertisers who purchase time in exchange for cash. The Company includes the value of such exchanges in both broadcasting net revenue and station operating expenses. The valuation of barter time is based upon the fair value of the network advertising time provided for the programming content and services received. For the three months ended September 30, 2010 and 2009, barter transaction revenues were $794,000 and $820,000, respectively. For each of the nine months ended September 30, 2010 and 2009, barter transaction revenues were $2.4 million. Additionally, barter transaction costs were reflected in programming and technical expenses and selling, general and administrative expenses of $741,000 and $779,000 and $53,000 and $41,000, for the three months ended September 30, 2010 and 2009, respectively. For the nine months ended September 30, 2010 and 2009, barter transaction costs were reflected in programming and technical expenses and selling, general and administrative expenses of $2.2 million and $2.3 million and $184,000 and $124,000, respectively.

(f) Comprehensive Loss

The Company's comprehensive loss consists of net loss attributable to common stockholders and other items recorded directly to the equity accounts. The objective is to report a measure of all changes in equity of an enterprise that result from transactions and other economic events during the period, other than transactions with owners. The Company's other comprehensive loss consists of income on derivative instruments that qualify for cash flow hedge treatment. (See Note 6 - *Derivative Instruments and Hedging Activities.*)

The following table sets forth the components of comprehensive loss:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2010	2009	2010	2009
	(Unaudited) (In thousands)			
Consolidated net income (loss)	$ 2,048	$ 15,938	$ (55)	$ (34,348)
Other comprehensive income (loss) (net of tax benefit of $0 for all periods):				
Derivative and hedging activities	5	(97)	401	378
Comprehensive income (loss)	2,053	15,841	346	(33,970)
Comprehensive income attributable to the noncontrolling interests	1,010	1,712	1,427	3,650
Comprehensive (loss) income attributable to common stockholders	$ 1,043	$ 14,129	$ (1,081)	$ (37,620)

(g) Earnings Per Share

Basic earnings per share is computed on the basis of the weighted average number of shares of common stock outstanding during the period. Diluted earnings per share is computed on the basis of the weighted average number of shares of common stock plus the effect of dilutive potential common shares outstanding during the period using the treasury stock method. The Company's potentially dilutive securities include stock options and restricted stock. Diluted earnings per share considers the impact of potentially dilutive securities except in periods in which there is a net loss, as the inclusion of the potentially dilutive common shares would have an anti-dilutive effect.

The following table sets forth the calculation of basic and diluted earnings per share (in thousands, except share and per share data):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2010	2009	2010	2009
	(Unaudited)			
Numerator:				
Consolidated net income (loss) attributable to common stockholders	$ 1,038	$ 14,226	$ (1,482)	$ (37,998)
Denominator:				
Denominator for basic net income (loss) per share — weighted average outstanding shares	52,064,108	56,242,964	51,316,498	61,873,161
Effect of dilutive securities:				
Stock options and restricted stock	2,198,777	441,405	—	—
Denominator for diluted net income per share — weighted-average outstanding shares	54,262,885	56,684,369	51,316,498	61,873,161

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2010	2009	2010	2009
	(Unaudited)			
Net income (loss) attributable to common stockholders per share — basic	$ 0.02	$ 0.25	$ (0.03)	$ (0.61)
Net income (loss) attributable to common stockholders per share — diluted	$ 0.02	$ 0.25	$ (0.03)	$ (0.61)

All stock options and restricted stock were excluded from the diluted calculation for the nine months ended September 30, 2010 and 2009, as their inclusion would have been anti-dilutive. Additionally, for the three months ended September 30, 2010 and 2009, approximately 5.1 million options and 5.4 million options, respectively, to purchase shares were not included in the diluted earnings per share calculation, as their inclusion would have been anti-dilutive. The following table summarizes the potential common shares excluded from the diluted calculation.

	Nine Months Ended September 30,	
	2010	2009
	(Unaudited) (In thousands)	
Stock options	5,090	5,371
Restricted stock	2,185	504

(h) Fair Value Measurements

We report our financial and non-financial assets and liabilities measured at fair value on a recurring and non-recurring basis under the provisions of ASC 820, *"Fair Value Measurements and Disclosures."* ASC 820 defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements.

The fair value framework requires the categorization of assets and liabilities into three levels based upon the assumptions (inputs) used to price the assets or liabilities. Level 1 provides the most reliable measure of fair value, whereas Level 3 generally requires significant management judgment. The three levels are defined as follows:

Level 1: Inputs are unadjusted quoted prices in active markets for identical assets and liabilities that can be accessed at measurement date.

Level 2: Observable inputs other than those included in Level 1. For example, quoted prices for similar assets or liabilities in active markets or quoted prices for identical assets or liabilities in inactive markets.

Level 3: Unobservable inputs reflecting management's own assumptions about the inputs used in pricing the asset or liability.

As of September 30, 2010 and December 31, 2009, the fair values of our financial liabilities are categorized as follows:

	Total	Level 1	Level 2	Level 3
		(Unaudited) (In thousands)		
As of September 30, 2010				
Liabilities subject to fair value measurement:				
Interest rate swap(a)	$ 1,687	$ —	$1,687	$ —
Employment agreement award(b)	5,733	—	—	5,733
Total	$ 7,420	$ —	$1,687	$ 5,733

	Total	Level 1	Level 2	Level 3
		(Unaudited) (In thousands)		
Mezzanine equity subject to fair value measurement:				
Redeemable noncontrolling interest(c)	$44,047	$ —	$ —	$44,047
As of December 31, 2009				
Liabilities subject to fair value measurement:				
Interest rate swap(a)	$ 2,086	$ —	$2,086	$ —
Employment agreement award(b)	4,657	—	—	4,657
Total	$ 6,743	$ —	$2,086	$ 4,657
Mezzanine equity subject to fair value measurement:				
Redeemable noncontrolling interests(c)	$52,225	$ —	$ —	$52,225

(a) Based on London Interbank Offered Rate ("LIBOR").

(b) Pursuant to an employment agreement (the "Employment Agreement") executed in April 2008, the Chief Executive Officer ("CEO") is eligible to receive an award amount equal to 8% of any proceeds from distributions or other liquidity events in excess of the return of the Company's aggregate investment in TV One. The Company reviews the factors underlying this award at the end of each quarter. The Company's obligation to pay the award will be triggered only after the Company's recovery of the aggregate amount of its capital contribution in TV One and only upon actual receipt of distributions of cash or marketable securities or proceeds from a liquidity event with respect to the Company's membership interest in TV One. The CEO was fully vested in the award upon execution of the Employment Agreement, and the award lapses upon expiration of the Employment Agreement in April 2011, or earlier if the CEO voluntarily leaves the Company or is terminated for cause. A third-party valuation firm assisted the Company in estimating the fair valuation of the award. (See Note 6 — *Derivative Instruments and Hedging Activities.*)

(c) Redeemable noncontrolling interest in Reach Media is measured at fair value using a discounted cash flow methodology. Significant inputs to the discounted cash flow analysis include forecasted operating results, the discount rate and a terminal value.

The following table presents the changes in Level 3 liabilities measured at fair value on a recurring basis for the nine months ended September 30, 2010.

	Employment Agreement Award	Redeemable Noncontrolling Interests
	(In thousands)	
Balance at December 31, 2009	$ 4,657	$ 52,225
Losses included in earnings	1,076	—
Net income attributable to noncontrolling interest	—	1,427
Decretion to estimated redemption value	—	(9,605)
Balance at September 30, 2010	$ 5,733	$ 44,047
The amount of total gains for the period included in earnings attributable to the change in unrealized gains relating to assets and liabilities still held at the reporting date	$ (1,076)	$ —

The increase in the fair value of the employment award liability was recorded in the consolidated statements of operations as corporate selling, general and administrative expenses for the three and nine months ended September 30, 2010.

Net income attributable to noncontrolling interest amounts reflected in the table above was recorded in the consolidated statements of operations as noncontrolling interest in income of subsidiaries for the three and nine months ended September 30, 2010.

Certain assets and liabilities are measured at fair value on a non-recurring basis. These assets are not measured at fair value on an ongoing basis but are subject to fair value adjustments only in certain circumstances. Included in this category are goodwill, radio broadcasting licenses and other intangible assets, net, that are written down to fair value when they are determined to be impaired. These assets were not impaired during the three and nine months ended September 30, 2010 and therefore were not reported at fair value.

(i) Impact of Recently Issued Accounting Pronouncements

In December 2009, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2009-17 "*Improvements to Financial Reporting by Enterprises Involved with Variable Interest Entities,"* which amends the guidance on variable interest entities ("VIE") in ASC 810, *"Consolidation."* Effective January 1, 2010, the new guidance requires more qualitative than quantitative analyses to determine the primary beneficiary of a VIE, requires continuous assessments of whether an enterprise is the primary beneficiary of a VIE, amends certain guidance for determining whether an entity is a VIE and requires additional year-end and interim disclosures. Under the new guidance, a VIE must be consolidated if the enterprise has both (a) the power to direct the activities of the VIE that most significantly impact the entity's economic performance, and (b) the obligation to absorb losses or the right to receive benefits from the VIE that could potentially be significant to the VIE. This new accounting guidance became effective for our Company on January 1, 2010, and is being applied prospectively. The application of the new guidance did not result in any changes in the Company's accounting for its investment in TV One. However, the Company updated its footnote disclosure to comply with the disclosure requirements. *(*See Note 5 — *Investment in Affiliated Company.)*

In June 2009, the FASB issued ASC 105, "*Generally Accepted Accounting Principles*," which establishes the ASC as the source of authoritative non-SEC U.S. GAAP for non-governmental entities. ASC 105 is effective for financial statements issued for interim and annual periods ending after September 15, 2009. The adoption of ASC 105 did not have a material impact on the Company's consolidated financial statements.

In May 2009, the FASB issued ASC 855, "*Subsequent Events,"* which addresses accounting and disclosure requirements related to subsequent events. It requires management to evaluate subsequent events through the date the financial statements are either issued or available to be issued. In February 2010, the FASB issued ASU 2010-09, which amends ASC 855 to remove all requirements for SEC filers to disclose the date through which subsequent events are considered. The amendment became effective upon issuance. The Company has provided the required disclosures regarding subsequent events in Note 15 — *Subsequent Events*.

The provisions under ASC 825, *"Financial Instruments,"* requiring disclosures about fair value of financial instruments for interim reporting periods of publicly traded companies, as well as in annual financial statements became effective for the Company during the quarter ended June 30, 2009. The additional disclosures required under ASC 825 are included in Note 1 — *Organization and Summary of Significant Accounting Policies*.

Effective January 1, 2009, the provisions under ASC 350, *"Intangibles — Goodwill and Other,"* related to the determination of the useful life of intangible assets and requiring additional disclosures related to renewing or extending the terms of recognized intangible assets became effective for the Company. The adoption of these provisions did not have a material effect on the Company's consolidated financial statements.

Effective January 1, 2009, the Company adopted an accounting standard update from the Emerging Issues Task Force ("EITF") consensus regarding the accounting for contingent consideration agreements of an equity method investment and the requirement for the investor to recognize its share of any impairment charges recorded by the investee. This update to ASC 323, *"Investments — Equity Method and Joint Ventures,"* requires the investor to record share issuances by the investee as if it has sold a portion of its investment with

any resulting gain or loss being reflected in earnings. The adoption of this update did not have any impact on the Company's consolidated financial statements.

(j) Liquidity and Uncertainties Related to Going Concern

The Company continually projects its anticipated cash needs, which include, but are not limited to, its operating needs, capital requirements, the TV One funding commitment and principal and interest payments on its indebtedness. Management's most recent revenue, operating income and cash flow projections considered the recent gradual improvement in both the economy and advertising environment, and the projections compare more favorably to prior periods during which the economic downturn persisted.

In June 2005, the Company entered into an agreement with a syndicate of banks (the "Credit Agreement"). The Credit Agreement expires the earlier of (a) six months prior to the scheduled maturity of the 87/8% Senior Subordinated Notes due July 1, 2011 (January 1, 2011) (unless the 87/8% Senior Subordinated Notes have been refinanced or repurchased prior to such date) or (b) June 30, 2012. Management believes it is probable that the Company will refinance the 87/8% Senior Subordinated Notes prior to January 1, 2011. The Senior Subordinated Notes and credit facilities are classified as current in the accompanying consolidated balance sheets at September 30, 2010 and December 31, 2009 as these obligations may become callable due to the termination of the Forbearance Agreement Amendment on September 10, 2010.

As of each of June 30, 2010, July 1, 2010 and September 30, 2010, we were not in compliance with the terms of our Existing Credit Facility. More specifically, (i) as of June 30, 2010, we failed to maintain a then required total leverage ratio of 7.25 to 1.00, (ii) as of July 1, 2010, as a result of a step down of the total leverage ratio from no greater than 7.25 to 1.00 to no greater than 6.50 to 1.00 effective for the period July 1, 2010 to September 30, 2011, we failed to maintain the requisite total leverage ratio, (iii) as of September 30, 2010, we failed to meet our current total leverage ratio requirement of 6.50 to 1.00 and our senior leverage ratio requirement of 4.00 to 1.00, and (iv) as of each of June 30, 2010 and September 30, 2010, we failed to meet certain hedging obligations; specifically, we failed to maintain a ratio of at least 50% fixed rate debt to floating rate debt. On July 15, 2010, the Company and its subsidiaries entered into a forbearance agreement (the "Forbearance Agreement") with Wells Fargo Bank, N.A. (successor by merger to Wachovia Bank, National Association), as administrative agent (the "Agent"), and financial institutions constituting the majority of outstanding loans and commitments (the "Required Lenders") under our Existing Credit Facility, relating to the defaults and events of default occurring as of June 30, 2010 and July 1, 2010. On August 13, 2010, we entered into an amendment to the Forbearance Agreement (the "Forbearance Agreement Amendment") that, among other things, extended the termination date of the Forbearance Agreement to September 10, 2010, unless terminated earlier by its terms, and provided additional forbearance related to the then anticipated default caused by an opinion of Ernst & Young LLP expressing substantial doubt about the Company's ability to continue as a going concern as issued in connection with the restatement of our financial statements. Under the Forbearance Agreement and the Forbearance Agreement Amendment, the Agent and the Required Lenders maintained the right to deliver "payment blockage notices" to the trustees for the holders of the 87/8% Senior Subordinated Notes due 2011 ("2011 Notes") and/or the 63/8% Senior Subordinated Notes due 2013 ("2013 Notes").

On August 5, 2010, the Agent delivered a payment blockage notice to the Trustee under the Indenture governing our 2013 Notes. As a result, neither we nor any of our guaranteeing subsidiaries may make any payment or distribution of any kind or character in respect of obligations under the 2013 Notes, including the interest payment that was scheduled to be made on August 16, 2010. The 30-day grace period for the nonpayment of interest before such nonpayment constituted an event of default under the 2013 Notes Indenture expired on September 15, 2010. While the trustee or holders of at least 25% in principal amount of the then outstanding 2013 Notes could declare the principal amount, and accrued and unpaid interest, on all outstanding 2013 Notes to be due and payable immediately as a result of such event of default, as of the date of this filing, no such remedies have been sought as we continue to negotiate the terms of the amended exchange offer and a new support agreement with the members of the ad hoc group of holders of our 2011 and 2013 Notes. The event of default under the 2013 Notes Indenture also constitutes an event of default

under the Existing Credit Facility. While the Forbearance Agreement Amendment expired by its terms on September 10, 2010, we and the Agent continue to negotiate the terms of a credit facility amendment (the "Credit Agreement Amendment") and the Agent and the lenders have not, as of the date of this filing, exercised additional remedies under the Existing Credit Facility. We, along with our advisors, have negotiated the principal terms of the Credit Agreement Amendment with the Agent. However, to the extent the Required Lenders do not agree to enter into the Credit Agreement Amendment at the completion of an amended exchange offer, we would expect that all of our indebtedness under the Existing Credit Facility would be declared immediately due and payable. Such acceleration of our indebtedness would also cause a cross-default under our other debt obligations, including under the Existing Notes.

If we complete our anticipated refinancing transactions, we intend to pay the August 16, 2010 defaulted interest in full in cash and cure or otherwise obtain a waiver of any and all defaults or events of default under the 2013 Notes Indenture and the Existing Credit Facility. The members of the ad hoc group continue to forbear from exercising rights and remedies under the Existing Indentures with respect to any default or event of default that has occurred or may occur as a result of our failure to make the interest payment on the 2013 Notes due on August 16, 2010. However, we cannot assure that we will complete our anticipated refinancing transactions. In the event we do not complete our anticipated refinancing transactions and remedies are exercised by the trustee or holders under the 2013 Notes Indenture, we would expect that all of our indebtedness under the Existing Notes and the Existing Credit Facility would be declared immediately due and payable. Either of these events would make it difficult for us to operate our business in the ordinary course, and we would likely need to seek protection under Chapter 11 of the Bankruptcy Code. The accompanying consolidated financial statements have been prepared assuming that we will continue as a going concern and do not include any adjustments to reflect the possible future effects on the recoverability and classification of liabilities that may result from the outcome of this uncertainty.

Management's projections are dependent on the continuation of the recently improving economic and advertising environments, and any adverse fluctuations, or other unforeseen circumstances, may negatively impact the Company's operations beyond those assumed. Management considered the risks that the current economic conditions may have on its liquidity projections, as well as the Company's ability to meet its debt covenant requirements. If economic conditions deteriorate unexpectedly or do not continue to rebound, or if other adverse factors outside the Company's control arise, our operations could be negatively impacted, and the Company's ability to maintain compliance with its debt covenants could be negated or even prevented. If it appears that we could not meet our liquidity needs or that noncompliance with debt covenants is likely to result, the Company would implement several remedial measures, which could include further operating cost and capital expenditure reductions and deferrals, seeking its share of distributions from TV One and further de-leveraging actions, which may include repurchases of discounted senior subordinated notes and other debt repayments, subject to our available liquidity to make such repurchases. It should be noted that the TV One distributions require the consent of third-parties and there is no assurance that such third-party consents would be granted. These third parties did approve TV One distributions for the fourth quarter of 2009, as well as for the first, second and third quarters of 2010.

(k) Major Customer

During 2009 and in prior years, we generated over 10% of our consolidated net revenues from a single customer, Radio Networks, Inc. ("Radio Networks"), a sales representation company owned by Citadel Broadcasting Corporation ("Citadel").

Under agreements between the Company's owned radio stations and Radio Networks, and in accordance with ASC 605, *"Revenue Recognition,"* the Company generated revenue through barter agreements whereby advertising time was exchanged for programming content (the "RN Barter Revenue").

Under a separate sales representation agreement between our subsidiary Reach Media, and Radio Networks (the "Sales Representation Agreement"), Reach Media was paid an annual guarantee in exchange for providing the rights to Radio Networks to sell advertising inventory on Reach Media's 105 affiliate radio stations broadcasting the Tom Joyner Morning Show. Radio Networks also served as sales representative for

Reach Media's Internet advertising and special events. This agreement, which commenced in 2003, expired on December 31, 2009.

In November 2009, Reach Media entered into a new sales representation agreement (the "New Sales Representation Agreement") with Radio Networks whereby Radio Networks serves as the sales representative for the out-of-show portions of Reach Media's advertising inventory for the period beginning January 1, 2010 through December 31, 2012. Under the New Sales Representation Agreement, which is commission based, there are no minimum guarantees on revenue. Consequently, and combined with the fact that Radio Networks is only selling out-of-show advertising inventory, we believe it is unlikely that total revenue to be generated from Radio Networks will exceed 10% in future periods.

For the three months and nine months ended September 30, 2009, net revenues attributable to the RN Barter Revenue and Sales Representation Agreement were approximately $8.6 million and $25.8 million, respectively, all of which was reported in our Radio Broadcasting segment.

(l) Redeemable Noncontrolling Interests

Noncontrolling interests in subsidiaries that are redeemable outside of the Company's control for cash or other assets are classified as mezzanine equity and measured at the greater of estimated redemption value at the end of each reporting period or the historical cost basis of the noncontrolling interests adjusted for cumulative earnings allocations. The resulting increases or decreases in the estimated redemption amount are affected by corresponding charges against retained earnings, or in the absence of retained earnings, additional paid-in-capital.

2. ACQUISITIONS

In February 2005, the Company acquired approximately 51% of the common stock of Reach Media for approximately $55.8 million in a combination of approximately $30.4 million of cash and 1,809,648 shares of the Company's Class D Common Stock valued at approximately $25.4 million. Citadel, Reach Media's sales representative and an investor in the company, owned a noncontrolling interest in Reach Media. In November 2009, Citadel sold its ownership interest to Reach Media in exchange for a $1.0 million note due in December 2011 (See Note 7 — *Long-Term Debt*). This transaction increased Radio One's common stock interest in Reach Media to 53.5%.

As part of the Company's acquisition of a controlling 51% ownership interest of Reach Media in 2005, the noncontrolling shareholders of Reach Media were granted the right to require Reach Media, a consolidated subsidiary of the Company, to purchase all or a portion of their shares at the then current fair market value for such shares during the 30 day period beginning on February 28, 2012 and each anniversary thereafter ("Put Right"). The purchase price for such shares may be paid in cash and/or registered Class D Common Stock of Radio One, at the sole discretion of Radio One. Because the Company cannot ensure that it will be able to settle the Put Right in registered shares, the Company determined that the Put Right is presumed to be settlable only in cash. Accordingly, the noncontrolling interests are considered to be instruments that are redeemable at the option of the holders for cash and are classified outside of permanent equity in mezzanine equity.

3. DISCONTINUED OPERATIONS

In December 2009, the Company ceased publication of Giant Magazine. The remaining assets and liabilities of this publication have been classified as discontinued operations as of September 30, 2010 and 2009, and the publication's results from operations for the three months and nine months ended September 30, 2010 and 2009, have been classified as discontinued operations in the accompanying consolidated financial statements.

The following table summarizes the operating results for Giant Magazine as well as all of the stations sold and classified as discontinued operations for all periods presented:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2010	2009	2010	2009
	(Unaudited) (In thousands)			
Net revenue	$ —	$ 852	$ —	$ 1,423
Station operating expenses	113	994	188	2,489
Depreciation and amortization	—	24	3	72
Loss (gain) on sale of assets	12	16	14	(302)
(Loss) income before income taxes	(125)	(182)	(205)	(836)
(Benefit from) provision for income taxes	—	(92)	—	1
Loss from discontinued operations, net of tax	$ (125)	$ (90)	$ (205)	$ (835)

The assets and liabilities of Giant Magazine and all stations classified as discontinued operations in the accompanying consolidated balance sheets consisted of the following:

	As of	
	September 30, 2010	December 31, 2009
	(Unaudited)	
	(In thousands)	
Currents assets:		
Accounts receivable, net of allowance for doubtful accounts	$ 78	$ 424
Total current assets	78	424
Property and equipment, net	—	14
Intangible assets, net	—	60
Total assets	$ 78	$ 498
Current liabilities:		
Accounts payable	$ —	$ 91
Accrued compensation and related benefits	—	70
Other current liabilities	2,428	2,788
Total current liabilities	2,428	2,949
Total liabilities	$ 2,428	$ 2,949

4. GOODWILL, RADIO BROADCASTING LICENSES AND OTHER INTANGIBLE ASSETS

Impairment Testing

In the past, we have made acquisitions whereby a significant amount of the purchase price was allocated to radio broadcasting licenses, goodwill and other intangible assets. Effective January 1, 2002, in accordance with ASC 350, *"Intangibles — Goodwill and Other,"* we do not amortize our radio broadcasting licenses and goodwill. Instead, we perform a test for impairment annually or on an interim basis when events or changes in circumstances or other conditions suggest impairment may have occurred. Other intangible assets continue to be amortized on a straight-line basis over their useful lives. We perform our annual impairment test as of October 1 of each year.

Since our October 2009 annual goodwill impairment test, the Company has revised its internal projections for Reach Media three times due to lower than expected revenue and operating results during the first, second and third quarters of 2010. These revised financial projections are lower than those assumed in the 2009

annual testing. The decline in net revenues was driven by the December 31, 2009 expiration of a sales representation agreement with Citadel whereby a minimum level of revenue was guaranteed over the term of the agreement. Reach Media's newly established sales organization began selling its inventory on the Tom Joyner Morning Show and under a new commission based sales representation agreement with Citadel. The Company deemed the lowered financial projections as triggering events that warranted interim impairment testing of goodwill attributable to Reach Media. We performed such testing as of February 28, 2010, May 31, 2010, and again as of August 31, 2010 and concluded all three times that the goodwill carrying value for Reach Media had not been impaired. Accordingly, there were no impairment charges recorded for the three or nine month periods ended September 30, 2010 for Reach Media.

During the first quarter of 2009, the prolonged economic downturn at that time caused further deterioration to the then current 2009 outlook for the radio industry, and resulted in further significant revenue and profitability declines beyond levels assumed in our 2008 annual impairment testing. As a result, we made reductions to our internal projections and given the adverse impact on terminal values, we deemed the then worsening radio outlook and the lowering of our early 2009 internal projections as impairment indicators that warranted interim impairment testing of our radio broadcasting licensees and goodwill associated with our radio markets, which we performed as of February 28, 2009. The outcome of our interim testing was to record impairment charges against radio broadcasting licenses in 11 of our 16 markets, for approximately $49.0 million, for the three months ended March 31, 2009. The Company concluded that goodwill had not been impaired during the first quarter of 2009. There were no impairment charges recorded for the three or nine month periods ended September 30, 2010.

Valuation of Broadcasting Licenses

We utilize the services of a third-party valuation firm to provide independent analysis when evaluating the fair value of our radio broadcasting licenses and reporting units, including goodwill. Fair value is estimated to be the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Effective January 1, 2002, we began using the income approach to test for impairment of radio broadcasting licenses. We believe this method of valuation to be consistent with ASC 805-20-S-99-3, *"Use of the Residual Method to Value Acquired Assets Other Than Goodwill."* A projection period of 10 years is used, as that is the time horizon in which operators and investors generally expect to recover their investments. When evaluating our radio broadcasting licenses for impairment, the testing is done at the unit of accounting level as determined by ASC 350, *"Intangibles — Goodwill and Other."* In our case, each unit of accounting is a clustering of radio stations into one of our 16 geographical radio markets. Broadcasting license fair values are based on the estimated after-tax discounted future cash flows of the applicable unit of accounting assuming an initial hypothetical start-up operation which possesses FCC licenses as the only asset. Over time, it is assumed the operation acquires other tangible assets such as advertising and programming contracts, employment agreements and going concern value, and matures into an average performing operation in a specific radio market. The income approach model incorporates several variables, including, but not limited to: (i) radio market revenue estimates and growth projections; (ii) estimated market share and revenue for the hypothetical participant; (iii) likely media competition within the market; (iv) estimated start-up costs and losses incurred in the early years; (v) estimated profit margins and cash flows based on market size and station type; (vi) anticipated capital expenditures; (vii) probable future terminal values; (viii) an effective tax rate assumption; and (ix) a discount rate based on the weighted-average cost of capital for the radio broadcast industry. In calculating the discount rate, we considered: (i) the cost of equity, which includes estimates of the risk-free return, the long-term market return, small stock risk premiums and industry beta; (ii) the cost of debt, which includes estimates for corporate borrowing rates and tax rates; and (iii) estimated average percentages of equity and debt in capital structures. We have not made any changes to the methodology for valuing broadcasting licenses.

Compared to our October 2008 annual testing, the projections incorporated into our February and August 2009 license valuations were more conservative and included updated assumptions relative to the prolonged economic downturn at that time, which led to a further weakened, deteriorating and less profitable radio marketplace with reduced potential for growth. Specifically, while we kept the discount rate at 10.5%, we

increased the 2009 radio marketplace revenue decline from (8.0)% to a range of (13.1)% to (17.7)%, which in most cases decreased market share ranges. We assumed a slight recovery, with growth rates ranging from 0.3% to 0.5% in Year 2, which is 2010. Industry growth rates can still vary significantly year to year based upon the even and odd numbered years in the projection period, which is reflective of what could be significant cyclical content for political advertising in the even numbered years.

Although the industry responded to declining revenues at that time with significant cost-cutting initiatives, profitability levels were still adversely impacted, as fixed costs represent a large component of a station's operating costs. Depending on the given market, we lowered the minimum profit margin by as much as 230 basis points between the annual October 2008 and interim February 2009 assessments.

Below are other key assumptions used in the income approach model for estimating broadcasting licenses fair values for the annual October 2008 and October 2009 as well as the interim February 2009 and August 2009 impairment tests.

Radio Broadcasting Licenses	October 1, 2008	February 28, 2009	August 31, 2009(a)	October 1, 2009
		(In millions)		
Pre-tax impairment charge	$51.2	$49.0	$—	$16.1
Discount Rate	10.5%	10.5%	—	10.5%
Year 1 Market Revenue Growth or Decline Rate or Range	(8.0)%	(13.1)% - (17.7)%	(22.3)%	1.0%
Long-term Market Revenue Growth Rate Range (Years 6 — 10)	1.5% - 2.5%	1.5% - 2.5%	—	1.0% - 2.5%
Mature Market Share Range	1.2% - 27.0%	1.2% - 27.0%	—	0.8% - 28.1%
Operating Profit Margin Range	20.0% - 50.7%	17.7% - 50.7%	—	18.5% - 50.7%

(a) Reflects changes only to the key assumptions used in the February 2009 interim testing for a certain unit of accounting.

Relative to the 2009 environment, the recent improved economy and credit markets and the recovery of the advertising industry have contributed to more stable valuations for these intangible assets in 2010. In addition, there were no triggering events warranting impairment testing of our radio broadcasting licenses for the three and nine month periods ended September 30, 2010.

Valuation of Goodwill

The impairment testing of goodwill is performed at the reporting unit level. We currently have, and had as of our October 2009 annual impairment assessments, 20 reporting units. For the purpose of valuing goodwill, the 20 reporting units consist of the 16 radio markets and four other business divisions. In testing for the impairment of goodwill, with the assistance of a third-party valuation firm, we also use the income approach to estimate the fair value of our reporting units. The approach involves a 10-year model with similar variables as described above for broadcasting licenses, except that the discounted cash flows are generally based on the Company's estimated and projected market revenue, market share and operating performance for its reporting units, instead of those for a hypothetical participant. We follow a two-step process to evaluate if a potential impairment exists for goodwill. The first step of the process involves estimating the fair value of each reporting unit. If the reporting unit's fair value is less than its carrying value, a second step is performed as per the guidance of ASC 350, *"Intangibles — Goodwill and Other,"* to allocate the fair value of the reporting unit to the individual assets and liabilities of the reporting unit in order to determine the implied fair value of the reporting unit's goodwill as of the impairment assessment date. Any excess of the carrying value of the goodwill over the implied fair value of the goodwill is written off as a charge to operations. We have not made any changes to the methodology for determining the fair value of our reporting units or goodwill.

For the August 2010 goodwill interim impairment test of Reach Media, using updated internal projections, the Year 1 (2010) revenue growth rate remained at 2.5%. The 2010 growth rates used in the impairment tests are lower than the 16.5% growth rate assumed in the October 2009 annual assessment. The 2010 revenue growth rates were lowered to reflect Reach Media net revenues and cash flows which had declined for the three quarters of 2010 compared to the same period in 2009, thus causing the Company to revise its financial projections below those assumed in the 2009 annual impairment test. The revenue decline was attributable to the December 31, 2009 expiration of a sales representation agreement with Citadel whereby a minimum level of revenue was guaranteed over the term of the agreement. Reach Media's newly established sales organization began selling its inventory on the Tom Joyner Morning Show and under a new commission based sales representation agreement with Citadel.

Below are key assumptions used in the income approach model for estimating the fair value for Reach Media for the annual October 2009 and interim February, May and August 2010 impairment tests. When compared to a 9.5% to 10.5% discount rate used for assessing radio market reporting units, the higher discount rate used in this assessment reflects a premium for a riskier and broader media business, with a heavier concentration and significantly higher amount of programming content related intangible assets that are highly dependent on the on-air personality Tom Joyner.

Reach Media Goodwill (Reporting Unit Within the Radio Broadcasting Segment)	October 1, 2009	February 28, 2010	May 31, 2010	August 31, 2010
		(In millions)		
Pre-tax impairment charge	$—	$—	$—	$—
Discount Rate	14.0%	13.5%	13.5%	13.0%
2010 (Year 1) Revenue Growth Rate	16.5%(a)	8.5%	2.5%	2.5%
Long-term Revenue Growth Rate Range (Years 6-10)	2.5% - 3.0%	2.5% - 3.0%	2.5% - 2.9%	2.5% - 3.3%
Operating Profit Margin Range	27.2% - 35.3%	22.7% - 31.4%	23.3% - 31.5%	25.5% - 31.2%

(a) The Year 1 revenue growth rate is driven by the September 2009 amendment of Reach Media's sales representation agreement with Citadel, whereby the guaranteed revenue paid to Reach Media by Citadel was reduced by $2.0 million in the fourth quarter of 2009, the final quarter for the term of the agreement. Effective January 2010, Reach Media and Citadel became parties to a commission based sales representation agreement, whereby Citadel sells out-of-show inventory for the Tom Joyner Morning Show. Reach Media now sells all in-show inventory.

As a result of the February, May and August 2010 interim impairment tests, the Company concluded that the carrying value of goodwill attributable to Reach Media had not been impaired.

Goodwill Valuation Results

The table below presents the changes in the carrying amount of goodwill by segment and reporting unit during the nine month period ended September 30, 2010. The actual reporting units are not disclosed so as to not make publicly available sensitive information that could potentially be competitively harmful to the Company.

Reporting Unit	As of December 31, 2009 Goodwill	Changes in Goodwill Carrying Value Nine Months Ended September 30, 2010 Impairment	Acquisitions/ Dispositions	Other Activity	As of September 30, 2010 Goodwill
Reporting Unit 3	$ —	$ —	$ —	$ —	$ —
Reporting Unit 4	—	—	—	—	—
Reporting Unit 8	—	—	—	—	—
Reporting Unit 9	—	—	—	—	—
Reporting Unit 15	—	—	—	—	—
Reporting Unit 14	—	—	—	—	—
Reporting Unit 2	406	—	—	—	406
Reporting Unit 6	928	—	—	—	928
Reporting Unit 10	2,081	—	—	—	2,081
Reporting Unit 13	2,491	—	—	—	2,491
Reporting Unit 12	2,915	—	—	—	2,915
Reporting Unit 11	3,791	—	—	—	3,791
Reporting Unit 16	4,442	—	—	—	4,442
Reporting Unit 5	5,074	—	—	—	5,074
Reporting Unit 7	12,887	—	—	—	12,887
Reporting Unit 19	30,468	—	—	—	30,468
Reporting Unit 1	50,194	—	—	—	50,194
Radio Broadcasting Segment	115,677	—	—	—	115,677
Corporate/Eliminations/Other	—	—	—	—	—
Reporting Unit 20	—	—	—	—	—
		—	—	—	—
Reporting Unit 17	—	—	—	—	—
Reporting Unit 18	21,840	—	—	(24)	21,816
Internet Segment	21,840	—	—	(24)	21,816
Total	$ 137,517	$ —	$ —	$ (24)	$ 137,493

Intangible Assets Excluding Goodwill and Radio Broadcasting Licenses

Other intangible assets, excluding goodwill and radio broadcasting licenses, are being amortized on a straight-line basis over various periods. Other intangible assets consist of the following:

	As of		
	September 30, 2010 (Unaudited)	December 31, 2009	Period of Amortization
	(In thousands)		
Trade names	$ 17,133	$ 16,965	2-5 Years
Talent agreement	19,549	19,549	10 Years
Debt financing and modification costs	25,159	17,527	Term of debt
Intellectual property	13,011	13,011	4-10 Years
Affiliate agreements	7,769	7,769	1-10 Years
Acquired income leases	1,282	1,282	3-9 Years
Non-compete agreements	1,260	1,260	1-3 Years
Advertiser agreements	6,613	6,613	2-7 Years
Favorable office and transmitter leases	3,358	3,358	2-60 Years
Brand names	2,539	2,539	2.5 Years
Other intangibles	1,257	1,260	1-5 Years
	98,930	91,133	
Less: Accumulated amortization	(62,274)	(56,074)	
Other intangible assets, net	$ 36,656	$ 35,059	

Amortization expense of intangible assets for the three months ended September 30, 2010 and 2009 was approximately $1.8 million and $2.1 million, respectively, and for the nine months ended September 30, 2010 and 2009 was approximately $5.4 million and $6.4 million, respectively. The amortization of deferred financing costs was charged to interest expense for all periods presented. The amount of deferred financing costs included in interest expense for the three months ended September 30, 2010 and 2009 was $527,000 and $606,000, respectively, and for the nine month periods ended September 30, 2010 and 2009 was approximately $1.7 million and $1.8 million, respectively.

The following table presents the Company's estimate of amortization expense for the remainder of 2010 and years 2011 through 2015 for intangible assets, excluding deferred financing costs:

	(In thousands)
2010 (October through December)	$ 1,666
2011	$ 5,647
2012	$ 5,415
2013	$ 4,830
2014	$ 4,124
2015	$ 248

Actual amortization expense may vary as a result of future acquisitions and dispositions.

5. INVESTMENT IN AFFILIATED COMPANY

In January 2004, the Company, together with an affiliate of Comcast Corporation and other investors, launched TV One, LLC, an entity formed to operate a cable television network featuring lifestyle, entertainment and news-related programming targeted primarily towards African-American viewers. At that time, we committed to make a cumulative cash investment of $74.0 million in TV One, of which $60.3 million had

been funded as of April 30, 2007, with no additional funding investment made since then. Since December 31, 2006, the initial four year commitment period for funding the capital has been extended on a quarterly basis due in part to TV One's lower than anticipated capital needs. Currently, the commitment period has been extended to November 15, 2010, and we anticipate further extension based upon TV One's cash flow and anticipated capital needs. In December 2004, TV One entered into a distribution agreement with DIRECTV and certain affiliates of DIRECTV became investors in TV One. As of September 30, 2010, the Company owned approximately 37% of TV One on a fully-converted basis.

On June 16, 2010, the Company announced a series of financing transactions designed to refinance substantially all of its existing indebtedness (the "Refinancing Transactions") and finance (the "TV One Financing") its purchase of an additional approximately 19% of the outstanding equity interests in TV One (the "TV One Acquisition"). On July 16, 2010, the Company announced that it had extended the expiration time of the Refinancing Transactions; however, it also announced that it had determined not to further extend the subscription offer for the TV One Financing. Thus, the Company elected to focus its efforts on the Refinancing Transactions and determined not to continue to pursue the TV One Acquisition at that time. As of the date hereof, the Company maintains its ownership of approximately 37% of TV One on a fully-converted basis.

The Company has recorded its investment at cost and has adjusted the carrying amount of the investment to recognize the change in the Company's claim on the net assets of TV One resulting from operating income or losses of TV One as well as other capital transactions of TV One using a hypothetical liquidation at book value approach. For the three months ended September 30, 2010 and 2009, the Company's allocable share of TV One's operating income was $1.8 million and $1.4 million, respectively. For the nine months ended September 30, 2010 and 2009, the Company's allocable share of TV One's operating income was $3.8 million and $3.3 million, respectively.

At each of September 30, 2010 and December 31, 2009, the carrying value of the Company's investment in TV One was approximately $46.5 million and $48.5 million, respectively, and is presented on the consolidated balance sheets as investment in affiliated company. At September 30, 2010, the Company has future contractual funding commitments of $13.7 million and the Company's maximum exposure to loss as a result of its involvement with TV One was determined to be approximately $60.2 million, which is the Company's carrying value of its investment plus its future contractual funding commitment.

We entered into separate network services and advertising services agreements with TV One in 2003. Under the network services agreement, we are providing TV One with administrative and operational support services and access to Radio One personalities. This agreement, originally scheduled to expire in January 2009, has been extended to January 2011. Under the advertising services agreement, we are providing a specified amount of advertising to TV One. This agreement was also originally scheduled to expire in January 2009 and has been extended to January 2011. In consideration of providing these services, we have received equity in TV One, and receive an annual cash fee of $500,000 for providing services under the network services agreement.

The Company is accounting for the services provided to TV One under the advertising services agreements in accordance with ASC 505-50-30, "*Equity*." As services are provided to TV One, the Company is recording revenue based on the fair value of the most reliable unit of measurement in these transactions. The most reliable unit of measurement has been determined to be the value of underlying advertising time that is being provided to TV One. The Company recognized $42,000 and $334,000 in revenue relating to this agreement for the three months ended September 30, 2010 and 2009, respectively. The Company recognized $1.0 million in revenue relating to this agreement for both of the nine month periods ended September 30, 2010 and 2009.

6. DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES

ASC 815, *"Derivatives and Hedging,"* establishes disclosure requirements related to derivative instruments and hedging activities with the intent to provide users of financial statements with an enhanced understanding of: (i) how and why an entity uses derivative instruments; (ii) how derivative instruments and

related hedged items are accounted for and its related interpretations; and (iii) how derivative instruments and related hedged items affect an entity's financial position, financial performance, and cash flows. ASC 815 requires qualitative disclosures about objectives and strategies for using derivatives, quantitative disclosures about the fair value of gains and losses on derivative instruments, and disclosures about credit-risk-related contingent features in derivative instruments.

The fair values and the presentation of the Company's derivative instruments in the consolidated balance sheets are as follows:

	Liability Derivatives			
	As of September 30, 2010		As of December 31, 2009	
	(Unaudited) Balance Sheet Location	Fair Value	Balance Sheet Location	Fair Value
			(In thousands)	
Derivatives designated as hedging instruments:				
Interest rate swaps	Other Current Liabilities	$ —	Other Current Liabilities	$ 486
Interest rate swaps	Other Long-Term Liabilities	1,687	Other Long-Term Liabilities	1,600
Derivatives not designated as hedging instruments:				
Employment agreement award	Other Long-Term Liabilities	5,733	Other Long-Term Liabilities	4,657
Total derivatives		$7,420		$ 6,743

The effect and the presentation of the Company's derivative instruments on the consolidated statements of operations are as follows:

	Three Months Ended September 30,							
Derivatives in Cash Flow Hedging Relationships	Amount of Gain (Loss) in Other Comprehensive Loss on Derivative (Effective Portion)		Loss Reclassified from Accumulated Other Comprehensive Loss into Income (Effective Portion)			Gain (Loss) in Income (Ineffective Portion and Amount Excluded from Effectiveness Testing)		
	Amount			Amount			Amount	
	2010	2009	Location	2010	2009	Location	2010	2009
				(Unaudited) (In thousands)				
Interest rate swaps	$ 5	$ (97)	Interest expense	$ (254)	$ (485)	Interest expense	$—	$—

	Nine Months Ended September 30,							
Derivatives in Cash Flow Hedging Relationships	Amount of Gain (Loss) in Other Comprehensive Loss on Derivative (Effective Portion)		Loss Reclassified from Accumulated Other Comprehensive Loss into Income (Effective Portion)			Gain (Loss) in Income (Ineffective Portion and Amount Excluded from Effectiveness Testing)		
	Amount			Amount			Amount	
	2010	2009	Location	2010	2009	Location	2010	2009
				(Unaudited) (In thousands)				
Interest rate swaps	$ 401	$ 378	Interest expense	$ (1,243)	$ (1,107)	Interest expense	$ —	$ —

Derivatives Not Designated as Hedging Instruments	Location of Gain (Loss) in Income of Derivative	Amount of Gain (Loss) in Income of Derivative Three Months Ended September 30, 2010	2009
		(Unaudited) (In thousands)	
Employment agreement award	Corporate selling, general and administrative expense	$ (131)	$ (103)

Derivatives Not Designated as Hedging Instruments	Location of Gain (Loss) in Income on Derivative	Amount of Gain (Loss) in Income of Derivative Nine Months Ended September 30, 2010	2009
		(Unaudited) (In thousands)	
Employment agreement award	Corporate selling, general and administrative expense	$ (1,076)	$ 9

Hedging Activities

In June 2005, pursuant to the Credit Agreement (as defined in Note 7 — *Long-Term Debt*), the Company entered into four fixed rate swap agreements to reduce interest rate fluctuations on certain floating rate debt commitments. Three of the four $25.0 million swap agreements have expired, one in each of June 2007, 2008, and 2010, respectively.

The remaining swap agreement has the following terms:

	Notional Amount	Expiration	Fixed Rate
Swap Agreement	$ 25.0 million	June 16, 2012	4.47%

The remaining swap agreement has been accounted for as a qualifying cash flow hedge of the Company's senior bank debt, in accordance with ASC 815*, "Derivatives and Hedging,"* whereby changes in the fair market value are reflected as adjustments to the fair value of the derivative instruments as reflected on the accompanying consolidated financial statements.

The Company's objectives in using interest rate swaps are to manage interest rate risk associated with the Company's floating rate debt commitments and to add stability to future cash flows. To accomplish this objective, the Company uses interest rate swaps as part of its interest rate risk management strategy. Interest rate swaps designated as cash flow hedges involve the receipt of variable-rate amounts from a counterparty in exchange for the Company making fixed-rate payments over the life of the agreements without exchange of the underlying notional amount.

The effective portion of changes in the fair value of derivatives designated and qualifying as cash flow hedges is recorded in Accumulated Other Comprehensive Loss and is subsequently reclassified into earnings in the period that the hedged forecasted transaction affects earnings. During the nine months ended September 30, 2010, such derivatives were used to hedge the variable cash flows associated with existing floating rate debt commitments. The ineffective portion of the change in fair value of the derivatives, if any, is recognized directly in earnings.

Amounts reported in Accumulated Other Comprehensive Loss related to derivatives are reclassified to interest expense as interest payments are made on the Company's floating rate debt. During the next 12 months, the Company estimates that an additional amount of approximately $1.0 million will be reclassified as an increase to interest expense.

Under the swap agreement, the Company pays the fixed rate listed in the table above. The counterparties to the agreement pay the Company a floating interest rate based on the three month LIBOR, for which measurement and settlement is performed quarterly. The counterparty to the agreement is an international financial institution. The Company estimates the net fair value of the instrument as of September 30, 2010 to be a liability of approximately $1.7 million. The fair value of the interest rate swap agreement is determined by obtaining a quotation from the financial institution, which is a party to the Company's swap agreement and adjusted for credit risk.

Costs incurred to execute the swap agreement are deferred and amortized over the term of the swap agreement. The amounts incurred by the Company, representing the effective difference between the fixed rate under the swap agreement and the variable rate on the underlying term of the debt, are included in interest expense in the accompanying consolidated statements of operations. In the event of early termination of the swap agreement, any gains or losses would be amortized over the respective lives of the underlying debt or recognized currently if the debt is terminated earlier than initially anticipated.

Other Derivative Instruments

The Company recognizes all derivatives at fair value, whether designated in hedging relationships or not, in the balance sheet as either an asset or liability. The accounting for changes in the fair value of a derivative, including certain derivative instruments embedded in other contracts, depends on the intended use of the derivative and the resulting designation. If the derivative is designated as a fair value hedge, the changes in the fair value of the derivative and the hedged item are recognized in the statement of operations. If the derivative is designated as a cash flow hedge, changes in the fair value of the derivative are recorded in other comprehensive income and are recognized in the statement of operations when the hedged item affects net income. If a derivative does not qualify as a hedge, it is marked to fair value through the statement of operations. Any fees associated with these derivatives are amortized over their term.

As of September 30, 2010, the Company was party to an Employment Agreement executed in April 2008 with the CEO, which calls for an award that has been accounted for as a derivative instrument without a hedging relationship in accordance with the guidance under ASC 815, *"Derivatives and Hedging."* Pursuant to the Employment Agreement, the CEO is eligible to receive an award amount equal to 8% of any proceeds from distributions or other liquidity events in excess of, and only after the return of the Company's aggregate investment in TV One. The Company reassessed the estimated fair value of the award at September 30, 2010 to be approximately $5.7 million, and accordingly, adjusted its liability to this amount. The Company's obligation to pay the award will be triggered only after the Company's recovery of the aggregate amount of its capital contribution in TV One and only upon actual receipt of distributions of cash or marketable securities or proceeds from a liquidity event with respect to the Company's membership interest in TV One. The CEO was fully vested in the award upon execution of the Employment Agreement, and the award lapses upon expiration of the Employment Agreement in April 2011, or earlier if the CEO voluntarily leaves the Company, or is terminated for cause.

7. LONG-TERM DEBT

Long-term debt consists of the following:

	As of	
	September 30, 2010 (Unaudited)	December 31, 2009
	(In thousands)	
Senior bank term debt	$ 27,628	$ 45,024
Senior bank revolving debt	323,000	306,000
8 7/8% Senior Subordinated Notes due July 2011	101,510	101,510
6 3/8% Senior Subordinated Notes due February 2013	200,000	200,000
Note payable due December 31, 2011	1,000	1,000
Total long-term debt	653,138	653,534
Less: current portion	652,138	652,534
Long-term debt, net of current portion	$ 1,000	$ 1,000

Credit Facilities

In June 2005, the Company entered into the Credit Agreement with a syndicate of banks. Simultaneous with entering into the Credit Agreement, the Company borrowed $437.5 million to retire all outstanding obligations under its previous credit agreement. The Credit Agreement was amended in April 2006, September 2007 and March 2010 to modify certain financial covenants and other provisions. The Credit Agreement expires the earlier of (a) six months prior to the scheduled maturity date of the 8 7/8% Senior Subordinated Notes due July 1, 2011 (January 1, 2011) (unless the 8 7/8% Senior Subordinated Notes have been repurchased or refinanced prior to such date) or (b) June 30, 2012. The total amount available under the Credit Agreement is $700.0 million, consisting of a $400.0 million revolving facility and a $300.0 million term loan facility. Borrowings under the credit facilities are subject to compliance with certain provisions including, but not limited to, financial covenants. The Company may use proceeds from the credit facilities for working capital, capital expenditures made in the ordinary course of business, its common stock repurchase program, permitted direct and indirect investments and other lawful corporate purposes.

During the quarter ended March 31, 2010, we noted that certain of our subsidiaries identified as guarantors in our financial statements did not have requisite guarantees filed with the trustee as required under the terms of the indentures governing the 6 3/8% and 8 7/8% Senior Subordinated Notes (the "Non-Joinder of Certain Subsidiaries"). The Non-Joinder of Certain Subsidiaries caused a non-monetary, technical default under the terms of the relevant indentures at December 31, 2009, causing a non-monetary, technical cross-default at December 31, 2009 under the terms of our Credit Agreement dated June 2005. We have since joined the relevant subsidiaries as guarantors under the relevant indentures (the "Joinder"). Further, on March 30, 2010, we entered into a third amendment (the "Third Amendment") to the Credit Agreement. The Third Amendment provides for, among other things: (i) a $100.0 million revolver commitment reduction (from $500.0 million to $400.0 million) under the bank facilities; (ii) a 1.0% floor with respect to any loan bearing interest at a rate determined by reference to the adjusted LIBOR; (iii) certain additional collateral requirements; (iv) certain limitations on the use of proceeds from the revolving loan commitments; (v) the addition of Interactive One, LLC as a guarantor of the loans under the Credit Agreement and under the notes governed by the Company's 2001 and 2005 senior subordinated debt documents; (vi) the waiver of the technical cross-defaults that existed as of December 31, 2009 and through the date of the amendment arising due to the Non-Joinder of Certain Subsidiaries; and (vii) the payment of certain fees and expenses of the lenders in connection with their diligence work on the amendment.

The Credit Agreement contains affirmative and negative covenants that the Company must comply with, including:

(a) maintaining an interest coverage ratio of no less than:

- 1.90 to 1.00 from January 1, 2006 to September 13, 2007;
- 1.60 to 1.00 from September 14, 2007 to June 30, 2008;
- 1.75 to 1.00 from July 1, 2008 to December 31, 2009;
- 2.00 to 1.00 from January 1, 2010 to December 31, 2010; and
- 2.25 to 1.00 from January 1, 2011 and thereafter;

(b) maintaining a total leverage ratio of no greater than:

- 7.00 to 1.00 beginning April 1, 2006 to September 13, 2007;
- 7.75 to 1.00 beginning September 14, 2007 to March 31, 2008;
- 7.50 to 1.00 beginning April 1, 2008 to September 30, 2008;
- 7.25 to 1.00 beginning October 1, 2008 to June 30, 2010;
- 6.50 to 1.00 beginning July 1, 2010 to September 30, 2011; and
- 6.00 to 1.00 beginning October 1, 2011 and thereafter;

(c) maintaining a senior leverage ratio of no greater than:

- 5.00 to 1.00 beginning June 13, 2005 to September 30, 2006;
- 4.50 to 1.00 beginning October 1, 2006 to September 30, 2007; and
- 4.00 to 1.00 beginning October 1, 2007 and thereafter; and

(d) limitations on:

- liens;
- sale of assets;
- payment of dividends; and
- mergers.

As of September 30, 2010, approximate ratios calculated in accordance with the Credit Agreement, are as follows:

	As of September 30, 2010	Covenant Limit	Cushion/(Deficit)
PF LTM Covenant EBITDA (In millions)	$ 86.6		
PF LTM Interest Expense (In millions)	$ 40.4		
Senior Debt (In millions)	$ 351.5		
Total Debt (In millions)	$ 653.6		
Senior Secured Leverage			
Senior Secured Debt / Covenant EBITDA	4.06x	4.00x	(.06)x
Total Leverage			
Total Debt / Covenant EBITDA	7.55x	6.50x	(1.05)x
Interest Coverage			
Covenant EBITDA / Interest Expense	2.14x	2.00x	0.14x

PF — Pro forma

LTM — Last twelve months

EBITDA — Earnings before interest, taxes, depreciation and amortization

Based on its December 31, 2009 excess cash flow calculation, the Company made a $5.0 million term loan principal prepayment in May 2010 on its senior bank term debt. No excess cash calculation was required and, therefore, no payment was required for the year ended December 31, 2008. In March 2009 and May 2009, the Company made prepayments of $70.0 million and $31.5 million, respectively, on the term loan facility based on its excess proceeds calculation, which included asset acquisition and disposition activity for the twelve month period ended May 31, 2008. These prepayments were funded with $70.0 million and $31.5 million in loan proceeds from the revolving facility in March 2009 and May 2009, respectively.

As of each of June 30, 2010, July 1, 2010 and September 30, 2010, we were not in compliance with the terms of our Existing Credit Facility. More specifically, (i) as of June 30, 2010, we failed to maintain a then required total leverage ratio of 7.25 to 1.00, (ii) as of July 1, 2010, as a result of a step down of the total leverage ratio from no greater than 7.25 to 1.00 to no greater than 6.50 to 1.00 effective for the period July 1, 2010 to September 30, 2011, we failed to maintain the requisite total leverage ratio, (iii) as of September 30, 2010, we failed to meet our current total leverage ratio requirement of 6.50 to 1.00 and our senior leverage ratio requirement of 4.00 to 1.00, and (iv) as of each of June 30, 2010 and September 30, 2010, we failed to meet certain hedging obligations; specifically, we failed to maintain a ratio of at least 50% fixed rate debt to floating rate debt. On July 15, 2010, the Company and its subsidiaries entered into a forbearance agreement (the "Forbearance Agreement") with Wells Fargo Bank, N.A. (successor by merger to Wachovia Bank, National Association), as administrative agent (the "Agent"), and financial institutions constituting the majority of outstanding loans and commitments (the "Required Lenders") under our Existing Credit Facility, relating to the defaults and events of default existing as of June 30, 2010 and July 1, 2010. On August 13, 2010, we entered into an amendment to the Forbearance Agreement (the "Forbearance Agreement Amendment") that, among other things, extended the termination date of the Forbearance Agreement to September 10, 2010, unless terminated earlier by its terms, and provided additional forbearance related to the then anticipated default caused by an opinion of Ernst & Young LLP expressing substantial doubt about the Company's ability to continue as a going concern as issued in connection with the restatement of our financial statements. Under the Forbearance Agreement and the Forbearance Agreement Amendment, the Agent and the Required Lenders maintained the right to deliver "payment blockage notices" to the trustees for the holders of the 8 7/8% Senior Subordinated Notes due 2011 ("2011 Notes") and/or the 6 3/8% Senior Subordinated Notes due 2013 ("2013 Notes").

On August 5, 2010, the Agent delivered a payment blockage notice to the Trustee under the Indenture governing our 2013 Notes. As a result, neither we nor any of our guaranteeing subsidiaries may make any payment or distribution of any kind or character in respect of obligations under the 2013 Notes, including the interest payment that was scheduled to be made on August 16, 2010. The 30-day grace period for the nonpayment of interest before such nonpayment constituted an event of default under the 2013 Notes Indenture expired on September 15, 2010. While the trustee or holders of at least 25% in principal amount of the then outstanding 2013 Notes could declare the principal amount, and accrued and unpaid interest, on all outstanding 2013 Notes to be due and payable immediately as a result of such event of default, as of the date of this filing, no such remedies have been exercised as we continue to negotiate the terms of the amended exchange offer and a new support agreement with the members of the ad hoc group of holders of our 2011 and 2013 Notes. The event of default under the 2013 Notes Indenture also constitutes an event of default under the Existing Credit Facility. While the Forbearance Agreement Amendment expired by its terms on September 10, 2010, we and the Agent continue to negotiate the terms of a credit facility amendment (the "Credit Agreement Amendment") and the Agent and the lenders have not, as of the date of this filing, exercised additional remedies under the Existing Credit Facility. We, along with our advisors, have negotiated the principal terms of the Credit Agreement Amendment with the Agent. However, to the extent the Required Lenders do not agree to enter into the Credit Agreement Amendment at the completion of an amended exchange offer, we would expect that all of our indebtedness under the Existing Credit Facility would be

declared immediately due and payable. Such acceleration of our indebtedness would also cause a cross-default under our other debt obligations, including under the Existing Notes.

If we complete our anticipated refinancing transactions, we intend to pay the August 16, 2010 defaulted interest in full in cash and cure or otherwise obtain a waiver of any and all defaults or events of default under the 2013 Notes Indenture and the Existing Credit Facility. The members of the ad hoc group continue to forbear from exercising rights and remedies under the Existing Indentures with respect to any default or event of default that has occurred or may occur as a result of our failure to make the interest payment on the 2013 Notes on August 16, 2010. However, we cannot assure that we will complete our anticipated refinancing transactions. In the event we do not complete our anticipated refinancing transactions or if the term of the new support agreement expires and remedies are exercised by the trustee or holders under the 2013 Notes Indenture, we would expect that all of our indebtedness under the Existing Notes and the Existing Credit Facility would be declared immediately due and payable. Either of these events would make it difficult for us to operate our business in the ordinary course, and we would likely need to seek protection under Chapter 11 of the Bankruptcy Code.

Interest payments under the terms of the Credit Agreement are due based on the type of loan selected. Interest on alternate base rate loans as defined under the terms of the Credit Agreement is payable on the last day of each March, June, September and December. Interest due on the LIBOR loans is payable on the last day of the interest period applicable for borrowings up to three months in duration, and on the last day of each March, June, September and December for borrowings greater than three months in duration. In addition, quarterly installments of principal on the term loan facility are payable on the last day of each March, June, September and December commencing on September 30, 2007 in a percentage amount of the principal balance of the term loan facility outstanding on September 30, 2007, net of loan repayments, of 1.25% between September 30, 2007 and June 30, 2008, 5.0% between September 30, 2008 and June 30, 2009, and 6.25% between September 30, 2009 and June 30, 2012. Based on the (i) $174.4 million net principal balance of the term loan facility outstanding on September 30, 2008, (ii) a $70.0 million prepayment in March 2009, (iii) a $31.5 million prepayment in May 2009 and (iv) a $5.0 million prepayment in May 2010, quarterly payments of $4.0 million are payable between June 30, 2010 and June 30, 2012.

As of September 30, 2010, the Company had outstanding approximately $350.6 million on its credit facility, all of which was classified as current portion of long-term debt in the consolidated balance sheet. During the three months and nine months ended September 30, 2010, the Company repaid approximately $3.9 million and $396,000, respectively.

Senior Subordinated Notes

As of September 30, 2010 and December 31, 2009, the Company had outstanding $200.0 million of its 6 3/8% Senior Subordinated Notes due February 2013 and $101.5 million of its 8 7/8% Senior Subordinated Notes due July 2011. The 6 3/8% Senior Subordinated Notes due February 2013 had a carrying value of $200.0 million and a fair value of approximately $168.0 million as of September 30, 2010, and a carrying value of $200.0 million and a fair value of approximately $142.0 million as of December 31, 2009. The 8 7/8% Senior Subordinated Notes due July 2011 had a carrying value of $101.5 million and a fair value of approximately $89.3 million as of September 30, 2010, and a carrying value of $101.5 million and a fair value of approximately $78.2 million as of December 31, 2009. The fair values were determined based on the trading value of the instruments as of the reporting date.

During the first quarter of 2010, we noted that certain of our subsidiaries identified as guarantors in our financial statements did not have requisite guarantees filed with the trustee as required under the terms of the indentures governing the 6 3/8% and 8 7/8% Senior Subordinated Notes (the "Non-Joinder of Certain Subsidiaries"). The Non-Joinder of Certain Subsidiaries caused a non-monetary, technical default under the terms of the relevant indentures at December 31, 2009, causing a non-monetary, technical cross-default at December 31, 2009 under the terms of our Credit Agreement dated June 2005. We have since joined the relevant subsidiaries as guarantors under the relevant indentures (the "Joinder"). As discussed in the section above, on March 30,

2010, the Company cured a non-monetary technical cross-default under the terms of our Credit Agreement dated June 2005 by entering into the Third Amendment.

Interest payments under the terms of the $6^{3}/_{8}\%$ and the $8^{7}/_{8}\%$ Senior Subordinated Notes are due in February and August, and January and July of each year, respectively. Based on the $200.0 million principal balance of the $6^{3}/_{8}\%$ Senior Subordinated Notes outstanding on September 30, 2010, interest payments of $6.4 million are payable each February and August through February 2013. The Company made this $6.4 million payment in February and August 2009, and in February 2010. Based on the $101.5 million principal balance of the $8^{7}/_{8}\%$ Senior Subordinated Notes outstanding on September 30, 2010, interest payments of $4.5 million are payable each January and July through July 2011. The Company made a $4.6 million interest payment in January 2009, and $4.5 million interest payment in each of July 2009, January 2010 and July 2010.

On August 5, 2010, the Agent under our Existing Credit Facility delivered a payment blockage notice to the Trustee under the Indenture governing our 2013 Notes. As a result, neither we nor any of our guaranteeing subsidiaries may make any payment or distribution of any kind or character in respect of obligations under the 2013 Notes, including the interest payment that was scheduled to be made on August 16, 2010. The 30-day grace period for the nonpayment of interest before such nonpayment constituted an event of default under the 2013 Notes Indenture expired on September 15, 2010. While the trustee or holders of at least 25% in principal amount of the then outstanding 2013 Notes could declare the principal amount, and accrued and unpaid interest, on all outstanding 2013 Notes to be due and payable immediately as a result of such event of default, as of the date of this filing, no such remedies have been sought as we continue to negotiate the terms of the amended exchange offer and a new support agreement with the members of the ad hoc group of holders of our 2011 and 2013 Notes. The event of default under the 2013 Notes Indenture also constitutes an event of default under the Existing Credit Facility. If we complete our anticipated refinancing transactions, we intend to pay the August 16, 2010 defaulted interest in full in cash and cure or otherwise obtain a waiver of any and all defaults under the 2013 Notes Indenture and the Existing Credit Facility. However, we cannot assure that we will complete our anticipated refinancing transactions. Our ability to consummate our anticipated refinancing transactions will depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors, some of which may be beyond our control. In the event we do not complete our anticipated refinancing transactions, we would expect that all of our indebtedness under the Existing Notes and the Existing Credit Facility would be declared immediately due and payable.

The indentures governing the Company's senior subordinated notes also contain covenants that restrict, among other things, the ability of the Company to incur additional debt, purchase common stock, make capital expenditures, make investments or other restricted payments, swap or sell assets, engage in transactions with related parties, secure non-senior debt with assets, or merge, consolidate or sell all or substantially all of its assets.

The Company conducts a portion of its business through its subsidiaries. Certain of the Company's subsidiaries have fully and unconditionally guaranteed the Company's $8^{7}/_{8}\%$ Senior Subordinated Notes, the $6^{3}/_{8}\%$ Senior Subordinated Notes and the Company's obligations under the Credit Agreement.

Note Payable

In November 2009, Reach Media issued a $1.0 million promissory note payable to a subsidiary of Citadel. The note bears interest at 7%, interest is payable quarterly and principal is due on December 31, 2011.

Future scheduled minimum principal payments of debt as of September 30, 2010 are as follows:

	Senior Subordinated Notes		Credit Facilities		Note Payable	
			(Unaudited) (In thousands)			
October — December 2010	$	—	$	3,947	$	—
2011		101,510		346,681		1,000
2012		—		—		—
2013		200,000		—		—
2014		—		—		—
2015 and thereafter		—		—		—
Total Debt	$	301,510	$	350,628	$	1,000

The Senior Subordinated Notes and credit facilities are classified as current in the accompanying consolidated balance sheets at September 30, 2010 and December 31, 2009 as these obligations may become callable due to the termination of the Forbearance Agreement Amendment on September 10, 2010.

8. INCOME TAXES

The effective tax rate from continuing operations for the nine month period ended September 30, 2010 was 96.9%. This rate is based on the blending of an estimated annual effective tax rate of 136.5% for Radio One, which has a full valuation allowance for its deferred tax assets (“DTAs”), with an estimated annual effective tax rate of 36.3% for Reach Media, which does not have a valuation allowance. The Radio One annual effective tax rate calculation for 2010 is due primarily to the increase in the deferred tax liability (“DTL”) of approximately $3.8 million associated with the amortization for tax purposes of certain of the Company’s radio broadcasting licenses. A tax expense of $759,000 was recognized for Reach Media and $83,000 was recognized for discrete items for Radio One, which resulted in a consolidated net tax expense of $4.7 million for the nine months ended September 30, 2010.

In 2007, the Company concluded it was more likely than not that the benefit from certain of its DTAs related to Radio One would not be realized. The Company considered its historically profitable jurisdictions, its sources of future taxable income and tax planning strategies in determining the amount of valuation allowance recorded. As part of that assessment, the Company also determined that it was not appropriate under GAAP to benefit its DTAs based on DTLs related to indefinite-lived intangibles that cannot be scheduled to reverse in the same period. Because the DTL in this case would not reverse until some future indefinite period when the intangibles are either sold or impaired, any resulting temporary differences cannot be considered a source of future taxable income to support realization of the DTAs. As a result of this assessment, and given the then three year cumulative loss position, the uncertainty of future taxable income and the feasibility of tax planning strategies, the Company recorded a valuation allowance for the Radio One DTAs. For the nine month period ended September 30, 2010, an additional valuation allowance for the current year anticipated increase to DTAs related to net operating loss carryforwards from the amortization of indefinite-lived intangibles related to Radio One was included in the annual effective tax rate calculation.

On January 1, 2007, the Company adopted the provisions of ASC 740, *“Income Taxes,”* related to accounting for uncertainty in income taxes, which recognizes the impact of a tax position in the financial statements if it is more likely than not that the position would be sustained on audit based on the technical merits of the position. The nature of the uncertainties pertaining to our income tax position is primarily due to various state tax positions. As of September 30, 2010, we had approximately $6.3 million in unrecognized tax benefits. Accrued interest and penalties related to unrecognized tax benefits is recognized as a component of tax expense. During the nine months ended September 30, 2010, the Company recorded an expense for interest and penalties of approximately $71,000. As of September 30, 2010, the Company had a liability of approximately $275,000 for unrecognized tax benefits for interest and penalties which is included in taxes payable in the consolidated balance sheet. The Company estimates the possible change in unrecognized tax

benefits prior to September 30, 2011 which could range from zero to a reduction of $74,000, due to expiring statutes.

9. STOCKHOLDERS' EQUITY

Common Stock

The Company has four classes of common stock, Class A, Class B, Class C and Class D. Generally, the shares of each class are identical in all respects and entitle the holders thereof to the same rights and privileges. However, with respect to voting rights, each share of Class A Common Stock entitles its holder to one vote and each share of Class B Common Stock entitles its holder to ten votes. The holders of Class C and Class D Common Stock are not entitled to vote on any matters. The holders of Class A Common Stock can convert such shares into shares of Class C or Class D Common Stock. Subject to certain limitations, the holders of Class B Common Stock can convert such shares into shares of Class A Common Stock. The holders of Class C Common Stock can convert such shares into shares of Class A Common Stock. The holders of Class D Common Stock have no such conversion rights.

Stock Repurchase Program

In March 2008, the Company's board of directors authorized a repurchase of shares of the Company's Class A and Class D Common Stock through December 31, 2009, in an amount of up to $150.0 million, the maximum amount allowable under the Credit Agreement. The amount and timing of such repurchases was based on pricing, general economic and market conditions, and the restrictions contained in the agreements governing the Company's credit facilities and subordinated debt and certain other factors. While $150.0 million is the maximum amount allowable under the Credit Agreement, in 2005, under a prior board authorization, the Company utilized approximately $78.0 million to repurchase common stock leaving capacity of $72.0 million under the Credit Agreement. During the nine months ended September 30, 2010, the Company did not repurchase any Class A Common Stock or Class D Common Stock. During the nine months ended September 30, 2009, the Company repurchased 34,889 shares of Class A Common Stock at an average price of $0.68 and 22.7 million shares of Class D Common Stock at an average price of $0.47. The Company does not have any capacity available to repurchase stock in 2010 as the authorization expired by its terms on December 31, 2009 and has not been renewed.

Stock Option and Restricted Stock Grant Plan

Under the Company's 1999 Stock Option and Restricted Stock Grant Plan ("Plan"), the Company had the authority to issue up to 10,816,198 shares of Class D Common Stock and 1,408,099 shares of Class A Common Stock. The Plan expired March 10, 2009. The options previously issued under this plan are exercisable in installments determined by the compensation committee of the Company's board of directors at the time of grant. These options expire as determined by the compensation committee, but no later than ten years from the date of the grant. The Company uses an average life for all option awards. The Company settles stock options upon exercise by issuing stock.

A new stock option and restricted stock plan ("the 2009 Stock Plan") was approved by the stockholders at the Company's annual meeting on December 16, 2009. The terms of the 2009 Stock Plan are substantially similar to the prior Plan. The Company has the authority to issue up to 8,250,000 shares of Class D Common Stock under the 2009 Stock Plan. As of September 30, 2010, 5,175,570 shares of Class D Common Stock were available for grant under the 2009 Stock Plan.

The compensation committee and the non-executive members of the Board of Directors approved a long-term incentive plan (the "2009 LTIP") for certain "key" employees of the Company. The purpose of the 2009 LTIP was to retain and incent these "key" employees in light of sacrifices they made as a result of the cost savings initiatives in response to current economic conditions. These sacrifices included not receiving performance-based bonuses in 2008 and salary reductions and shorter work weeks in 2009 in order to provide expense savings and financial flexibility to the Company. The 2009 LTIP is comprised of 3,250,000 shares (the "LTIP Shares") of the 2009 Stock Plan's 8,250,000 shares of Class D Common Stock. Awards of the

LTIP Shares were granted in the form of restricted stock and allocated among 31 employees of the Company, including the named executive officers. The named executive officers were allocated LTIP Shares as follows: (i) Chief Executive Officer ("CEO") (1.0 million shares); (ii) the Chairperson (300,000 shares); (iii) the Chief Financial Officer ("CFO") (225,000 shares); (iv) the Chief Administrative Officer ("CAO") (225,000 shares); and (v) the President of the Radio Division ("PRD") (130,000 shares). The remaining 1,370,000 shares were allocated among 26 other "key" employees. All awards will vest in three installments. The awards were granted effective January 5, 2010 and the first installment of 33% vested on June 5, 2010. The remaining two installments will vest equally on June 5, 2011 and June 5, 2012. Pursuant to the terms of the 2009 Stock Plan, subject to the Company's insider trading policy, a portion of each recipient's vested shares may be sold into the open market for tax purposes on or about the vesting dates.

The Company follows the provisions under ASC 718, *"Compensation — Stock Compensation,"* using the modified prospective method, which requires measurement of compensation cost for all stock-based awards at fair value on date of grant and recognition of compensation over the service period for awards expected to vest. These stock-based awards do not participate in dividends until fully vested. The fair value of stock options is determined using the Black-Scholes ("BSM") valuation model, which is consistent with our valuation methodologies previously used for options in footnote disclosures. Such fair value is recognized as an expense over the service period, net of estimated forfeitures, using the straight-line method. Estimating the number of stock awards that will ultimately vest requires judgment, and to the extent actual forfeitures differ substantially from our current estimates, amounts will be recorded as a cumulative adjustment in the period the estimated number of stock awards are revised. We consider many factors when estimating expected forfeitures, including the types of awards, employee classification and historical experience. Actual forfeitures may differ substantially from our current estimate.

The Company also uses the BSM valuation model to calculate the fair value of stock-based awards. The BSM incorporates various assumptions including volatility, expected life, and interest rates. For options granted the Company uses the BSM option-pricing model and determines: (i) the term by using the simplified "plain-vanilla" method as allowed under SAB No. 110; (ii) a historical volatility over a period commensurate with the expected term, with the observation of the volatility on a daily basis; and (iii) a risk-free interest rate that was consistent with the expected term of the stock options and based on the U.S. Treasury yield curve in effect at the time of the grant.

The Company granted 39,430 stock options during the nine months ended September 30, 2010, and did not grant stock options during the three months ended September 30, 2010 and 2009, and the nine months ended September 30, 2009.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2010	**2009**	**2010**	**2009**
Average risk-free interest rate	—	—	3.28%	—
Expected dividend yield	—	—	0.00%	—
Expected lives	—	6.25 Years	—	—
Expected volatility	—	—	111.27%	—

Transactions and other information relating to stock options for the nine months ended September 30, 2010 are summarized below:

	Number of Options	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (In Years)	Aggregate Intrinsic Value
Outstanding at December 31, 2009	5,365,000	$ 9.64	—	—
Grants	39,000	$ 3.17	—	—
Exercised	—	—	—	—
Forfeited/cancelled/expired	(314,000)	$ 12.26	—	—
Balance as of September 30, 2010	5,090,000	$ 9.43	5.20	—
Vested and expected to vest at September 30, 2010	4,954,000	$ 9.62	5.14	—
Unvested at September 30, 2010	679,000	$ 1.84	7.70	—
Exercisable at September 30, 2010	4,411,000	$ 10.60	4.82	—

The aggregate intrinsic value in the table above represents the difference between the Company's stock closing price on the last day of trading during the nine months ended September 30, 2010 and the exercise price, multiplied by the number of shares that would have been received by the holders of in-the-money options had all the option holders exercised their options on September 30, 2010. This amount changes based on the fair market value of the Company's stock. There were no options exercised during the three and nine months ended September 30, 2010. There were no options that vested during the three months ended September 30, 2010 and 693,156 options vested during the nine months ended September 30, 2010.

As of September 30, 2010, approximately $362,000 of total unrecognized compensation cost related to stock options is expected to be recognized over a weighted-average period of 3.5 months. The stock option weighted-average fair value per share was $4.19 at September 30, 2010.

Transactions and other information relating to restricted stock grants for the nine months ended September 30, 2010 are summarized below:

	Shares	Average Fair Value at Grant Date
Unvested at December 31, 2009	393,000	$ 1.94
Grants	3,250,000	$ 3.17
Vested	(1,226,000)	$ 3.01
Forfeited/cancelled/expired	(232,000)	$ 3.23
Unvested at September 30, 2010	2,185,000	$ 3.03

The restricted stock grants were included in the Company's outstanding share numbers on the effective date of grant. As of September 30, 2010, approximately $5.6 million of total unrecognized compensation cost related to restricted stock grants is expected to be recognized over the next 1.2 years.

10. SEGMENT INFORMATION

The Company has two reportable segments: (i) Radio Broadcasting; and (ii) Internet. These two segments operate in the United States and are consistently aligned with the Company's management of its businesses and its financial reporting structure.

The Radio Broadcasting segment consists of all broadcast and Reach Media results of operations. The Internet segment includes the results of our online business, including the operations of CCI. Corporate/Eliminations/Other represents financial activity associated with our corporate staff and offices, intercompany activity between the two segments and activity associated with a small film venture.

Operating income or loss represents total revenues less operating expenses, depreciation and amortization, and impairment of long-lived assets. Intercompany revenue earned and expenses charged between segments are recorded at fair value and eliminated in consolidation.

The accounting policies described in the summary of significant accounting policies in Note 1 — *Organization and Summary of Significant Accounting Policies* are applied consistently across the two segments.

Detailed segment data for the three and nine month periods ended September 30, 2010 and 2009 is presented in the following tables:

	Three Months Ended September 30, 2010	Three Months Ended September 30, 2009
	(Unaudited) (In thousands)	
Net Revenue:		
Radio Broadcasting	$ 72,059	$ 72,541
Internet	4,382	3,548
Corporate/Eliminations/Other	(1,950)	(1,438)
Consolidated	$ 74,491	$ 74,651
Operating Expenses (including stock-based compensation):		
Radio Broadcasting	$ 44,362	$ 39,776
Internet	5,663	4,825
Corporate/Eliminations/Other	2,548	2,361
Consolidated	$ 52,573	$ 46,962
Depreciation and Amortization:		
Radio Broadcasting	$ 3,131	$ 3,402
Internet	1,222	1,615
Corporate/Eliminations/Other	272	320
Consolidated	$ 4,625	$ 5,337
Operating income (loss):		
Radio Broadcasting	$ 24,566	$ 29,363
Internet	(2,503)	(2,892)
Corporate/Eliminations/Other	(4,770)	(4,119)
Consolidated	$ 17,293	$ 22,352

	As of September 30, 2010 (Unaudited)	As of December 31, 2009
	(In thousands)	
Total Assets:		
Radio Broadcasting	$ 926,070	$ 921,946
Internet	33,924	37,784
Corporate/Eliminations/Other	84,390	75,812
Consolidated	$ 1,044,384	$ 1,035,542

	Nine Months Ended September 30,	
	2010	2009
	(Unaudited) (In thousands)	
Net Revenue:		
Radio Broadcasting	$202,099	$198,853
Internet	12,330	10,027
Corporate/Eliminations/Other	(5,726)	(4,045)
Consolidated	$208,703	$204,835
Operating Expenses (excluding impairment charges and including stock-based compensation):		
Radio Broadcasting	$129,092	$118,915
Internet	17,801	16,175
Corporate/Eliminations/Other	12,714	6,642
Consolidated	$159,607	$141,732
Depreciation and Amortization:		
Radio Broadcasting	$ 9,491	$ 10,101
Internet	3,853	4,785
Corporate/Eliminations/Other	851	918
Consolidated	$ 14,195	$ 15,804
Impairment of Long-Lived Assets:		
Radio Broadcasting	$ —	$ 48,953
Internet	—	—
Corporate/Eliminations/Other	—	—
Consolidated	$ —	$ 48,953
Operating income (loss):		
Radio Broadcasting	$ 63,516	$ 20,884
Internet	(9,324)	(10,933)
Corporate/Eliminations/Other	(19,291)	(11,605)
Consolidated	$ 34,901	$ (1,654)

11. CONTRACT TERMINATION

In connection with the September 2005 termination of the Company's sales representation agreements with Interep National Radio Sales, Inc., and its subsequent agreements with Katz Communications, Inc. ("Katz") making Katz the Company's sole national sales representative, Katz paid the Company $3.4 million as an inducement to enter into new agreements and paid Interep approximately $5.3 million to satisfy the Company's termination obligations. In August 2009, the Company completed amortizing both over the four-year life of the subsequent Katz agreements as a reduction to selling, general, and administrative expense. For the three and nine month periods ended September 30, 2009, selling, general and administrative expense was reduced by $316,000 and $1.3 million, respectively. The Company's agreement with Katz automatically renews on an annual basis.

12. RELATED PARTY TRANSACTIONS

The Company's CEO and Chairperson own a music company called Music One, Inc. ("Music One"). The Company sometimes engages in promoting the recorded music product of Music One. Based on the cross-promotional value received by the Company, we believe that the provision of such promotion is fair. During the three and nine months ended September 30, 2010 and 2009, Radio One paid $0 and $6,000 and $9,000 and $37,000, respectively, to or on behalf of Music One, primarily for market talent event appearances, travel reimbursement and sponsorships. For the three and nine months ended September 30, 2010 and 2009, the Company provided no advertising services to Music One. There were no cash, trade or no-charge orders placed by Music One for the three and nine months ended September 30, 2010 and 2009. As of September 30, 2010, Music One owed Radio One $102,000 for office space and administrative services provided in 2009, 2008 and 2007.

The office space and administrative support transactions between Radio One and Music One are conducted at cost and all expenses associated with the transactions are passed through at actual costs. Costs associated with office space on behalf of Music One are calculated based on square footage used by Music One, multiplied by Radio One's actual per square foot lease costs for the appropriate time period. Administrative services are calculated based on the approximate hours provided by each Radio One employee to Music One, multiplied by such employee's applicable hourly rate and related benefits allocation. Advertising spots are priced at an average unit rate. Based on the cross-promotional nature of the activities provided by Music One and received by the Company, we believe that these methodologies of charging average unit rates or passing through the actual costs incurred are fair and reflect terms no more favorable than terms generally available to a third-party.

13. CONDENSED CONSOLIDATING FINANCIAL STATEMENTS

The Company conducts a portion of its business through its subsidiaries. All of the Company's subsidiary guarantors have fully and unconditionally guaranteed the Company's $8^{7}/_{8}$% Senior Subordinated Notes due July 2011, the $6^{3}/_{8}$% Senior Subordinated Notes due February 2013, and the Company's obligations under the Credit Agreement.

Set forth below are consolidated balance sheets for the Company and the subsidiary guarantors as of September 30, 2010 and December 31, 2009, and related consolidated statements of operations and cash flows for each of the three and nine month periods ended September 30, 2010 and 2009. The equity method of accounting has been used by the Company to report its investments in subsidiaries. Separate financial statements for the subsidiary guarantors are not presented based on management's determination that they do not provide additional information that is material to investors.

RADIO ONE, INC. AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF OPERATIONS
Three Months Ended September 30, 2010

	Combined Guarantor Subsidiaries (Unaudited)	Radio One, Inc. (Unaudited)	Eliminations (Unaudited)	Consolidated (Unaudited)
	(In thousands)			
NET REVENUE	$ 35,540	$ 38,951	$ —	$ 74,491
OPERATING EXPENSES:				
Programming and technical, including stock-based compensation	8,631	10,180	—	18,811
Selling, general and administrative, including stock-based compensation	15,313	12,204	—	27,517
Corporate selling, general and administrative, including stock-based compensation	—	6,245	—	6,245
Depreciation and amortization	2,436	2,189	—	4,625
Total operating expenses	26,380	30,818	—	57,198
Operating income	9,160	8,133	—	17,293
INTEREST INCOME	—	28	—	28
INTEREST EXPENSE	—	12,122	—	12,122
EQUITY IN INCOME OF AFFILIATED COMPANY	—	(1,784)	—	(1,784)
OTHER (INCOME) EXPENSE, NET	(1)	51	—	50
Income (loss) before provision for income taxes, noncontrolling interests in income of subsidiaries and discontinued operations	9,161	(2,228)	—	6,933
PROVISION FOR INCOME TAXES	—	4,760	—	4,760
Net income (loss) before equity in income of subsidiaries and discontinued operations	9,161	(6,988)	—	2,173
EQUITY IN INCOME OF SUBSIDIARIES	—	9,068	(9,068)	—
Net income from continuing operations	9,161	2,080	(9,068)	2,173
LOSS FROM DISCONTINUED OPERATIONS, net of tax	(93)	(32)	—	(125)
Consolidated net income	9,068	2,048	(9,068)	2,048
NONCONTROLLING INTERESTS IN INCOME OF SUBSIDIARIES	—	1,010	—	1,010
Consolidated net income attributable to common stockholders	$ 9,068	$ 1,038	$ (9,068)	$ 1,038

RADIO ONE, INC. AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF OPERATIONS
Three Months Ended September 30, 2009

	Combined Guarantor Subsidiaries (Unaudited)	Radio One, Inc. (Unaudited)	Eliminations (Unaudited)	Consolidated (Unaudited)
		(As Adjusted — See Note 1) (In thousands)		
NET REVENUE	$ 33,182	$ 41,469	$ —	$ 74,651
OPERATING EXPENSES:				
Programming and technical, including stock-based compensation	8,003	9,991	—	17,994
Selling, general and administrative, including stock-based compensation	13,150	10,868	—	24,018
Corporate selling, general and administrative, including stock-based compensation	—	4,950	—	4,950
Depreciation and amortization	3,029	2,308	—	5,337
Total operating expenses	24,182	28,117	—	52,299
Operating income	9,000	13,352	—	22,352
INTEREST INCOME	—	33	—	33
INTEREST EXPENSE	—	9,224	—	9,224
EQUITY IN INCOME OF AFFILIATED COMPANY	—	(1,397)	—	(1,397)
OTHER EXPENSE, NET	32	6	—	38
Income before benefit from income taxes, noncontrolling interests in income of subsidiaries and discontinued operations	8,968	5,552	—	14,520
BENEFIT FROM INCOME TAXES	—	(1,508)	—	(1,508)
Net income before equity in income of subsidiaries and discontinued operations	8,968	7,060	—	16,028
EQUITY IN INCOME OF SUBSIDIARIES	—	8,706	(8,706)	—
Net income (loss) from continuing operations	8,968	15,766	(8,706)	16,028
(LOSS) INCOME FROM DISCONTINUED OPERATIONS, net of tax	(262)	172	—	(90)
Consolidated net income (loss)	8,706	15,938	(8,706)	15,938
NONCONTROLLING INTERESTS IN INCOME OF SUBSIDIARIES	—	1,712	—	1,712
Consolidated net income (loss) attributable to common stockholders	$ 8,706	$ 14,226	$ (8,706)	$ 14,226

RADIO ONE, INC. AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF OPERATIONS
Nine Months Ended September 30, 2010

	Combined Guarantor Subsidiaries (Unaudited)	Radio One, Inc. (Unaudited)	Eliminations (Unaudited)	Consolidated (Unaudited)
	(In thousands)			
NET REVENUE	$ 99,950	$ 108,753	$ —	$ 208,703
OPERATING EXPENSES:				
Programming and technical, including stock-based compensation	25,810	30,926	—	56,736
Selling, general and administrative, including stock-based compensation	44,219	34,071	—	78,290
Corporate selling, general and administrative, including stock-based compensation	—	24,581	—	24,581
Depreciation and amortization	7,599	6,596	—	14,195
Impairment of long-lived assets	—	—	—	—
Total operating expenses	77,628	96,174	—	173,802
Operating income	22,322	12,579	—	34,901
INTEREST INCOME	—	95	—	95
INTEREST EXPENSE	—	31,059	—	31,059
EQUITY IN INCOME OF AFFILIATED COMPANY	—	(3,832)	—	(3,832)
OTHER (INCOME) EXPENSE, NET	(115)	3,049	—	2,934
Income (loss) before provision for income taxes, noncontrolling interests in income of subsidiaries and discontinued operations	22,437	(17,602)	—	4,835
PROVISION FOR INCOME TAXES	—	4,685	—	4,685
Net income (loss) before equity in income of subsidiaries and discontinued operations	22,437	(22,287)	—	150
EQUITY IN INCOME OF SUBSIDIARIES	—	22,433	(22,433)	—
Net income (loss) from continuing operations	22,437	146	(22,433)	150
LOSS FROM DISCONTINUED OPERATIONS, net of tax	(4)	(201)	—	(205)
Consolidated net income (loss)	22,433	(55)	(22,433)	(55)
NONCONTROLLING INTERESTS IN INCOME OF SUBSIDIARIES	—	1,427	—	1,427
Net income (loss) attributable to common stockholders	$ 22,433	$ (1,482)	$ (22,433)	$ (1,482)

RADIO ONE, INC. AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF OPERATIONS
Nine Months Ended September 30, 2009

	Combined Guarantor Subsidiaries (Unaudited)	Radio One, Inc. (Unaudited)	Eliminations (Unaudited)	Consolidated (Unaudited)
		(As Adjusted — See Note 1) (In thousands)		
NET REVENUE	$ 91,076	$ 113,759	$ —	$ 204,835
OPERATING EXPENSES:				
Programming and technical, including stock-based compensation	26,213	30,643	—	56,856
Selling, general and administrative, including stock-based compensation	38,957	29,871	—	68,828
Corporate selling, general and administrative, including stock-based compensation	—	16,048	—	16,048
Depreciation and amortization	8,997	6,807	—	15,804
Impairment of long-lived assets	37,424	11,529		48,953
Total operating expenses	111,591	94,898	—	206,489
Operating (loss) income	(20,515)	18,861	—	(1,654)
INTEREST INCOME	—	98	—	98
INTEREST EXPENSE	3	29,033	—	29,036
GAIN ON RETIREMENT OF DEBT	—	1,221		1,221
EQUITY IN INCOME OF AFFILIATED COMPANY	—	(3,294)	—	(3,294)
OTHER (INCOME) EXPENSE, NET	(38)	134	—	96
Loss before provision for income taxes, noncontrolling interests in income of subsidiaries and discontinued operations	(20,480)	(5,693)	—	(26,173)
PROVISION FOR INCOME TAXES	—	7,340	—	7,340
Net loss before equity in income of subsidiaries and discontinued operations	(20,480)	(13,033)	—	(33,513)
EQUITY IN INCOME OF SUBSIDIARIES	—	(21,928)	21,928	—
Net loss from continuing operations	(20,480)	(34,961)	21,928	(33,513)
(LOSS) INCOME FROM DISCONTINUED OPERATIONS, net of tax	(1,448)	613	—	(835)
Consolidated net loss	(21,928)	(34,348)	21,928	(34,348)
NONCONTROLLING INTERESTS IN INCOME OF SUBSIDIARIES	—	3,650	—	3,650
Net loss attributable to common stockholders	$ (21,928)	$ (37,998)	$ 21,928	$ (37,998)

RADIO ONE, INC. AND SUBSIDIARIES
CONSOLIDATING BALANCE SHEET
As of September 30, 2010

	Combined Guarantor Subsidiaries (Unaudited)	Radio One, Inc. (Unaudited)	Eliminations (Unaudited)	Consolidated (Unaudited)
	(In thousands)			
ASSETS				
CURRENT ASSETS:				
Cash and cash equivalents	$ 2,045	$ 19,526	$ —	$ 21,571
Trade accounts receivable, net of allowance for doubtful accounts	30,464	30,376	—	60,840
Prepaid expenses and other current assets	1,981	2,758	—	4,739
Current assets from discontinued operations	(49)	127	—	78
Total current assets	34,441	52,787	—	87,228
PROPERTY AND EQUIPMENT, net	20,862	14,456	—	35,318
INTANGIBLE ASSETS, net	570,226	302,568	—	872,794
INVESTMENT IN SUBSIDIARIES	—	609,619	(609,619)	—
INVESTMENT IN AFFILIATED COMPANY	—	46,479	—	46,479
OTHER ASSETS	613	1,952	—	2,565
Total assets	$ 626,142	$1,027,861	$ (609,619)	$1,044,384
LIABILITIES, REDEEMABLE NONCONTROLLING INTEREST AND STOCKHOLDERS' EQUITY				
CURRENT LIABILITIES:				
Accounts payable	$ 545	$ 2,174	$ —	$ 2,719
Accrued interest	—	10,355	—	10,355
Accrued compensation and related benefits	2,920	9,165	—	12,085
Income taxes payable	—	2,444	—	2,444
Other current liabilities	9,066	(1,961)	—	7,105
Current portion of long-term debt	—	652,138	—	652,138
Current liabilities from discontinued operations	2,438	(10)	—	2,428
Total current liabilities	14,969	674,305	—	689,274
LONG-TERM DEBT, net of current portion	—	1,000	—	1,000
OTHER LONG-TERM LIABILITIES	1,554	8,593	—	10,147
DEFERRED TAX LIABILITIES	—	90,762	—	90,762
Total liabilities	16,523	774,660	—	791,183
REDEEMABLE NONCONTROLLING INTEREST	—	44,047	—	44,047
STOCKHOLDERS' EQUITY:				
Common stock	—	54	—	54
Accumulated other comprehensive loss	—	(1,685)	—	(1,685)
Additional paid-in capital	269,892	982,679	(269,892)	982,679
Retained earnings (accumulated deficit)	339,727	(771,894)	(339,727)	(771,894)
Total stockholders' equity	609,619	209,154	(609,619)	209,154
Total liabilities, redeemable noncontrolling interest and stockholders' equity	$ 626,142	$1,027,861	$ (609,619)	$1,044,384

RADIO ONE, INC. AND SUBSIDIARIES
CONSOLIDATING BALANCE SHEET
As of December 31, 2009

	Combined Guarantor Subsidiaries	Radio One, Inc.	Eliminations	Consolidated
	(In thousands)			
ASSETS				
CURRENT ASSETS:				
Cash and cash equivalents	$ 127	$ 19,836	$ —	$ 19,963
Trade accounts receivable, net of allowance for doubtful accounts	27,934	19,085	—	47,019
Prepaid expenses and other current assets	1,818	3,132	—	4,950
Current assets from discontinued operations	300	124	—	424
Total current assets	30,179	42,177	—	72,356
PROPERTY AND EQUIPMENT, net	23,429	17,156	—	40,585
INTANGIBLE ASSETS, net	572,449	298,772	—	871,221
INVESTMENT IN SUBSIDIARIES	—	610,712	(610,712)	—
INVESTMENT IN AFFILIATED COMPANY	—	48,452	—	48,452
OTHER ASSETS	1,482	1,372	—	2,854
NON-CURRENT ASSETS FROM DISCONTINUED OPERATIONS	74	—	—	74
Total assets	$ 627,613	$1,018,641	$ (610,712)	$1,035,542
LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND STOCKHOLDERS' EQUITY				
CURRENT LIABILITIES:				
Accounts payable	$ 828	$ 3,332	$ —	$ 4,160
Accrued interest	—	9,499	—	9,499
Accrued compensation and related benefits	2,659	7,590	—	10,249
Income taxes payable	—	1,533	—	1,533
Other current liabilities	8,007	(771)	—	7,236
Current portion of long-term debt	—	652,534	—	652,534
Current liabilities from discontinued operations	2,924	25	—	2,949
Total current liabilities	14,418	673,742	—	688,160
LONG-TERM DEBT, net of current portion	—	1,000	—	1,000
OTHER LONG-TERM LIABILITIES	2,483	7,702	—	10,185
DEFERRED TAX LIABILITIES	—	88,144	—	88,144
Total liabilities	16,901	770,588	—	787,489
REDEEMABLE NONCONTROLLING INTERESTS	—	52,225	—	52,225
STOCKHOLDERS' EQUITY:				
Common stock	—	51	—	51
Accumulated other comprehensive loss	—	(2,086)	—	(2,086)
Additional paid-in capital	270,985	968,275	(270,985)	968,275
Retained earnings (accumulated deficit)	339,727	(770,412)	(339,727)	(770,412)
Total stockholders' equity	610,712	195,828	(610,712)	195,828
Total liabilities, redeemable noncontrolling interests and stockholders' equity	$ 627,613	$1,018,641	$ (610,712)	$1,035,542

RADIO ONE, INC. AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF CASH FLOWS
Nine Months Ended September 30, 2010

	Combined Guarantor Subsidiaries (Unaudited)	Radio One, Inc. (Unaudited)	Eliminations (Unaudited)	Consolidated (Unaudited)
	(In thousands)			
CASH FLOWS FROM OPERATING ACTIVITIES:				
Consolidated net income (loss)	$ 22,433	$ (55)	$ (22,433)	$ (55)
Adjustments to reconcile consolidated net loss to net cash from operating activities:				
Depreciation and amortization	7,599	6,596	—	14,195
Amortization of debt financing costs	—	1,694	—	1,694
Write off of debt financing costs	—	3,055	—	3,055
Deferred income taxes	—	2,611	—	2,611
Equity in income of affiliated company	—	(3,832)	—	(3,832)
Stock-based compensation and other non-cash compensation	—	4,877	—	4,877
Effect of change in operating assets and liabilities, net of assets acquired:				
Trade accounts receivable, net	(2,530)	(11,291)	—	(13,821)
Prepaid expenses and other current assets	(163)	374	—	211
Other assets	184	6,684	—	6,868
Accounts payable	(283)	(1,541)	—	(1,824)
Due to corporate/from subsidiaries	(22,982)	22,982	—	—
Accrued interest	—	856	—	856
Accrued compensation and related benefits	261	1,575	—	1,836
Income taxes payable	—	911	—	911
Other liabilities	67	(470)	—	(403)
Net cash flows used in operating activities from discontinued operations	(60)	(344)	—	(404)
Net cash flows provided from (used in) operating activities	4,526	34,682	(22,433)	16,775
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchase of property and equipment	(2,608)	(643)	—	(3,251)
Investment in subsidiaries	—	(22,433)	22,433	—
Purchase of other intangible assets	—	(341)	—	(341)
Net cash flows (used in) provided from investing activities	(2,608)	(23,417)	22,433	(3,592)
CASH FLOWS FROM FINANCING ACTIVITIES:				
Proceeds from credit facility	—	12,000	—	12,000
Repayment of credit facility	—	(12,396)	—	(12,396)
Debt refinancing and modification costs	—	(11,179)	—	(11,179)
Net cash flows used in financing activities	—	(11,575)	—	(11,575)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,918	(310)	—	1,608
CASH AND CASH EQUIVALENTS, beginning of period	127	19,836	—	19,963
CASH AND CASH EQUIVALENTS, end of period	$ 2,045	$ 19,526	$ —	$ 21,571

RADIO ONE, INC. AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF CASH FLOWS
Nine Months Ended September 30, 2009

	Combined Guarantor Subsidiaries (Unaudited)	Radio One, Inc. (Unaudited)	Eliminations (Unaudited)	Consolidated (Unaudited)
		(As Adjusted — See Note 1) (In thousands)		
CASH FLOWS FROM OPERATING ACTIVITIES:				
Consolidated net loss	$ (21,928)	$ (34,348)	$ 21,928	$ (34,348)
Adjustments to reconcile consolidated net loss to net cash from operating activities:				
Depreciation and amortization	8,998	6,806	—	15,804
Amortization of debt financing costs	—	1,811	—	1,811
Deferred income taxes	—	3,887	—	3,887
Impairment of long-lived assets	37,424	11,529	—	48,953
Equity in income of affiliated company	—	(3,294)	—	(3,294)
Stock-based compensation and other non-cash compensation	—	1,381	—	1,381
Gain on retirement of debt	—	(1,221)	—	(1,221)
Amortization of contract inducement and termination fee	—	(1,263)	—	(1,263)
Effect of change in operating assets and liabilities, net of assets acquired:				
Trade accounts receivable, net	(1,166)	549	—	(617)
Prepaid expenses and other current assets	274	1,130	—	1,404
Other assets	(733)	2,214	—	1,481
Accounts payable	(383)	731	—	348
Due to corporate/from subsidiaries	(28,649)	28,649	—	—
Accrued interest	—	(6,122)	—	(6,122)
Accrued compensation and related benefits	(700)	(2,015)	—	(2,715)
Income taxes payable	—	855	—	855
Other liabilities	4,512	(9,199)	—	(4,687)
Net cash flows provided from (used in) operating activities from discontinued operations	460	(253)	—	207
Net cash flows (used in) provided from operating activities	(1,891)	1,827	21,928	21,864
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchase of property and equipment	—	(3,368)	—	(3,368)
Investment in subsidiaries	—	21,928	(21,928)	—
Purchase of intangible assets	—	(272)	—	(272)
Net cash flows provided from (used in) from investing activities	—	18,288	(21,928)	(3,640)
CASH FLOWS FROM FINANCING ACTIVITIES:				
Repayment of other debt	—	(153)	—	(153)
Proceeds from credit facility	—	111,500	—	111,500
Repayment of credit facility	—	(125,170)	—	(125,170)
Repurchase of senior subordinated notes	—	(1,220)	—	(1,220)
Repurchase of common stock	—	(10,695)	—	(10,695)
Net cash flows used in financing activities	—	(25,738)	—	(25,738)
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(1,891)	(5,623)	—	(7,514)
CASH AND CASH EQUIVALENTS, beginning of period	2,601	19,688	—	22,289
CASH AND CASH EQUIVALENTS, end of period	$ 710	$ 14,065	$ —	$ 14,775

14. COMMITMENTS AND CONTINGENCIES

Royalty Agreements

Effective December 31, 2009, our radio music license agreements with the two largest performance rights organizations, American Society of Composers, Authors and Publishers ("ASCAP") and Broadcast Music, Inc. ("BMI"), expired. The Radio Music License Committee ("RMLC"), which negotiates music licensing fees for most of the radio industry with ASCAP and BMI, had reached an agreement with these organizations on a temporary fee schedule that reflects a provisional discount of 7.0% against 2009 fee levels. The temporary fee reductions became effective in January 2010. Absent an agreement on long-term fees between the RMLC and ASCAP and BMI, the U.S. District Court in New York has the authority to make an interim and permanent fee ruling for the new contract period. In May 2010 and June 2010, the U.S. District Court's judge charged with determining the licenses fees ruled to further reduce interim fees paid to ASCAP and BMI, respectively, down approximately another 11.0% from the previous temporary fees negotiated with the RMLC.

The Company has entered into other fixed and variable fee music license agreements with other performance rights organizations, which expire as late as December 2015. In connection with these agreements, the Company incurred approximately $2.8 million and $8.7 million for the three and nine month periods ended September 30, 2010, respectively, and approximately $3.1 million and $9.3 million, respectively, for the three and nine month periods ended September 30, 2009.

Other Contingencies

The Company has been named as a defendant in several legal actions arising in the ordinary course of business. It is management's opinion, after consultation with its legal counsel, that the outcome of these claims will not have a material adverse effect on the Company's financial position or results of operations.

Off-Balance Sheet Arrangements

As of September 30, 2010, we had three standby letters of credit totaling $610,000 in connection with our annual insurance policy renewals. In addition, we had a letter of credit of $295,000 in connection with a contract we inherited as part of the acquisition of CCI as well as a letter of credit of $500,000 for Reach Media in connection with an upcoming event.

Noncontrolling Interest Shareholders' Put Rights

Beginning on February 28, 2012, the noncontrolling interest shareholders of Reach Media have an annual right to require Reach Media to purchase all or a portion of their shares at the then current fair market value for such shares. Beginning in 2012, this annual right can be exercised for a 30-day period beginning February 28th of each year. The purchase price for such shares may be paid in cash and/or registered Class D Common Stock of Radio One, at the discretion of Radio One.

15. SUBSEQUENT EVENTS

On October 15, 2010 a standby letter of credit in the amount of $295,000 in connection with a contract we inherited as part of the acquisition of CCI expired. The terms of the associated contract were satisfied resulting in the release of the standby letter of credit obligation.

Radio One, Inc.

Exchange Offer for up to
$286,794,302
12.5%/15.0% Senior Subordinated Notes due 2016

PRELIMINARY PROSPECTUS

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 20. ***Indemnification of Directors and Officers.***

Delaware Law

All Registrants, other than Bell Broadcasting Company, Blue Chip Broadcasting, Ltd., and Blue Chip Broadcasting Licenses, Ltd., are incorporated or organized under the laws of the State of Delaware. Section 102(b)(7) of the General Corporation Law of the State of Delaware permits a Delaware corporation to limit the personal liability of its directors in accordance with the provisions set forth therein. The Restated Certificate of Incorporation of Radio One provides that the personal liability of its directors shall be limited to the fullest extent permitted by applicable law.

Section 145 of the General Corporation Law of the State of Delaware contains provisions permitting corporations organized thereunder to indemnify directors, officers, employees or agents against expenses, judgments and fines reasonably incurred and against certain other liabilities in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person was or is a director, officer, employee or agent of the corporation. The Amended and Restated Certificate of Incorporation or equivalent constituting document of each of the Registrants, other than Bell Broadcasting Company, Blue Chip Broadcasting, Ltd., Blue Chip Broadcasting Licenses, Ltd., and Hawes-Saunders Broadcast Properties, Inc., provides for indemnification of its directors and officers to the fullest extent permitted by applicable law.

Hawes-Saunders' bylaws provide that any indemnification (unless ordered by a court) shall be made by the corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because the person has met the applicable standard of conduct. Such determination shall be made (a) by a majority vote of directors who are not party to such suit, action, or proceeding, even though less than a quorum, (b) by a committee of such directors designated by a majority vote of such directors, even though less than a quorum, (c) if there are no such directors, or if such directors so direct, by independent legal counsel in a written opinion, or (d) by the stockholders.

Radio One of Indiana, L.P. is organized as a limited partnership under the laws of the State of Delaware. Section 17-108 of the Delaware Revised Uniform Limited Partnership Act provides that a limited partnership, subject to any standards and restrictions in its partnership agreement, may indemnify and hold harmless any partner or other person from and against any and all claims and demands. The Limited Partnership Agreement of Radio One of Indiana, L.P. provide that the partnership shall indemnify and hold harmless its general partners from any loss or damage incurred by reason of any act performed by them for and on behalf of the partnership unless the act constituted gross negligence, willful or wanton misconduct, or intentional malfeasance.

Community Connect, LLC, Distribution One, LLC, Interactive One, LLC, Satellite One, L.L.C., Radio One Distribution Holdings, LLC, Radio One Licences, LLC, Radio One of Charlotte, LLC, Radio One of Detroit, LLC, Radio One of Atlanta, LLC, ROA Licenses, LLC, Charlotte Broadcasting, LLC, Radio One of North Carolina, LLC, Radio One of Boston Licenses, LLC, Radio One of Indiana, LLC, Radio One of Texas II, LLC and Radio One Media Holdings, LLC are organized as limited liability companies under the laws of the State of Delaware. Section 18-108 of the Delaware Limited Liability Company Act provides that a limited liability company, subject to any standards and restrictions in its limited liability company agreement, may indemnify and hold harmless any member or manager or other person from and against any and all claims and demands.

The Limited Liability Company Agreement of each of Community Connect, LLC, Distribution One, LLC, Interactive One, LLC, Satellite One, L.L.C., Radio One Distribution Holdings, LLC, Radio One Licences, LLC, Radio One of Charlotte, LLC, Radio One of Detroit, LLC, Radio One of Atlanta, LLC, ROA Licenses, LLC, Charlotte Broadcasting, LLC, Radio One of North Carolina, LLC, Radio One of Boston

Licenses, LLC, Radio One of Indiana, LLC, and Radio One of Texas II, LLC provides that the company shall, in accordance with Section 18- 108 of the Delaware Limited Liability Company Act, indemnify and hold harmless any member, manager or officer of such company (or of an affiliate thereof) to the fullest extent permitted by law against any loss, liability, damage, judgment, demand, claim, cost or expense incurred by or asserted against such indemnitee, including, without limitation, reasonable attorney's fees and disbursements incurred in the defense thereof, arising out of any act or omission of such indemnitee in connection with the company. Additionally, the limited liability company agreement of Radio One Media Holdings, LLC provides that in the event of any action by the member against the indemnitee, including a derivative suit, the company shall indemnify, hold harmless, and pay all expenses of such indemnitee, including reasonable attorney's fees and disbursements incurred in the defense thereof and that no indemnitee shall be indemnified from any liability for the fraud, intentional misconduct, gross negligence or a knowing violation of the law which is material to the cause of the action.

The limited liability company agreement of Radio One of Charlotte, LLC provides that, to the maximum extent permitted by law, the company shall indemnify any person who is or was a manager of the company or is or was serving at the request of the company, if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the company and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful. The company may also, to the maximum extent permitted by law, indemnify any employee or agent who is not a manager under the same standard if such indemnification is approved by the company's managers.

Michigan Law

Bell Broadcasting Company ("BBC") is incorporated under the laws of the State of Michigan. Under Sections 561-571 of the Michigan Business Corporation Act, directors and officers of a Michigan corporation may be entitled to indemnification by the corporation against judgments, expenses, fines and amounts paid by the director or officer in settlement of claims brought against them by third persons or by or in the right of the corporation if those directors and officers acted in good faith and in a manner reasonably believed to be in, or not opposed to, the best interests of the corporation or its shareholders. BBC's Restated Articles of Incorporation provide that its directors shall not be personally liable to BBC or its shareholders for monetary damages for breach of the director's fiduciary duty. However, BBC's Restated Articles of Incorporation do not eliminate or limit the liability of a director for any of the following: (i) a breach of the director's duty of loyalty to us or our shareholders; (ii) acts or omissions not in good faith or that involve intentional misconduct or knowing violation of law; (iii) a violation of Section 551(1) of the Michigan Business Corporation Act; (iv) a transaction from which the director derived an improper personal benefit; or (v) an act or omission occurring before the effective date of the Restated Articles of Incorporation. In addition, BBC's By-Laws generally provide that BBC shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of BBC) by reason of the fact that he is or was a BBC director, officer, employee or agent or is or was serving at BBC's request as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise.

Ohio Law

Blue Chip Broadcasting, Ltd. and Blue Chip Broadcasting Licenses, Ltd. are organized as limited liability companies under the laws of the State of Ohio. Under Section 1705.32 of the Ohio Revised Code, a limited liability company may indemnify a manager, member, partner, officer, employee, agent or certain other persons against expenses, including attorney's fees, judgments, fines, and amounts paid in settlement, actually and reasonably incurred in connection with an action, suit or proceeding, if such manager, member, partner, officer, employee, agent or other person acted in good faith and in a manner reasonably believed to be in, or not opposed to, the best interests of the company and, in connection with any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. A limited liability company may also indemnify a manager, officer, employee, agent or certain other persons against expenses, including attorney's fees, actually and reasonably incurred in connection with an action or suit by or in the right of such company, if

such manager, officer, employee, agent or other person acted in good faith and in a manner reasonably believed to be in, or not opposed to, the best interests of the company. The Bylaws of each of Blue Chip Broadcasting, Ltd. and Blue Chip Broadcasting Licenses, Ltd. provide that the company shall indemnify the foregoing persons to the full extent authorized by the Ohio Revised Code.

The above discussion of the relevant statutes and the governing documents of the registrants is not intended to be exhaustive and is qualified in its entirety by reference to such statutes and governing documents.

Item 21. ***Exhibits.***

Reference is made to the attached Exhibit Index.

Item 22. ***Undertakings.***

(a) Each of the undersigned registrants hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purpose of determining liability under the Securities Act of 1933 to any purchaser, each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

(5) That, for the purpose of determining liability of the registrant under the Securities Act to any purchaser in the initial distribution of the securities, the undersigned registrant undertakes that in a

primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and

(iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

(6) That prior to any public reoffering of the securities registered hereunder through use of a prospectus which is a part of this registration statement, by any person or party who is deemed to be an underwriter within the meaning of Rule 145(c), the issuer undertakes that such reoffering prospectus will contain the information called for by the applicable registration form with respect to reofferings by persons who may be deemed underwriters, in addition to the information called for by the other Items of the applicable form.

(7) That every prospectus (i) that is filed pursuant to paragraph (h)(1) immediately preceding, or (ii) that purports to meet the requirements of section 10(a)(3) of the Act and is used in connection with an offering of securities subject to Rule 415, will be filed as a part of an amendment to the registration statement and will not be used until such amendment is effective, and that, for purposes of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(8) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the provisions referred to in Item 15, or otherwise, each of the registrants has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by such registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, such registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

(b) To respond to requests for information that is incorporated by reference into the prospectus pursuant to Items 4, 10(b), 11, or 13 of this Form, within one business day of receipt of such request, and to send the incorporated documents by first class mail or other equally prompt means. This includes information contained in documents filed subsequent to the effective date of the registration statement through the date of responding to the request.

(c) To supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in the registration statement when it became effective.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Lanham, State of Maryland, on February 9, 2011.

RADIO ONE, INC.

By: /s/ Alfred C. Liggins, III
Alfred C. Liggins, III
President and Chief Executive Officer

Bell Broadcasting Company
Blue Chip Broadcasting Licenses, Ltd.
Blue Chip Broadcasting, Ltd.
Charlotte Broadcasting, LLC
Community Connect Inc.
Community Connect, LLC
Distribution One, LLC
Hawes-Saunders Broadcast Properties, Inc.
Interactive One, Inc.
Interactive One, LLC
New Mableton Broadcasting Corporation
Radio One Cable Holdings, Inc.
Radio One Distribution Holdings, LLC
Radio One Licenses, LLC
Radio One Media Holdings, LLC
Radio One of Atlanta, LLC
Radio One of Boston Licenses, LLC
Radio One of Boston, Inc.
Radio One of Charlotte, LLC
Radio One of Detroit, LLC
Radio One of Indiana, LLC
Radio One of North Carolina, LLC
Radio One of Texas II, LLC
ROA Licenses, LLC
Satellite One, L.L.C.

By: /s/ Alfred C. Liggins, III
Alfred C. Liggins, III
President and Chief Executive Officer

RADIO ONE OF INDIANA, L.P.

By: RADIO ONE, INC., its general partner

By: /s/ Alfred C. Liggins, III
Alfred C. Liggins, III
President and Chief Executive Officer

POWER OF ATTORNEY

Know All Persons By These Presents, that each person whose signature appears below constitutes and appoints Alfred C. Liggins, III, Linda J. Vilardo and Peter D. Thompson and each of them, as true and lawful attorneys-in-fact and agents, with full powers of substitution and resubstitution, for them and in their name, place and stead, in any and all capacities, to sign any and all amendments (including pre-effective and post-effective amendments) to this registration statement and any additional registration statements filed pursuant to Rule 462 under the Securities Act of 1933, as amended, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission (the "SEC"), and generally to do all such things in their names and behalf in their capacities as officers and directors to enable Radio One, Inc. and its co-registrants to comply with the provisions of the Securities Act of 1933, as amended, and all requirements of the SEC, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as he or she might or could do in person, ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his or her substitutes or substitute, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed below by the following persons in the capacities and on the dates indicated.

Signatures	Title	Date
/s/ Alfred C. Liggins, III **Alfred C. Liggins, III**(1)(2)	Director, President and Chief Executive Officer (principal executive officer)	February 9, 2011
/s/ Catherine L. Hughes **Catherine L. Hughes**(2)	Chairperson and Secretary	February 9, 2011
/s/ Terry L. Jones **Terry L. Jones**(2)	Director	February 9, 2011
/s/ Brian W. McNeill **Brian W. McNeill**(2)	Director	February 9, 2011
/s/ B. Doyle Mitchell Jr. **B. Doyle Mitchell Jr.**(3)	Director	February 9, 2011
/s/ D. Geoffrey Armstrong **D. Geoffrey Armstrong**(3)	Director	February 9, 2011
/s/ Ronald E. Blaylock **Ronald E. Blaylock**(3)	Director	February 9, 2011
/s/ Linda J. Vilardo **Linda J. Vilardo**(4)	Director	February 9, 2011
/s/ Peter D. Thompson **Peter D. Thompson**(5)	Executive Vice President and Chief Financial Officer (principal financial officer and principal accounting officer)	February 9, 2011

(1) For the registrants that are limited liability companies or limited partnerships, Alfred C. Liggins, III is executing on behalf of such registrants in the following capacity: (a) for each of Radio One Licenses, LLC, Radio One of Atlanta, LLC, Radio One of Charlotte, LLC, Radio One of Texas II, LLC, Satellite One,

L.L.C., and Radio One Media Holdings, LLC, as President and Chief Executive Officer of Radio One, Inc., the sole member of each such limited liability company, (b) for Radio One of Detroit, LLC, as President and Chief Executive Officer of Bell Broadcasting Company, its sole member, (c) for ROA Licenses, LLC, as President and Chief Executive Officer of Radio One of Atlanta, LLC, its sole member, (d) for Radio One Distribution Holdings, LLC, as President and Chief Executive Officer of Radio One, its sole member, (e) for Charlotte Broadcasting, LLC, as President and Treasurer of Radio One of Charlotte, LLC, the sole member of each such limited liability company, (f) for Radio One of North Carolina, LLC, as President and Chief Executive Officer of Charlotte Broadcasting, LLC, its sole member, (g) for Radio One of Boston Licenses, LLC, as President and Chief Executive Officer of Radio One of Boston, Inc., its sole member, (h) for Blue Chip Broadcasting, Ltd., as President and Chief Executive Officer of Blue Chip Broadcast Company, its sole member, (i) for Blue Chip Broadcasting Licenses, Ltd., as President and Chief Executive Officer of Blue Chip Broadcasting, Ltd., its sole member, (j) for Radio One of Indiana, L.P., as President and Chief Executive Officer of Radio One, Inc., its general partner, (k) for Radio One of Indiana, LLC, as President and Chief Executive Officer of Radio One, Inc., the general partner of Radio One of Indiana, L.P., its sole member; and (l) as Manager of Interactive One, LLC and Community Connect, LLC.

(2) As director of Radio One, Inc., Bell Broadcasting Company, Radio One of Boston, Inc., Blue Chip Broadcasting, Ltd., Blue Chip Broadcasting Licenses, Ltd., New Mableton Broadcasting Corporation, Hawes-Saunders Broadcast Properties, Inc., Radio One Cable Holdings, Inc., Community Connect Inc. and Interactive One, Inc.

(3) As director of Radio One, Inc., New Mableton Broadcasting Corporation, Radio One Cable Holdings, Inc., Community Connect Inc. and Interactive One, Inc.

(4) As manager of Interactive One, LLC and Community Connect, LLC.

(5) As Vice President and Chief Financial Officer for all registrants, other than Radio One of Indiana, L.P., and in his capacity as Executive Vice President and Chief Financial Officer of Radio One, Inc., acting as General Partner of Radio One of Indiana, L.P.

EXHIBIT INDEX

Exhibit Number	Description
3.1	Amended and Restated Certificate of Incorporation of Radio One, Inc., dated as of May 4, 2000, as filed with the State of Delaware on May 9, 2000 (incorporated by reference to Radio One's Quarterly Report on Form 10-Q for the period ended March 31, 2000).
3.1.1	Certificate of Amendment, dated as of September 21, 2000, of the Amended and Restated Certificate of Incorporation of Radio One, Inc., dated as of May 4, 2000, as filed with the State of Delaware on September 21, 2000 (incorporated by reference to Radio One's Current Report on Form 8-K filed October 6, 2000).
3.2	Amended and Restated By-laws of Radio One, Inc. amended as of August 7, 2009 (incorporated by reference to Radio One's Current Report on Form 8-K filed August 21, 2009).
3.3	Restated Articles of Incorporation of Bell Broadcasting Company (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.4	Restated Bylaws of Bell Broadcasting Company (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.5	Articles of Organization of Blue Chip Broadcasting Licenses, Ltd. (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.6	Operating Agreement of Blue Chip Broadcasting Licenses, Ltd. (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.7	Articles of Organization of Blue Chip Broadcasting, Ltd. (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.8	Amended and Restated Operating Agreement of Blue Chip Broadcasting, Ltd. (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.9	Certificate of Formation of Charlotte Broadcasting, LLC (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.10	Limited Liability Company Agreement of Charlotte Broadcasting, LLC (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.11	Articles of Incorporation of Community Connect Inc.*
3.12	Bylaws of Community Connect Inc.*
3.13	Certificate of Formation of Community Connect, LLC.*
3.14	Limited Liability Company Agreement of Community Connect, LLC.*
3.15	Certificate of Formation of Distribution One, LLC.*
3.16	Limited Liability Company Agreement of Distribution One, LLC.*
3.17	Certificate of Incorporation of Hawes-Saunders Broadcast Properties, Inc. (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.18	Amended and Restated Bylaws of Hawes-Saunders Broadcast Properties, Inc. (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.19	Articles of Incorporation of Interactive One, Inc.*
3.20	Bylaws of Interactive One, Inc.*
3.21	Certificate of Formation of Interactive One, LLC.*
3.22	Limited Liability Company Agreement of Interactive One, LLC.*
3.23	Certificate of Incorporation of New Mableton Broadcasting Corporation (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.24	Bylaws of New Mableton Broadcasting Corporation (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.25	Articles of Radio One Cable Holdings, Inc.*
3.26	Bylaws of Radio One Cable Holdings, Inc.*
3.27	Certificate of Formation of Radio One Distribution Holdings, LLC.*
3.28	Limited Liability Company Agreement of Radio One Distribution Holdings, LLC.*

Exhibit Number	Description
3.29	Certificate of Formation of Radio One Licenses, LLC (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.30	Limited Liability Company Agreement of Radio One Licenses, LLC (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.31	Certificate of Formation of Radio One Media Holdings, LLC (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.32	Limited Liability Company Agreement of Radio One Media Holdings, LLC (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.33	Certificate of Formation of Radio One of Atlanta, LLC (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.34	Limited Liability Company Agreement of Radio One of Atlanta, LLC (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.35	Certificate of Formation of Radio One of Boston Licenses, LLC (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.36	Limited Liability Company Agreement of Radio One of Boston Licenses, LLC (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.37	Certificate of Incorporation of Radio One of Boston, Inc. (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.38	Bylaws of Radio One of Boston, Inc. (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.39	Certificate of Formation of Radio One of Charlotte, LLC (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.40	Limited Liability Company Agreement of Radio One of Charlotte, LLC (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.41	Certificate of Formation of Radio One of Detroit, LLC (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.42	Limited Liability Company Agreement of Radio One of Detroit, LLC (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.43	Certificate of Limited Partnership of Radio One of Indiana, L.P. (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.44	Limited Partnership Agreement of Radio One of Indiana, L.P. (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.45	Certificate of Formation of Radio One of Indiana, LLC (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.46	Limited Liability Company Agreement of Radio One of Indiana, LLC (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.47	Certificate of Formation of Radio One of North Carolina, LLC (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.48	Limited Liability Company Agreement of Radio One of North Carolina, LLC (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.49	Certificate of Formation of Radio One of Texas II, LLC (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.50	Limited Liability Company Agreement of Radio One of Texas II, LLC (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.51	Certificate of Formation of ROA Licenses, LLC (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.52	Limited Liability Company Agreement of ROA Licenses, LLC (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
3.53	Certificate of Formation of Satellite One, L.L.C. (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).

Exhibit Number	Description
3.54	Limited Liability Company Agreement of Satellite One, L.L.C. (incorporated by reference to Radio One's Registration Statement on Form S-4, filed August 5, 2005).
4.1	Indenture dated May 18, 2001 among Radio One, Inc., the Guarantors listed therein, and United States Trust Company of New York (incorporated by reference to Radio One's Registration Statement on Form S-4, filed July 17, 2001).
4.2	First Supplemental Indenture, dated August 10, 2001, among Radio One, Inc., the Guaranteeing Subsidiaries and other Guarantors listed therein, and The Bank of New York, as Trustee, (incorporated by reference to Radio One's Registration Statement on Form S-4, filed October 4, 2001).
4.3	Second Supplemental Indenture dated as of December 31, 2001, among Radio One, Inc., the Guaranteeing Subsidiaries and other Guarantors listed therein, and The Bank of New York, as Trustee, (incorporated by reference to Radio One's registration statement on Form S-3, filed January 29, 2002).
4.4	Third Supplemental Indenture dated as of July 17, 2003, among Radio One, Inc., the Guaranteeing Subsidiaries and other Guarantors listed therein, and The Bank of New York, as Trustee, (incorporated by reference to Radio One's Annual Report on Form 10-K for the period ended December 31, 2003).
4.5	Fourth Supplemental Indenture dated as of October 19, 2004, among Radio One, Inc., the Guaranteeing Subsidiaries and other Guarantors listed therein, and The Bank of New York, as Trustee, (incorporated by reference to Radio One's Quarterly Report on Form 10-Q for the period ended September 30, 2004).
4.6	Fifth Supplemental Indenture dated as of February 8, 2005, among Radio One, Inc., the Guaranteeing Subsidiaries and other Guarantors listed therein, and The Bank of New York, as Trustee (incorporated by reference to Radio One's Annual Report on Form 10-K for the period ended December 31, 2004).
4.7	Indenture dated February 10, 2005 between Radio One, Inc. and The Bank of New York, as Trustee, (incorporated by reference to Radio One's Current Report on Form 8-K filed February 11, 2005).
4.8	Sixth Supplemental Indenture dated as of February 15, 2006 among Radio One, Inc., the Guaranteeing Subsidiary and the Existing Guarantors listed therein, and The Bank of New York, as successor trustee under the Indenture dated May 18, 2001, as amended (incorporated by reference to Radio One's Quarterly Report on Form 10-Q for the period ended June 30, 2006).
4.9	First Supplemental Indenture dated as of February 15, 2006 among Radio One, Inc., Syndication One, Inc., the other Guarantors listed therein, and The Bank of New York, as trustee under the Indenture dated February 10, 2005 (incorporated by reference to Radio One's Quarterly Report on Form 10-Q for the period ended June 30, 2006).
4.11	Seventh Supplemental Indenture dated as of December 22, 2006 among Radio One, Inc., the Guaranteeing Subsidiary and the Existing Guarantors listed therein, and The Bank of New York, as successor trustee under the Indenture dated May 18, 2001, as amended. (incorporated by reference to Radio One's Annual Report on Form 10-K for the period ended December 31, 2006).
4.12	Second Supplemental Indenture dated as of December 22, 2006 among Radio One, Inc., Magazine One, Inc., the other Guarantors listed therein, and The Bank of New York, as trustee under the Indenture dated February 10, 2005 (incorporated by reference to Radio One's Annual Report on Form 10-K for the period ended December 31, 2006).
4.13	Third Supplemental Indenture, dated as of March 30, 2010 by and among Radio One, Inc., each of the subsidiaries of Radio One listed on Exhibit A attached thereto, Interactive One, Inc., Interactive One, LLC, Community Connect, LLC, Community Connect Inc., Distribution One, LLC and Radio One Distribution Holdings, LLC, and The Bank of New York Mellon (formerly known as The Bank of New York), as trustee under the Indenture dated February 10, 2005 (incorporated by reference to Radio One's Annual Report on Form 10-K for the period ended December 31, 2009).
4.14	Eighth Supplemental Indenture, dated as of March 30, 2010, by and among Radio One, Inc., each of the subsidiaries of Radio One listed on Exhibit A attached thereto Interactive One, Inc., Interactive One, LLC, Community Connect, LLC, Community Connect Inc., Distribution One, LLC and Radio One Distribution Holdings, LLC, and The Bank of New York Mellon, as successor to United States Trust Company of New York, as trustee under the Indenture dated as of May 18, 2001 (incorporated by reference to Radio One's Annual Report on Form 10-K for the period ended December 31, 2009).

Exhibit Number	Description
4.15	Indenture, dated as of November 24, 2010, among Radio One, Inc., the guarantors signatory thereto and Wilmington Trust Company, as trustee, relating to the 12.5%/15.0% Senior Subordinated Notes due 2016 (incorporated by reference to Radio One's Current Report on Form 8-K filed on December 1, 2010).
4.16	Ninth Supplemental Indenture, dated as of November 24, 2010, among Radio One, Inc., the guarantors listed therein, and Wilmington Trust Company, as successor trustee to The Bank of New York Mellon Trust Company, N.A., as trustee under the Indenture dated May 18, 2001, as amended (incorporated by reference to Radio One's Current Report on Form 8-K filed on December 1, 2010).
4.17	Fourth Supplemental Indenture, dated as of November 24, 2010, among Radio One, Inc., the guarantors listed therein, and Wilmington Trust Company, as successor trustee to The Bank of New York Mellon Trust Company, N.A., as trustee under the Indenture dated February 10, 2005. (incorporated by reference to Radio One's Current Report on Form 8-K filed on December 1, 2010).
4.18	Exchange and Registration Rights Agreement, dated as of November 24, 2010, among Radio One, Inc., the guarantors signatory thereto and certain holders of its debt securities (incorporated by reference to Radio One's Current Report on Form 8-K filed on December 1, 2010).
5.1	Opinion of Kirkland & Ellis LLP.*
5.2	Opinion of Clark Hill PLC.*
5.3	Opinion of Keating Muething & Klekamp PLL.*
10.1	Certificate Of Designations, Rights and Preferences of the 61/2% Convertible Preferred Securities Remarketable Term Income Deferrable Equity Securities (HIGH TIDES) of Radio One, Inc., as filed with the State of Delaware on July 13, 2000 (incorporated by reference to Radio One's Quarterly Report on Form 10-Q for the period ended June 30, 2000).
10.2	Amended and Restated Stockholders Agreement dated as of September 28, 2004 among Catherine L. Hughes and Alfred C. Liggins, III (incorporated by reference to Radio One's Quarterly Report on Form 10-Q for the period ended June 30, 2005).
10.5	Credit Agreement, dated June 13, 2005, by and among Radio One Inc., Wachovia Bank and the other lenders party thereto (incorporated by reference to Radio One's Current Report on Form 8-K filed June 17, 2005).
10.6	Guarantee and Collateral Agreement, dated June 13, 2005, made by Radio One, Inc. and its Restricted Subsidiaries in favor of Wachovia Bank (incorporated by reference to Radio One's Current Report on Form 8-K filed June 17, 2005).
10.7	Radio One, Inc. 2009 Stock Option and Restricted Stock Grant Plan (incorporated by reference to Radio One's Definitive Proxy on Schedule 14A filed November 6, 2009).
10.8	First Amendment to Credit Agreement dated as of April 26, 2006, to Credit Agreement dated June 13, 2005, by and among Radio One, Inc., Wachovia Bank and the other lenders party thereto (incorporated by reference to Radio One's Current Report on Form 8-K filed April 28, 2006).
10.9	Waiver to Credit Agreement dated July 12, 2007, by and among Radio One, Inc., the several Lenders thereto, and Wachovia Bank National Association, as Administrative Agent (incorporated by reference to Radio One's Quarterly Report on Form 10-Q for the period ended June 30, 2007).
10.10	Employment Agreement between Radio One, Inc. and Barry A. Mayo dated as of August 31, 2009 and effective as of August 5, 2009 (incorporated by reference to Radio One's Current Report on Form 8-K filed September 2, 2009).
10.11	Second Amendment to Credit Agreement and Waiver dated as of September 14, 2007, by and among Radio One, Inc., the several Lenders thereto, and Wachovia Bank National Association, as Administrative Agent (incorporated by reference to Radio One's Current Report on Form 8-K filed September 18, 2007).
10.12	Waiver and Consent to Credit Agreement dated May 14, 2007, by and among Radio One, Inc., the several Lenders thereto, and Wachovia Bank National Association, as Administrative Agent (incorporated by reference to Radio One's Current Report on Form 8-K filed May 18, 2007).
10.13	Consent to Credit Agreement dated March 30, 2007, by and among Radio One, Inc., the several Lenders thereto, and Wachovia Bank National Association, as Administrative Agent (incorporated by reference to Radio One's Current Report on Form 8-K filed April 5, 2007).

Exhibit Number	Description
10.14	Employment Agreement between Radio One, Inc. and Peter D. Thompson dated March 31, 2008 (incorporated by reference to Radio One's Current Report on Form 8-K filed April 2, 2008).
10.16	Employment Agreement between Radio One, Inc. and Alfred C. Liggins, III dated April 16, 2008 (incorporated by reference to Radio One's Current Report on Form 8-K filed April 18, 2008).
10.17	Employment Agreement between Radio One, Inc. and Catherine L. Hughes dated April 16, 2008 (incorporated by reference to Radio One's Current Report on Form 8-K filed April 18, 2008).
	Employment Agreement Amendment and Modification dated as of October 7, 2008 between Radio One, Inc. and Peter D. Thompson (incorporated by reference to Radio One's Current Report on Form 8-K filed December 12, 2008).
10.18	Third Amendment to Credit Agreement and Waiver to Credit Agreement by and among Radio One, Inc., Wells Fargo Bank, N.A. (formerly known as Wachovia Bank, National Association), as Administrative Agent and the Lenders, dated as of March 30, 2010 (incorporated by reference to Radio One's Annual Report on Form 10-K for the period ended December 31, 2009).
10.19	Agreement, dated June 16, 2010, by and among Radio One, Inc. and certain holders of its outstanding debt securities (incorporated by reference to Radio One's Current Report on Form 8-K filed June 16, 2010).
10.20	Commitment Letter, exhibits and annexes thereto, dated as of June 16, 2010, by and among Radio One, Inc., Deutsche Bank Trust Company Americas and Deutsche Bank Securities Inc. (incorporated by reference to Radio One's Current Report on Form 8-K filed June 16, 2010).
10.21	Forbearance Agreement, dated as of July 15, 2010, by and among the Radio One, Inc., Wells Fargo Bank, N.A. and certain of Radio One's lenders (incorporated by reference to Radio One's Current Report on Form 8-K filed July 16, 2010).
10.22	Amendment to Forbearance Agreement, by and among Radio One, Inc., Wells Fargo Bank, N.A. and certain of Radio One Inc.'s lenders (incorporated by reference to Radio One's Current Report on Form 8-K filed August 17, 2010).
10.23	Support Agreement, dated November 5, 2010, by and among Radio One, Inc. and certain holders of its outstanding debt securities (incorporated by reference to Radio One's Current Report on Form 8-K filed November 8, 2010).
10.24	Agreement, dated November 12, 2010, by and among the Company and certain holders of its outstanding debt securities (incorporated by reference to Radio One's Current Report on Form 8-K filed November 18, 2010).
10.25	Amendment and Restatement Agreement, dated as of November 24, 2010, to the Credit Agreement, dated as of June 13, 2005, by and among Radio One, Inc. as Borrower, Wells Fargo Bank, N.A., successor-by-merger to Wachovia Bank, National Association, as Administrative Agent, the lenders referred to therein and the other parties from time to time party thereto (incorporated by reference to Radio One Inc.'s Current Report on Form 8-K filed on December 1, 2010).
12.1	Statement Regarding Computation of Ratios.*
21.1	Subsidiaries of Radio One, Inc.*
23.1	Consent of Ernst & Young LLP.*
23.2	Consent of Kirkland & Ellis LLP (included in Exhibit 5.1).*
23.3	Consent of Clark Hill PLC (included in Exhibit 5.2).*
23.4	Consent of Keating Muething & Klekamp PLL (included in Exhibit 5.3).*
24.1	Powers of Attorney (included in signature pages).
25.1	Statement of Eligibility under the Trust Indenture Act of 1939 of Wilmington Trust Company, on Form T-1.*
99.1	Form of Letter of Transmittal.*

* Indicates documents filed herewith.

Exhibit 3.11

State of Delaware
Secretary of State
Division of Corporations
Delivered 10:50 AM 10/15/2007
FILED 10:43 AM 10/15/2007
SRV 071114701 — 2680622 FILE

SEVENTH AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF COMMUNITY CONNECT INC.

COMMUNITY CONNECT INC., a corporation organized under the General Corporation Law of the State of Delaware (the "Company"), does hereby certify as follows:

The Certificate of Incorporation of the Company was filed with the office of the Secretary of State of the State of Delaware on October 31, 1996.

The Amended and Restated Certificate of Incorporation of the Company was filed with the office of the Secretary of State of the State of Delaware on September 14, 1998.

The Second Amended and Restated Certificate of Incorporation of the Company was filed with the office of the Secretary of State of the State of Delaware on May 25, 1999.

The Third Amended and Restated Certificate of Incorporation of the Company was filed with the office of the Secretary of State of the State of Delaware on March 17, 2000.

The Fourth Amended and Restated Certificate of Incorporation of the Company was filed with the office of the Secretary of State of the State of Delaware on September 27, 2002.

The Fifth Amended and Restated Certificate of Incorporation of the Company was filed with the office of the Secretary of State of the State of Delaware on June 30, 2006.

The Sixth Amended and Restated Certificate of Incorporation of the Company was filed with the office of the Secretary of State of the State of Delaware on July 25, 2007.

The Board of Directors of the Company, by written consent of the Board of Directors dated July 31, 2007, duly adopted resolutions setting forth the Seventh Amended and Restated Certificate of Incorporation herein contained (the "Seventh Amended Certificate"), declaring its advisability and directing that such Seventh Amended Certificate be submitted to the holders of the issued and outstanding Common Stock, Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock and Series D Preferred Stock of the Company for approval in accordance with the applicable provisions of Sections 242 and 245 of the General Corporation Law of the State of Delaware (the "GCL"). The Seventh Amended Certificate was duly adopted, after having been declared advisable by the Board of Directors of the Company, by the affirmative vote of the holders of a majority of each of the outstanding Common Stock, Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock and Series D Preferred Stock of the Company on September 8, 2007 in accordance with the GCL.

The text of the Seventh Amended Certificate, as restated and amended hereby, shall read in its entirety as follows:

SEVENTH AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF COMMUNITY CONNECT INC.

FIRST: The name of the Company shall be Community Connect Inc. (the "Company").

SECOND: The address of the Company's registered office in the State of Delaware is 2711 Centerville Road, Suite 400, Wilmington, County of New Castle, Delaware 19808. The name of its registered agent at such address is the Corporation Service Company.

THIRD: The purpose of the Company shall be to engage in any lawful act or activity for activity for which corporations may be organized under the General Corporation Law of Delaware.

FOURTH: The Company is authorized to issue two classes of stock to be designated "Common Stock" and "Preferred Stock," respectively. The total number of shares which the Company is authorized to issue is Eleven Million Seven Hundred Fifty Thousand (11,750,000), of which Ten Million (10,000,000) shall be Common Stock and One Million Seven Hundred Fifty Thousand (1,750,000) shall be Preferred Stock. The Common Stock shall have $.00001 par value per share, and the Preferred Stock shall have $.00004 par value per share.

Authority is hereby vested in the Board of Directors of the Company to provide for the issuance of Preferred Stock in one or more series, and in connection therewith to fix by resolution providing for the issue of such series, the designation, number, full or limited voting powers, or the denial of voting powers, preferences and relative, participating, optional and other special rights, powers, preferences and attributes, and the qualifications, limitations, restrictions and other distinguishing characteristics of such series, including, without limitation, rights of redemption or conversion into Common Stock, to the fullest extent now or hereafter permitted by the Delaware General Corporation Law.

The first series of Preferred Stock shall consist of Two Hundred Eight Thousand (208,000) shares of Series A Convertible Preferred Stock (the "Series A Preferred Stock"). The second series of Preferred Stock shall consist of One Hundred Forty-Five Thousand (145,000) shares of Series B Convertible Preferred Stock (the "Series B Preferred Stock"). The third series of Preferred Stock shall consist of Three Hundred Sixty-One Thousand Ninety-Eight (361,098) shares of Series C Convertible Preferred Stock (the "Series C Preferred Stock"). The fourth series of Preferred Stock shall consist of Four Hundred Twenty-Eight Thousand Five Hundred Seventy-One (428,571) shares of Series D Convertible Preferred Stock (the "Series D Preferred Stock"). The fifth series of Preferred Stock shall consist of Three Hundred Twelve Thousand One Hundred Twenty-One (312,121) shares of Series E Convertible Preferred Stock (the "Series E Preferred Stock").

The following is a statement of the designations, powers, preferences, and the relative participating, optional or other special rights, qualifications, limitations and restrictions granted to or imposed upon the respective classes of shares of capital stock of the Company or the holders thereof:

A. COMMON STOCK

1. General. The voting, dividend and liquidation rights of the holders of the Common Stock are subject to and qualified by the rights of the holders of any outstanding Preferred Stock.

2. Voting. The holders of the Common Stock are entitled to one vote for each share of Common Stock held at all meetings of the stockholders (and written actions in lieu of meetings). There shall be no cumulative voting.

3. Dividends. Dividends may be declared and paid on the Common Stock from funds lawfully available therefor as and when determined by the Board of Directors of the Company and subject to the preferential or pari passu dividend rights, if any, of any then-outstanding Preferred Stock.

4. Liquidation. Upon the dissolution, liquidation or winding up of the Company, whether voluntary or Involuntary, the holders of the Common Stock will be entitled to receive ratably all assets of the Company available for distribution to its stockholders, subject to any preferential liquidation rights of any then-outstanding Preferred Stock.

B. SERIES A CONVERTIBLE PREFERRED STOCK

Section 1. Designation and Amount. The series of Preferred Stock designated and known as the "Series A Preferred Stock" shall have a par value of $.00004 per share and the number of shares constituting the Series A Preferred Stock shall be 208,000 shares. The Series A Preferred Stock shall have a stated value of $6.252 per share (the "Stated Value"), which shall be subject to appropriate arithmetic adjustment in the event of any stock splits, stock dividends, combinations of shares, recapitalizations or other such events relating to the Series A Preferred Stock occurring from time to time subsequent to the effective date of this Seventh Amended and Restated Certificate of Incorporation.

Section 2. Rank. The Series A Preferred Stock shall rank, in each case as to dividends, and as to distributions of assets upon liquidation, dissolution or winding up of the Company, whether voluntary or involuntary: (i) prior to all of the Company's Common Stock, par value $.0000l per share ("Common Stock"), (ii) on a parity with the Series B Preferred Stock, the Series C Preferred Stock, the Series D Preferred Stock and the Series E Preferred Stock (collectively, for purposes of this Section B, the "Other Series"), and (iii) prior to any other class or series of capital stock of the Company hereafter created, unless with the affirmative written approval or consent of the holders of a majority of the then issued and outstanding Series A Preferred Stock, such other class or series, by its terms, ranks on a parity with or senior on liquidation to the Series A Preferred Stock.

Section 3. Dividends. The Series A Preferred Stock shall not entitle the holders thereof to any dividends, except that, in the event that the Company shall at any time or from time to time declare or pay any dividend with respect to the Common Stock, any of the Other Series, or any other series of Preferred Stock which is hereafter created with or granted parity dividend rights with the Series A Preferred Stock, then the Company shall simultaneously declare or pay (as the case may be) an equal per share dividend (with all such dividends being calculated, with respect

to Preferred Stock, on an "as converted" basis into Common Stock) on the outstanding shares of Series A Preferred Stock. Any and all dividends shall be payable out of any cash legally available therefor, and if there is not a sufficient amount of cash available, then out of the remaining assets of the Company legally available therefor (valued at the fair market value thereof on the date of payment as determined by the Board of Directors of the Company), provided that, to the extent that funds or assets are not legally available for the payment of any declared dividend, then the Company shall pay such unpaid declared dividend promptly as funds or assets become legally available therefor, with payments to be made to the holders of All Series (on a pari passu "as converted" basis) prior to the payment of any dividends on the Common Stock or any Junior Securities (as such term is defined in Section 4(a) below).

Section 4. Liquidation Preference.

(a) In the event of any liquidation, dissolution or winding up of the Company, either voluntary or involuntary, the holders of Series A Preferred Stock shall be entitled to receive, prior to any holders of Common Stock or other class or series of Company Preferred Stock ranking junior to the Series A Preferred Stock (collectively, the "Junior Securities"), and concurrently on a ratable basis (in proportion to the respective preferential amounts payable to all subject holders) with the holders of any outstanding shares of Other Series or other Parity Securities (as such term is hereinafter defined), an amount per share equal to the sum of (i) the then effective Stated Value of each outstanding share of Series A Preferred Stock, plus (ii) any and all declared and unpaid dividends thereon to the date of payment under this Section 4 (the "Series A Liquidation Preference"); and after the payment to all holders of Series A Preferred Stock of the full such Series A Liquidation Preference, the holders of Series A Preferred Stock shall not be entitled to any further payments in respect of the Series A Preferred Stock. If upon the occurrence of such event, the assets and funds available to be distributed among the holders of the Series A Preferred Stock, the holders of any outstanding shares of Other Series and the holders of any other shares of capital stock of the Company which, by their terms, and with the approval of the holders of not less than a majority of the issued and outstanding shares of Series A Preferred Stock on the date of issuance thereof, rank on liquidation on a parity with the Series A Preferred Stock (the "Parity Securities") shall be insufficient to permit the payment, to the holders of the Series A Preferred Stock, Other Series and any other Parity Securities, of the full preferential amounts due to such holders, then the entire assets and funds of the Company legally available for distribution shall be distributed among the holders of the Series A Preferred Stock, Other Series and any other Parity Securities on a ratable basis in proportion to the respective preferential amounts payable to such holders, subject, however, to first being distributed to holders of any capital stock senior on liquidation to the Series A Preferred Stock to the extent permitted hereunder.

(b) The (i) sale, conveyance or disposition of all or substantially all of the assets or outstanding capital stock of the Company to any person or entity, or (ii) consolidation, merger, acquisition, share exchange or other business combination of the Company with or into any other company or companies (other than a wholly-owned subsidiary of the Company), unless, in either case, the Company's stockholders of record as constituted immediately prior to the consummation of such transaction (by virtue of the shares of the Company owned by such stockholders or securities issued solely with respect thereto as consideration for the Company's acquisition or sale or otherwise) hold not less than 50% of the voting power of the acquiring or

surviving entity, shall be treated as a liquidation, dissolution or winding up within the meaning of this Section 4.

(c) The Company shall give written notice of any liquidation, dissolution or winding up reasonably in advance of the occurrence thereof, and each holder of Series A Preferred Stock may exercise such holder's right of conversion pursuant to Section 6 below with respect to any or all shares of Series A Preferred Stock at any time prior to the effectiveness of the liquidation, dissolution or winding up.

Section 5. Redemption.

(a) Mandatory Redemption. All of the outstanding Series A Preferred Stock shall be redeemed by the Company on the Redemption Date, in accordance with this Section 5; provided, however, that if (i) the holders of a majority of the aggregate outstanding Series A Preferred Stock, Series B Preferred Stock and Series C Preferred Stock (voting as a single class and with all shares having the number of votes equal to the number of shares of Common Stock then issuable upon conversion thereof) agree, at the request of the Company, to any delay or postponement (in whole or in part) of the redemption of (or payment of the redemption price in respect of) the shares of All Series on a ratable basis as further provided in this Section 5(a), and (ii) the holders of a majority of the aggregate outstanding Series D Preferred Stock and Series E Preferred Stock (voting as a single class and with all shares having the number of votes equal to the number of shares of Common Stock then issuable upon conversion thereof) agree, at the request of the Company, to the same delay or postponement (in whole or in part) of the redemption of (or payment of the redemption price in respect of) the shares of All Series on a ratable basis as further provided in this Section 5(a), then such delay or postponement shall be binding upon all holders of Series A Preferred Stock and all holders of Other Series. The rights of the holders of Series A Preferred Stock to receive the redemption payments in respect of the Series A Preferred Stock shall rank pari passu with the rights of the holders of Other Series to receive any redemption payments in respect thereof. If, at the Redemption Date, the assets and funds legally available for such redemption payments shall be insufficient to permit the payment of all such redemption payments in respect of the Series A Preferred Stock and Other Series, then the entire assets and funds of the Company legally available for such redemption payments shall be paid to the holders of the Series A Preferred Stock and Other Series on a ratable basis in proportion to the respective amounts payable to such holders. Thereafter, the Company shall make additional redemption payments (on a ratable basis as aforesaid) as and when it has funds legally available for such purpose, and the Company shall use its best efforts and take all necessary and appropriate action to have funds legally available for such purpose when due and thereafter as promptly as practicable.

(b) Redemption Price. The redemption price per share of Series A Preferred Stock shall be an amount equal to the sum of (i) the then effective Stated Value, plus (ii) all declared and unpaid dividends thereon to the date on which such redemption price is paid to the holder of the subject Series A Preferred Stock.

(c) Payment of Redemption Price. Any all redemption payments hereunder shall be paid to the subject holder by wire transfer of immediately available funds or by certified or bank cashier's check. Against payment of such redemption price, the subject holder shall deliver to

the Company for cancellation the certificate evidencing the Series A Preferred Stock so redeemed (or, in the event that such certificate has been lost, stolen, mutilated or destroyed, the subject holder shall deliver to the Company a lost certificate affidavit in form and substance reasonably satisfactory to the Company and its transfer agent, if any).

(d) Replacement Certificates. In the event that any redemption payment hereunder shall be made with respect to less than all of the shares represented by any stock certificate tendered to the Company hereunder, the Company shall, at its expense, in conjunction with the payment of the redemption price for the shares redeemed, issue to the subject holder a new stock certificate representing the shares which were not redeemed.

(e) Conversion Rights. Prior to the payment of the redemption price in respect of any shares of Series A Preferred Stock which the holder has required to be redeemed hereunder, the holder shall continue to have the right to convert any or all of such shares of Series A Preferred Stock into Common Stock in accordance with Section 6 below.

Section 6. Conversion into Common Stock.

(a) Conversion. Each outstanding share of Series A Preferred Stock (i) may, at any time at the option of the holder thereof, be converted into Common Stock of the Company, and (ii) shall automatically be converted into Common Stock of the Company upon (A) the consummation of a Qualified Public Offering, or (B) upon written demand therefor by the Company to all holders of Series A Preferred Stock and Other Series simultaneously with or at any time subsequent to the consummation of a Qualified Sale Transaction, in each case initially at the rate of four (4) shares of Common Stock for each share of Series A Preferred Stock. The "Conversion Price" in respect of the Series A Preferred Stock shall initially be fixed at $1.563 per share of Common Stock, and such Conversion Price shall be subject to adjustment from time to time as hereinafter provided in this Section 6; and upon each such adjustment, except pursuant to Section 6(g), the number of Conversion Shares receivable upon any conversion of a share of Series A Preferred Stock shall be adjusted to an amount equal to the then effective Stated Value of such share of Series A Preferred Stock divided by the adjusted Conversion Price.

(b) Conversion Price Adjustment Formulas. If, at any time and from time to time after the effective date of this Seventh Amended and Restated Certificate of Incorporation, the Company shall issue or sell (or be deemed to have issued or sold pursuant to Section 6(c)) any share of Common Stock (excluding any grant, issuance or sale described in Section 6(h)) for a consideration per share which is less than the Conversion Price in effect at the time of such issue or sale, then in each such case (except when a different method of adjusting the Conversion Price is provided in Section 6(d) or 6(f)), the Conversion Price shall be forthwith changed (but only, except as otherwise provided in Section 6(c)(3), if a reduction would result) to the price (calculated to the nearest one/one hundredth of a cent) determined by dividing (1) an amount equal to the sum of (a) the number of shares of Common Stock outstanding immediately prior to such issue or sale, multiplied by the then effective Conversion Price, plus (b) the total consideration, if any, received and deemed (in accordance with Section 6(c)) received by the Company upon such issue or sale, by (2) the total number of shares of Common Stock outstanding and deemed (in accordance with Section 6(c)) outstanding immediately after such issue or sale.

No adjustment of the Conversion Price, however, shall be made in an amount less than one cent per share, but any such lesser adjustment shall be carried forward and shall be made at the time of and together with the next subsequent adjustment which together with any subsequent adjustments so carried forward shall amount to one cent per share or more.

(c) Constructive Issuances of Common Stock: Convertible Securities Rights and Options. For purposes of Section 6(b), the following provisions shall also be applicable:

(1) If at any time the Company shall in any manner grant any rights or options (except for the grant of any rights or options referred to in Section 6(h)) to subscribe for or to purchase Common Stock or any stock or securities convertible into or exchangeable for shares of Common Stock (such convertible or exchangeable stock or securities being hereinafter called "Convertible Securities"), whether or not such rights or options or the right to convert or exchange any such Convertible Securities are immediately exercisable, and the price per share for which Common Stock is issuable upon the exercise of such rights or options or upon conversion or exchange of such Convertible Securities (determined by dividing (a) the total amount, if any, received or receivable by the Company as consideration for the granting of such rights or options, plus the minimum aggregate amount of additional consideration, if any, payable to the Company upon the exercise of such rights or options, plus, in the case of any such rights or options which relate to such Convertible Securities, the minimum aggregate amount of additional consideration, if any, payable upon the issue or sale of such Convertible Securities and upon the conversion or exchange thereof, by (b) the total maximum number of shares of Common Stock issuable upon the exercise of such rights or options or upon the conversion or exchange of all such Convertible Securities issuable upon the exercise of such rights or options) shall be less than the Conversion Price in respect of the Series A Preferred Stock in effect as of the time of granting such rights or options, then the total maximum number of shares of Common Stock issuable upon the exercise of such rights or options or upon conversion or exchange of the total maximum amount of such Convertible Securities issuable upon the exercise of such rights or options shall (on and after the date of the granting of such rights or options) be deemed to be outstanding and to have been issued for such price per share. Except as provided in clause (3) below, no further adjustments of the Conversion Price shall be made upon the actual issue of shares of Common Stock or Convertible Securities upon exercise of such rights or options or upon the actual issue of shares of Common Stock upon conversion or exchange of such Convertible Securities.

(2) If at any time the Company shall in any manner issue or sell any Convertible Securities (other than any Convertible Securities referred to in Section 6(h)), whether or not the rights to exchange or convert thereunder are immediately exercisable, and the price per share for which Common Stock is issuable upon such conversion or exchange (determined by dividing (a) the total amount received or receivable by the Company as consideration for the issue or sale of such Convertible Securities, plus the minimum aggregate amount of additional consideration, if any, payable to the Company upon the conversion or exchange thereof, by (b) the total maximum number of shares of Common Stock issuable upon the conversion or exchange of all such Convertible Securities) shall be less than the Conversion Price in respect of the Series A Preferred Stock in effect as of the time of such issue or sale, then the total maximum number of shares of Common Stock issuable upon conversion or exchange of all such Convertible Securities shall (on and after the date of the issue or sale of such Convertible

Securities) be deemed to be outstanding and to have been issued for such price per share, provided, that, except as otherwise specified in clause (3) below, (i) no further adjustments of the Conversion Price shall be made upon the actual issue of Common Stock upon conversion or exchange of such Convertible Securities, and (ii) if any such issue or sale of such Convertible Securities is made upon exercise of any rights to subscribe for or to purchase or any option to purchase any such Convertible Securities for which adjustments of the Conversion Price have been or are to be made pursuant to other provisions of this Section 6(c), no further adjustment of the Conversion Price shall be made by reason of such issue or sale.

(3) If the exercise price provided for in any right or option referred to in clause (1) of this Section 6(c), or the rate at which any Convertible Securities referred to in clauses (1) and (2) of this Section 6(c) are convertible into or exchangeable for Common Stock, shall change or a different exercise price or rate shall become effective at any time or from time to time (other than under or by reason of provisions designed to protect against dilution) then, upon such change becoming effective, the Conversion Price then in effect in respect of the Series A Preferred Stock shall forthwith be increased or decreased to such Conversion Price as would have been obtained had the adjustments made and required to be made under this Section 6(c) upon the issuance of such rights or options or Convertible Securities been made upon the basis of (and the total consideration received therefor) (a) the issuance of the number of shares of Common Stock theretofore actually delivered upon the exercise of such options or rights or upon the conversion or exchange of such Convertible Securities, (b) the issuance of all of Common Stock and all other rights, options and Convertible Securities issued after the issuance of such rights, options or Convertible Securities, and (c) the original issuance at the time of such change of any such options, rights and Convertible Securities then still outstanding. On the expiration of any such option or right or the termination of any such right to convert or exchange such Convertible Securities, the Conversion Price then in effect in respect of the Series A Preferred Stock shall forthwith be increased or decreased to such Conversion Price as would have obtained (i) had the adjustments made upon the issuance of such rights or options or such Convertible Securities been made upon the basis of the issuance of only the number of shares of Common Stock theretofore actually delivered (and the total consideration received therefor) upon the exercise of such rights or options or upon the conversion or exchange of such Convertible Securities, and (ii) had adjustments been made on the basis of the Conversion Price as adjusted under the immediately preceding clause (i) for all issues or sales of Common Stock or rights, options or Convertible Securities made after the issuance of such rights or options or such Convertible Securities. If the exercise price provided for in any right or option referred to in clause (1) of this Section 6(c), or the rate at which any Convertible Securities referred to in clauses (1) and (2) of this Section 6(c) are convertible into or exchangeable for shares of Common Stock, shall decrease at any time under or by reason of provisions with respect thereto designed to protect against dilution, then in the case of the delivery of shares of Common Stock upon the exercise of any such right or option or upon conversion or exchange of any such Convertible Securities, the Conversion Price then in effect in respect of the Series A Preferred Stock shall forthwith be decreased to such Conversion Price as would have obtained had the adjustments made upon issuance of such right or option or such Convertible Securities been made upon the basis of the issuance of (and the total consideration received for) the shares of Common Stock delivered as aforesaid.

(4) If at any time any shares of Common Stock or Convertible Securities or any rights or options to purchase any shares of Common Stock or Convertible Securities shall be issued or sold for cash, the consideration received therefor shall be deemed to be the amount paid to the Company therefor without deduction therefrom of any expenses incurred or any underwriting commissions, concessions or discounts, or finders' fees or brokerage commissions, paid or allowed by the Company in connection therewith. In case any shares of Common Stock or Convertible Securities or any rights or options to purchase any shares of Common Stock or Convertible Securities shall be issued or sold for a consideration other than cash, the amount of the consideration other than cash payable to the Company shall be deemed to be the fair value of such consideration as determined in good faith by the Board of Directors of the Company, without deduction therefrom of any expenses incurred or any underwriting commissions, concessions or discounts, or finders' fees or brokerage commissions, paid or allowed by the Company in connection therewith. In case any shares of Common Stock or Convertible Securities or any rights or options to purchase any share of Common Stock or Convertible Securities shall be issued in connection with any merger of another corporation into the Company, the amount of consideration therefor shall be deemed to be the fair value as determined in good faith by the Board of Directors of the Company of such portion of the assets of such merged corporation as such Board shall determine to be attributable to such shares of Common Stock, Convertible Securities, rights or options, as the case may be.

(5) If at any time the Company shall take a record of the holders of Common Stock for the purpose of entitling them (a) to receive a dividend or other distribution payable in shares of Common Stock or in Convertible Securities, or (b) to subscribe for or purchase shares of Common Stock or Convertible Securities, then such record date shall be deemed to be the date of the issue or sale of the shares of the Common Stock deemed to have been issued or sold upon the declaration of such dividend or of such other distribution or the date of the granting of such right of subscription or purchase, as the case may be.

(d) Stock Dividends. If at any time the Company shall declare a dividend or any other distribution upon any capital stock of the Company which is payable in shares of Common Stock, then the Conversion Price in respect of the Series A Preferred Stock in effect immediately prior to the declaration of such dividend or distribution shall be reduced to the quotient obtained by dividing (1) the product of (i) the number of shares of Common Stock outstanding and deemed (in accordance with Section 6(c)) to be outstanding immediately prior to such declaration, multiplied by (ii) the then effective Conversion Price, by (2) the total number of shares of Common Stock outstanding and deemed (in accordance with Section 6(c)) to be outstanding immediately after such declaration. All shares of Common Stock and all Convertible Securities issuable in payment of any dividend or other distribution upon the capital stock of the Company shall be deemed after such declaration to have been issued and sold without consideration.

(e) Extraordinary Dividends and Distributions. If at any time the Company shall declare a dividend or any other distribution upon the Common Stock payable otherwise than out of current earnings, retained earnings or earned surplus and otherwise than in shares of Common Stock or Convertible Securities, then, except to the extent that such dividend or distribution shall have been paid to the holders of Series A Preferred Stock pursuant to Section 3, the Company shall set aside an equal per share dividend (calculated, with respect to the Series A Preferred

Stock, on an "as converted" basis), which shall be payable to the holder of the subject Series A Preferred Stock upon conversion thereof into Common Stock. At such time as shares of Series A Preferred Stock are redeemed in accordance with Section 5, the corresponding amount set aside under this Section 6(e) may returned to the general, unrestricted assets of the Company. To the extent that any dividend or distribution required to be set aside under this Section 6(e) shall be in a form other than cash, then the Company shall have the right, in lieu of setting aside such non-cash property, to set aside a cash amount equal to the fair value of such non-cash property as determined by the Board of Directors of the Company in good faith. For the purpose of the foregoing, a dividend or distribution other than in cash shall be considered payable out of earnings, retained earnings or earned surplus only to the extent that such current earnings, retained earnings or earned surplus are charged an amount equal to the fair value of such dividend or distribution at the time of the declaration thereof, as determined by the Board of Directors of the Company. Such reductions shall take effect as of the date on which a record is taken for the purpose of such dividend or distribution or, if a record is not taken, the date as of which the holders of record of Common Stock entitled to such dividend or distribution are to be determined.

(f) Stock Splits and Reverse Splits. If at any time the Company shall subdivide its outstanding shares of Common Stock into a greater number of shares, the Conversion Price in respect of the Series A Preferred Stock in effect immediately prior to such subdivision shall be proportionately reduced and the number of Conversion Shares receivable upon conversion of outstanding Series A Preferred Stock immediately prior to such subdivision shall be proportionately increased, and conversely, in case at any time the Company shall combine the outstanding shares of Common Stock into a smaller number of shares, the Conversion Price in respect of the Series A Preferred Stock in effect immediately prior to such combination shall be proportionately increased and the number of Conversion Shares receivable upon conversion of outstanding Series A Preferred Stock immediately prior to such combination shall be proportionately reduced.

(g) Adjustments for Consolidation, Merger, Sale of Assets, Reorganization, etc. If at any time the Company shall be a party to any transaction (including without limitation a merger, consolidation, sale of all or substantially all of the Company's assets or a recapitalization of the Common Stock) in which the previously outstanding shares of Common Stock shall be changed into or exchanged for different securities of the Company or changed into or exchanged for common stock or other securities of another corporation or other property (including cash) or any combination of any of the foregoing (each such transaction being hereinafter referred to as the "Transaction", the Company (in the case of a recapitalization of the Stock) or such other corporation being hereinafter referred to as the "Acquiring Company," and the common stock of the Acquiring Company being hereinafter referred to as the "Acquirer's Stock"), then, as a condition to the consummation of the Transaction, lawful and adequate provisions shall be made so that, upon the basis and the terms and in the manner provided in this Section 6(g), each holder of Series A Preferred Stock, upon conversion of such Series A Preferred Stock at any time after the consummation of the Transaction, shall be entitled to receive, in lieu of the shares of Common Stock issuable upon such exercise prior to such consummation, at the election of such holder given by notice to the Company on or before the later of the day on which the holders of Common Stock approve the Transaction, or the thirtieth day following the date of delivery or

mailing to such holder of the last proxy statement relating to the vote on the Transaction by the holders of Common Stock:

(1) the stock and other securities, cash and property to which such holder would have been entitled upon the consummation of the Transaction if such holder had converted such Series A Preferred Stock immediately prior thereto (subject to adjustments from and after the date of the consummation of the Transaction (the "Consummation Date") as nearly equivalent as possible to the adjustments provided for in this Section 6); or

(2) only in the case of a Transaction consummated after an Initial Public Offering other than a Transaction in which the previously outstanding shares of Common Stock shall be exchangeable for cash only, if the Acquiring Company meets the requirements set forth in this Section 6(g), the number of shares of the Acquirer's Stock or, if the Acquiring Company fails to meet, but a Parent (as defined in this Section 6(g)) does meet, such requirements, of such Parent's common stock (subject to adjustments from and after the Consummation Date as nearly equivalent as possible to the adjustments provided for in this Section 6), determined by dividing (i) the product obtained by multiplying (a) the number of shares of Common Stock to which the holder of such Series A Preferred Stock would have been entitled had such holder converted such Series A Preferred Stock immediately prior to the consummation of the Transaction, times (b) the greater of the Conversion Price or the Acquisition Price (as defined in this Section 6(g)) in effect immediately prior to the consummation of the Transaction, by (ii) the Market Value of the Acquirer's Stock on the date immediately preceding the Consummation Date.

For the purposes of this Section 6(g) only, the term "Market Value" shall mean, for any share of common stock on any date specified herein, the last sale price, regular way, on such date, or, if no sale takes place on such date, the average of the closing bid and asked prices on such date, in each case as officially reported on the NYSE or, if not so reported, on the principal national securities exchange on which such stock is listed or if not listed or admitted to trading, the average of the closing bid and asked prices of such stock in the over-the-counter market as reported by Nasdaq or a similar organization; and the term "Acquisition Price" shall mean the consideration per share to be paid for or received by the holders of the previously-outstanding shares of Common Stock in accordance with the terms of the Transaction, determined (i) in the case where the holders of the previously outstanding Common Stock received solely shares of the Acquirer's Stock in the Transaction, by multiplying the Market Value of the Acquirer's Stock as of the date immediately preceding the Consummation Date by a fraction the numerator of which shall be the aggregate number of shares of the Acquirer's Stock to be received in the Transaction in exchange for all of the previously outstanding shares of Common Stock and the denominator of which shall be the aggregate number of such previously outstanding shares of Common Stock, and (ii) in any other case, by dividing the aggregate fair market value (using Market Value for any shares of the Acquirer's Stock), as of the date immediately preceding the Consummation Date, of the aggregate consideration to be received by the holders of such previously outstanding shares of Common Stock by the number of shares of such previously outstanding Common Stock. The requirements referred to in clause (2) of this Section 6(g) with reference to the Acquiring Company or to a corporation (herein referred to as a "Parent") which directly or indirectly controls the Acquiring Company are as follows: (x) its common stock is listed on the NYSE or a principal national securities exchange or bid and asked prices are reported with respect thereto by Nasdaq or a similar organization and such common stock

continues to meet such requirements for listing thereon, (y) it is required to file, and in each of its three fiscal years immediately preceding the Consummation Date has filed, reports with the Commission pursuant to Section 13 or 15(d) of the Exchange Act, and (z) in the case of a Parent, such Parent is required to include the Acquiring Company in the consolidated financial statements contained in the Parent's Annual Report on Form 10-K and is not itself included in the consolidated financial statements of any other person (other than its consolidated subsidiaries). Notwithstanding anything contained herein to the contrary, the Company shall not effect any Transaction unless prior to or simultaneously with the consummation of such Transaction the survivor or successor entity (if other than the Company) resulting from such Transaction shall (AA) assume by written instrument executed and delivered to each holder of Series A Preferred Stock the obligation to deliver to such holder of Series A Preferred Stock such shares of stock, securities or assets as, in accordance with the foregoing provisions, such holder may be entitled to receive, and containing the express assumption of such successor entity of the due and punctual performance and observance of every provision of the Series A Preferred Stock to be performed and observed by the Company and of all liabilities and obligations of the Company hereunder, and (BB) deliver to the holders of Series A Preferred Stock an opinion, in form, substance and from counsel reasonably satisfactory to the holders of Series A Preferred Stock, to the effect that such written instrument has been duly authorized, executed and delivered by such successor entity and constitutes a legal, valid and binding instrument enforceable (subject to applicable bankruptcy and other similar laws affecting the enforcement of creditors' rights generally) against such successor entity in accordance with its terms, and to such further effects as the holders of Series A Preferred Stock may reasonably request.

(h) Exceptions to Adjustment of Conversion Price. Anything herein to the contrary notwithstanding, the Company shall not be required to make any adjustment of the Conversion Price in the case of (i) the issuance of shares of Common Stock upon conversion of the Series A Preferred Stock or any Other Series or any adjustment of the conversion price with respect thereto in accordance herewith, (ii) the issuance of options or warrants included within the Option/Warrant Pool, and the issuance of Common Stock upon the exercise of any such options or warrants (including options and warrants outstanding on the Date of First Issuance), and (iii) the issuance of shares of Common Stock in a Qualified Public Offering pursuant to an effective registration statement under the Securities Act.

(i) Treasury Shares. The number of shares of Common Stock outstanding at any time shall not include shares owned or held by or for the account of the Company, and the disposition of any such shares shall be considered an issue or sale of Common Stock for the purposes of this Section 6.

(j) Certificate of Adjustment. Upon each adjustment of the Conversion Price in respect of the Series A Preferred Stock and upon each change in the number of Conversion Shares issuable upon the conversion of the Series A Preferred Stock, and in the event of any change in the rights of the holders of the Series A Preferred Stock by reason of other events herein set forth, then and in each such case, the Company will promptly prepare a certificate of adjustment stating the adjusted Conversion Price and the new number of Conversion Shares so issuable, or specifying the other shares of stock, securities or assets and the amount thereof receivable as a result of such change in rights, and setting forth in reasonable detail the method of calculation and the facts upon which such calculation is based. The Company will promptly

mail a copy of such certificate of adjustment to each registered holder of Series A Preferred Stock.

(k) Company to Prevent Dilution. If at any time or from time to time conditions arise by reason of action taken by the Company, which in the opinion of its Board of Directors, are not adequately covered by the provisions of this Section 6, and which might materially and adversely affect the conversion rights of the registered holders of Series A Preferred Stock, the Board of Directors of the Company shall appoint a firm of independent certified public accountants, which may be the firm regularly retained by the Company, which shall give its opinion upon the adjustment, if any, on a basis consistent with the standards established in the other provisions of this Section 6, necessary with respect to the Conversion Price, so as to preserve, without dilution, the conversion rights of the registered holders of the Series A Preferred Stock. Upon receipt of such opinion, the Board of Directors of the Company shall forthwith make the adjustments described therein.

(l) Reservation of Shares. The Company will authorize, reserve and set apart and have available for issuance at all times, free from preemptive rights, including, without limitation, rights derived from rights offerings, that number of shares of Common Stock which is deliverable upon the conversion of the Series A Preferred Stock, and the Company will have at all times any other rights or privileges provided for therein sufficient to enable it at any time to fulfill all its obligations hereunder.

(m) Costs. The Company shall pay all documentary, stamp, transfer or other transactional taxes attributable to the issuance or delivery of Conversion Shares upon conversion of any shares of the Series A Preferred Stock; provided, however, that the Company shall not be required to pay any federal or state income taxes or other taxes which may be payable in respect of any transfer involved in the issuance or delivery of any certificate for such Conversion Shares in a name other than that of the holder of the shares of the Series A Preferred Stock in respect of which such shares are being issued.

Section 7. Voting Rights. Except as otherwise required by law or expressly provided herein, the holders of shares of Series A Preferred Stock shall be entitled to vote on all matters submitted to a vote of the stockholders of the Company and shall have such number of votes equal to the number of shares of Common Stock into which such holders' shares of Series A Preferred Stock are convertible pursuant to the provisions hereof at the record date for the determination of stockholders entitled to vote on such matters or, if no such record date is established, at the date such vote is taken or any written consent of stockholders is solicited. Except as otherwise required by law or expressly provided herein, the holders of shares of Series A Preferred Stock, Other Series and Common Stock shall vote together as a single class, and not as separate classes. Such voting rights shall be in addition to the rights of holders of Series A Preferred Stock to vote on specific matters of Company business, as provided in the Stockholders' Agreement.

Section 8. Preference Rights. Nothing contained herein shall be construed to prevent the Board of Directors of the Company from issuing one or more series or classes of Junior Securities with dividend and/or liquidation preferences junior to the dividend and liquidation preferences of the Series A Preferred Stock.

Section 9. Registration of Transfer. The Company will keep at its principal office a register for the registration of Series A Preferred Stock. Upon the surrender of any certificate representing Series A Preferred Stock at such place, the Company will, at the written request of the record holder of such certificate, execute and deliver (at the Company's expense) a new certificate or certificates in exchange therefor representing in the aggregate the number of shares represented by the surrendered certificate. Each such new certificate will be registered in such name and will represent such number of Shares as is requested by the holder of the surrendered certificate.

Section 10. Replacement. Upon receipt of evidence reasonably satisfactory to the Company of the ownership and the loss, theft, destruction or mutilation of any certificate evidencing shares of Series A Preferred Stock and in the case of any such loss, theft or destruction, upon receipt of indemnity reasonably satisfactory to the Company (provided that if the holder is a financial institution, an entity whose securities are traded or listed on any national securities exchange or recognized automated quotation system, or any subsidiary of the foregoing, then the holder's own agreement will be satisfactory), or, in the case of any such mutilation upon surrender of such certificate, the Company will (at its expense) execute and deliver in lieu of such certificate a new certificate of like kind representing the number of shares represented by such lost, stolen, destroyed or mutilated certificate and dated the date of such lost, stolen, destroyed or mutilated certificate.

Section 11. Amendment and Waiver. No amendment, modification or waiver will be binding or effective with respect to any provision of Sections 1 through 11 of this part B without the prior written consent or affirmative vote of the holders of not less than a majority of the Series A Preferred Stock outstanding at the time such action is taken.

Section 12. Notices. Except as otherwise expressly provided hereunder, all notices referred to herein will be in writing and will be delivered by registered or certified mail, return receipt requested and postage prepaid, or by reputable overnight courier service, charges prepaid, and will be deemed to have been given when so mailed or sent (a) to the Company, at its principal executive offices, and (b) to any stockholder, at such holder's address as it appears in the stock records of the Company (unless otherwise indicated by notice given to the Company by any such holder).

C. SERIES B CONVERTIBLE PREFERRED STOCK

Section 1. Designation and Amount. The series of Preferred Stock designated and known as the "Series B Preferred Stock" shall have a par value of $.00004 per share and the number of shares constituting the Series B Preferred Stock shall be 145,000 shares. The Series B Preferred Stock shall have a stated value of $23.768 per share (the "Stated Value"), which shall be subject to appropriate arithmetic adjustment in the event of any stock splits, stock dividends, combinations of shares, recapitalizations or other such events relating to the Series B Preferred Stock occurring from time to time subsequent to the effective date of this Seventh Amended and Restated Certificate of Incorporation.

Section 2. Rank. The Series B Preferred Stock shall rank, in each case as to dividends, and as to distributions of assets upon liquidation, dissolution or winding up of the Company, whether

voluntary or involuntary: (i) prior to all of the Company's Common Stock, par value $.00001 per share ("Common Stock"), (ii) on a parity with the Series A Preferred Stock, the Series C Preferred Stock, the Series D Preferred Stock and the Series E Preferred Stock (collectively, for purposes of this Section C, the "Other Series"), and (iii) prior to any other class or series of capital stock of the Company hereafter created, unless with the affirmative written approval or consent of the holders of a majority of the then issued and outstanding Series B Preferred Stock, such other class or series, by its terms, ranks on a parity with or senior on liquidation to the Series B Preferred Stock.

Section 3. Dividends. The Series B Preferred Stock shall not entitle the holders thereof to any dividends except that, in the event that the Company shall at any time or from time to time declare or pay any dividend with respect to the Common Stock, any of the Other Series, or any other series of Preferred Stock which is hereafter created with or granted parity dividend rights with the Series B Preferred Stock, then the Company shall simultaneously declare or pay (as the case may be) an equal per share dividend (with all such dividends being calculated, with respect to Preferred Stock, on an "as converted" basis into Common Stock) on the outstanding shares of Series B Preferred Stock. Any and all dividends shall be payable out of any cash legally available therefor, and if there is not a sufficient amount of cash available, then out of the remaining assets of the Company legally available therefor (valued at the fair market value thereof on the date of payment as determined by the Board of Directors of the Company), provided that, to the extent that funds or assets are not legally available for the payment of any declared dividend, then the Company shall pay such unpaid declared dividend promptly as funds or assets become legally available therefor, with payments to be made to the holders of All Series (on a pari passu "as converted" basis) prior to the payment of any dividends on the Common Stock or any Junior Securities (as such term is defined in Section 4(a) below).

Section 4. Liquidation Preference.

(a) In the event of any liquidation, dissolution or winding up of the Company, either voluntary or involuntary, the holders of Series B Preferred Stock shall be entitled to receive, prior to any holders of Common Stock or other class or series of Company Preferred Stock ranking junior to the Series B Preferred Stock (collectively, the "Junior Securities"), and concurrently on a ratable basis (in proportion to the respective preferential amounts payable to all subject holders) with the holders of any outstanding shares of Other Series or other Parity Securities (as such term is hereinafter defined), an amount per share equal to the sum of (i) the then effective Stated Value of each outstanding share of Series B Preferred Stock, plus (ii) any and all declared and unpaid dividends thereon to the date of payment under this Section 4 (the "Series B Liquidation Preference"); and after the payment to all holders of Series B Preferred Stock of the full such Series B Liquidation Preference, the holders of Series B Preferred Stock shall not be entitled to any further payments in respect of the Series B Preferred Stock. If upon the occurrence of such event, the assets and funds available to be distributed among the holders of the Series B Preferred Stock, the holders of any outstanding shares of Other Series and the holders of any other shares of capital stock of the Company which, by their terms, and with the approval of the holders of not less than a majority of the issued and outstanding shares of Series B Preferred Stock on the date of issuance thereof, rank on liquidation on a parity with the Series B Preferred Stock (the "Parity Securities") shall be insufficient to permit the payment, to the holders of the Series B Preferred Stock, Other Series and any other Parity Securities, of the full

preferential amounts due to such holders, then the entire assets and funds of the Company legally available for distribution shall be distributed among the holders of the Series B Preferred Stock, Other Series and any other Parity Securities on a ratable basis in proportion to the respective preferential amounts payable to such holders, subject, however, to first being distributed to holders of any capital stock senior on liquidation to the Series B Preferred Stock to the extent permitted hereunder.

(b) The (i) sale, conveyance or disposition of all or substantially all of the assets or outstanding capital stock of the Company to any person or entity, or (ii) consolidation, merger, acquisition, share exchange or other business combination of the Company with or into any other company or companies (other than a wholly-owned subsidiary of the Company), unless, in either case, the Company's stockholders of record as constituted immediately prior to the consummation of such transaction (by virtue of the shares of the Company owned by such stockholder or securities issued solely with respect thereto as consideration for the Company's acquisition or sale or otherwise) hold not less than 50% of the voting power of the acquiring or surviving entity, shall be treated as a liquidation, dissolution or winding up within the meaning of this Section 4.

(c) The Company shall give written notice of any liquidation, dissolution or winding up reasonably in advance of the occurrence thereof, and each holder of Series B Preferred Stock may exercise such holder's right of conversion pursuant to Section 6 below with respect to any or all shares of Series B Preferred Stock at any time prior to the effectiveness of the liquidation, dissolution or winding up.

Section 5. Redemption.

(a) Mandatory Redemption. All of the outstanding Series B Preferred Stock shall be redeemed by the Company on the Redemption Date, in accordance with this Section 5; provided, however, that if (i) the holders of a majority of the aggregate outstanding Series B Preferred Stock, Series A Preferred Stock and Series C Preferred Stock (voting as a single class and with all shares having the number of votes equal to the number of shares of Common Stock then issuable upon conversion thereof) agree, at the request of the Company, to any delay or postponement (in whole or in part) of the redemption of (or payment of the redemption price in respect of) the shares of All Series on a ratable basis as further provided in this Section 5(a), and (ii) the holders of a majority of the aggregate outstanding Series D Preferred Stock and Series E Preferred Stock (voting as a single class and with all shares having the number of votes equal to the number of shares of Common Stock then issuable upon conversion thereof) agree, at the request of the Company, to the same delay or postponement (in whole or in part) of the redemption of (or payment of the redemption price in respect of) the shares of All Series on a ratable basis as further provided in this Section 5(a), then such delay or postponement shall be binding upon all holders of Series B Preferred Stock and all holders of Other Series. The rights of the holders of Series B Preferred Stock to receive the redemption payments in respect of the Series B Preferred Stock shall rank pari passu with the rights of the holders of Other Series to receive any redemption payments in respect thereof. If, at the Redemption Date, the assets and funds legally available for such redemption payments shall be insufficient to permit the payment of all such redemption payments in respect of the Series B Preferred Stock and Other Series, then the entire assets and funds of the Company legally available for such redemption payments shall

be paid to the holders of the Series B Preferred Stock and Other Series on a ratable basis in proportion to the respective amounts payable to such holders. Thereafter, the Company shall make additional redemption payments (on a ratable basis as aforesaid) as and when it has funds legally available for such purpose, and the Company shall use its best efforts and take all necessary and appropriate action to have funds legally available for such purpose when due and thereafter as promptly as practicable.

(b) Redemption Price. The redemption price per share of Series B Preferred Stock shall be an amount equal to the sum of (i) the then effective Stated Value, plus (ii) all declared and unpaid dividends thereon to the date on which such redemption price is paid to the holder of the subject Series B Preferred Stock.

(c) Payment of Redemption Price. Any all redemption payments hereunder shall be paid to the subject holder by wire transfer of immediately available funds or by certified or bank cashier's check. Against payment of such redemption price, the subject holder shall deliver to the Company for cancellation the certificate evidencing the Series B Preferred Stock so redeemed (or, in the event that such certificate has been lost, stolen, mutilated or destroyed, the subject holder shall deliver to the Company a lost certificate affidavit in form and substance reasonably satisfactory to the Company and its transfer agent, if any).

(d) Replacement Certificates. In the event that any redemption payment hereunder shall be made with respect to less than all of the shares represented by any stock certificate tendered to the Company hereunder, the Company shall, at its expense, in conjunction with the payment of the redemption price for the shares redeemed, issue to the subject holder a new stock certificate representing the shares which were not redeemed.

(e) Conversion Rights. Prior to the payment of the redemption price in respect of any shares of Series B Preferred Stock which the holder has required to be redeemed hereunder, the holder shall continue to have the right to convert any or all of such shares of Series B Preferred Stock into Common Stock in accordance with Section 6 below.

Section 6. Conversion into Common Stock.

(a) Conversion. Each outstanding share of Series B Preferred Stock (i) may, at any time at the option of the holder thereof, be converted into Common Stock of the Company, and (ii) shall automatically be converted into Common Stock of the Company upon (A) the consummation of a Qualified Public Offering, or (B) upon written demand therefor by the Company to all holders of Series B Preferred Stock and Other Series simultaneously with or at any time subsequent to the consummation of a Qualified Sale Transaction, in each case initially at the rate of 4.246 shares of Common Stock for each share of Series B Preferred Stock. The "Conversion Price" in respect of the Series B Preferred Stock shall initially be fixed at $5.5977 per share of Common Stock, and such Conversion Price shall be subject to adjustment from time to time as hereinafter provided in this Section 6; and upon each such adjustment, except pursuant to Section 6(g), the number of Conversion Shares receivable upon any conversion of a share of Series B Preferred Stock shall be adjusted to an amount equal to the then effective Stated Value of such share of Series B Preferred Stock divided by the adjusted Conversion Price.

(b) Conversion Price Adjustment Formulas. If, at any time and from time to time after the effective date of this Seventh Amended and Restated Certificate of Incorporation, the Company shall issue or sell (or be deemed to have issued or sold pursuant to Section 6(c)) any share of Common Stock (excluding any grant, issuance or sale described in Section 6(h)) for a consideration per share which is less than the Conversion Price in effect at the time of such issue or sale, then in each such case (except when a different method of adjusting the Conversion Price is provided in Section 6(d) or 6(f)), the Conversion Price shall be forthwith changed (but only, except as otherwise provided in Section 6(c)(3), if a reduction would result) to the price (calculated to the nearest one/one hundredth of a cent) determined by dividing (1) an amount equal to the sum of (a) the number of shares of Common Stock outstanding immediately prior to such issue or sale, multiplied by the then effective Conversion Price, plus (b) the total consideration, if any, received and deemed (in accordance with Section 6(c)) received by the Company upon such issue or sale, by (2) the total number of shares of Common Stock outstanding and deemed (in accordance with Section 6(c)) outstanding immediately after such issue or sale.

No adjustment of the Conversion Price, however, shall be made in an amount less than one cent per share, but any such lesser adjustment shall be carried forward and shall be made at the time of and together with the next subsequent adjustment which together with any subsequent adjustments so carried forward shall amount to one cent per share or more.

(c) Constructive Issuances of Common Stock; Convertible Securities; Rights and Options. For purposes of Section 6(b), the following provisions shall also be applicable:

(1) If at any time the Company shall in any manner grant any rights or options (except for the grant of any rights or options referred to in Section 6(h)) to subscribe for or to purchase Common Stock or any stock or securities convertible into or exchangeable for shares of Common Stock (such convertible or exchangeable stock or securities being hereinafter called "Convertible Securities"), whether or not such rights or options or the right to convert or exchange any such Convertible Securities are immediately exercisable, and the price per share for which Common Stock is issuable upon the exercise of such rights or options or upon conversion or exchange of such Convertible Securities (determined by dividing (a) the total amount, if any, received or receivable by the Company as consideration for the granting of such rights or options, plus the minimum aggregate amount of additional consideration, if any, payable to the Company upon the exercise of such rights or options, plus, in the case of any such rights or options which relate to such Convertible Securities, the minimum aggregate amount of additional consideration, if any, payable upon the issue or sale of such Convertible Securities and upon the conversion or exchange thereof, by (b) the total maximum number of shares of Common Stock issuable upon the exercise of such rights or options or upon the conversion or exchange of all such Convertible Securities issuable upon the exercise of such rights or options) shall be less than the Conversion Price in respect of the Series B Preferred Stock in effect as of the time of granting such rights or options, then the total maximum number of shares of Common Stock issuable upon the exercise of such rights or options or upon conversion or exchange of the total maximum amount of such Convertible Securities issuable upon the exercise of such rights or options shall (on and after the date of the granting of such rights or options) be deemed to be outstanding and to have been issued for such price per share. Except as provided in clause (3) below, no further adjustments of the Conversion Price shall be made upon the actual

issue of shares of Common Stock or Convertible Securities upon exercise of such rights or options or upon the actual issue of shares of Common Stock upon conversion or exchange of such Convertible Securities.

(2) If at any time the Company shall in any manner issue or sell any Convertible Securities (other than any Convertible Securities referred to in Section 6(h)), whether or not the rights to exchange or convert thereunder are immediately exercisable, and the price per share for which Common Stock is issuable upon such conversion or exchange (determined by dividing (a) the total amount received or receivable by the Company as consideration for the issue or sale of such Convertible Securities, plus the minimum aggregate amount of additional consideration, if any, payable to the Company upon the conversion or exchange thereof, by (b) the total maximum number of shares of Common Stock issuable upon the conversion or exchange of all such Convertible Securities) shall be less than the Conversion Price in respect of the Series B Preferred Stock in effect as of the time of such issue or sale, then the total maximum number of shares of Common Stock issuable upon conversion or exchange of all such Convertible Securities shall (on and after the date of the issue or sale of such Convertible Securities) be deemed to be outstanding and to have been issued for such price per share, provided, that, except as otherwise specified in clause (3) below, (i) no further adjustments of the Conversion Price shall be made upon the actual issue of Common Stock upon conversion or exchange of such Convertible Securities, and (ii) if any such issue or sale of such Convertible Securities is made upon exercise of any rights to subscribe for or to purchase or any option to purchase any such Convertible Securities for which adjustments of the Conversion Price have been or are to be made pursuant to other provisions of this Section 6(c), no further adjustment of the Conversion Price shall be made by reason of such issue or sale.

(3) If the exercise price provided for in any right or option referred to in clause (1) of this Section 6(c), or the rate at which any Convertible Securities referred to in clauses (1) and (2) of this Section 6(c) are convertible into or exchangeable for Common Stock, shall change or a different exercise price or rate shall become effective at any time or from time to time (other than under or by reason of provisions designed to protect against dilution) then, upon such change becoming effective, the Conversion Price then in effect hereunder shall forthwith be increased or decreased to such Conversion Price as would have been obtained had the adjustments made and required to be made under this Section 6(c) upon the issuance of such rights or options or Convertible Securities been made upon the basis of (and the total consideration received therefor) (a) the issuance of the number of shares of Common Stock theretofore actually delivered upon the exercise of such options or rights or upon the conversion or exchange of such Convertible Securities, (b) the issuance of all of Common Stock and all other rights, options and Convertible Securities issued after the issuance of such rights, options or Convertible Securities, and (c) the original issuance at the time of such change of any such options, rights and Convertible Securities then still outstanding. On the expiration of any such option or right or the termination of any such right to convert or exchange such Convertible Securities, the Conversion Price then in effect in respect of the Series B Preferred Stock shall forthwith be increased or decreased to such Conversion Price as would have obtained (i) had the adjustments made upon the issuance of such rights or options or such Convertible Securities been made upon the basis of the issuance of only the number of shares of Common Stock theretofore actually delivered (and the total consideration received therefor) upon the exercise of such rights or options or upon the conversion or exchange of such Convertible Securities, and (ii) had

adjustments been made on the basis of the Conversion Price as adjusted under the immediately preceding clause (i) for all issues or sales of Common Stock or rights, options or Convertible Securities made after the issuance of such rights or options or such Convertible Securities. If the exercise price provided for in any right or option referred to in clause (1) of this Section 6(c), or the rate at which any Convertible Securities referred to in clauses (1) and (2) of this Section 6(c) are convertible into or exchangeable for shares of Common Stock, shall decrease at any time under or by reason of provisions with respect thereto designed to protect against dilution, then in the case of the delivery of shares of Common Stock upon the exercise of any such right or option or upon conversion or exchange of any such Convertible Securities, the Conversion Price then in effect in respect of the Series B Preferred Stock shall forthwith be decreased to such Conversion Price as would have obtained had the adjustments made upon issuance of such right or option or such Convertible Securities been made upon the basis of the issuance of (and the total consideration received for) the shares of Common Stock delivered as aforesaid.

(4) If at any time any shares of Common Stock or Convertible Securities or any rights or options to purchase any shares of Common Stock or Convertible Securities shall be issued or sold for cash, the consideration received therefor shall be deemed to be the amount paid to the Company therefor without deduction therefrom of any expenses incurred or any underwriting commissions, concessions or discounts, or finders' fees or brokerage commissions, paid or allowed by the Company in connection therewith. In case any shares of Common Stock or Convertible Securities or any rights or options to purchase any shares of Common Stock or Convertible Securities shall be issued or sold for a consideration other than cash, the amount of the consideration other than cash payable to the Company shall be deemed to be the fair value of such consideration as determined in good faith by the Board of Directors of the Company, without deduction therefrom of any expenses incurred or any underwriting commissions, concessions or discounts, or finders' fees or brokerage commissions, paid or allowed by the Company in connection therewith. In case any shares of Common Stock or Convertible Securities or any rights or options to purchase any share of Common Stock or Convertible Securities shall be issued in connection with any merger of another corporation into the Company, the amount of consideration therefor shall be deemed to be the fair value as determined in good faith by the Board of Directors of the Company of such portion of the assets of such merged corporation as such Board shall determine to be attributable to such shares of Common Stock, Convertible Securities, rights or options, as the case may be.

(5) If at any time the Company shall take a record of the holders of Common Stock for the purpose of entitling them (a) to receive a dividend or other distribution payable in shares of Common Stock or in Convertible Securities, or (b) to subscribe for or purchase shares of Common Stock or Convertible Securities, then such record date shall be deemed to be the date of the issue or sale of the shares of the Common Stock deemed to have been issued or sold upon the declaration of such dividend or of such other distribution or the date of the granting of such right of subscription or purchase, as the case may be.

(d) Stock Dividends. If at any time the Company shall declare a dividend or any other distribution upon any capital stock of the Company which is payable in shares of Common Stock, then the Conversion Price in respect of the Series B Preferred Stock in effect immediately prior to the declaration of such dividend or distribution shall be reduced to the quotient obtained by dividing (1) the product of (i) the number of shares of Common Stock outstanding and

deemed (in accordance with Section 6(c)) to be outstanding immediately prior to such declaration, multiplied by (ii) the then effective Conversion Price, by (2) the total number of shares of Common Stock outstanding and deemed (in accordance with Section 6(c)) to be outstanding immediately after such declaration. All shares of Common Stock and all Convertible Securities issuable in payment of any dividend or other distribution upon the capital stock of the Company shall be deemed after such declaration to have been issued and sold without consideration.

(e) Extraordinary Dividends and Distributions. If at any time the Company shall declare a dividend or any other distribution upon the Common Stock payable otherwise than out of current earnings, retained earnings or earned surplus and otherwise than in shares of Common Stock or Convertible Securities, then, except to the extent that such dividend or distribution shall have been paid to the holders of Series B Preferred Stock pursuant to Section 3, the Company shall set aside an equal per share dividend (calculated, with respect to the Series B Preferred Stock, on an “as converted” basis), which shall be payable to the holder of the subject Series B Preferred Stock upon conversion thereof into Common Stock. At such time as shares of Series B Preferred Stock are redeemed in accordance with Section 5, the corresponding amount set aside under this Section 6(e) may returned to the general, unrestricted assets of the Company. To the extent that any dividend or distribution required to be set aside under this Section 6(e) shall be in a form other than cash, then the Company shall have the right, in lieu of setting aside such non-cash property, to set aside a cash amount equal to the fair value of such non-cash property as determined by the Board of Directors of the Company in good faith. For the purposes of the foregoing, a dividend or distribution other than in cash shall be considered payable out of earnings, retained earnings or earned surplus only to the extent that such current earnings, retained earnings or earned surplus are charged an amount equal to the fair value of such dividend or distribution at the time of the declaration thereof, as determined by the Board of Directors of the Company. Such reductions shall take effect as of the date on which a record is taken for the purposes of such dividend or distribution, or, if a record is not taken, the date as of which the holders of record of Common Stock entitled to such dividend or distribution.

(f) Stock Splits and Reverse Splits. If at any time the Company shall subdivide its outstanding shares of Common Stock into a greater number of shares, the Conversion Price in respect of the Series B Preferred Stock in effect immediately prior to such subdivision shall be proportionately reduced and the number of Conversion Shares receivable upon conversion of outstanding Series B Preferred Stock immediately prior to such subdivision shall be proportionately increased, and conversely, in case at any time the Company shall combine the outstanding shares of Common Stock into a smaller number of shares, the Conversion Price in respect of the Series B Preferred Stock in effect immediately prior to such combination shall be proportionately increased and the number of Conversion Shares receivable upon conversion of outstanding Series B Preferred Stock immediately prior to such combination shall be proportionately reduced.

(g) Adjustments for Consolidation, Merger, Sale of Assets, Reorganization, etc. If at any time the Company shall be a party to any transaction (including without limitation a merger, consolidation, sale of all or substantially all of the Company’s assets or a recapitalization of the Common Stock) in which the previously outstanding shares of Common Stock shall be changed into or exchanged for different securities of the Company or changed into or exchanged for

common stock or other securities of another corporation or other property (including cash) or any combination of any of the foregoing (each such transaction being hereinafter referred to as the "Transaction"; the Company (in the case of a recapitalization of the Stock) or such other corporation being hereinafter referred to as the "Acquiring Company," and the common stock of the Acquiring Company being hereinafter referred to as the "Acquirer's Stock"), then, as a condition to the consummation of the Transaction, lawful and adequate provisions shall be made so that, upon the basis and the terms and in the manner provided in this Section 6(g), each holder of Series B Preferred Stock, upon conversion of such Series B Preferred Stock at any time after the consummation of the Transaction, shall be entitled to receive, in lieu of the shares of Common Stock issuable upon such exercise prior to such consummation, at the election of such holder given by notice to the Company on or before the later of the day on which the holders of Common Stock approve the Transaction, or the thirtieth day following the date of delivery or mailing to such holder of the last proxy statement relating to the vote on the Transaction by the holders of Common Stock:

(1) the stock and other securities, cash and property to which such holder would have been entitled upon the consummation of the Transaction if such holder had converted such Series B Preferred Stock immediately prior thereto (subject to adjustments from and after the date of the consummation of the Transaction (the "Consummation Date") as nearly equivalent as possible to the adjustments provided for this Section 6); or

(2) only in the case of a Transaction consummated after an Initial Public Offering other than a Transaction in which the previously outstanding shares of Common Stock shall be exchangeable for cash only, if the Acquiring Company meets the requirements set forth in this Section 6(g), the number of shares of the Acquirer's Stock or, if the Acquiring Company fails to meet, but a Parent (as defined in this Section 6(g)) does meet, such requirements, of such Parent's common stock (subject to adjustments from and after the Consummation Date as nearly equivalent as possible to the adjustments provided for in this Section 6), determined by dividing (i) the product obtained by multiplying (a) the number of shares of Common Stock to which the holder of such Series B Preferred Stock would have been entitled had such holder converted such Series B Preferred Stock immediately prior to the consummation of the Transaction, times (b) the greater of the Conversion Price or the Acquisition Price (as defined in this Section 6(g)) in effect immediately prior to the consummation of the Transaction, by (ii) the Market Value of the Acquirer's Stock on the date immediately preceding the Consummation Date.

For the purposes of this Section 6(g) only, the term "Market Value" shall mean, for any share of common stock on any date specified herein, the last sale price, regular way, on such date, or, if no sale takes place on such date, the average of the closing bid and asked prices on such date, in each case as officially reported on the NYSE or, if not so reported, on the principal national securities exchange on which such stock is listed or if not listed or admitted to trading, the average of the closing bid and asked prices of such stock in the over-the-counter market as reported by Nasdaq or a similar organization; and the term "Acquisition Price" shall mean the consideration per share to be paid for or received by the holders of the previously-outstanding shares of Common Stock in accordance with the terms of the Transaction, determined (i) in the case where the holders of the previously outstanding Common Stock received solely shares of the Acquirer's Stock in the Transaction, by multiplying the Market Value of the Acquirer's Stock as of the date immediately preceding the Consummation Date by a fraction the numerator

of which shall be the aggregate number of shares of the Acquirer's Stock to be received in the Transaction in exchange for all of the previously outstanding shares of Common Stock and the denominator of which shall be the aggregate number of such previously outstanding shares of Common Stock, and (ii) in any other case, by dividing the aggregate fair market value (using Market Value for any shares of the Acquirer's Stock), as of the date immediately preceding the Consummation Date, of the aggregate consideration to be received by the holders of such previously outstanding shares of Common Stock by the number of shares of such previously outstanding Common Stock. The requirements referred to in clause (2) of this Section 6(g) with reference to the Acquiring Company or to a corporation (herein referred to as a **"Parent"**) which directly or indirectly controls the Acquiring Company are as follows: (x) its common stock is listed on the NYSE or a principal national securities exchange or bid and asked prices are reported with respect thereto by Nasdaq or a similar organization and such common stock continues to meet such requirements for listing thereon, (y) it is required to file, and in each of its three fiscal years immediately preceding the Consummation Date has filed, reports with the Commission pursuant to Section 13 or 15(d) of the Exchange Act, and (z) in the case of a Parent, such Parent is required to include the Acquiring Company in the consolidated financial statements contained in the Parent's Annual Report on Form 10-K and is not itself included in the consolidated financial statements of any other person (other than its consolidated subsidiaries). Notwithstanding anything contained herein to the contrary, the Company shall not effect any Transaction unless prior to or simultaneously with the consummation of such Transaction the survivor or successor entity (if other than the Company) resulting from such Transaction shall (AA) assume by written instrument executed and delivered to each holder of Series B Preferred Stock the obligation to deliver to such holder of Series B Preferred Stock such shares of stock, securities or assets as, in accordance with the foregoing provisions, such holder may be entitled to receive, and containing the express assumption of such successor entity of the due and punctual performance and observance of every provision of the Series B Preferred Stock to be performed and observed by the Company and of all liabilities and obligations of the Company hereunder, and (BB) deliver to the holders of Series B Preferred Stock an opinion, in form, substance and from counsel reasonably satisfactory to the holders of Series B Preferred Stock, to the effect that such written instrument has been duly authorized, executed and delivered by such successor entity and constitutes a legal, valid and binding instrument enforceable (subject to applicable bankruptcy and other similar laws affecting the enforcement of creditors' rights generally) against such successor entity in accordance with its terms, and to such further effects as the holders of Series B Preferred Stock may reasonably request.

(h) Exceptions to Adjustment of Conversion Price. Anything herein to the contrary notwithstanding, the Company shall not be required to make any adjustment of the Conversion Price in the case of (i) the issuance of shares of Common Stock upon conversion of the Series B Preferred Stock or any Other Series or any adjustment of the conversion price with respect thereto in accordance herewith, (ii) the issuance of options or warrants included within the Option/Warrant Pool, and the issuance of Common Stock upon the exercise of any such options or warrants (including options and warrants outstanding on the Date of First Issuance), and (iii) the issuance of shares of Common Stock in a Qualified Public Offering pursuant to an effective registration statement under the Securities Act.

(i) Treasury Shares. The number of shares of Common Stock outstanding at any time shall not include shares owned or held by or for the account of the Company, and the

disposition of any such shares shall be considered an issue or sale of Common Stock for the purposes of this Section 6.

(j) Certificate of Adjustment. Upon each adjustment of the Conversion Price in respect of the Series B Preferred Stock and upon each change in the number of Conversion Shares issuable upon the conversion of the Series B Preferred Stock, and in the event of any change in the rights of the holders of the Series B Preferred Stock by reason of other events herein set forth, then and in each such case, the Company will promptly prepare a certificate of adjustment stating the adjusted Conversion Price and the new number of Conversion Shares so issuable, or specifying the other shares of stock, securities or assets and the amount thereof receivable as a result of such change in rights, and setting forth in reasonable detail the method of calculation and the facts upon which such calculation is based. The Company will promptly mail a copy of such certificate of adjustment to each registered holder of Series B Preferred Stock.

(k) Company to Prevent Dilution. If at any time or from time to time conditions arise by reason of action taken by the Company, which in the opinion of its Board of Directors, are not adequately covered by the provisions of this Section 6, and which might materially and adversely affect the conversion rights of the registered holders of Series B Preferred Stock, the Board of Directors of the Company shall appoint a firm of independent certified public accountants, which may be the firm regularly retained by the Company, which shall give its opinion upon the adjustment, if any, on a basis consistent with the standards established in the other provisions of this Section 6, necessary with respect to the Conversion Price, so as to preserve, without dilution, the conversion rights of the registered holders of the Series B Preferred Stock. Upon receipt of such opinion, the Board of Directors of the Company shall forthwith make the adjustments described therein.

(l) Reservation of Shares. The Company will authorize, reserve and set apart and have available for issuance at all times, free from preemptive rights, including, without limitation, rights derived from rights offerings, that number of shares of Common Stock which is deliverable upon the conversion of the Series B Preferred Stock, and the Company will have at all times any other rights or privileges provided for therein sufficient to enable it at any time to fulfill all its obligations hereunder.

(m) Costs. The Company shall pay all documentary, stamp, transfer or other transactional taxes attributable to the issuance or delivery of Conversion Shares upon conversion of any shares of the Series B Preferred Stock; provided, however, that the Company shall not be required to pay any federal or state income taxes or other taxes which may be payable in respect of any transfer involved in the issuance or delivery of any certificate for such Conversion Shares in a name other than that of the holder of the shares of the Series B Preferred Stock in respect of which such shares are being issued.

Section 7. Voting Rights. Except as otherwise required by law or expressly provided herein, the holders of shares of Series B Preferred Stock shall be entitled to vote on all matters submitted to a vote of the stockholders of the Company and shall have such number of votes equal to the number of shares of Common Stock into which such holders' shares of Series B Preferred Stock are convertible pursuant to the provisions hereof at the record date for the determination of

stockholders entitled to vote on such matters or, if no such record date is established, at the date such vote is taken or any written consent of stockholders is solicited. Except as otherwise required by law or expressly provided herein, the holders of shares of Series B Preferred Stock, Other Series and Common Stock shall vote together as a single class, and not as separate classes. Such voting rights shall be in addition to the rights of holders of Series B Preferred Stock to vote on specific matters of Company business, as provided in the Stockholders' Agreement.

Section 8. Preference Rights. Nothing contained herein shall be construed to prevent the Board of Directors of the Company from issuing one or more series or classes of Junior Securities with dividend and/or liquidation preferences junior to the dividend and liquidation preferences of the Series B Preferred Stock.

Section 9. Registration of Transfer. The Company will keep at its principal office a register for the registration of Series B Preferred Stock. Upon the surrender of any certificate representing Series B Preferred Stock at such place, the Company will, at the written request of the record holder of such certificate, execute and deliver (at the Company's expense) a new certificate or certificates in exchange therefor representing in the aggregate the number of shares represented by the surrendered certificate. Each such new certificate will be registered in such name and will represent such number of Shares as is requested by the holder of the surrendered certificate.

Section 10. Replacement. Upon receipt of evidence reasonably satisfactory to the Company of the ownership and the loss, theft, destruction or mutilation of any certificate evidencing shares of Series B Preferred Stock and in the case of any such loss, theft or destruction, upon receipt of indemnity reasonably satisfactory to the Company (provided that if the holder is a financial institution, an entity whose securities are traded or listed on any national securities exchange or recognized automated quotation system, or any subsidiary of the foregoing, then the holder's own agreement will be satisfactory), or, in the case of any such mutilation upon surrender of such certificate, the Company will (at its expense) execute and deliver in lieu of such certificate a new certificate of like kind representing the number of shares represented by such lost, stolen, destroyed or mutilated certificate and dated the date of such lost, stolen, destroyed or mutilated certificate.

Section 11. Amendment and Waiver. No amendment, modification or waiver will be binding or effective with respect to any provision of Sections 1 through 11 of this part C without the prior written consent or affirmative vote of the holders of not less than a majority of the Series B Preferred Stock outstanding at the time such action is taken.

Section 12. Notices. Except as otherwise expressly provided hereunder, all notices referred to herein will be in writing and will be delivered by registered or certified mail, return receipt requested and postage prepaid, or by reputable overnight courier service, charges prepaid, and will be deemed to have been given when so mailed or sent (a) to the Company, at its principal executive offices, and (b) to any stockholder, at such holder's address as it appears in the stock records of the Company (unless otherwise indicated by notice given to the Company by any such holder).

D. SERIES C CONVERTIBLE PREFERRED STOCK

Section 1. Designation and Amount. The series of Preferred Stock designated and known as the "Series C Preferred Stock" shall have a par value of $.00004 per share and the number of shares constituting the Series C Preferred Stock shall be 361,098 shares. The Series C Preferred Stock shall have a stated value of $41.54 per share (the "Stated Value"), which shall be subject to appropriate arithmetic adjustment in the event of any stock splits, stock dividends, combinations of shares, recapitalizations or other such events relating to the Series C Preferred Stock occurring from time to time subsequent to the effective date of this Seventh Amended and Restated Certificate of Incorporation.

Section 2. Rank. The Series C Preferred Stock shall rank, in each case as to dividends, and as to distributions of assets upon liquidation, dissolution or winding up of the Company, whether voluntary or involuntary: (i) prior to all of the Company's Common Stock, par value $.0000l per share ("Common Stock"), (ii) on a parity with the Series A Preferred Stock, the Series B Preferred Stock, the Series D Preferred Stock and the Series E Preferred Stock (collectively, for purposes of this Section D, the "Other Series"), and (iii) prior to any other class or series of capital stock of the Company hereafter created, unless with the affirmative written approval or consent of the holders of not less than a majority of the then issued and outstanding shares of Series C Preferred Stock, such other class or series of capital stock of the Company, by its terms, ranks on a parity with or senior on liquidation to the Series C Preferred Stock.

Section 3. Dividends. The Series C Preferred Stock shall not entitle the holders thereof to any dividends, except that, in the event that the Company shall at any time or from time to time declare or pay any dividend with respect to the Common Stock, any of the Other Series, or any other series of Preferred Stock which is hereafter created with or granted parity dividend rights with the Series C Preferred Stock, then the Company shall simultaneously declare or pay (as the case may be) an equal per share dividend (with all such dividends being calculated, with respect to Preferred Stock, on an "as converted" basis into Common Stock) on the outstanding shares of Series C Preferred Stock. Any and all dividends shall be payable out of any cash legally available therefor, and if there is not a sufficient amount of cash available, then out of the remaining assets of the Company legally available therefor (valued at the fair market value thereof on the date of payment as determined by the Board of Directors of the Company), provided that, to the extent that funds or assets are not legally available for the payment of any declared dividend, then the Company shall pay such unpaid declared dividend promptly as funds or assets become legally available therefor, with payments to be made to the holders of All Series (on a pari passu "as converted" basis) prior to the payment of any dividends on the Common Stock or any Junior Securities (as such term is defined in Section 4(a) below).

Section 4. Liquidation Preference.

(a) In the event of any liquidation, dissolution or winding up of the Company, either voluntary or involuntary, the holders of Series C Preferred Stock shall be entitled to receive, prior to any holders of Common Stock or other class or series of Company Preferred Stock ranking junior to the Series C Preferred Stock (collectively, the "Junior Securities"), and concurrently on a ratable basis (in proportion to the respective preferential amounts payable to all subject holders) with the holders of any outstanding shares of Other Series or other Parity

Securities (as such term is hereinafter defined), an amount per share equal to the sum of (i) the then effective Stated Value of each outstanding share of Series C Preferred Stock, plus (ii) any and all declared and unpaid dividends thereon to the date of payment under this Section 4 (the "Series C Liquidation Preference"); and after the payment to all holders of Series C Preferred Stock of the full such Series C Liquidation Preference, the holders of Series C Preferred Stock shall not be entitled to any further payments in respect of the Series C Preferred Stock. If upon the occurrence of such event, the assets and funds available to be distributed among the holders of the Series C Preferred Stock, the holders of any outstanding Series A Preferred Stock, the holders of any outstanding shares of Other Series and the holders of any other shares of capital stock which, by their terms, and with the approval of the holders of not less than a majority of the issued and outstanding shares of Series C Preferred Stock on the date of issuance thereof, rank on liquidation on a parity with the Series C Preferred Stock (the "Parity Securities") shall be insufficient to permit the payment, to the holders of the Series C Preferred Stock, Other Series and any other Parity Securities, of the full preferential amounts due to such holders, then the entire assets and funds of the Company legally available for distribution shall be distributed among the holders of the Series C Preferred Stock, Other Series and any other Parity Securities on a ratable basis in proportion to the respective preferential amounts payable to such holders, subject, however, to first being distributed to holders of any capital stock senior on liquidation to the Series C Preferred Stock to the extent permitted hereunder.

(b) The (i) sale, conveyance or disposition of all or substantially all of the assets or outstanding capital stock of the Company to any person or entity, or (ii) consolidation, merger, acquisition, share exchange or other business combination of the Company with or into any other company or companies (other than a wholly-owned subsidiary of the Company), unless, in either case, the Company's stockholders of record as constituted immediately prior to the consummation of such transaction (by virtue of the shares of the Company owned by such stockholders or securities issued solely with respect thereto as consideration for the Company's acquisition or sale or otherwise) hold not less than 50% of the voting power of the acquiring or surviving entity, shall be treated as a liquidation, dissolution or winding up within the meaning of this Section 4.

(c) The Company shall give written notice of any liquidation, dissolution or winding up reasonably in advance of the occurrence thereof, and each holder of Series C Preferred Stock may exercise such holder's right of conversion pursuant to Section 6 below with respect to any or all shares of Series C Preferred Stock at any time prior to the effectiveness of the liquidation, dissolution or winding up.

Section 5. Redemption.

(a) Mandatory Redemption. All of the outstanding Series C Preferred Stock shall be redeemed by the Company on the Redemption Date, in accordance with this Section 5; provided, however, that if (i) the holders of a majority of the aggregate outstanding Series C Preferred Stock, Series A Preferred Stock and Series B Preferred Stock (voting as a single class and with all shares having the number of votes equal to the number of shares of Common Stock then issuable upon conversion thereof) agree, at the request of the Company, to any delay or postponement (in whole or in part) of the redemption of (or payment of the redemption price in respect of) the shares of All Series on a ratable basis as further provided in this Section 5(a), and

(ii) the holders of a majority of the aggregate outstanding Series D Preferred Stock and Series E Preferred Stock (voting as a single class and with all shares having the number of votes equal to the number of shares of Common Stock then issuable upon conversion thereof) agree, at the request of the Company, to the same delay or postponement (in whole or in part) of the redemption of (or payment of the redemption price in respect of) the shares of All Series on a ratable basis as further provided in this Section 5(a), then such delay or postponement shall be binding upon all holders of Series C Preferred Stock and all holders of Other Series. The rights of the holders of Series C Preferred Stock to receive the redemption payments in respect of the Series C Preferred Stock shall rank pari passu with the rights of the holders of Other Series to receive any redemption payments in respect thereof. If, at the Redemption Date, the assets and funds legally available for such redemption payments shall be insufficient to permit the payment of all such redemption payments in respect of the Series C Preferred Stock and Other Series, then the entire assets and funds of the Company legally available for such redemption payments shall be paid to the holders of the Series C Preferred Stock and Other Series on a ratable basis in proportion to the respective amounts payable to such holders. Thereafter, the Company shall make additional redemption payments (on a ratable basis as aforesaid) as and when it has funds legally available for such purpose, and the Company shall use its best efforts and take all necessary and appropriate action to have funds legally available for such purpose when due and thereafter as promptly as practicable.

(b) Redemption Price. The redemption price per share of Series C Preferred Stock shall be an amount equal to the sum of (i) the then effective Stated Value, plus (ii) all declared and unpaid dividends thereon to the date on which such redemption price is paid to the holder of the subject Series C Preferred Stock.

(c) Payment of Redemption Price. Any and all redemption payments hereunder shall be paid to the subject holder by wire transfer of immediately available funds or by certified or bank cashier's check. Against payment of such redemption price, the subject holder shall deliver to the Company for cancellation the certificate evidencing the Series C Preferred Stock so redeemed (or, in the event that such certificate has been lost, stolen, mutilated or destroyed, the subject holder shall deliver to the Company a lost certificate affidavit in form and substance reasonably satisfactory to the Company and its transfer agent, if any).

(d) Replacement Certificates. In the event that any redemption payment hereunder shall be made with respect to less than all of the shares represented by any stock certificate tendered to the Company hereunder, the Company shall, at its expense, in conjunction with the payment of the redemption price for the shares redeemed, issue to the subject holder a new stock certificate representing the shares which were not redeemed.

(e) Conversion Rights. Prior to the payment of the redemption price in respect of any shares of Series C Preferred Stock which the holder has required to be redeemed hereunder, the holder shall continue to have the right to convert any or all of such shares of Series C Preferred Stock into Common Stock in accordance with Section 6 below.

Section 6. Conversion into Common Stock.

(a) Conversion. Each outstanding share of Series C Preferred Stock (i) may, at any time at the option of the holder thereof, be converted into Common Stock of the Company, and (ii) shall automatically be converted into Common Stock of the Company upon (A) the consummation of a Qualified Public Offering, or (B) upon written demand therefor by the Company to all holders of Series C Preferred Stock and Other Series simultaneously with or at any time subsequent to the consummation of a Qualified Sale Transaction, in each case initially at the rate of 4.5752 shares of Common Stock for each share of Series C Preferred Stock. The "Conversion Price" in respect of the Series C Preferred Stock shall initially be fixed at $9.0794 per share of Common Stock, and such Conversion Price shall be subject to adjustment from time to time as hereinafter provided in this Section 6; and upon each such adjustment, except pursuant to Section 6(g), the number of Conversion Shares receivable upon any conversion of a share of Series C Preferred Stock shall be adjusted to an amount equal to the then effective Stated Value of such share of Series C Preferred Stock divided by the adjusted Conversion Price.

(b) Conversion Price Adjustment Formulas. If, at any time and from time to time on or after the effective date of this Seventh Amended and Restated Certificate of Incorporation (including, without limitation, upon issuance of the Series E Preferred Stock), the Company shall issue or sell (or be deemed to have issued or sold pursuant to Section 6(c)) any share of Common Stock (excluding any grant, issuance or sale described in Section 6(h)) for a consideration per share which is less than the Conversion Price in effect at the time of such issue or sale, then in each such case (except when a different method of adjusting the Conversion Price is provided in Section 6(d) or 6(f)), the Conversion Price shall be forthwith changed (but only, except as otherwise provided in Section 6(c)(3), if a reduction would result) to the price (calculated to the nearest one/one hundredth of a cent) determined by dividing (1) an amount equal to the sum of (a) the number of shares of Common Stock outstanding immediately prior to such issue or sale, multiplied by the then effective Conversion Price, plus (b) the total consideration, if any, received and deemed (in accordance with Section 6(c)) received by the Company upon such issue or sale, by (2) the total number of shares of Common Stock outstanding and deemed (in accordance with Section 6(c)) outstanding immediately after such issue or sale.

No adjustment of the Conversion Price, however, shall be made in an amount less than one cent per share, but any such lesser adjustment shall be carried forward and shall be made at the time of and together with the next subsequent adjustment which together with any subsequent adjustments so carried forward shall amount to one cent per share or more.

(c) Constructive Issuances of Common Stock; Convertible Securities; Rights and Options. For purposes of Section 6(b), the following provisions shall also be applicable:

(1) If at any time the Company shall in any manner grant any rights or options (except for the grant of any rights or options referred to in Section 6(h)) to subscribe for or to purchase Common Stock or any stock or securities convertible into or exchangeable for shares of Common Stock (such convertible or exchangeable stock or securities being hereinafter called "Convertible Securities"), whether or not such rights or options or the right to convert or exchange any such Convertible Securities are immediately exercisable, and the price per share for which Common Stock is issuable upon the exercise of such rights or options or upon

conversion or exchange of such Convertible Securities (determined by dividing (a) the total amount, if any, received or receivable by the Company as consideration for the granting of such rights or options, plus the minimum aggregate amount of additional consideration, if any, payable to the Company upon the exercise of such rights or options, plus, in the case of any such rights or options which relate to such Convertible Securities, the minimum aggregate amount of additional consideration, if any, payable upon the issue or sale of such Convertible Securities and upon the conversion or exchange thereof, by (b) the total maximum number of shares of Common Stock issuable upon the exercise of such rights or options or upon the conversion or exchange of all such Convertible Securities issuable upon the exercise of such rights or options) shall be less than the Conversion Price in respect of the Series C Preferred Stock in effect as of the time of granting such rights or options, then the total maximum number of shares of Common Stock issuable upon the exercise of such rights or options or upon conversion or exchange of the total maximum amount of such Convertible Securities issuable upon the exercise of such rights or options shall (on and after the date of the granting of such rights or options) be deemed to be outstanding and to have been issued for such price per share. Except as provided in clause (3) below, no further adjustments of the Conversion Price shall be made upon the actual issue of shares of Common Stock or Convertible Securities upon exercise of such rights or options or upon the actual issue of shares of Common Stock upon conversion or exchange of such Convertible Securities.

(2) If at any time the Company shall in any manner issue or sell any Convertible Securities (other than any Convertible Securities referred to in Section 6(h)), whether or not the rights to exchange or convert thereunder are immediately exercisable, and the price per share for which Common Stock is issuable upon such conversion or exchange (determined by dividing (a) the total amount received or receivable by the Company as consideration for the issue or sale of such Convertible Securities, plus the minimum aggregate amount of additional consideration, if any, payable to the Company upon the conversion or exchange thereof, by (b) the total maximum number of shares of Common Stock issuable upon the conversion or exchange of all such Convertible Securities) shall be less than the Conversion Price in respect of the Series C Preferred Stock in effect as of the time of such issue or sale, then the total maximum number of shares of Common Stock issuable upon conversion or exchange of all such Convertible Securities shall (on and after the date of the issue or sale of such Convertible Securities) be deemed to be outstanding and to have been issued for such price per share, provided, that, except as otherwise specified in clause (3) below, (i) no further adjustments of the Conversion Price shall be made upon the actual issue of Common Stock upon conversion or exchange of such Convertible Securities, and (ii) if any such issue or sale of such Convertible Securities is made upon exercise of any rights to subscribe for or to purchase or any option to purchase any such Convertible Securities for which adjustments of the Conversion Price have been or are to be made pursuant to other provisions of this Section 6(c), no further adjustment of the Conversion Price shall be made by reason of such issue or sale.

(3) If the exercise price provided for in any right or option referred to in clause (1) of this Section 6(c), or the rate at which any Convertible Securities referred to in clauses (1) and (2) of this Section 6(c) are convertible into or exchangeable for Common Stock, shall change or a different exercise price or rate shall become effective at any time or from time to time (other than under or by reason of provisions designed to protect against dilution) then, upon such change becoming effective, the Conversion Price then in effect hereunder shall

forthwith be increased or decreased to such Conversion Price as would have been obtained had the adjustments made and required to be made under this Section 6(c) upon the issuance of such rights or options or Convertible Securities been made upon the basis of (and the total consideration received therefor) (a) the issuance of the number of shares of Common Stock theretofore actually delivered upon the exercise of such options or rights or upon the conversion or exchange of such Convertible Securities, (b) the issuance of all of Common Stock and all other rights, options and Convertible Securities issued after the issuance of such rights, options or Convertible Securities, and (c) the original issuance at the time of such change of any such options, rights and Convertible Securities then still outstanding. On the expiration of any such option or right or the termination of any such right to convert or exchange such Convertible Securities, the Conversion Price then in effect in respect of the Series C Preferred Stock shall forthwith be increased or decreased to such Conversion Price as would have obtained (i) had the adjustments made upon the issuance of such rights or options or such Convertible Securities been made upon the basis of the issuance of only the number of shares of Common Stock theretofore actually delivered (and the total consideration received therefor) upon the exercise of such rights or options or upon the conversion or exchange of such Convertible Securities, and (ii) had adjustments been made on the basis of the Conversion Price as adjusted under the immediately preceding clause (i) for all issues or sales of Common Stock or rights, options or Convertible Securities made after the issuance of such rights or options or such Convertible Securities. If the exercise price provided for in any right or option referred to in clause (1) of this Section 6(c), or the rate at which any Convertible Securities referred to in clauses (1) and (2) of this Section 6(c) are convertible into or exchangeable for shares of Common Stock, shall decrease at any time under or by reason of provisions with respect thereto designed to protect against dilution, then in the case of the delivery of shares of Common Stock upon the exercise of any such right or option or upon conversion or exchange of any such Convertible Securities, the Conversion Price then in effect in respect of the Series C Preferred Stock shall forthwith be decreased to such Conversion Price as would have obtained had the adjustments made upon issuance of such right or option or such Convertible Securities been made upon the basis of the issuance of (and the total consideration received for) the shares of Common Stock delivered as aforesaid.

(4) If at any time any shares of Common Stock or Convertible Securities or any rights or options to purchase any shares of Common Stock or Convertible Securities shall be issued or sold for cash, the consideration received therefor shall be deemed to be the amount paid to the Company therefor without deduction therefrom of any expenses incurred or any underwriting commissions, concessions or discounts, or finders' fees or brokerage commissions, paid or allowed by the Company in connection therewith. In case any shares of Common Stock or Convertible Securities or any rights or options to purchase any shares of Common Stock or Convertible Securities shall be issued or sold for a consideration other than cash, the amount of the consideration other than cash payable to the Company shall be deemed to be the fair value of such consideration as determined in good faith by the Board of Directors of the Company, without deduction therefrom of any expenses incurred or any underwriting commissions, concessions or discounts, or finders' fees or brokerage commissions, paid or allowed by the Company in connection therewith. In case any shares of Common Stock or Convertible Securities or any rights or options to purchase any share of Common Stock or Convertible Securities shall be issued in connection with any merger of another corporation into the Company, the amount of consideration therefor shall be deemed to be the fair value as determined in good faith by the Board of Directors of the Company of such portion of the assets

of such merged corporation as such Board shall determine to be attributable to such shares of Common Stock, Convertible Securities, rights or options, as the case may be.

(5) If at any time the Company shall take a record of the holders of Common Stock for the purpose of entitling them (a) to receive a dividend or other distribution payable in shares of Common Stock or in Convertible Securities, or (b) to subscribe for or purchase shares of Common Stock or Convertible Securities, then such record date shall be deemed to be the date of the issue or sale of the shares of the Common Stock deemed to have been issued or sold upon the declaration of such dividend or of such other distribution or the date of the granting of such right of subscription or purchase, as the case may be.

(d) Stock Dividends. If at any time the Company shall declare a dividend or any other distribution upon any capital stock of the Company which is payable in shares of Common Stock, then the Conversion Price in respect of the Series C Preferred Stock in effect immediately prior to the declaration of such dividend or distribution shall be reduced to the quotient obtained by dividing (1) the product of (i) the number of shares of Common Stock outstanding and deemed (in accordance with Section 6(c)) to be outstanding immediately prior to such declaration, multiplied by (ii) the then effective Conversion Price, by (2) the total number of shares of Common Stock outstanding and deemed (in accordance with Section 6(c)) to be outstanding immediately after such declaration. All shares of Common Stock and all Convertible Securities issuable in payment of any dividend or other distribution upon the capital stock of the Company shall be deemed after such declaration to have been issued and sold without consideration.

(e) Extraordinary Dividends and Distributions. If at any time the Company shall declare a dividend or any other distribution upon the Common Stock payable otherwise than out of current earnings, retained earnings or earned surplus and otherwise than in shares of Common Stock or Convertible Securities, then, except to the extent that such dividend or distribution shall have been paid to the holders of Series C Preferred Stock pursuant to Section 3, the Company shall set aside an equal per share dividend (calculated, with respect to the Series C Preferred Stock, on an “as converted” basis), which shall be payable to the holder of the subject Series C Preferred Stock upon conversion thereof into Common Stock. At such time as shares of Series C Preferred Stock are redeemed in accordance with Section 5, the corresponding amount set aside under this Section 6(e) may be returned to the general, unrestricted assets of the Company. To the extent that any dividend or distribution required to be set aside under this Section 6(e) shall be in a form other than cash, then the Company shall have the right, in lieu of setting aside such non-cash property, to set aside a cash amount equal to the fair value of such non-cash property as determined by the Board of Directors of the Company in good faith. For the purposes of the foregoing, a dividend or distribution other than in cash shall be considered payable out of earnings, retained earnings or earned surplus only to the extent that such current earnings, retained earnings or earned surplus are charged an amount equal to the fair value of such dividend or distribution at the time of the declaration thereof, as determined by the Board of Directors of the Company. Such reductions shall take effect as of the date on which a record is taken for the purposes of such dividend or distribution, or, if a record is not taken, the date as of which the holders of record of Common Stock entitled to such dividend or distribution are to be determined.

(f) Stock Splits and Reverse Splits. If at any time the Company shall subdivide its outstanding shares of Common Stock into a greater number of shares, the Conversion Price in respect of the Series C Preferred Stock in effect immediately prior to such subdivision shall be proportionately reduced and the number of Conversion Shares receivable upon conversion of outstanding Series C Preferred Stock immediately prior to such subdivision shall be proportionately increased, and conversely, in case at any time the Company shall combine the outstanding shares of Common Stock into a smaller number of shares, the Conversion Price in respect of the Series C Preferred Stock in effect immediately prior to such combination shall be proportionately increased and the number of Conversion Shares receivable upon conversion of outstanding Series C Preferred Stock immediately prior to such combination shall be proportionately reduced.

(g) Adjustments for Consolidation, Merger, Sale of Assets, Reorganization, etc. If at any time the Company shall be a party to any transaction (including without limitation a merger, consolidation, sale of all or substantially all of the Company's assets or a recapitalization of the Common Stock) in which the previously outstanding shares of Common Stock shall be changed into or exchanged for different securities of the Company or changed into or exchanged for common stock or other securities of another corporation or other property (including cash) or any combination of any of the foregoing (each such transaction being hereinafter referred to as the "Transaction"; the Company (in the case of a recapitalization of the Stock) or such other corporation being hereinafter referred to as the "Acquiring Company," and the common stock of the Acquiring Company being hereinafter referred to as the "Acquirer's Stock"), then, as a condition to the consummation of the Transaction, lawful and adequate provisions shall be made so that, upon the basis and the terms and in the manner provided in this Section 6(g), each holder of Series C Preferred Stock, upon conversion of such Series C Preferred Stock at any time after the consummation of the Transaction, shall be entitled to receive, in lieu of the shares of Common Stock issuable upon such exercise prior to such consummation, at the election of such holder given by notice to the Company on or before the later of the day on which the holders of Common Stock approve the Transaction, or the thirtieth day following the date of delivery or mailing to such holder of the last proxy statement relating to the vote on the Transaction by the holders of Common Stock:

(1) the stock and other securities, cash and property to which such holder would have been entitled upon the consummation of the Transaction if such holder had converted such Series C Preferred Stock immediately prior thereto (subject to adjustments from and after the date of the consummation of the Transaction (the "Consummation Date") as nearly equivalent as possible to the adjustments provided for in this Section 6); or

(2) only in the case of a Transaction consummated after an Initial Public Offering other than a Transaction in which the previously outstanding shares of Common Stock shall be exchangeable for cash only, if the Acquiring Company meets the requirements set forth in this Section 6(g), the number of shares of the Acquirer's Stock or, if the Acquiring Company fails to meet, but a Parent (as defined in this Section 6(g)) does meet, such requirements, of such Parent's common stock (subject to adjustments from and after the Consummation Date as nearly equivalent as possible to the adjustments provided for in this Section 6), determined by dividing (i) the product obtained by multiplying (a) the number of shares of Common Stock to which the holder of such Series C Preferred Stock would have been entitled had such holder converted such

Series C Preferred Stock immediately prior to the consummation of the Transaction, times (b) the greater of the Conversion Price or the Acquisition Price (as defined in this Section 6(g)) in effect immediately prior to the consummation of the Transaction, by (ii) the Market Value of the Acquirer's Stock on the date immediately prior to the consummation of the Transaction, preceding the Consummation Date.

For the purposes of this Section 6(g) only, the term "Market Value" shall mean, for any share of common stock on any date specified herein, the last sale price, regular way, on such date, or, if no sale takes place on such date, the average of the closing bid and asked prices on such date, in each case as officially reported on the NYSE or, if not so reported, on the principal national securities exchange on which such stock is listed or if not listed or admitted to trading, the average of the closing bid and asked prices of such stock in the over-the-counter market as reported by Nasdaq or a similar organization; and the term "Acquisition Price" shall mean the consideration per share to be paid for or received by the holders of the previously-outstanding shares of Common Stock in accordance with the terms of the Transaction, determined (i) in the case where the holders of the previously outstanding Common Stock received solely shares of the Acquirer's Stock in the Transaction, by multiplying the Market Value of the Acquirer's Stock as of the date immediately preceding the Consummation Date by a fraction the numerator of which shall be the aggregate number of shares of the Acquirer's Stock to be received in the Transaction in exchange for all of the previously outstanding shares of Common Stock and the denominator of-which shall be the aggregate number of such previously outstanding shares of Common Stock, and (ii) in any other case, by dividing the aggregate fair market value (using Market Value for any shares of the Acquirer's Stock), as of the date immediately preceding the Consummation Date, of the aggregate consideration to be received by the holders of such previously outstanding shares of Common Stock by the number of shares of such previously outstanding Common Stock. The requirements referred to in clause (2) of this Section 6(g) with reference to the Acquiring Company or to a corporation (herein referred to as a "Parent") which directly or indirectly controls the Acquiring Company are as follows: (x) its common stock is listed on the NYSE or a principal national securities exchange or bid and asked prices are reported with respect thereto by Nasdaq or a similar organization and such common stock continues to meet such requirements for listing thereon, (y) it is required to file, and in each of its three fiscal years immediately preceding the Consummation Date has filed, reports with the Commission pursuant to Section 13 or 15(d) of the Exchange Act, and (z) in the case of a Parent, such Parent is required to include the Acquiring Company in the consolidated financial statements contained in the Parent's Annual Report on Form 10-K and is not itself included in the consolidated financial statements of any other person (other than its consolidated subsidiaries). Notwithstanding anything contained herein to the contrary, the Company shall not effect any Transaction unless prior to or simultaneously with the consummation of such Transaction the survivor or successor entity (if other than the Company) resulting from such Transaction shall (AA) assume by written instrument executed and delivered to each holder of Series C Preferred Stock the obligation to deliver to such holder of Series C Preferred Stock such shares of stock, securities or assets as, in accordance with the foregoing provisions, such holder may be entitled to receive, and containing the express assumption of such successor entity of the due and punctual performance and observance of every provision of the Series C Preferred Stock to be performed and observed by the Company and of all liabilities and obligations of the Company hereunder, and (BB) deliver to the holders of Series C Preferred Stock an opinion, in form, substance and from counsel reasonably satisfactory to the holders of Series C Preferred

Stock, to the effect that such written instrument has been duly authorized, executed and delivered by such successor entity and constitutes a legal, valid and binding instrument enforceable (subject to applicable bankruptcy and other similar laws affecting the enforcement of creditors' rights generally) against such successor entity in accordance with its terms, and to such further effects as the holders of Series C Preferred Stock may reasonably request.

(h) Exceptions to Adjustment of Conversion Price. Anything herein to the contrary notwithstanding, the Company shall not be required to make any adjustment of the Conversion Price in the case of (i) the issuance of shares of Common Stock upon conversion of the Series C Preferred Stock or any Other Series or any adjustment of the conversion price with respect thereto in accordance herewith, (ii) the issuance of options or warrants included within the Option/Warrant Pool, and the issuance of Common Stock upon the exercise of any such options or warrants (including options and warrants outstanding on the Date of First Issuance), and (iii) the issuance of shares of Common Stock in a Qualified Public Offering pursuant to an effective registration statement under the Securities Act.

(i) Treasury Shares. The number of shares of Common Stock outstanding at any time shall not include shares owned or held by or for the account of the Company, and the disposition of any such shares shall be considered an issue or sale of Common Stock for the purposes of this Section 6.

(j) Certificate of Adjustment. Upon each adjustment of the Conversion Price in respect of the Series C Preferred Stock and upon each change in the number of Conversion Shares issuable upon the conversion of the Series C Preferred Stock, and in the event of any change in the rights of the holders of the Series C Preferred Stock by reason of other events herein set forth, then and in each such case, the Company will promptly prepare a certificate of adjustment stating the adjusted Conversion Price and the new number of Conversion Shares so issuable, or specifying the other shares of stock, securities or assets and the amount thereof receivable as a result of such change in rights, and setting forth in reasonable detail the method of calculation and the facts upon which such calculation is based. The Company will promptly mail a copy of such certificate of adjustment to each registered holder of Series C Preferred Stock.

(k) Company to Prevent Dilution. If at any time or from time to time conditions arise by reason of action taken by the Company, which in the opinion of its Board of Directors, are not adequately covered by the provisions of this Section 6, and which might materially and adversely affect the conversion rights of the registered holders of Series C Preferred Stock, the Board of Directors of the Company shall appoint a firm of independent certified public accountants, which may be the firm regularly retained by the Company, which shall give its opinion upon the adjustment, if any, on a basis consistent with the standards established in the other provisions of this Section 6, necessary with respect to the Conversion Price, so as to preserve, without dilution, the conversion rights of the registered holders of the Series C Preferred Stock. Upon receipt of such opinion, the Board of Directors of the Company shall forthwith make the adjustments described therein.

(l) Reservation of Shares. The Company will authorize, reserve and set apart and have available for issuance at all times, free from preemptive rights, including, without

limitation, rights derived from rights offerings, that number of shares of Common Stock which is deliverable upon the conversion of the Series C Preferred Stock, and the Company will have at all times any other rights or privileges provided for therein sufficient to enable it at any time to fulfill all its obligations hereunder.

(m) Costs. The Company shall pay all documentary, stamp, transfer or other transactional taxes attributable to the issuance or delivery of Conversion Shares upon conversion of any shares of the Series C Preferred Stock; provided, however, that the Company shall not be required to pay any federal or state income taxes or other taxes which may be payable in respect of any transfer involved in the issuance or delivery of any certificate for such Conversion Shares in a name other than that of the holder of the shares of the Series C Preferred Stock in respect of which such shares are being issued.

Section 7. Voting Rights. Except as otherwise required by law or expressly provided herein, the holders of shares of Series C Preferred Stock shall be entitled to vote on all matters submitted to a vote of the stockholders of the Corporation and shall have such number of votes equal to the number of shares of Common Stock into which such holders' shares of Series C Preferred Stock are convertible pursuant to the provisions hereof at the record date for the determination of stockholders entitled to vote on such matters or, if no such record date is established, at the date such vote is taken or any written consent of stockholders is solicited. Except as otherwise required by law or expressly provided herein, the holders of shares of Series C Preferred Stock, Other Series and Common Stock shall vote together as a single class, and not as separate classes. Such voting rights shall be in addition to the rights of holders of Series C Preferred Stock to vote on specific matters of Company business, as provided in the Stockholders' Agreement.

Section 8. Preference Rights. Without prejudice to any required consent pursuant to the Stockholders' Agreement, nothing contained herein shall be construed to prevent the Board of Directors of the Company from issuing one or more series or classes of Junior Securities with dividend and/or liquidation preferences junior to the dividend and liquidation preferences of the Series C Preferred Stock.

Section 9. Registration of Transfer. The Company will keep at its principal office a register for the registration of Series C Preferred Stock. Upon the surrender of any certificate representing Series C Preferred Stock at such place, the Company will, at the written request of the record holder of such certificate, execute and deliver (at the Company's expense) a new certificate or certificates in exchange therefor representing in the aggregate the number of shares represented by the surrendered certificate. Each such new certificate will be registered in such name and will represent such number of Shares as is requested by the holder of the surrendered certificate.

Section 10. Replacement. Upon receipt of evidence reasonably satisfactory to the Company of the ownership and the loss, theft, destruction or mutilation of any certificate evidencing shares of Series C Preferred Stock and in the case of any such loss, theft or destruction, upon receipt of indemnity reasonably satisfactory to the Company (provided that if the holder is a financial institution, an entity whose securities are traded or listed on any national securities exchange or recognized automated quotation system, or any subsidiary of the foregoing, then the holder's own agreement will be satisfactory), or, in the case of any such mutilation upon surrender of

such certificate, the Company will (at its expense) execute and deliver in lieu of such certificate a new certificate of like kind representing the number of shares represented by such lost, stolen, destroyed or mutilated certificate and dated the date of such lost, stolen, destroyed or mutilated certificate.

Section 11. Amendment and Waiver. No amendment, modification or waiver will be binding or effective with respect to any provision of Sections 1 through 11 hereof without the prior written consent or affirmative vote of the holders of not less than a majority of the Series C Preferred Stock outstanding at the time such action is taken.

Section 12. Notices. Except as otherwise expressly provided hereunder, all notices referred to herein will be in writing and will be delivered by registered or certified mail, return receipt requested and postage prepaid, or by reputable overnight courier service, charges prepaid, and will be deemed to have been given when so mailed or sent (a) to the Company, at its principal executive offices, and (b) to any stockholder, at such holder's address as it appears in the stock records of the Company (unless otherwise indicated by notice given to the Company by any such holder).

E. SERIES D CONVERTIBLE PREFERRED STOCK

Section 1. Designation and Amount. The series of Preferred Stock designated and known as the "Series D Preferred Stock" shall have a par value of $.00004 per share and the number of shares constituting the Series D Preferred Stock shall be 428,571 shares. The Series D Preferred Stock shall have a stated value of $3.50 per share (the "Stated Value"), which shall be subject to appropriate arithmetic adjustment in the event of any stock splits, stock dividends, combinations of shares, recapitalizations or other such events relating to the Series D Preferred Stock occurring from time to time subsequent to the effective date of this Seventh Amended and Restated Certificate of Incorporation.

Section 2. Rank. The Series D Preferred Stock shall rank, in each case as to dividends, and as to distributions of assets upon liquidation, dissolution or winding up of the Company, whether voluntary or involuntary: (i) prior to all of the Company's Common Stock, par value $.0000l per share ("Common Stock"), (ii) on a parity with the Series A Preferred Stock, the Series B Preferred Stock, Series C Preferred Stock and the Series E Preferred Stock (collectively, for purposes of this Section E, the "Other Series"), and (iii) prior to any other class or series of capital stock of the Company hereafter created, unless with the affirmative written approval or consent of the holders of not less than a majority of the then issued and outstanding shares of Series D Preferred Stock, such other class or series of capital stock of the Company, by its terms, ranks on a parity with or senior on liquidation to the Series D Preferred Stock.

Section 3. Dividends. The Series D Preferred Stock shall not entitle the holders thereof to any dividends, except that, in the event that the Company shall at any time or from time to time declare or pay any dividend with respect to the Common Stock, any of the Other Series or any other series of Preferred Stock which is hereafter created with or granted parity dividend rights with the Series D Preferred Stock, then the Company shall simultaneously declare or pay (as the case may be) an equal per share dividend (with all such dividends being calculated, with respect to Preferred Stock, on an "as converted" basis into Common Stock) on the outstanding shares of

Series D Preferred Stock. Any and all dividends shall be payable out of any cash legally available therefor, and if there is not a sufficient amount of cash available, then out of the remaining assets of the Company legally available therefor (valued at the fair market value thereof on the date of payment as determined by the Board of Directors of the Company), provided that, to the extent that funds or assets are not legally available for the payment of any declared dividend, then the Company shall pay such unpaid declared dividend promptly as funds or assets become legally available therefor, with payments to be made to the holders of All Series (on a pari passu "as converted" basis) prior to the payment of any dividends on the Common Stock or any Junior Securities (as such term is defined in Section 4(a) below).

Section 4. Liquidation Preference.

(a) In the event of any liquidation, dissolution or winding up of the Company, either voluntary or involuntary, the holders of Series D Preferred Stock shall be entitled to receive, prior to any holders of Common Stock or other class or series of Company Preferred Stock ranking junior to the Series D Preferred Stock (collectively, the "Junior Securities"), and concurrently on a ratable basis (in proportion to the respective preferential amounts payable to all subject holders) with the holders of any outstanding shares of Other Series or other Parity Securities (as such term is hereinafter defined), an amount per share equal to the sum of (i) the then effective Stated Value of each outstanding share of Series D Preferred Stock, plus (ii) any and all declared and unpaid dividends thereon to the date of payment under this Section 4 (the "Series D Liquidation Preference"); and after the payment to all holders of Series D Preferred Stock of the full such Series D Liquidation Preference, the holders of Series D Preferred Stock shall not be entitled to any further payments in respect of the Series D Preferred Stock. If upon the occurrence of such event, the assets and funds available to be distributed among the holders of the Series D Preferred Stock, the holders of any outstanding shares of Other Series and the holders of any other shares of capital stock which, by their terms, and with the approval of the holders of not less than a majority of the issued and outstanding shares of Series D Preferred Stock on the date of issuance thereof, rank on liquidation on a parity with the Series D Preferred Stock (the "Parity Securities") shall be insufficient to permit the payment, to the holders of the Series D Preferred Stock, Other Series and any other Parity Securities, of the full preferential amounts due to such holders, then the entire assets and funds of the Company legally available for distribution shall be distributed among the holders of the Series D Preferred Stock, Other Series and any other Parity Securities on a ratable basis in proportion to the respective preferential amounts payable to such holders, subject, however, to first being distributed to holders of any capital stock senior on liquidation to the Series D Preferred Stock to the extent permitted hereunder.

(b) The (i) sale, conveyance or disposition of all or substantially all of the assets or outstanding capital stock of the Company to any person or entity, or (ii) consolidation, merger, acquisition, share exchange or other business combination of the Company with or into any other company or companies (other than a wholly-owned subsidiary of the Company), unless, in either case, the Company's stockholders of record as constituted immediately prior to the consummation of such transaction (by virtue of the shares of the Company owned by such stockholders or securities issued solely with respect thereto as consideration for the Company's acquisition or sale or otherwise) hold not less than 50% of the voting power of the acquiring or

surviving entity, shall be treated as a liquidation, dissolution or winding up within the meaning of this Section 4.

(c) The Company shall give written notice of any liquidation, dissolution or winding up reasonably in advance of the occurrence thereof, and each holder of Series D Preferred Stock may exercise such holder's right of conversion pursuant to Section 6 below with respect to any or all shares of Series D Preferred Stock at any time prior to the effectiveness of the liquidation, dissolution or winding up.

Section 5. Redemption.

(a) Mandatory Redemption. All of the outstanding Series D Preferred Stock shall be redeemed by the Company on the Redemption Date, in accordance with this Section 5; provided, however, that if (i) the holders of a majority of the aggregate outstanding Series D Preferred Stock and Series E Preferred Stock (voting as a single class and with all shares having the number of votes equal to the number of shares of Common Stock then issuable upon conversion thereof) agree, at the request of the Company, to any delay or postponement (in whole or in part) of the redemption of (or payment of the redemption price in respect of) the shares of All Series on a ratable basis as further provided in this Section 5(a), and (ii) the holders of a majority of the aggregate outstanding Series A Preferred Stock, Series B Preferred Stock and Series C Preferred Stock (voting as a single class and with all shares having the number of votes equal to the number of shares of Common Stock then issuable upon conversion thereof) agree, at the request of the Company, to the same delay or postponement (in whole or in part) of the redemption of (or payment of the redemption price in respect of) the shares of All Series on a ratable basis as further provided in this Section 5(a), then such delay or postponement shall be binding upon all holders of Series D Preferred Stock and all holders of Other Series. The rights of the holders of Series D Preferred Stock to receive the redemption payments in respect of the Series D Preferred Stock shall rank pari passu with the rights of the holders of Other Series to receive any redemption payments in respect thereof. If, at the Redemption Date, the assets and funds legally available for such redemption payments shall be insufficient to permit the payment of all such redemption payments in respect of the Series D Preferred Stock and Other Series, then the entire assets and funds of the Company legally available for such redemption payments shall be paid to the holders of the Series D Preferred Stock and Other Series, on a ratable basis in proportion to the respective amounts due and payable to such holders. Thereafter, the Company shall make additional redemption payments (on a ratable basis as aforesaid) as and when it has funds legally available for such purpose, and the Company shall use its best efforts and take all necessary and appropriate action to have funds legally available for such purpose when due and thereafter as promptly as practicable.

(b) Redemption Price. The redemption price per share of Series D Preferred Stock shall be an amount equal to the sum of (i) the then effective Stated Value, plus (ii) all declared and unpaid dividends thereon to the date on which such redemption price is paid to the holder of the subject Series D Preferred Stock.

(c) Payment of Redemption Price. Any and all redemption payments hereunder shall be paid to the subject holder by wire transfer of immediately available funds or by certified or bank cashier's check. Against payment of such redemption price, the subject holder shall deliver

to the Company for cancellation the certificate evidencing the Series D Preferred Stock so redeemed (or, in the event that such certificate has been lost, stolen, mutilated or destroyed, the subject holder shall deliver to the Company a lost certificate affidavit in form and substance reasonably satisfactory to the Company and its transfer agent, if any).

(d) Replacement Certificates. In the event that any redemption payment hereunder shall be made with respect to less than all of the shares represented by any stock certificate tendered to the Company hereunder, the Company shall, at its expense, in conjunction with the payment of the redemption price for the shares redeemed, issue to the subject holder a new stock certificate representing the shares which were not redeemed.

(e) Conversion Rights. Prior to the payment of the redemption price in respect of any shares of Series D Preferred Stock which the holder has required to be redeemed hereunder, the holder shall continue to have the right to convert any or all of such shares of Series D Preferred Stock into Common Stock in accordance with Section 6 below.

Section 6. Conversion into Common Stock.

(a) Conversion. Each outstanding share of Series D Preferred Stock (i) may, at any time at the option of the holder thereof, be converted into Common Stock of the Company, and (ii) shall automatically be converted into Common Stock of the Company upon (A) the consummation of a Qualified Public Offering, or (B) upon written demand therefor by the Company to all holders of Series D Preferred Stock and Other Series simultaneously with or at any time subsequent to the consummation of a Qualified Sale Transaction, in each case initially at the rate of one (1) share of Common Stock for each share of Series D Preferred Stock. The "Conversion Price" in respect of the Series D Preferred Stock shall initially be fixed at $3.50 per share of Common Stock, and such Conversion Price shall be subject to adjustment from time to time as hereinafter provided in this Section 6; and upon each such adjustment, except pursuant to Section 6(g), the number of Conversion Shares receivable upon any conversion of a share of Series D Preferred Stock shall be adjusted to an amount equal to the then effective Stated Value of such share of Series D Preferred Stock divided by the adjusted Conversion Price.

(b) Conversion Price Adjustment Formulas. If, at any time and from time to time after the effective date of this Seventh Amended and Restated Certificate of Incorporation, the Company shall issue or sell (or be deemed to have issued or sold pursuant to Section 6(c)) any share of Common Stock (excluding any grant, issuance or sale described in Section 6(h)) for a consideration per share which is less than the Conversion Price in effect at the time of such issue or sale, then in each such case (except when a different method of adjusting the Conversion Price is provided in Section 6(d) or 6(f)), the Conversion Price shall be forthwith changed (but only, except as otherwise provided in Section 6(c)(3), if a reduction would result) to the price (calculated to the nearest one/one hundredth of a cent) determined by dividing (1) an amount equal to the sum of (a) the number of shares of Common Stock outstanding immediately prior to such issue or sale, multiplied by the then effective Conversion Price, plus (b) the total consideration, if any, received and deemed (in accordance with Section 6(c)) received by the Company upon such issue or sale, by (2) the total number of shares of Common Stock outstanding and deemed (in accordance with Section 6(c)) outstanding immediately after such issue or sale.

No adjustment of the Conversion Price, however, shall be made in an amount less than one cent per share, but any such lesser adjustment shall be carried forward and shall be made at the time of and together with the next subsequent adjustment which together with any subsequent adjustments so carried forward shall amount to one cent per share or more.

(c) Constructive Issuances of Common Stock; Convertible Securities; Rights and Options. For purposes of Section 6(b), the following provisions shall also be applicable:

(1) If at any time the Company shall in any manner grant any rights or options (except for the grant of any rights or options referred to in Section 6(h)) to subscribe for or to purchase Common Stock or any stock or securities convertible into or exchangeable for shares of Common Stock (such convertible or exchangeable stock or securities being hereinafter called "Convertible Securities"), whether or not such rights or options or the right to convert or exchange any such Convertible Securities are immediately exercisable, and the price per share for which Common Stock is issuable upon the exercise of such rights or options or upon conversion or exchange of such Convertible Securities (determined by dividing (a) the total amount, if any, received or receivable by the Company as consideration for the granting of such rights or options, plus the minimum aggregate amount of additional consideration, if any, payable to the Company upon the exercise of such rights or options, plus, in the case of any such rights or options which relate to such Convertible Securities, the minimum aggregate amount of additional consideration, if any, payable upon the issue or sale of such Convertible Securities and upon the conversion or exchange thereof, by (b) the total maximum number of shares of Common Stock issuable upon the exercise of such rights or options or upon the conversion or exchange of all such Convertible Securities issuable upon the exercise of such rights or options) shall be less than the Conversion Price in respect of the Series D Preferred Stock in effect as of the time of granting such rights or options, then the total maximum number of shares of Common Stock issuable upon the exercise of such rights or options or upon conversion or exchange of the total maximum amount of such Convertible Securities issuable upon the exercise of such rights or options shall (on and after the date of the granting of such rights or options) be deemed to be outstanding and to have been issued for such price per share. Except as provided in clause (3) below, no further adjustments of the Conversion Price shall be made upon the actual issue of shares of Common Stock or Convertible Securities upon exercise of such rights or options or upon the actual issue of shares of Common Stock upon conversion or exchange of such Convertible Securities.

(2) If at any time the Company shall in any manner issue or sell any Convertible Securities (other than any Convertible Securities referred to in Section 6(h)), whether or not the rights to exchange or convert thereunder are immediately exercisable, and the price per share for which Common Stock is issuable upon such conversion or exchange (determined by dividing (a) the total amount received or receivable by the Company as consideration for the issue or sale of such Convertible Securities, plus the minimum aggregate amount of additional consideration, if any, payable to the Company upon the conversion or exchange thereof, by (b) the total maximum number of shares of Common Stock issuable upon the conversion or exchange of all such Convertible Securities) shall be less than the Conversion Price in respect of the Series D Preferred Stock in effect as of the time of such issue or sale, then the total maximum number of shares of Common Stock issuable upon conversion or exchange of all such Convertible Securities shall (on and after the date of the issue or sale of such Convertible

Securities) be deemed to be outstanding and to have been issued for such price per share, provided, that, except as otherwise specified in clause (3) below, (i) no further adjustments of the Conversion Price shall be made upon the actual issue of Common Stock upon conversion or exchange of such Convertible Securities, and (ii) if any such issue or sale of such Convertible Securities is made upon exercise of any rights to subscribe for or to purchase or any option to purchase any such Convertible Securities for which adjustments of the Conversion Price have been or are to be made pursuant to other provisions of this Section 6(c), no further adjustment of the Conversion Price shall be made by reason of such issue or sale.

(3) If the exercise price provided for in any right or option referred to in clause (1) of this Section 6(c), or the rate at which any Convertible Securities referred to in clauses (1) and (2) of this Section 6(c) are convertible into or exchangeable for Common Stock, shall change or a different exercise price or rate shall become effective at any time or from time to time (other than under or by reason of provisions designed to protect against dilution) then, upon such change becoming effective, the Conversion Price then in effect hereunder shall forthwith be increased or decreased to such Conversion Price as would have been obtained had the adjustments made and required to be made under this Section 6(c) upon the issuance of such rights or options or Convertible Securities been made upon the basis of (and the total consideration received therefor) (a) the issuance of the number of shares of Common Stock theretofore actually delivered upon the exercise of such options or rights or upon the conversion or exchange of such Convertible Securities, (b) the issuance of all of Common Stock and all other rights, options and Convertible Securities issued after the issuance of such rights, options or Convertible Securities, and (c) the original issuance at the time of such change of any such options, rights and Convertible Securities then still outstanding. On the expiration of any such option or right or the termination of any such right to convert or exchange such Convertible Securities, the Conversion Price then in effect in respect of the Series D Preferred Stock shall forthwith be increased or decreased to such Conversion Price as would have obtained (i) had the adjustments made upon the issuance of such rights or options or such Convertible Securities been made upon the basis of the issuance of only the number of shares of Common Stock theretofore actually delivered (and the total consideration received therefor) upon the exercise of such rights or options or upon the conversion or exchange of such Convertible Securities, and (ii) had adjustments been made on the basis of the Conversion Price as adjusted under the immediately preceding clause (i) for all issues or sales of Common Stock or rights, options or Convertible Securities made after the issuance of such rights or options or such Convertible Securities. If the exercise price provided for in any right or option referred to in clause (1) of this Section 6(c), or the rate at which any Convertible Securities referred to in clauses (1) and (2) of this Section 6(c) are convertible into or exchangeable for shares of Common Stock, shall decrease at any time under or by reason of provisions with respect thereto designed to protect against dilution, then in the case of the delivery of shares of Common Stock upon the exercise of any such right or option or upon conversion or exchange of any such Convertible Securities, the Conversion Price then in effect in respect of the Series D Preferred Stock shall forthwith be decreased to such Conversion Price as would have obtained had the adjustments made upon issuance of such right or option or such Convertible Securities been made upon the basis of the issuance of (and the total consideration received for) the shares of Common Stock delivered as aforesaid.

(4) If at any time any shares of Common Stock or Convertible Securities or any rights or options to purchase any shares of Common Stock or Convertible Securities shall be

issued or sold for cash, the consideration received therefor shall be deemed to be the amount paid to the Company therefor without deduction therefrom of any expenses incurred or any underwriting commissions, concessions or discounts, or finders' fees or brokerage commissions, paid or allowed by the Company in connection therewith. In case any shares of Common Stock or Convertible Securities or any rights or options to purchase any shares of Common Stock or Convertible Securities shall be issued or sold for a consideration other than cash, the amount of the consideration other than cash payable to the Company shall be deemed to be the fair value of such consideration as determined in good faith by the Board of Directors of the Company, without deduction therefrom of any expenses incurred or any underwriting commissions, concessions or discounts, or finders' fees or brokerage commissions, paid or allowed by the Company in connection therewith. In case any shares of Common Stock or Convertible Securities or any rights or options to purchase any share of Common Stock or Convertible Securities shall be issued in connection with any merger of another corporation into the Company, the amount of consideration therefor shall be deemed to be the fair value as determined in good faith by the Board of Directors of the Company of such portion of the assets of such merged corporation as such Board shall determine to be attributable to such shares of Common Stock, Convertible Securities, rights or options, as the case may be.

(5) If at any time the Company shall take a record of the holders of Common Stock for the purpose of entitling them (a) to receive a dividend or other distribution payable in shares of Common Stock or in Convertible Securities, or (b) to subscribe for or purchase shares of Common Stock or Convertible Securities, then such record date shall be deemed to be the date of the issue or sale of the shares of the Common Stock deemed to have been issued or sold upon the declaration of such dividend or of such other distribution or the date of the granting of such right of subscription or purchase, as the case may be.

(d) Stock Dividends. If at any time the Company shall declare a dividend or any other distribution upon any capital stock of the Company which is payable in shares of Common Stock, then the Conversion Price in respect of the Series D Preferred Stock in effect immediately prior to the declaration of such dividend or distribution shall be reduced to the quotient obtained by dividing (1) the product of (i) the number of shares of Common Stock outstanding and deemed (in accordance with Section 6(c)) to be outstanding immediately prior to such declaration, multiplied by (ii) the then effective Conversion Price, by (2) the total number of shares of Common Stock outstanding and deemed (in accordance with Section 6(c)) to be outstanding immediately after such declaration. All shares of Common Stock and all Convertible Securities issuable in payment of any dividend or other distribution upon the capital stock of the Company shall be deemed after such declaration to have been issued and sold without consideration.

(e) Extraordinary Dividends and Distributions. If at any time the Company shall declare a dividend or any other distribution upon the Common Stock payable otherwise than out of current earnings, retained earnings or earned surplus and otherwise than in shares of Common Stock or Convertible Securities, then, except to the extent that such dividend or distribution shall have been paid to the holders of Series D Preferred Stock pursuant to Section 3, the Company shall set aside an equal per share dividend (calculated, with respect to the Series D Preferred Stock, on an "as converted" basis), which shall be payable to the holder of the subject Series D Preferred Stock upon conversion thereof into Common Stock. At such time as shares of Series D

Preferred Stock are redeemed in accordance with Section 5, the corresponding amount set aside under this Section 6(e) may be returned to the general, unrestricted assets of the Company. To the extent that any dividend or distribution required to be set aside under this Section 6(e) shall be in a form other than cash, then the Company shall have the right, in lieu of setting aside such non-cash property, to set aside a cash amount equal to the fair value of such non-cash property as determined by the Board of Directors of the Company in good faith. For the purposes of the foregoing, a dividend or distribution other than in cash shall be considered payable out of earnings, retained earnings or earned surplus only to the extent that such current earnings, retained earnings or earned surplus are charged an amount equal to the fair value of such dividend or distribution at the time of the declaration thereof, as determined by the Board of Directors of the Company. Such reductions shall take effect as of the date on which a record is taken for the purposes of such dividend or distribution, or, if a record is not taken, the date as of which the holders of record of Common Stock entitled to such dividend or distribution are to be determined.

(f) Stock Splits and Reverse Splits. If at any time the Company shall subdivide its outstanding shares of Common Stock into a greater number of shares, the Conversion Price in respect of the Series D Preferred Stock in effect immediately prior to such subdivision shall be proportionately reduced and the number of Conversion Shares receivable upon conversion of outstanding Series D Preferred Stock immediately prior to such subdivision shall be proportionately increased, and conversely, in case at any time the Company shall combine the outstanding shares of Common Stock into a smaller number of shares, the Conversion Price in respect of the Series D Preferred Stock in effect immediately prior to such combination shall be proportionately increased and the number of Conversion Shares receivable upon conversion of outstanding Series D Preferred Stock immediately prior to such combination shall be proportionately reduced.

(g) Adjustments for Consolidation, Merger, Sale of Assets, Reorganization, etc. If at any time the Company shall be a party to any transaction (including without limitation a merger, consolidation, sale of all or substantially all of the Company's assets or a recapitalization of the Common Stock) in which the previously outstanding shares of Common Stock shall be changed into or exchanged for different securities of the Company or changed into or exchanged for common stock or other securities of another corporation or other property (including cash) or any combination of any of the foregoing (each such transaction being hereinafter referred to as the "Transaction"; the Company (in the case of a recapitalization of the Stock) or such other corporation being hereinafter referred to as the "Acquiring Company," and the common stock of the Acquiring Company being hereinafter referred to as the "Acquirer's Stock"), then, as a condition to the consummation of the Transaction, lawful and adequate provisions shall be made so that, upon the basis and the terms and in the manner provided in this Section 6(g), each holder of Series D Preferred Stock, upon conversion of such Series D Preferred Stock at any time after the consummation of the Transaction, shall be entitled to receive, in lieu of the shares of Common Stock issuable upon such exercise prior to such consummation, at the election of such holder given by notice to the Company on or before the later of the day on which the holders of Common Stock approve the Transaction, or the thirtieth day following the date of delivery or mailing to such holder of the last proxy statement relating to the vote on the Transaction by the holders of Common Stock:

(1) the stock and other securities, cash and property to which such holder would have been entitled upon the consummation of the Transaction if such holder had converted such Series D Preferred Stock immediately prior thereto (subject to adjustments from and after the date of the consummation of the Transaction (the "Consummation Date") as nearly equivalent as possible to the adjustments provided for in this Section 6); or

(2) only in the case of a Transaction consummated after an Initial Public Offering other than a Transaction in which the previously outstanding shares of Common Stock shall be exchangeable for cash only, if the Acquiring Company meets the requirements set forth in this Section 6(g), the number of shares of the Acquirer's Stock or, if the Acquiring Company fails to meet, but a Parent (as defined in this Section 6(g)) does meet, such requirements, of such Parent's common stock (subject to adjustments from and after the Consummation Date as nearly equivalent as possible to the adjustments provided for in this Section 6), determined by dividing (i) the product obtained by multiplying (a) the number of shares of Common Stock to which the holder of such Series D Preferred Stock would have been entitled had such holder converted such Series D Preferred Stock immediately prior to the consummation of the Transaction, times (b) the greater of the Conversion Price or the Acquisition Price (as defined in this Section 6(g)) in effect immediately prior to the consummation of the Transaction, by (ii) the Market Value of the Acquirer's Stock on the date immediately prior to the consummation of the Transaction, preceding the Consummation Date.

For the purposes of this Section 6(g) only, the term "Market Value" shall mean, for any share of common stock on any date specified herein, the last sale price, regular way, on such date, or, if no sale takes place on such date, the average of the closing bid and asked prices on such date, in each case as officially reported on the NYSE or, if not so reported, on the principal national securities exchange on which such stock is listed or if not listed or admitted to trading, the average of the closing bid and asked prices of such stock in the over-the-counter market as reported by Nasdaq or a similar organization; and the term "Acquisition Price" shall mean the consideration per share to be paid for or received by the holders of the previously-outstanding shares of Common Stock in accordance with the terms of the Transaction, determined (i) in the case where the holders of the previously outstanding Common Stock received solely shares of the Acquirer's Stock in the Transaction, by multiplying the Market Value of the Acquirer's Stock as of the date immediately preceding the Consummation Date by a fraction the numerator of which shall be the aggregate number of shares of the Acquirer's Stock to be received in the Transaction in exchange for all of the previously outstanding shares of Common Stock and the denominator of which shall be the aggregate number of such previously outstanding shares of Common Stock, and (ii) in any other case, by dividing the aggregate fair market value (using Market Value for any shares of the Acquirer's Stock), as of the date immediately preceding the Consummation Date, of the aggregate consideration to be received by the holders of such previously outstanding shares of Common Stock by the number of shares of such previously outstanding Common Stock. The requirements referred to in clause (2) of this Section 6(g) with reference to the Acquiring Company or to a corporation (herein referred to as a "Parent") which directly or indirectly controls the Acquiring Company are as follows: (x) its common stock is listed on the NYSE or a principal national securities exchange or bid and asked prices are reported with respect thereto by Nasdaq or a similar organization and such common stock continues to meet such requirements for listing thereon, (y) it is required to file, and in each of its three fiscal years immediately preceding the Consummation Date has filed, reports with the

Commission pursuant to Section 13 or 15(d) of the Exchange Act, and (z) in the case of a Parent, such Parent is required to include the Acquiring Company in the consolidated financial statements contained in the Parent's Annual Report on Form 10-K arid is not itself included in the consolidated financial statements of any other person (other than its consolidated subsidiaries). Notwithstanding anything contained herein to the contrary, the Company shall not effect any Transaction unless prior to or simultaneously with the consummation of such Transaction the survivor or successor entity (if other than the Company) resulting from such Transaction shall (AA) assume by written instrument executed and delivered to each holder of Series D Preferred Stock the obligation to deliver to such holder of Series D Preferred Stock such shares of stock, securities or assets as, in accordance with the foregoing provisions, such holder may be entitled to receive, and containing the express assumption of such successor entity of the due and punctual performance and observance of every provision of the Series D Preferred Stock to be performed and observed by the Company and of all liabilities and obligations of the Company hereunder, and (BB) deliver to the holders of Series D Preferred Stock an opinion, in form, substance and from counsel reasonably satisfactory to the holders of Series D Preferred Stock, to the effect that such written instrument has been duly authorized, executed and delivered by such successor entity and constitutes a legal, valid and binding instrument enforceable (subject to applicable bankruptcy and other similar laws affecting the enforcement of creditors' rights generally) against such successor entity in accordance with its terms, and to such further effects as the holders of Series D Preferred Stock may reasonably request.

(h) Exceptions to Adjustment of Conversion Price. Anything herein to the contrary notwithstanding, the Company shall not be required to make any adjustment of the Conversion Price in the case of (i) the issuance of shares of Common Stock upon conversion of the Series D Preferred Stock or any Other Series or any adjustment of the conversion price with respect thereto in accordance herewith, (ii) the issuance of options or warrants included within the Option/Warrant Pool, and the issuance of Common Stock upon the exercise of any such options or warrants (including options and warrants outstanding on the Date of First Issuance), and (iii) the issuance of shares of Common Stock in a Qualified Public Offering pursuant to an effective registration statement under the Securities Act.

(i) Treasury Shares. The number of shares of Common Stock outstanding at any time shall not include shares owned or held by or for the account of the Company, and the disposition of any such shares shall be considered an issue or sale of Common Stock for the purposes of this Section 6.

(j) Certificate of Adjustment. Upon each adjustment of the Conversion Price in respect of the Series D Preferred Stock and upon each change in the number of Conversion Shares issuable upon the conversion of the Series D Preferred Stock, and in the event of any change in the rights of the holders of the Series D Preferred Stock by reason of other events herein set forth, then and in each such case, the Company will promptly prepare a certificate of adjustment stating the adjusted Conversion Price and the new number of Conversion Shares so issuable, or specifying the other shares of stock, securities or assets and the amount thereof receivable as a result of such change in rights, and setting forth in reasonable detail the method of calculation and the facts upon which such calculation is based. The Company will promptly mail a copy of such certificate of adjustment to each registered holder of Series D Preferred Stock.

(k) Company to Prevent Dilution. If at any time or from time to time conditions arise by reason of action taken by the Company, which in the opinion of its Board of Directors, are not adequately covered by the provisions of this Section 6, and which might materially and adversely affect the conversion rights of the registered holders of Series D Preferred Stock, the Board of Directors of the Company shall appoint a firm of independent certified public accountants, which may be the firm regularly retained by the Company, which shall give its opinion upon the adjustment, if any, on a basis consistent with the standards established in the other provisions of this Section 6, necessary with respect to the Conversion Price, so as to preserve, without dilution, the conversion rights of the registered holders of the Series D Preferred Stock. Upon receipt of such opinion, the Board of Directors of the Company shall forthwith make the adjustments described therein.

(l) Reservation of Shares. The Company will authorize, reserve and set apart and have available for issuance at all times, free from preemptive rights, including, without limitation, rights derived from rights offerings, that number of shares of Common Stock which is deliverable upon the conversion of the Series D Preferred Stock, and the Company will have at all times any other rights or privileges provided for therein sufficient to enable it at any time to fulfill all its obligations hereunder.

(m) Costs. The Company shall pay all documentary, stamp, transfer or other transactional taxes attributable to the issuance or delivery of Conversion Shares upon conversion of any shares of the Series D Preferred Stock; provided, however, that the Company shall not be required to pay any federal or state income taxes or other taxes which may be payable in respect of any transfer involved in the issuance or delivery of any certificate for such Conversion Shares in a name other than that of the holder of the shares of the Series D Preferred Stock in respect of which such shares are being issued.

Section 7. Voting Rights. Except as otherwise required by law or expressly provided herein, the holders of shares of Series D Preferred Stock shall be entitled to vote on all matters submitted to a vote of the stockholders of the Corporation and shall have such number of votes equal to the number of shares of Common Stock into which such holders' shares of Series D Preferred Stock are convertible pursuant to the provisions hereof at the record date for the determination of stockholders entitled to vote on such matters or, if no such record date is established, at the date such vote is taken or any written consent of stockholders is solicited. Except as otherwise required by law or expressly provided herein, the holders of shares of Series D Preferred Stock, Other Series and Common Stock shall vote together as a single class, and not as separate classes.

Section 8. Preference Rights. Without prejudice to any required consent pursuant to the Series D Stock Purchase Agreement, nothing contained herein shall be construed to prevent the Board of Directors of the Company from issuing one or more series or classes of Junior Securities with dividend and/or liquidation preferences junior to the dividend and liquidation preferences of the Series D Preferred Stock.

Section 9. Registration of Transfer. The Company will keep at its principal office a register for the registration of Series D Preferred Stock. Upon the surrender of any certificate representing Series D Preferred Stock at such place, the Company will, at the written request of the record holder of such certificate, execute and deliver (at the Company's expense) a new

certificate or certificates in exchange therefor representing in the aggregate the number of shares represented by the surrendered certificate. Each such new certificate will be registered in such name and will represent such number of Shares as is requested by the holder of the surrendered certificate.

Section 10. Replacement. Upon receipt of evidence reasonably satisfactory to the Company of the ownership and the loss, theft, destruction or mutilation of any certificate evidencing shares of Series D Preferred Stock and in the case of any such loss, theft or destruction, upon receipt of indemnity reasonably satisfactory to the Company (provided that if the holder is a financial institution, an entity whose securities are traded or listed on any national securities exchange or recognized automated quotation system, or any subsidiary of the foregoing, then the holder's own agreement will be satisfactory), or, in the case of any such mutilation upon surrender of such certificate, the Company will (at its expense) execute and deliver in lieu of such certificate a new certificate of like kind representing the number of shares represented by such lost, stolen, destroyed or mutilated certificate and dated the date of such lost, stolen, destroyed or mutilated certificate.

Section 11. Amendment and Waiver. No amendment, modification or waiver will be binding or effective with respect to any provision of Sections 1 through 11 hereof without the prior written consent or affirmative vote of the holders of not less than a majority of the Series D Preferred Stock outstanding at the time such action is taken.

Section 12. Notices. Except as otherwise expressly provided hereunder, all notices referred to herein will be in writing and will be delivered by registered or certified mail, return receipt requested and postage prepaid, or by reputable overnight courier service, charges prepaid, and will be deemed to have been given when so mailed or sent (a) to the Company, at its principal executive offices, and (b) to any stockholder, at such holder's address as it appears in the stock records of the Company (unless otherwise indicated by notice given to the Company by any such holder).

F. SERIES E CONVERTIBLE PREFERRED STOCK

Section 1. Designation and Amount. The series of Preferred Stock designated and known as the "Series E Preferred Stock" shall have a par value of $.00004 per share and the number of shares constituting the Series E Preferred Stock shall be 312,121 shares. The Series E Preferred Stock shall have a stated value of $6.00 per share (the "Stated Value"), which shall be subject to appropriate arithmetic adjustment in the event of any stock splits, stock dividends, combinations of shares, recapitalizations or other such events relating to the Series E Preferred Stock occurring from time to time subsequent to the effective date of this Seventh Amended and Restated Certificate of Incorporation.

Section 2. Rank. The Series E Preferred Stock shall rank, in each case as to dividends, and as to distributions of assets upon liquidation, dissolution or winding up of the Company, whether voluntary or involuntary: (i) prior to all of the Company's Common Stock, par value $.00001 per share ("Common Stock"), (ii) on a parity with the Series A Preferred Stock, the Series B Preferred Stock, the Series C Preferred Stock and the Series D Preferred Stock (collectively, for purposes of this Section F, the "Other Series"), and (iii) prior to any other class or series of

capital stock of the Company hereafter created, unless with the affirmative written approval or consent of the holders of not less than a majority of the then issued and outstanding shares of Series E Preferred Stock, such other class or series of capital stock of the Company, by its terms, ranks on a parity with or senior on liquidation to the Series E Preferred Stock.

Section 3. Dividends. The Series E Preferred Stock shall not entitle the holders thereof to any dividends, except that, in the event that the Company shall at any time or from time to time declare or pay any dividend with respect to the Common Stock, any of the Other Series, or any other series of Preferred Stock which is hereafter created with or granted parity dividend rights with the Series E Preferred Stock, then the Company shall simultaneously declare or pay (as the case may be) an equal per share dividend (with all such dividends being calculated, with respect to Preferred Stock, on an "as converted" basis into Common Stock) on the outstanding shares of Series E Preferred Stock. Any and all dividends shall be payable out of any cash legally available therefor, and if there is not a sufficient amount of cash available, then out of the remaining assets of the Company legally available therefor (valued at the fair market value thereof on the date of payment as determined by the Board of Directors of the Company), provided that, to the extent that funds or assets are not legally available for the payment of any declared dividend, then the Company shall pay such unpaid declared dividend promptly as funds or assets become legally available therefor, with payments to be made to the holders of All Series (on a pari passu "as converted" basis) prior to the payment of any dividends on the Common Stock or any Junior Securities (as such term is defined in Section 4(a) below).

Section 4. Liquidation Preference.

(a) In the event of any liquidation, dissolution or winding up of the Company, either voluntary or involuntary, the holders of Series E Preferred Stock shall be entitled to receive, prior to any holders of Common Stock or other class or series of Company Preferred Stock ranking junior to the Series E Preferred Stock (collectively, the "Junior Securities"), and concurrently on a ratable basis (in proportion to the respective preferential amounts payable to all subject holders) with the holders of any outstanding shares of Other Series or other Parity Securities (as such term is hereinafter defined), an amount per share equal to the sum of (i) the then effective Stated Value of each outstanding share of Series E Preferred Stock, plus (ii) any and all declared and unpaid dividends thereon to the date of payment under this Section 4 (the "Series E Liquidation Preference"); and after the payment to all holders of Series E Preferred Stock of the full such Series E Liquidation Preference, the holders of Series E Preferred Stock shall not be entitled to any further payments in respect of the Series E Preferred Stock. If upon the occurrence of such event, the assets and funds available to be distributed among the holders of the Series E Preferred Stock, the holders of any outstanding shares of Other Series and the holders of any other shares of capital stock which, by their terms, and with the approval of the holders of not less than a majority of the issued and outstanding shares of Series E Preferred Stock on the date of issuance thereof, rank on liquidation on a parity with the Series E Preferred Stock (the "Parity Securities") shall be insufficient to permit the payment, to the holders of the Series E Preferred Stock, Other Series and any other Parity Securities, of the full preferential amounts due to such holders, then the entire assets and funds of the Company legally available for distribution shall be distributed among the holders of the Series E Preferred Stock, Other Series and any other Parity Securities on a ratable basis in proportion to the respective preferential amounts payable to such holders, subject, however, to first being distributed to

holders of any capital stock senior on liquidation to the Series E Preferred Stock to the extent permitted hereunder.

(b) The (i) sale, conveyance or disposition of all or substantially all of the assets or outstanding capital stock of the Company to any person or entity, or (ii) consolidation, merger, acquisition, share exchange or other business combination of the Company with or into any other company or companies (other than a wholly-owned subsidiary of the Company), unless, in either case, the Company's stockholders of record as constituted immediately prior to the consummation of such transaction (by virtue of the shares of the Company owned by such stockholders or securities issued solely with respect thereto as consideration for the Company's acquisition or sale or otherwise) hold not less than 50% of the voting power of the acquiring or surviving entity, shall be treated as a liquidation, dissolution or winding up within the meaning of this Section 4.

(c) The Company shall give written notice of any liquidation, dissolution or winding up reasonably in advance of the occurrence thereof, and each holder of Series E Preferred Stock may exercise such holder's right of conversion pursuant to Section 6 below with respect to any or all shares of Series E Preferred Stock at any time prior to the effectiveness of the liquidation, dissolution or winding up.

Section 5. Redemption.

(a) Mandatory Redemption. All of the outstanding Series E Preferred Stock shall be redeemed by the Company on the Redemption Date, in accordance with this Section 5; provided, however, that if (i) the holders of a majority of the aggregate outstanding Series E Preferred Stock and Series D Preferred Stock (voting as a single class and with all shares having the number of votes equal to the number of shares of Common Stock then issuable upon conversion thereof) agree, at the request of the Company, to any delay or postponement (in whole or in part) of the redemption of (or payment of the redemption price in respect of) the shares of All Series on a ratable basis as further provided in this Section 5(a), and (ii) the holders of a majority of the aggregate outstanding Series A Preferred Stock, Series B Preferred Stock and Series C Preferred Stock (voting as a single class and with all shares having the number of votes equal to the number of shares of Common Stock then issuable upon conversion thereof) agree, at the request of the Company, to the same delay or postponement (in whole or in part) of the redemption of (or payment of the redemption price in respect of) the shares of All Series on a ratable basis as further provided in this Section 5(a), then such delay or postponement shall be binding upon all holders of Series E Preferred Stock and all holders of Other Series. The rights of the holders of Series E Preferred Stock to receive the redemption payments in respect of the Series E Preferred Stock shall rank pari passu with the rights of the holders of Other Series to receive any redemption payments in respect thereof. If, at the Redemption Date, the assets and funds legally available for such redemption payments shall be insufficient to permit the payment of all such redemption payments in respect of the Series E Preferred Stock and Other Series, then the entire assets and funds of the Company legally available for such redemption payments shall be paid to the holders of the Series E Preferred Stock and Other Series on a ratable basis in proportion to the respective amounts due and payable to such holders. Thereafter, the Company shall make additional redemption payments (on a ratable basis as aforesaid) as and when it has funds legally available for such purpose, and the Company shall use its best efforts and take all necessary and

appropriate action to have funds legally available for such purpose when due and thereafter as promptly as practicable.

(b) Redemption Price. The redemption price per share of Series E Preferred Stock shall be an amount equal to the sum of (i) the then effective Stated Value, plus (ii) all declared and unpaid dividends thereon to the date on which such redemption price is paid to the holder of the subject Series E Preferred Stock.

(c) Payment of Redemption Price. Any and all redemption payments hereunder shall be paid to the subject holder by wire transfer of immediately available funds or by certified or bank cashier's check. Against payment of such redemption price, the subject holder shall deliver to the Company for cancellation the certificate evidencing the Series E Preferred Stock so redeemed (or, in the event that such certificate has been lost, stolen, mutilated or destroyed, the subject holder shall deliver to the Company a lost certificate affidavit in form and substance reasonably satisfactory to the Company and its transfer agent, if any).

(d) Replacement Certificates. In the event that any redemption payment hereunder shall be made with respect to less than all of the shares represented by any stock certificate tendered to the Company hereunder, the Company shall, at its expense, in conjunction with the payment of the redemption price for the shares redeemed, issue to the subject holder a new stock certificate representing the shares which were not redeemed.

(e) Conversion Rights. Prior to the payment of the redemption price in respect of any shares of Series E Preferred Stock which the holder has required to be redeemed hereunder, the holder shall continue to have the right to convert any or all of such shares of Series E Preferred Stock into Common Stock in accordance with Section 6 below.

Section 6. Conversion into Common Stock.

(a) Conversion. Each outstanding share of Series E Preferred Stock (i) may, at any time at the option of the holder thereof, be converted into Common Stock of the Company, and (ii) shall automatically be converted into Common Stock of the Company upon (A) the consummation of a Qualified Public Offering, or (B) upon written demand therefor by the Company to all holders of Series E Preferred Stock and Other Series simultaneously with or at any time subsequent to the consummation of a Qualified Sale Transaction, in each case initially at the rate of one (1) share of Common Stock for each share of Series E Preferred Stock. The "Conversion Price" in respect of the Series E Preferred Stock shall initially be fixed at $6.00 per share of Common Stock, and such Conversion Price shall be subject to adjustment from time to time as hereinafter provided in this Section 6; and upon each such adjustment, except pursuant to Section 6(g), the number of Conversion Shares receivable upon any conversion of a share of Series E Preferred Stock shall be adjusted to an amount equal to the then effective Stated Value of such share of Series E Preferred Stock divided by the adjusted Conversion Price.

(b) Conversion Price Adjustment Formulas. If, at any time and from time to time after the effective date of this Seventh Amended and Restated Certificate of Incorporation, the Company shall issue or sell (or be deemed to have issued or sold pursuant to Section 6(c)) any share of Common Stock (excluding any grant, issuance or sale described in Section 6(h)) for a

consideration per share which is less than the Conversion Price in effect at the time of such issue or sale, then in each such case (except when a different method of adjusting the Conversion Price is provided in Section 6(d) or 6(f)), the Conversion Price shall be forthwith changed (but only, except as otherwise provided in Section 6(c)(3), if a reduction would result) to the price (calculated to the nearest one/one hundredth of a cent) determined by dividing (1) an amount equal to the sum of (a) the number of shares of Common Stock outstanding immediately prior to such issue or sale, multiplied by the then effective Conversion Price, plus (b) the total consideration, if any, received and deemed (in accordance with Section 6(c)) received by the Company upon such issue or sale, by (2) the total number of shares of Common Stock outstanding and deemed (in accordance with Section 6(c)) outstanding immediately after such issue or sale.

No adjustment of the Conversion Price, however, shall be made in an amount less than one cent per share, but any such lesser adjustment shall be carried forward and shall be made at the time of and together with the next subsequent adjustment which together with any subsequent adjustments so carried forward shall amount to one cent per share or more.

(c) Constructive Issuances of Common Stock; Convertible Securities; Rights and Options. For purposes of Section 6(b), the following provisions shall also be applicable:

(1) If at any time the Company shall in any manner grant any rights or options (except for the grant of any rights or options referred to in Section 6(h)) to subscribe for or to purchase Common Stock or any stock or securities convertible into or exchangeable for shares of Common Stock (such convertible or exchangeable stock or securities being hereinafter called "Convertible Securities"), whether or not such rights or options or the right to convert or exchange any such Convertible Securities are immediately exercisable, and the price per share for which Common Stock is issuable upon the exercise of such rights or options or upon conversion or exchange of such Convertible Securities (determined by dividing (a) the total amount, if any, received or receivable by the Company as consideration for the granting of such rights or options, plus the minimum aggregate amount of additional consideration, if any, payable to the Company upon the exercise of such rights or options, plus, in the case of any such rights or options which relate to such Convertible Securities, the minimum aggregate amount of additional consideration, if any, payable upon the issue or sale of such Convertible Securities and upon the conversion or exchange thereof, by (b) the total maximum number of shares of Common Stock issuable upon the exercise of such rights or options or upon the conversion or exchange of all such Convertible Securities issuable upon the exercise of such rights or options) shall be less than the Conversion Price in respect of the Series E Preferred Stock in effect as of the time of granting such rights or options, then the total maximum number of shares of Common Stock issuable upon the exercise of such rights or options or upon conversion or exchange of the total maximum amount of such Convertible Securities issuable upon the exercise of such rights or options shall (on and after the date of the granting of such rights or options) be deemed to be outstanding and to have been issued for such price per share. Except as provided in clause (3) below, no further adjustments of the Conversion Price shall be made upon the actual issue of shares of Common Stock or Convertible Securities upon exercise of such rights or options or upon the actual issue of shares of Common Stock upon conversion or exchange of such Convertible Securities.

(2) If at any time the Company shall in any manner issue or sell any Convertible Securities (other than any Convertible Securities referred to in Section 6(h)), whether or not the rights to exchange or convert thereunder are immediately exercisable, and the price per share for which Common Stock is issuable upon such conversion or exchange (determined by dividing (a) the total amount received or receivable by the Company as consideration for the issue or sale of such Convertible Securities, plus the minimum aggregate amount of additional consideration, if any, payable to the Company upon the conversion or exchange thereof, by (b) the total maximum number of shares of Common Stock issuable upon the conversion or exchange of all such Convertible Securities) shall be less than the Conversion Price in respect of the Series E Preferred Stock in effect as of the time of such issue or sale, then the total maximum number of shares of Common Stock issuable upon conversion or exchange of all such Convertible Securities shall (on and after the date of the issue or sale of such Convertible Securities) be deemed to be outstanding and to have been issued for such price per share, provided, that, except as otherwise specified in clause (3) below, (i) no further adjustments of the Conversion Price shall be made upon the actual issue of Common Stock upon conversion or exchange of such Convertible Securities, and (ii) if any such issue or sale of such Convertible Securities is made upon exercise of any rights to subscribe for or to purchase or any option to purchase any such Convertible Securities for which adjustments of the Conversion Price have been or are to be made pursuant to other provisions of this Section 6(c), no further adjustment of the Conversion Price shall be made by reason of such issue or sale.

(3) If the exercise price provided for in any right or option referred to in clause (1) of this Section 6(c), or the rate at which any Convertible Securities referred to in clauses (1) and (2) of this Section 6(c) are convertible into or exchangeable for Common Stock, shall change or a different exercise price or rate shall become effective at any time or from time to time (other than under or by reason of provisions designed to protect against dilution) then, upon such change becoming effective, the Conversion Price then in effect hereunder shall forthwith be increased or decreased to such Conversion Price as would have been obtained had the adjustments made and required to be made under this Section 6(c) upon the issuance of such rights or options or Convertible Securities been made upon the basis of (and the total consideration received therefor) (a) the issuance of the number of shares of Common Stock theretofore actually delivered upon the exercise of such options or rights or upon the conversion or exchange of such Convertible Securities, (b) the issuance of all of Common Stock and all other rights, options and Convertible Securities issued after the issuance of such rights, options or Convertible Securities, and (c) the original issuance at the time of such change of any such options, rights and Convertible Securities then still outstanding. On the expiration of any such option or right or the termination of any such right to convert or exchange such Convertible Securities, the Conversion Price then in effect in respect of the Series E Preferred Stock shall forthwith be increased or decreased to such Conversion Price as would have obtained (i) had the adjustments made upon the issuance of such rights or options or such Convertible Securities been made upon the basis of the issuance of only the number of shares of Common Stock theretofore actually delivered (and the total consideration received therefor) upon the exercise of such rights or options or upon the conversion or exchange of such Convertible Securities, and (ii) had adjustments been made on the basis of the Conversion Price as adjusted under the immediately preceding clause (i) for all issues or sales of Common Stock or rights, options or Convertible Securities made after the issuance of such rights or options or such Convertible Securities. If the exercise price provided for in any right or option referred to in clause (1) of this Section 6(c), or

the rate at which any Convertible Securities referred to in clauses (1) and (2) of this Section 6(c) are convertible into or exchangeable for shares of Common Stock, shall decrease at any time under or by reason of provisions with respect thereto designed to protect against dilution, then in the case of the delivery of shares of Common Stock upon the exercise of any such right or option or upon conversion or exchange of any such Convertible Securities, the Conversion Price then in effect in respect of the Series E Preferred Stock shall forthwith be decreased to such Conversion Price as would have obtained had the adjustments made upon issuance of such right or option or such Convertible Securities been made upon the basis of the issuance of (and the total consideration received for) the shares of Common Stock delivered as aforesaid.

(4) If at any time any shares of Common Stock or Convertible Securities or any rights or options to purchase any shares of Common Stock or Convertible Securities shall be issued or sold for cash, the consideration received therefor shall be deemed to be the amount paid to the Company therefor without deduction therefrom of any expenses incurred or any underwriting commissions, concessions or discounts, or finders' fees or brokerage commissions, paid or allowed by the Company in connection therewith. In case any shares of Common Stock or Convertible Securities or any rights or options to purchase any shares of Common Stock or Convertible Securities shall be issued or sold for a consideration other than cash, the amount of the consideration other than cash payable to the Company shall be deemed to be the fair value of such consideration as determined in good faith by the Board of Directors of the Company, without deduction therefrom of any expenses incurred or any underwriting commissions, concessions or discounts, or finders' fees or brokerage commissions, paid or allowed by the Company in connection therewith. In case any shares of Common Stock or Convertible Securities or any rights or options to purchase any share of Common Stock or Convertible Securities shall be issued in connection with any merger of another corporation into the Company, the amount of consideration therefor shall be deemed to be the fair value as determined in good faith by the Board of Directors of the Company of such portion of the assets of such merged corporation as such Board shall determine to be attributable to such shares of Common Stock, Convertible Securities, rights or options, as the case may be.

(5) If at any time the Company shall take a record of the holders of Common Stock for the purpose of entitling them (a) to receive a dividend or other distribution payable in shares of Common Stock or in Convertible Securities, or (b) to subscribe for or purchase shares of Common Stock or Convertible Securities, then such record date shall be deemed to be the date of the issue or sale of the shares of the Common Stock deemed to have been issued or sold upon the declaration of such dividend or of such other distribution or the date of the granting of such right of subscription or purchase, as the case may be.

(d) Stock Dividends. If at any time the Company shall declare a dividend or any other distribution upon any capital stock of the Company which is payable in shares of Common Stock, then the Conversion Price in respect of the Series E Preferred Stock in effect immediately prior to the declaration of such dividend or distribution shall be reduced to the quotient obtained by dividing (1) the product of (i) the number of shares of Common Stock outstanding and deemed (in accordance with Section 6(c)) to be outstanding immediately prior to such declaration, multiplied by (ii) the then effective Conversion Price, by (2) the total number of shares of Common Stock outstanding and deemed (in accordance with Section 6(c)) to be outstanding immediately after such declaration. All shares of Common Stock and all Convertible

Securities issuable in payment of any dividend or other distribution upon the capital stock of the Company shall be deemed after such declaration to have been issued and sold without consideration.

(e) Extraordinary Dividends and Distributions. If at any time the Company shall declare a dividend or any other distribution upon the Common Stock payable otherwise than out of current earnings, retained earnings or earned surplus and otherwise than in shares of Common Stock or Convertible Securities, then, except to the extent that such dividend or distribution shall have been paid to the holders of Series E Preferred Stock pursuant to Section 3, the Company shall set aside an equal per share dividend (calculated, with respect to the Series E Preferred Stock, on an "as converted" basis), which shall be payable to the holder of the subject Series E Preferred Stock upon conversion thereof into Common Stock. At such time as shares of Series E Preferred Stock are redeemed in accordance with Section 5, the corresponding amount set aside under this Section 6(e) may be returned to the general, unrestricted assets of the Company. To the extent that any dividend or distribution required to be set aside under this Section 6(e) shall be in a form other than cash, then the Company shall have the right, in lieu of setting aside such non-cash property, to set aside a cash amount equal to the fair value of such non-cash property as determined by the Board of Directors of the Company in good faith. For the purposes of the foregoing, a dividend or distribution other than in cash shall be considered payable out of earnings, retained earnings or earned surplus only to the extent that such current earnings, retained earnings or earned surplus are charged an amount equal to the fair value of such dividend or distribution at the time of the declaration thereof, as determined by the Board of Directors of the Company. Such reductions shall take effect as of the date on which a record is taken for the purposes of such dividend or distribution, or, if a record is not taken, the date as of which the holders of record of Common Stock entitled to such dividend or distribution are to be determined.

(f) Stock Splits and Reverse Splits. If at any time the Company shall subdivide its outstanding shares of Common Stock into a greater number of shares, the Conversion Price in respect of the Series E Preferred Stock in effect immediately prior to such subdivision shall be proportionately reduced and the number of Conversion Shares receivable upon conversion of outstanding Series E Preferred Stock immediately prior to such subdivision shall be proportionately increased, and conversely, in case at any time the Company shall combine the outstanding shares of Common Stock into a smaller number of shares, the Conversion Price in respect of the Series E Preferred Stock in effect immediately prior to such combination shall be proportionately increased and the number of Conversion Shares receivable upon conversion of outstanding Series E Preferred Stock immediately prior to such combination shall be proportionately reduced.

(g) Adjustments for Consolidation, Merger, Sale of Assets, Reorganization, etc. If at any time the Company shall be a party to any transaction (including without limitation a merger, consolidation, sale of all or substantially all of the Company's assets or a recapitalization of the Common Stock) in which the previously outstanding shares of Common Stock shall be changed into or exchanged for different securities of the Company or changed into or exchanged for common stock or other securities of another corporation or other property (including cash) or any combination of any of the foregoing (each such transaction being hereinafter referred to as the "Transaction"; the Company (in the case of a recapitalization of the Stock) or such other

corporation being hereinafter referred to as the "Acquiring Company," and the common stock of the Acquiring Company being hereinafter referred to as the "Acquirer's Stock"), then, as a condition to the consummation of the Transaction, lawful and adequate provisions shall be made so that, upon the basis and the terms and in the manner provided in this Section 6(g), each holder of Series E Preferred Stock, upon conversion of such Series E Preferred Stock at any time after the consummation of the Transaction, shall be entitled to receive, in lieu of the shares of Common Stock issuable upon such exercise prior to such consummation, at the election of such holder given by notice to the Company on or before the later of the day on which the holders of Common Stock approve the Transaction, or the thirtieth day following the date of delivery or mailing to such holder of the last proxy statement relating to the vote on the Transaction by the holders of Common Stock:

(1) the stock and other securities, cash and property to which such holder would have been entitled upon the consummation of the Transaction if such holder had converted such Series E Preferred Stock immediately prior thereto (subject to adjustments from and after the date of the consummation of the Transaction (the "Consummation Date") as nearly equivalent as possible to the adjustments provided for in this Section 6); or

(2) only in the case of a Transaction consummated after an Initial Public Offering other than a Transaction in which the previously outstanding shares of Common Stock shall be exchangeable for cash only, if the Acquiring Company meets the requirements set forth in this Section 6(g), the number of shares of the Acquirer's Stock or, if the Acquiring Company fails to meet, but a Parent (as defined in this Section 6(g)) does meet, such requirements, of such Parent's common stock (subject to adjustments from and after the Consummation Date as nearly equivalent as possible to the adjustments provided for in this Section 6), determined by dividing (i) the product obtained by multiplying (a) the number of shares of Common Stock to which the holder of such Series E Preferred Stock would have been entitled had such holder converted such Series E Preferred Stock immediately prior to the consummation of the Transaction, times (b) the greater of the Conversion Price or the Acquisition Price (as defined in this Section 6(g)) in effect immediately prior to the consummation of the Transaction, by (ii) the Market Value of the Acquirer's Stock on the date immediately prior to the consummation of the Transaction, preceding the Consummation Date.

For the purposes of this Section 6(g) only, the term "Market Value" shall mean, for any share of common stock on any date specified herein, the last sale price, regular way, on such date, or, if no sale takes place on such date, the average of the closing bid and asked prices on such date, in each case as officially reported on the NYSE or, if not so reported, on the principal national securities exchange on which such stock is listed or if not listed or admitted to trading, the average of the closing bid and asked prices of such stock in the over-the-counter market as reported by Nasdaq or a similar organization; and the term "Acquisition Price" shall mean the consideration per share to be paid for or received by the holders of the previously-outstanding shares of Common Stock in accordance with the terms of the Transaction, determined (i) in the case where the holders of the previously outstanding Common Stock received solely shares of the Acquirer's Stock in the Transaction, by multiplying the Market Value of the Acquirer's Stock as of the date immediately preceding the Consummation Date by a fraction the numerator of which shall be the aggregate number of shares of the Acquirer's Stock to be received in the Transaction in exchange for all of the previously outstanding shares of Common Stock and the

denominator of which shall be the aggregate number of such previously outstanding shares of Common Stock, and (ii) in any other case, by dividing the aggregate fair market value (using Market Value for any shares of the Acquirer's Stock), as of the date immediately preceding the Consummation Date, of the aggregate consideration to be received by the holders of such previously outstanding shares of Common Stock by the number of shares of such previously outstanding Common Stock. The requirements referred to in clause (2) of this Section 6(g) with reference to the Acquiring Company or to a corporation (herein referred to as a "Parent") which directly or indirectly controls the Acquiring Company are as follows: (x) its common stock is listed on the NYSE or a principal national securities exchange or bid and asked prices are reported with respect thereto by Nasdaq or a similar organization and such common stock continues to meet such requirements for listing thereon, (y) it is required to file, and in each of its three fiscal years immediately preceding the Consummation Date has filed, reports with the Commission pursuant to Section 13 or 15(d) of the Exchange Act, and (z) in the case of a Parent, such Parent is required to include the Acquiring Company in the consolidated financial statements contained in the Parent's Annual Report on Form 10-K and is not itself included in the consolidated financial statements of any other person (other than its consolidated subsidiaries). Notwithstanding anything contained herein to the contrary, the Company shall not effect any Transaction unless prior to or simultaneously with the consummation of such Transaction the survivor or successor entity (if other than the Company) resulting from such Transaction shall (AA) assume by written instrument executed and delivered to each holder of Series E Preferred Stock the obligation to deliver to such holder of Series E Preferred Stock such shares of stock, securities or assets as, in accordance with the foregoing provisions, such holder may be entitled to receive, and containing the express assumption of such successor entity of the due and punctual performance and observance of every provision of the Series E Preferred Stock to be performed and observed by the Company and of all liabilities and obligations of the Company hereunder, and (BB) deliver to the holders of Series E Preferred Stock an opinion, in form, substance and from counsel reasonably satisfactory to the holders of Series E Preferred Stock, to the effect that such written instrument has been duly authorized, executed and delivered by such successor entity and constitutes a legal, valid and binding instrument enforceable (subject to applicable bankruptcy and other similar laws affecting the enforcement of creditors' rights generally) against such successor entity in accordance with its terms, and to such further effects as the holders of Series E Preferred Stock may reasonably request.

(h) Exceptions to Adjustment of Conversion Price. Anything herein to the contrary notwithstanding, the Company shall not be required to make any adjustment of the Conversion Price in the case of (i) the issuance of shares of Common Stock upon conversion of the Series E Preferred Stock or any Other Series or any adjustment of the conversion price with respect thereto in accordance herewith, (ii) the issuance of options or warrants included within the Option/Warrant Pool, and the issuance of Common Stock upon the exercise of any such options or warrants (including options and warrants outstanding on the Date of First Issuance), and (iii) the issuance of shares of Common Stock in a Qualified Public Offering pursuant to an effective registration statement under the Securities Act.

(i) Treasury Shares. The number of shares of Common Stock outstanding at any time shall not include shares owned or held by or for the account of the Company, and the disposition of any such shares shall be considered an issue or sale of Common Stock for the purposes of this Section 6.

(j) Certificate of Adjustment. Upon each adjustment of the Conversion Price in respect of the Series E Preferred Stock and upon each change in the number of Conversion Shares issuable upon the conversion of the Series E Preferred Stock, and in the event of any change in the rights of the holders of the Series E Preferred Stock by reason of other events herein set forth, then and in each such case, the Company will promptly prepare a certificate of adjustment stating the adjusted Conversion Price and the new number of Conversion Shares so issuable, or specifying the other shares of stock, securities or assets and the amount thereof receivable as a result of such change in rights, and setting forth in reasonable detail the method of calculation and the facts upon which such calculation is based. The Company will promptly mail a copy of such certificate of adjustment to each registered holder of Series E Preferred Stock.

(k) Company to Prevent Dilution. If at any time or from time to time conditions arise by reason of action taken by the Company, which in the opinion of its Board of Directors, are not adequately covered by the provisions of this Section 6, and which might materially and adversely affect the conversion rights of the registered holders of Series E Preferred Stock, the Board of Directors of the Company shall appoint a firm of independent certified public accountants, which may be the firm regularly retained by the Company, which shall give its opinion upon the adjustment, if any, on a basis consistent with the standards established in the other provisions of this Section 6, necessary with respect to the Conversion Price, so as to preserve, without dilution, the conversion rights of the registered holders of the Series E Preferred Stock. Upon receipt of such opinion, the Board of Directors of the Company shall forthwith make the adjustments described therein.

(l) Reservation of Shares. The Company will authorize, reserve and set apart and have available for issuance at all times, free from preemptive rights, including, without limitation, rights derived from rights offerings, that number of shares of Common Stock which is deliverable upon the conversion of the Series E Preferred Stock, and the Company will have at all times any other rights or privileges provided for therein sufficient to enable it at any time to fulfill all its obligations hereunder.

(m) Costs. The Company shall pay all documentary, stamp, transfer or other transactional taxes attributable to the issuance or delivery of Conversion Shares upon conversion of any shares of the Series E Preferred Stock; provided, however, that the Company shall not be required to pay any federal or state income taxes or other taxes which may be payable in respect of any transfer involved in the issuance or delivery of any certificate for such Conversion Shares in a name other than that of the holder of the shares of the Series E Preferred Stock in respect of which such shares are being issued.

Section 7. Voting Rights. Except as otherwise required by law or expressly provided herein, the holders of shares of Series E Preferred Stock shall be entitled to vote on all matters submitted to a vote of the stockholders of the Corporation and shall have such number of votes equal to the number of shares of Common Stock into which such holders' shares of Series E Preferred Stock are convertible pursuant to the provisions hereof at the record date for the determination of stockholders entitled to vote on such matters or, if no such record date is established, at the date such vote is taken or any written consent of stockholders is solicited. Except as otherwise

required by law or expressly provided herein, the holders of shares of Series E Preferred Stock, Other Series and Common Stock shall vote together as a single class, and not as separate classes.

Section 8. Preference Rights. Without prejudice to any required consent pursuant to the Series E Stock Purchase Agreement, nothing contained herein shall be construed to prevent the Board of Directors of the Company from issuing one or more series or classes of Junior Securities with dividend and/or liquidation preferences junior to the dividend and liquidation preferences of the Series E Preferred Stock.

Section 9. Registration of Transfer. The Company will keep at its principal office a register for the registration of Series E Preferred Stock. Upon the surrender of any certificate representing Series E Preferred Stock at such place, the Company will, at the written request of the record holder of such certificate, execute and deliver (at the Company's expense) a new certificate or certificates in exchange therefor representing in the aggregate the number of shares represented by the surrendered certificate. Each such new certificate will be registered in such name and will represent such number of Shares as is requested by the holder of the surrendered certificate.

Section 10. Replacement. Upon receipt of evidence reasonably satisfactory to the Company of the ownership and the loss, theft, destruction or mutilation of any certificate evidencing shares of Series E Preferred Stock and in the case of any such loss, theft or destruction, upon receipt of indemnity reasonably satisfactory to the Company (provided that if the holder is a financial institution, an entity whose securities are traded or listed on any national securities exchange or recognized automated quotation system, or any subsidiary of the foregoing, then the holder's own agreement will be satisfactory), or, in the case of any such mutilation upon surrender of such certificate, the Company will (at its expense) execute and deliver in lieu of such certificate a new certificate of like kind representing the number of shares represented by such lost, stolen, destroyed or mutilated certificate and dated the date of such lost, stolen, destroyed or mutilated certificate.

Section 11. Amendment and Waiver. No amendment, modification or waiver will be binding or effective with respect to any provision of Sections 1 through 11 hereof without the prior written consent or affirmative vote of the holders of not less than a majority of the Series E Preferred Stock outstanding at the time such action is taken.

Section 12. Notices. Except as otherwise expressly provided hereunder, all notices referred to herein will be in writing and will be delivered by registered or certified mail, return receipt requested and postage prepaid, or by reputable overnight courier service, charges prepaid, and will be deemed to have been given when so mailed or sent (a) to the Company, at its principal executive offices, and (b) to any stockholder, at such holder's address as it appears in the stock records of the Company (unless otherwise indicated by notice given to the Company by any such holder).

G. DEFINITIONS

In addition to the various defined terms contained in parts B, C, D, E and F above (which defined terms shall be applicable in part B, part C, part D, part E or part F, as the case may be,

where such definitions appear), the following terms have the meanings set forth below wherever used in part B, part C, part D, part E or part F above:

"All Series" shall mean the collective reference to the Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock.

"Conversion Shares" shall mean the shares of Common Stock of the Company issued and/or issuable from time to time upon conversion of the Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock or Series E Preferred Stock (as the case may be) pursuant to Section 6 of part B, Section 6 of part C, Section 6 of part D, Section 6 of part E or Section 6 of part F above, respectively.

"Date of First Issuance" shall mean the first date on which any shares of Series E Preferred Stock are issued.

"Initial Public Offering" shall mean the initial offer and sale of shares of the Company's Common Stock to the general public pursuant to a registration statement filed and made effective pursuant to the Securities Act.

"NYSE" shall mean the New York Stock Exchange.

"Option/Warrant Pool" shall mean a reserve of 1,276,860 shares of Common Stock (subject to adjustment in the event of any stock splits, stock dividends, combinations of shares, recapitalizations or other such events relating to the outstanding Common Stock at any time and from time to time subsequent to the effective date of this Seventh Amended and Restated Certificate of Incorporation) in respect of options and/or warrants which are currently outstanding and/or which may hereafter be granted by the Company from time to time (including, without limitation, options pursuant to the Company's 1999 Stock Option Plan).

"Qualified Public Offering" shall mean a sale of shares of Common Stock to the public in a firm commitment underwritten public offering pursuant to a registration statement under the Securities Act which has been declared effective by the Securities and Exchange Commission (other than a registration statement on Form S-4, Form S-8 or any successor form) in which (a) the Company receives gross proceeds of not less than $20,000,000, and (b) the Common Stock is offered to the public at an initial price per share of not less than three (3) times the then effective Conversion Price in respect of the Series C Preferred Stock.

"Qualified Sale Transaction" shall mean the acquisition of a controlling interest in the Company by, or the merger or consolidation of the Company with or into, an entity whose shares of common stock (or whose parent's shares of common stock) are listed or traded on the NYSE, the American Stock Exchange or The Nasdaq Capital Market, and in which the consideration paid per share of Common Stock (including Preferred Stock on an "as converted" basis) is in the form of cash and/or capital stock listed or traded on an exchange or system as aforesaid and which may be traded, sold or resold without further registration, having an aggregate fair value per share, at the time of consummation of such transaction, of not less than three (3) times the then effective Conversion Price in respect of the Series C Preferred Stock.

"Redemption Date" shall mean September 27, 2009.

"Securities Act" shall mean the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder, all as in effect from time to time.

"Series D Stock Purchase Agreement" shall mean the Stock Purchase Agreement, dated as of September 27, 2002, by and among the Company and the Purchasers party thereto in respect of the Series D Preferred Stock, as the same may be amended and modified from time to time in accordance with the provisions thereof.

"Series E Stock Purchase Agreement" shall mean the Stock Purchase Agreement, dated as of the Date of First Issuance, by and among the Company and the Purchasers party thereto in respect of the Series E Preferred Stock, as the same may be amended and modified from time to time in accordance with the provisions thereof.

"Stockholders' Agreement" shall mean the Stockholders' Agreement, dated as of the Date of First Issuance, by and among the Company and certain of its Stockholders, as the same may be amended, modified and/or supplemented from time to time in accordance with the provisions thereof.

FIFTH: The Company is to have perpetual existence.

SIXTH: The Company expressly elects to be subject to the provisions of Section 203 of the Delaware General Corporation Law.

SEVENTH: The board of directors is expressly authorized to adopt, amend or repeal the by-laws of the Company.

EIGHTH: Elections of directors need not be by written ballot unless the by-laws of the Company shall otherwise provide.

NINTH: No director of the Company shall be liable to the Company or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the Company or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the General Corporation Law of the State of Delaware, or (iv) for any transaction from which the director derived an improper personal benefit.

TENTH: Except as may otherwise be specifically provided in this Seventh Amended and Restated Certificate of Incorporation, no provision of this Seventh Amended and Restated Certificate of Incorporation is intended by the Company to be construed as limiting, prohibiting, denying or abrogating any of the general or specific powers or rights conferred under the General Corporation Law upon the Company, upon its stockholders, bondholders and security holders, and upon its directors, officers and other corporate personnel, including, in particular, the power of the Company to furnish indemnification to directors and officers in the capacities defined and prescribed by the General Corporation Law and the defined and prescribed rights of said persons to indemnification as the same are conferred under the General Corporation Law. The Company shall, to the fullest extent permitted by the laws of the State of

Delaware, including, but not limited to Section 145 of the General Corporation Law of the State of Delaware, as the same may be amended and supplemented, indemnify any and all directors and officers of the Company and may, in the discretion of the board of directors, indemnify any and all other persons whom it shall have power to indemnify under said Section or otherwise under Delaware law, from and against any and all of the expenses, liabilities or other matters referred to or covered by said Section. The indemnification provisions contained in the Delaware General Corporation Law shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any By-Law, agreement, resolution of stockholders or disinterested directors, or otherwise, and shall continue as to a person who has ceased to be a director, officer, employee or agent, both as to action in his official capacity and as to action in another capacity while holding such office, and shall inure to the benefit of the heirs, executors and administrators of such person.

IN WITNESS WHEREOF, the undersigned has executed, signed and acknowledged this Seventh Amended and Restated Certificate of Incorporation of Community Connect Inc. as of this 15th day of October, 2007.

/s/ Benjamin Sun
Benjamin Sun, President

State of Delaware
Secretary of State
Division of Corporations
Delivered 04:27 PM 04/10/2008
FILED 04:27 PM 04/10/2008
SRV 080416159 — 2680622 FILE

CERTIFICATE OF MERGER

OF

CCI ACQUISITION SUB, INC.,
a Delaware Corporation

INTO

COMMUNITY CONNECT INC.,
a Delaware Corporation

* * * * * * * *

The undersigned corporation organized and existing under and by virtue of the General Corporation Law of Delaware, DOES HEREBY CERTIFY:

FIRST: That the name and state of incorporation of each of the constituent corporations of the merger is as follows:

NAME	STATE OF INCORPORATION
CCI Acquisition Sub, Inc.	Delaware
Community Connect Inc.	Delaware

SECOND: That an Agreement and Plan of Merger between the parties to the merger has been approved, adopted, certified, executed and acknowledged by each of the constituent corporations in accordance with the requirements of section 251 of the General Corporation Law of Delaware.

THIRD: That the name of the surviving corporation of the merger is Community Connect Inc.

FOURTH: That the Certificate of Incorporation of Community Connect Inc. is amended and restated in its entirety to read as is set forth in Exhibit “A” attached hereto.

FIFTH: That the executed Agreement and Plan of Merger is on file at an office of the surviving corporation, the address of which is 205 Hudson Street, 6th Floor, New York, NY 10013.

SIXTH: That a copy of the Agreement and Plan of Merger will be furnished by the surviving corporation, on request and without cost, to any stockholder of any constituent corporation.

SEVENTH: That this instrument shall be effective at 5:00 p.m. on the date of filing hereof.

[Signature page follows]

IN WITNESS WHEREOF, said surviving corporation has caused this certificate to be signed by an authorized officer, the 10th day of April, 2008.

COMMUNITY CONNECT INC.

By: /s/ Benjamin Sun
Name: Benjamin Sun
Title: President & CEO

EXHIBIT "A"

Amended and Restated

Certificate of Incorporation

of

Community Connect Inc.

AMENDED AND RESTATED

CERTIFICATE OF INCORPORATION

OF

COMMUNITY CONNECT INC.

FIRST: The name of the Corporation is COMMUNITY CONNECT INC. (the "Corporation").

SECOND: The address of the Corporation's registered office in the State of Delaware is 2711 Centerville Road, Suite 400, Wilmington, County of New Castle 19808. The name of the Corporation's registered agent at such address is Corporation Service Company.

THIRD: The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.

FOURTH: The total number of shares of stock which the Corporation shall have authority to issue is One Thousand (1,000) shares of Common Stock, $0.01 par value per share.

FIFTH: The board of directors ("Board of Directors") is authorized to make, alter or repeal the by-laws of the Corporation. Election of directors need not be by written ballot.

SIXTH: A director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the General Corporation Law of the State of Delaware, or (iv) for any transaction from which the director derived an improper personal benefit. If the General Corporation Law of the State of Delaware is hereafter amended to authorize the further elimination or limitation of the liability of directors, then the liability of the directors of the Corporation, in addition to the limitation on personal liability provided herein, shall be limited to the fullest extent permitted by the amended General Corporation Law of the State of Delaware. Any repeal or modification of this paragraph by the stockholders of the Corporation shall be prospective only, and shall not adversely affect any limitation on the personal liability of a director of the Corporation at the time of such repeal or modification.

SEVENTH: Except as may otherwise be specifically provided in this Certificate of Incorporation, no provision of this Certificate of Incorporation is intended by the Corporation to be construed as limiting, prohibiting, denying or abrogating any of the general or specific powers or rights conferred under the General Corporation Law of the State of Delaware upon the Corporation, upon its stockholders, bondholders and security holders, and upon its directors, officers and other corporate personnel, including, in particular, the power of the Corporation to furnish indemnification to directors and officers in the capacities defined and prescribed by the

General Corporation Law of the State of Delaware and the defined and prescribed rights of said persons to indemnification as the same are conferred under the General Corporation Law of the State of Delaware. Except as provided herein, the Corporation shall, to the fullest extent permitted by the laws of the State of Delaware, including but not limited to Section 145 of the General Corporation Law of the State of Delaware, as the same may be amended and supplemented, indemnify any and all directors and officers of the Corporation, and may, in the discretion of the board of directors, indemnify any and all other persons whom it shall have the power to indemnify under said Section, or otherwise under Delaware law, from and against any and all of the expenses, liabilities or other matters referred to or covered by said Section. The indemnification provisions contained in the General Corporation Law of the State of Delaware shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any By-Law, agreement, resolution of stockholders or disinterested directors, or otherwise, and shall continue as to a person who has ceased to be a director, officer, employee or agent, both as to action in his official capacity and as to action in another capacity while holding such office, and shall inure to the benefit of the heirs, executors and administrators of such person.

Notwithstanding anything in this Article, elsewhere in this Certificate of Incorporation or in any prior certificate of incorporation or similar organizational document to the contrary, the indemnification rights and any similar or analogous rights provided hereunder by the Corporation to any person or entity, including but not limited to any directors and officers, for any reason based upon or arising from any action or omission occurring prior to the effective date of the proposed merger of the Corporation with and into Community Connect Inc. (hereinafter referred to as the “Historical Indemnities”), shall be limited as follows: (a) for claims actually made and reported to the Corporation up to and until the last day of the fourteen (14) month period following the filing date hereof, the Corporation’s aggregate indemnity obligation to any and all Historical Indemnities, individually, in any combination with each other and/or in the aggregate, shall be Three Million Eight Hundred Thousand United States Dollars (U.S.$3,800,000); (b) for claims actually made and reported to the Corporation after the last day of the fourteen (14) month period following the filing date hereof up to and until the sixth anniversary of the filing date hereof, the Corporation’s aggregate indemnity obligation to indemnify any and all Historical Indemnities, individually, in any combination with each other and/or in the aggregate, shall be One Million United States Dollars (U.S.$1,000,000); and (c) after the sixth anniversary of the filing date hereof, the Corporation shall have no indemnity obligation whatsoever to any and all Historical Indemnities, individually, in any combination with each other and/or in the aggregate. The limitations set out above in (a), (b) and (c) shall hereinafter be referred to collectively as the “Limitations.” The Limitations are retrospective in application and replace in the entirety any unlimited indemnification rights under any prior certificate of incorporation or organizational document of the Corporation or any of its predecessor entities. The Limitations shall apply to any and all claims for indemnification (whenever made) based upon any events, action or omissions occurring prior to the filing date hereof. In making payment of its obligations hereunder, the Corporation’s obligations shall immediately cease, regardless of whether any claims are paid or unpaid in whole or in part, once the applicable dollar threshold under the applicable section ($3,800,000 and/or $1,000,000 for sections (a) and (b), respectively, of the Limitations) is met. In meeting such applicable amount(s), the Corporation shall only be required to allocate the dollar threshold set forth in the applicable Limitation on a first come first serve basis based upon actual receipt of claims (and

actual submission of expenses and actual receipt of documentation thereof) regardless of whether any claims are paid or unpaid in whole or in part.

The Corporation may maintain insurance, at its expense, to protect itself and any person who is or was a director, officer, employee or agent of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any such expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the General Corporation Law of the State of Delaware.

Exhibit 3.12

BYLAWS

OF

CCI ACQUISITION SUB, INC.
(as of April 8, 2008)

A DELAWARE CORPORATION

ARTICLE I — OFFICES

Section 1. Registered Office. The registered office in the State of Delaware shall be at 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808 in the County of New Castle. The name of the corporation's registered agent at such address shall be Corporation Service Company. The registered office or registered agent of the corporation may be changed from time to time by action of the board of directors on the filing of a certificate or certificates as required by law.

Section 2. Other Offices. The corporation may also have offices at such other places, both within and without the State of Delaware, as the board of directors may from time to time determine or the business of the corporation may require.

ARTICLE II - MEETINGS OF STOCKHOLDERS

Section 1. Place and Time of Meetings. An annual meeting of the stockholders shall be held each year, beginning in the year 2008, prior to the last day of September. At such meeting, the stockholders shall elect the directors of the corporation and conduct such other business as may come before the meeting. The time and place of the annual meeting shall be determined by the board of directors. Special meetings of the stockholders for any other purpose may be held at such time and place, within or without the State of Delaware, as shall be stated in the notice of the meeting or in a duly executed waiver of notice thereof. Special meetings of the stockholders may be called by the president or the chairman of the board for any purpose and shall be called by the secretary if directed in writing by two or more members of the board of directors or the holders of more than 10% of the outstanding stock and stating the purpose or purposes of the proposed meeting. The board of directors may elect to hold a meeting of the stockholders solely by means of remote communications.

Section 2. Notice. Whenever stockholders are required or permitted to take action at a meeting, written or printed notice of every annual or special meeting of the stockholders, stating the place, date, time, and, in the case of special meetings, the purpose or purposes, of such meeting, shall be given to each stockholder entitled to vote at such meeting not less than 10 nor more than 60 days before the date of the meeting. All such notices shall be delivered, either personally or by mail, by or at the direction of the board of directors, the chairman of the board, the chief executive officer, the president or the secretary, and if mailed, such notice shall be deemed to be delivered when deposited in the United States mail with

postage prepaid and addressed to the stockholder at his or her address as it appears on the records of the corporation. Without limiting the manner by which notice otherwise may be given to the stockholders, any notice given by the corporation to the stockholders shall be effective if given by a form of electronic transmission consented to by the stockholder to whom the notice is given. Any such consent shall be revocable by the stockholder by written notice to the corporation. Any such consent shall be deemed revoked if (a) the corporation is unable to deliver by electronic transmission two consecutive notices given by the corporation in accordance with such consent and (b) such inability becomes known to the corporation's secretary, an assistant secretary, transfer agent or other person responsible for giving such notice; provided, however, that the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or other action. Notice given by electronic transmission shall be deemed given: (i) if by facsimile, when directed to a number at which the stockholder has consented to receive notice, (ii) if by electronic mail, when directed to an electronic mail address at which the stockholder has consented to receive notice, (iii) if by posting on an electronic network together with separate notice to the stockholder of such specific posting, upon the later of (A) such posting and (B) the giving of such separate notice, and (iv) if by any other form of electronic transmission, when directed to the stockholder.

Section 3. Waiver of Notice. Whenever any notice is required to be given under the provisions of the statutes or of the certificate of incorporation or of these bylaws, a waiver thereof in writing, signed by the person or persons entitled to said notice, or a waiver by electronic transmission by the person entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting of stockholders shall constitute a waiver of notice of such meeting, except when the stockholder attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders, directors or members of a committee of directors need be specified in any written waiver of notice or any waiver by electronic transmission unless so required by the certificate of incorporation or these bylaws.

Section 4. Stockholders List. The officer having charge of the stock ledger of the corporation shall make, at least 10 days before every meeting of the stockholders, a complete list arranged in alphabetical order of the stockholders entitled to vote at such meeting, specifying the address of and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least 10 days prior to the meeting, either at a place within the city where the meeting is to be held, which place shall be specified in the notice of the meeting or, if not so specified, at the place where the meeting is to be held. The list shall also be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present.

Section 5. Quorum; Adjourned Meetings. The presence of stockholders entitled to cast at least a majority of the votes that all stockholders are entitled to cast on a matter to be acted upon at a meeting of the stockholders shall constitute a quorum for the purposes of consideration and action on the matter, except as otherwise provided by statute or by the certificate of incorporation. If a quorum is not present, the holders of the shares present in

person or represented by proxy at the meeting and entitled to vote thereat shall have the power, by the affirmative vote of the holders of a majority of such shares, to adjourn the meeting to another time or place. Unless the adjournment is for more than thirty days or unless a new record date is set for the adjourned meeting, no notice of the adjourned meeting need be given to any stockholder, provided that the time and place of the adjourned meeting were announced at the meeting at which the adjournment was taken. At the adjourned meeting, the corporation may transact any business which might have been transacted at the original meeting.

Section 6. Vote Required. When a quorum is present or represented by proxy at any meeting, the vote of a majority of the votes cast by all stockholders entitled to vote and, if any stockholders are entitled to vote as a class, the vote of a majority of the votes cast by the stockholders entitled to vote as a class, whether such stockholders are present in person or represented by proxy at the meeting, shall be the act of the stockholders, unless the question is one upon which by express provisions of an applicable statute or of the certificate of incorporation a different vote is required, in which case such express provision shall govern and control the decision of such question.

Section 7. Voting Rights. Except as otherwise provided by the General Corporation Law of the State of Delaware or by the certificate of incorporation of the corporation or any amendments thereto and subject to Section 4 of ARTICLE VI hereof, each stockholder shall at every meeting of the stockholders be entitled to one vote in person or by proxy for each share of capital stock held by such stockholder.

Section 8. Proxies. Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for him or her by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period.

Section 9. Action Without Meeting. Any action required by law or these bylaws to be taken at any annual or special meeting of stockholders of the corporation, or any action which may be taken at any annual or special meeting of such stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize such action at a meeting at which all shares entitled to vote thereon were present and voted. The record date for determining stockholders entitled to express consent to corporate action in writing without a meeting, when no prior action by the board of directors is necessary, shall be the date on which the first written consent is expressed. A telegram, cablegram or other electronic transmission consenting to an action to be taken and transmitted by a stockholder, or by a person or persons authorized to act for a stockholder, shall be deemed to be written, signed and dated for purposes of this Section 9, provided, that any such telegram, cablegram or other electronic transmission sets forth or is delivered with information from which the corporation can determine (a) that the telegram, cablegram or other electronic transmission was transmitted by the stockholder, or by a person or persons authorized to act for the stockholder, and (b) the date on which such stockholder or authorized person or persons transmitted such telegram, cablegram or electronic transmission. The date on which such telegram, cablegram or electronic transmission is transmitted shall be

deemed to be the date on which such consent was signed. Any copy, facsimile or other reliable reproduction of a consent in writing may be substituted or used in lieu of the original writing for any and all purposes for which the original writing could be used, provided, that such copy, facsimile or other reproduction shall be a complete reproduction of the entire original writing.

ARTICLE III — DIRECTORS

Section 1. General Authority. The business and affairs of the corporation shall be managed by or under the direction of its board of directors which may exercise all such powers of the corporation and do such lawful acts and things as are not by statute or by the certificate of incorporation or by these bylaws directed or required to be exercised or done by the stockholders.

Section 2. Number, Election and Term of Office. The number of directors shall be no fewer than 3 nor more than 7, as determined from time to time by resolution of the board or as otherwise provided in the certificate of incorporation of the corporation. The directors shall be elected by a plurality of the votes of the shares present in person or represented by proxy at the meeting and entitled to vote in the election of directors except that the first directors of the corporation shall be appointed by the sole incorporator of the corporation. The directors shall be elected in this manner at the annual meeting of the stockholders, except as provided in Section 3 of this ARTICLE III. Each director elected shall hold office until a successor is duly elected and qualified or until his or her earlier death, resignation or removal as hereinafter provided. Directors need not be stockholders of the corporation.

Section 3. Removal and Resignation. Any director or the entire board of directors may be removed at any time, with or without cause, by the vote of a majority of the votes cast by all stockholders entitled to vote at an election of directors, except as otherwise provided by statute. Any director may resign at any time upon written notice to the president or secretary of the corporation. The resignation of any director shall take effect at the time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4. Vacancies. Except as otherwise provided by the certificate of incorporation of the corporation or any amendments thereto, vacancies and newly created directorships resulting from any increase in the authorized number of directors may be filled by a majority vote of the holders of the corporation's outstanding stock entitled to vote thereon or by a majority vote of the Board of Directors. Each director so chosen shall hold office until a successor is duly elected and qualified or until his or her earlier death, resignation or removal as herein provided.

Section 5. Annual Meetings. The annual meeting of each newly elected board of directors shall be held without other notice than this bylaw immediately after, and at the same place as, the annual meeting of stockholders.

Section 6. Other Meetings and Notice. Regular meetings, other than the annual meeting, of the board of directors may be held without notice at such time and at such place as shall from time to time be determined by resolution of the board. Special meetings of

the board of directors may be called by or at the request of the chairman, the chief executive officer or the president on at least 24 hours notice to each director, either personally, by telephone, by mail, by telegraph, by facsimile or by other electronic transmission; in like manner and on like notice the secretary must call a special meeting on the written request of a majority of directors. Such notice shall state the date, time and place, if any, of the meeting but need not state the purpose thereof, except as otherwise herein expressly provided. A written waiver of notice signed by the director entitled to notice, whether before or after the time stated therein, shall be equivalent to notice. Attendance of a director at the meeting shall constitute a waiver of notice of such meeting, except when the director attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

Section 7. Quorum. A majority of the total number of directors shall constitute a quorum for the transaction of business. The vote of a majority of directors present at a meeting at which a quorum is present shall be the act of the board of directors. If a quorum shall not be present at any meeting of the board of directors, the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

Section 8. Committees. The board of directors may, by resolution passed by a majority of the whole board, designate one or more committees. Each committee shall consist of one or more of the directors of the corporation, which, to the extent provided in such resolution and not otherwise limited by statute, shall have and may exercise the powers of the board of directors in the management and affairs of the corporation including without limitation the power to declare a dividend and to authorize the issuance of stock; provided, however, that no such committee shall have the power or authority to amend these bylaws or the certificate of incorporation. The board of directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the board of directors. Each committee shall keep regular minutes of its meetings and report the same to the directors when required.

Section 9. Committee Rules. Each committee of the board of directors may fix its own rules of procedure and shall hold its meetings as provided by such rules, except as may otherwise be provided by the resolution of the board of directors designating such committee, but in all cases the presence of at least a majority of the members of such committee shall be necessary to constitute a quorum. In the event that a member and that member’s alternate, if alternates are designated by the board of directors as provided in Section 8 of this ARTICLE III, of such committee is/are absent or disqualified, the member or members thereof present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the board of directors to act at the meeting in place of any such absent or disqualified member.

Section 10. Compensation. The directors may be paid their expenses, if any, of attendance at each meeting of the board of directors and may be paid a fixed sum for attendance at each meeting of the board of directors or a stated salary as director. No such payment shall preclude any director from serving the corporation in any other capacity and

receiving compensation therefor. Members of special or standing committees may be allowed like compensation for attending committee meetings.

Section 11. Communications Equipment. Members of the board of directors or any committee thereof may participate in and act at any meeting of such board or committee through the use of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in the meeting pursuant to this section shall constitute presence in person at the meeting.

Section 12. Action by Written Consent. Any action required or permitted to be taken at any meeting of the board of directors, or of any committee thereof, may be taken without a meeting if all members of the board or committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the board of directors or committee.

ARTICLE IV — OFFICERS

Section 1. Number. The officers of the corporation shall be elected by the board of directors and shall consist of a chairman of the board (if the board of directors so deems advisable and elects), a president (who shall perform the functions of the chairman of the board if none be elected), one or more vice-presidents, a secretary, a treasurer, and such other officers and assistant officers as may be deemed necessary or desirable by the board of directors. Any number of offices may be held by the same person. In its discretion, the board of directors may choose not to fill any office for any period as it may deem advisable, except the offices of president and secretary.

Section 2. Election and Term of Office. The officers of the corporation shall be elected annually by the board of directors at the meeting of the board of directors held after each annual meeting of stockholders. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Vacancies may be filled or new offices created and filled at any meeting of the board of directors. Each officer shall hold office until the next annual meeting of the board of directors and until a successor is duly elected and qualified or until his or her earlier death, resignation or removal as hereinafter provided.

Section 3. Removal. Any officer or agent elected by the board of directors may be removed by the board of directors whenever in its judgment the best interest of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

Section 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the board of directors for the unexpired portion of the term by the board of directors then in office.

Section 5. Compensation. Compensation of all officers shall be fixed by the board of directors, and no officer shall be prevented from receiving such compensation by virtue of the fact that he or she is also a director of the corporation.

Section 6. Chairman of the Board. The chairman shall preside at all meetings of the board of directors and all meetings of the stockholders and shall have such other powers and perform such duties as may from time to time be assigned to him by the board of directors.

Section 7. The Chief Executive Officer. The chief executive officer of the corporation shall have such powers and perform such duties as are specified in these bylaws and as may from time to time be assigned to him by the board of directors. The chief executive officer shall have overall management of the business of the corporation and its subsidiaries and shall see that all orders and resolutions of the boards of directors of the corporation and its subsidiaries are carried into effect. The chief executive officer shall execute bonds, mortgages and other contracts requiring a seal, under the seal of the corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the board of directors to some other officer or agent of the corporation. The chief executive officer shall have general powers of supervision and shall be the final arbitrator of all differences among officers of the corporation and its subsidiaries, and such decision as to any matter affecting the corporation and its subsidiaries subject only to the boards of directors. In the absence of the chairman for any reason, including the failure of the board of directors to elect a chairman, or in the event of the chairman's inability or refusal to act, the chief executive officer shall have all the powers of and be subject to all the restrictions upon the chairman.

Section 8. The President. The president shall have such powers and perform such duties as are specified in these bylaws and as may from time to time be assigned to him by the board of directors. The president shall have general and active management of the business of the corporation and shall see that all orders and resolutions of the board of directors are carried into effect. The president shall execute bonds, mortgages and other contracts requiring a seal, under the seal of the corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the board of directors to some other officer or agent of the corporation. The president shall have general powers of supervision and shall be the final arbitrator of all differences between officers of the corporation, and such decision as to any matter affecting the corporation subject only to the board of directors or the chief executive officer (if the president and the chief executive officer are not the same person). In the absence of the chief executive officer for any reason, including the failure of the board of directors to elect a chief executive officer or in the event of the chief executive officer's inability or refusal to act, the president shall have all the powers of and be subject to all the restrictions upon the chief executive officer.

Section 9. Vice Presidents. The vice-president, or if there shall be more than one, the vice-presidents in the order determined by the board of directors, including any executive vice presidents, shall, in the absence or disability of the president, perform the duties and exercise the powers of the president and shall perform such other duties and have such other powers as the board of directors or the president may, from time to time, determine or these bylaws may prescribe.

Section 10. The Secretary and Assistant Secretaries. The secretary shall attend all meetings of the board of directors and all meetings of the stockholders and record all the proceedings of the meetings of the corporation and the board of directors in a book to be kept for

that purpose and shall perform like duties for the standing committees when required. The secretary shall give, or cause to be given, notice of all meetings of the stockholders and special meetings of the board of directors; perform such other duties as may be prescribed by the board of directors or president, under whose supervision he or she shall be; shall have custody of the corporate seal of the corporation and the secretary, or an assistant secretary, shall have authority to affix the same to any instrument requiring it and when so affixed, it may be attested by his or her signature or by the signature of such assistant secretary. The board of directors may give general authority to any other officer to affix the seal of the corporation and to attest the affixing by his or her signature. The assistant secretary, or if there be more than one, the assistant secretaries in the order determined by the board of directors, shall, in the absence or disability of the secretary, perform the duties and exercise the powers of the secretary and shall perform such other duties and have such other powers as the board of directors or the president may from time to time prescribe.

Section 11. The Treasurer and Assistant Treasurer. The treasurer shall have the custody of the corporate funds and securities; shall keep full and accurate accounts of receipts and disbursements in books belonging to the corporation; shall deposit all monies and other valuable effects in the name and to the credit of the corporation as may be ordered by the board of directors, taking proper vouchers for such disbursements; and shall render to the president and the board of directors, at its regular meeting or when the board of directors so requires, an account of the corporation. If required by the board of directors, the treasurer shall give the corporation a bond (which shall be rendered every six years) in such sums and with such surety or sureties as shall be satisfactory to the board of directors for the faithful performance of the duties of the office of treasurer and for the restoration to the corporation, in case of death, resignation, retirement, or removal from office, of all books, papers, vouchers, money, and other property of whatever kind in the possession or under the control of the treasurer belonging to the corporation. The assistant treasurer, or if there shall be more than one, the assistant treasurers in the order determined by the board of directors, shall in the absence or disability of the treasurer, perform the duties and exercise the powers of the treasurer and shall perform such other duties and have such other powers as the board of directors or the president may from time to time prescribe.

Section 12. Other Officers, Assistant Officers and Agents. Officers, assistant officers and agents, if any, other than those whose duties are provided for in these bylaws, shall have such authority and perform such duties as may from time to time be prescribed by resolution of the board of directors.

ARTICLE V — INDEMNIFICATION

Officers, directors and others shall be entitled to indemnification to the extent provided in the certificate of incorporation.

ARTICLE VI — CERTIFICATES OF STOCK

Section 1. Form. Every holder of stock in the corporation shall be entitled to have a certificate, signed by, or signed in the name of the corporation by the president or a vice-president, and the secretary or an assistant secretary of the corporation, certifying the number of

shares owned by him or her in the corporation. Where a certificate is signed (1) by a transfer agent or an assistant transfer agent other than the corporation or its employee or (2) by a registrar, other than the corporation or its employee, the signature of any such president, vice-president, secretary, or assistant secretary may be facsimile. In case any officer or officers have signed a certificate or certificates, or whose facsimile signature or signatures have been used on certificate or certificates, shall cease to be such officer or officers of the corporation whether because of death, resignation or otherwise before such certificate or certificates have been delivered by the corporation, such certificate or certificates may nevertheless be issued and delivered as though the person or persons who signed such certificate or certificates or whose facsimile signature or signatures have been used on such certificate or certificates had not ceased to be such officer or officers of the corporation. All certificates for shares shall be consecutively numbered or otherwise identified. The name of the person to whom the shares represented thereby are issued, with the number of shares and date of issue, shall be entered on the books of the corporation. All certificates surrendered to the corporation for transfer shall be canceled, and no new certificate shall be issued in replacement until the former certificate for a like number of shares shall have been surrendered or canceled, except as otherwise provided in Section 2 with respect to lost, stolen or destroyed certificates.

Section 2. Lost Certificates. The board of directors may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the corporation alleged to have been lost, stolen, or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost, stolen, or destroyed. When authorizing such issue of a new certificate or certificates, the board of directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen, or destroyed certificate or certificates, or his or her legal representative, to give the corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the corporation with respect to the certificate alleged to have been lost, stolen or destroyed.

Section 3. Transfers of Stock. Upon surrender to the corporation or the transfer agent of the corporation of a certificate for shares, it shall be the duty of the corporation to issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction upon its books.

Section 4. Fixing a Record Date. The board of directors may fix in advance a record date for the determination of stockholders entitled to notice of, and to vote at, any meeting of stockholders and any adjournment thereof; stockholders entitled to consent to corporate action in writing without a meeting; stockholders entitled to receive payment of any dividend or other distribution or allotment of rights or entitled to exercise any rights in respect to any change, conversion or exchange of stock; or, for the purpose of any other lawful action, which record date may not precede the date on which the resolution fixing such record date is adopted by the board of directors. The record date for the determination of stockholders entitled to notice of, and to vote at, a meeting of stockholders shall not be more than 60 days nor less than 10 days before the date of such meeting. The record date for the determination of stockholders entitled to consent to corporate action in writing without a meeting shall not be more than 10 days after the date upon which the resolution fixing the record date is adopted by the board of directors. The record date for the determination of stockholders with respect to any other action shall not be

more than 60 days before the date of such action. If no record date is fixed: the record date for determining stockholders entitled to notice of, and to vote at, a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or if notice is waived, at the close of business on the day next preceding the day on which the meeting is held; the record date for determining stockholders entitled to consent to corporate action in writing without a meeting when no prior action by the board of directors is required by the General Corporation Law of the State of Delaware, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the corporation by delivery to its registered office in the State of Delaware, its principal place of business, or an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded; and, the record date for determining stockholders with respect to any other action shall be the close of business on the day on which the board of directors adopts the resolution relating thereto.

ARTICLE VII — GENERAL PROVISIONS

Section 1. Dividends. Dividends upon the capital stock of the corporation, subject to the provisions of the certificate of incorporation, if any, may be declared by the board of directors at any regular or special meeting, pursuant to law. Dividends may be paid in cash, in property, or in shares of the capital stock, subject to the provisions of the certificate of incorporation. Before payment of any dividend, there may be set aside out of any funds of the corporation available for dividends such sum or sums as the directors from time to time, in their absolute discretion, think proper as a reserve or reserves to meet contingencies, equalize dividends, repair or maintain any property of the corporation, or for any other purpose, and the directors may modify or abolish any such reserve in the manner in which it was created.

Section 2. Checks, Drafts or Orders. All checks, drafts, or other orders for the payment of money by or to the corporation and all notes and other evidences of indebtedness issued in the name of the corporation shall be signed by such officer or officers, agent or agents of the corporation, and in such manner, as shall be determined by resolution of the board of directors or a duly authorized committee thereof.

Section 3. Deposits. All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation or otherwise as the board of directors or the Chief Executive Officer, the President or the Treasurer shall direct in such banks, trust companies or other depositories as the board of directors may select, or as may be selected by any officer or officers or agent or agents of the corporation to whom power in that respect shall have been delegated by the board of directors. For the purpose of deposit and collection for the account of the corporation, checks, drafts and other orders for the payment of money which are payable to the order of the corporation may be endorsed, assigned and delivered by any officer of the corporation.

Section 4. Contracts. The board of directors may authorize any officer or officers, or any agent or agents, of the corporation to enter into any contract or to execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

Section 5. Loans. The corporation may lend money to, or guarantee any obligation of, or otherwise assist any officer or other employee of the corporation or of its subsidiary, including any officer or employee who is a director of the corporation or its subsidiary, whenever, in the judgment of the directors, such loan, guaranty or assistance may reasonably be expected to benefit the corporation. The loan, guaranty or other assistance may be with or without interest, and may be unsecured, or secured in such manner as the board of directors shall approve, including, without limitation, a pledge of shares of stock of the corporation. Nothing contained in this section shall be deemed to deny, limit or restrict the powers of guaranty or warranty of the corporation at common law or under any statute.

Section 6. Fiscal Year. The fiscal year of the corporation shall be fixed by resolution of the board of directors.

Section 7. Corporate Seal. The board of directors shall provide a corporate seal which shall be in the form of a circle and shall have inscribed thereon the name of the corporation and the words "Corporate Seal, Delaware." The seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

Section 8. Voting Securities Owned by Corporation. Voting securities in any other corporation held by the corporation shall be voted by the president or the executive vice president, unless the board of directors specifically confers authority to vote with respect thereto upon some other person or officer. Any person authorized to vote securities shall have the power to appoint proxies, with general power of substitution.

Section 9. Inspection of Books and Records. Any stockholder of record, in person or by attorney or other agent, shall, upon written demand upon oath stating the purpose thereof, have the right during the usual hours of business to inspect for any proper purpose the corporation's stock ledger, a list of its stockholders, and its other books and records, and to make copies or extracts therefrom. A proper purpose shall mean any purpose reasonably related to such person's interest as a stockholder. In every instance where an attorney or other agent shall be the person who seeks the right to inspection, the demand under oath shall be accompanied by a power of attorney or such other writing which authorizes the attorney or other agent to so act on behalf of the stockholder. The demand under oath shall be directed to the corporation at its registered office in the State of Delaware or at its principal place of business.

Section 10. Form of Records. Any records maintained by the corporation in the regular course of its business, including its stock ledger, books of account, and minute books, may be kept on, or by means of, or be in the form of, any information storage device or method, provided, that the records so kept can be converted into clearly legible paper form within a reasonable time. The corporation shall so convert any records so kept upon the request of any person entitled to inspect the same.

Section 11. Section Headings. Section headings in these bylaws are for convenience of reference only and shall note given any substantive effect in limiting or otherwise construing any provision herein.

Section 12. Inconsistent Provisions. In the event that any provision of these bylaws is or becomes inconsistent with any provision of the certificate of incorporation, the General Corporation Law of the State of Delaware or any other applicable law, the provision of these bylaws shall not be given any effect to the extent of such inconsistency but shall otherwise be given full force and effect.

ARTICLE VIII — INTERESTED DIRECTORS

No contract or transaction between this Corporation and one or more of its directors or officers, or between this Corporation and any other corporation, partnership, association, or other organization in which one or more of its directors or officers are directors or officers, or have a financial interest, shall be void or voidable solely for this reason, or solely because the director or officer is present at or participates in the meeting of the board or committee thereof which authorizes the contract or transaction, or solely because his or their votes are counted for such purpose, if:

(a) The material facts as to such director’s or officer’s relationship or interest and as to the contract or transaction are disclosed or are known to the board of directors or the committee, and the board or committee in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested directors, even though the disinterested directors may be less than a quorum; or

(b) The material facts as to such director’s or officer’s relationship or interest and as to the contract or transaction are disclosed or are known to the stockholders entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the stockholders; or

(c) The contract or transaction is fair as to the Corporation as of the time it is authorized, approved or ratified, by the board of directors, a committee thereof, or the stockholders.

Common or interested directors may be counted in determining the presence of a quorum at a meeting of the board of directors or of a committee which authorized the contract or transaction.

ARTICLE IX — AMENDMENTS

These bylaws may be amended, altered or repealed and new bylaws adopted at any meeting of the board of directors by a majority vote, provided that the affirmative vote of the holders of a majority of the shares of common stock of the corporation then entitled to vote shall be required to adopt any provision inconsistent with, or to amend or repeal any provision of, Section 2 or 4 of ARTICLE III or this ARTICLE IX. The fact that the power to adopt, amend, alter or repeal the bylaws has been conferred upon the board of directors shall not divest the stockholders of the same powers.

Exhibit 3.13

State of Delaware
Secretary of State
Division of Corporations
Delivered 09:17 PM 02/27/2009
FILED 09:17 PM 02/27/2009
SRV 090222750 — 4661894 FILE

STATE OF DELAWARE

CERTIFICATE OF FORMATION

OF

COMMUNITY CONNECT, LLC

FIRST: The name of the limited liability company is Community Connect, LLC (the "Company")

SECOND: The address, including street, number, city, and county, of the registered office of the Company in the State of Delaware is 2711 Centerville Road, Suite 400, City of Wilmington, County of New Castle, Delaware 19808; and the name of the registered agent of the Company in the State of Delaware at such address is Corporation Service Company.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Formation this 27th day of February, 2009.

/s/ Deborah Hawkins
Name: Deborah Hawkins
Authorized Person

COMMUNITY CONNECT, LLC
5900 Princess Garden Parkway
7th Floor
Lanham, Maryland 20706

CONSENT TO USE OF NAME

COMMUNITY CONNECT, INC., a corporation organized under the laws of the State of Delaware, hereby consents to the organization of COMMUNITY CONNECT, LLC in the State of Delaware.

IN WITNESS WHEREOF, the said corporation has caused this consent to be executed by its Vice President this 27th day of February, 2009.

COMMUNITY CONNECT, INC.

By: /s/ Linda J. Vilardo
Name: Linda J. Vilardo
Title: Vice President

Exhibit 3.14

AMENDMENT NO. 1
TO
LIMITED LIABILITY COMPANY
OPERATING AGREEMENT
OF
COMMUNITY CONNECT, LLC

THIS AMENDMENT NO. 1 (this "Amendment") to Limited Liability Company Operating Agreement of Community Connect, LLC, a Delaware limited liability company (the "Company"), is made as of this ___ day of [October], 2010 by and among Community Connect Inc., a Delaware corporation (together with any Substitute Member, the "Sole Member"), the Company, the Equity Plan Members signatory hereto and each Person subsequently admitted as a Member of the Company in accordance with the LLC Agreement (defined below). "Members" shall mean collectively the Sole Member, the Equity Plan Members and any person subsequently admitted as a Member. Capitalized terms used herein without definition shall have the meanings ascribed thereto in the LLC Agreement referred to below.

W I T N E S S E T H:

WHEREAS, the Members are party to that certain Limited Liability Company Operating Agreement of Community Connect, LLC adopted as of October 26, 2009 (the "LLC Agreement") relating to the management and operation of the Company;

WHEREAS, the Members and the Company have agreed to amend the LLC Agreement in accordance with Section 18.2 of the LLC Agreement as set forth in this Amendment;

NOW, THEREFOR, for mutual consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Amendment to Transfer Restrictions. Section 11.1 of the LLC Agreement is hereby stricken in its entirety and the following Section 11.1 is inserted in its place:

Section 11.1 Transfers

(a) Subject to Section 11.1(d) hereof, no Member may Transfer all or any portion of its Equity Interests other than (i) to a Permitted Transferee, (ii) any Transfer of all or any portion of a Member's Equity Interests pursuant to Sections 12.1, 12.2, 12.3 or 12.4 hereof and (iii) any Transfer of all or any portion of a Member's Equity Interests pursuant to a Sale Transaction (each, a "**Permitted Transfer**"), *provided* that in each case such Transfer is made in accordance with Section 11.2 hereof. Any attempted Transfer of the Equity Interests by such Members, other than in strict accordance with this Article XI, shall be null and void and the purported transferee shall have no rights as a Member hereunder, except as may otherwise be provided in Section 13.4 as to such transferee.

(b) Notwithstanding anything to the contrary in this Agreement, no Transfer of Units (other than in accordance with Section 11.1(d) hereof) shall be deemed effective until the transferee of such Units executes a joinder agreement, in substantially the form attached hereto as Schedule B (the "**Joinder Agreement**") pursuant to which, among other things, such transferee shall agree to be bound by the obligations of the Member transferring such Units to such transferee under this Agreement and, if such transferee is an Affiliate of the Member transferring such Units, such transferee shall agree to grant all authority to act on its behalf to the Member transferring such Units to such transferee. Any purported transfer in violation of this Section 11.1(b) shall be null and void.

(c) Notwithstanding anything to the contrary in this Agreement but subject to Section 11.1(d) hereof, no Member shall enter into any agreement to vote or otherwise exercise any of the rights appurtenant to any of the Units held by such Member with any Person other than an Affiliate of such Member.

(d) Notwithstanding anything to the contrary in this Agreement, no consent of any Member shall be required to permit (i) the Sole Member to pledge its membership interest as security for a loan to such Sole Member or any Affiliate of such Sole Member, or (ii) a pledgee of the Sole Member's membership interest in the Company to Transfer such membership interest in connection with such pledgee's exercise of its rights and remedies with respect thereto, or to permit such pledgee or its assignee to be substituted for the Sole Member under this Agreement in connection with such pledgee's exercise of such rights and remedies. For the avoidance of doubt, any such Transfer pursuant to this Section 11.1(d) shall be deemed effective upon its occurrence and shall not require the execution of a Joinder Agreement.

2. Amendment to Schedule A. Schedule A to the Operating Agreement is hereby stricken in its entirety and replaced with Schedule A attached hereto.

3. Full Force and Effect. Except as amended herein, the LLC Agreement shall remain in full force and effect.

4. Governing Law; Counterparts. This Amendment shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to the principles of conflicts of laws. This Amendment may be executed in counterparts, each of which shall constitute an original but all of which when taken together shall constitute a single agreement.

IN WITNESS WHEREOF, the undersigned have executed this Amendment as of the date first written above.

MEMBER:

COMMUNITY CONNECT INC.,
a Delaware corporation

By: ______________________________
Name:
Title:

COMPANY:

COMMUNITY CONNECT, LLC,
a Delaware limited liability company

By: ______________________________
Name:
Title:

EQUITY PLAN MEMBERS:

By: ________________________________
Name: Thomas Newman

By: ________________________________
Name: Courtney I. Williams

By: ________________________________
Name: Christopher Keith Bowen

By: ________________________________
Name: Smokey D. Fontaine

SCHEDULE A

Name/Address of Member	Aggregate Capital Contribution as of May 11, 2009 for Community Connect Inc. and as of the Effective Date for Equity Plan Members	Number of Units
CLASS A UNITS **Community Connect Inc.** New York, New York Attn: Alfred C. Liggins III	Approximately $14,000,000	4,700
EQUITY PLAN UNITS **Thomas Newman**	$ 100	100
EQUITY PLAN UNITS **Courtney I. Williams**	$ 50	50
EQUITY PLAN UNITS **Christopher Keith Bowen**	$ 50	50
EQUITY PLAN UNITS **Smokey D. Fontaine**	$ 50	50

LIMITED LIABILITY COMPANY
OPERATING AGREEMENT
OF
COMMUNITY CONNECT, LLC

EFFECTIVE AS OF OCTOBER 26, 2009

Table of Contents

	Page
ARTICLE I DEFINITIONS AND CONSTRUCTION	1
Section 1.1 Definitions	1
Section 1.2 Company Powers	12
Section 1.3 Construction	12
Section 1.4 Headings	12
ARTICLE II FORMATION AND ORGANIZATION	12
Section 2.1 Formation	12
Section 2.2 Name	12
Section 2.3 Business Purpose	13
Section 2.4 Registered Office and Agent	13
Section 2.5 Term	13
Section 2.6 Principal Place of Business	13
Section 2.7 Title to Company Property	13
Section 2.8 Business Transactions of the Members and Managers with the Company	13
Section 2.9 Fiscal Year	13
Section 2.10 Other Qualifications	13
Section 2.11 No State Law Partnership	14
ARTICLE III THE MEMBERS	14
Section 3.1 Members; Powers of Members	14
Section 3.2 Meetings of Members	14
Section 3.3 Place of Meetings	14
Section 3.4 Notice of Members' Meetings	14
Section 3.5 Waiver of Notice	15
Section 3.6 Voting Record	15
Section 3.7 Vote Required	15
Section 3.8 Action by Written Consent of Members	16
Section 3.9 No Liability of Members	16
ARTICLE IV MANAGEMENT OF THE COMPANY	16
Section 4.1 Management by Board of Managers	16
Section 4.2 Removal; Resignations; Vacancies	17
Section 4.3 Meetings of the Board	17
Section 4.4 Compensation of Managers	18
Section 4.5 Power to Bind Company	18
Section 4.6 Committees	18
Section 4.7 Chairman of the Board	18
Section 4.8 Officers and Related Persons; Retention of Authority by Board; Matters Not Subject to Approval	18
Section 4.9 President	19

TABLE OF CONTENTS
(continued)

	Page
Section 4.10 Chief Financial Officer	19
Section 4.11 Vice Presidents	20
Section 4.12 Treasurer	20
Section 4.13 Assistant Treasurers	20
Section 4.14 Secretary	20
Section 4.15 Assistant Secretaries	20
Section 4.16 Adoption of the Annual Budget	20
Section 4.17 Employment Agreements	21
ARTICLE V CAPITAL STRUCTURE	21
Section 5.1 Authorized Units	21
Section 5.2 Rights of Designated Common Units	22
Section 5.3 Reservation and Issuance of Common Units	23
Section 5.4 Units Subject to Forfeiture	23
Section 5.5 No Appraisal Rights	24
ARTICLE VI CONTRIBUTIONS	24
Section 6.1 Initial Capital Contribution	24
Section 6.2 Further Contributions	24
Section 6.3 Interest	24
Section 6.4 No Return of Capital Contribution	24
Section 6.5 No Loans	24
ARTICLE VII CAPITAL ACCOUNTS	24
Section 7.1 Maintenance of Capital Accounts	24
Section 7.2 Negative Capital Accounts	25
Section 7.3 Sale or Exchange of Units	25
ARTICLE VIII ALLOCATIONS OF PROFITS AND LOSSES	25
Section 8.1 Net Profits	25
Section 8.2 Net Losses	25
Section 8.3 Limitation on Allocation of Losses	25
Section 8.4 Allocation of Nonrecourse Deductions	26
Section 8.5 Allocation of Member Nonrecourse Deductions	26
Section 8.6 Qualified Income Offset	26
Section 8.7 Minimum Gain Chargeback	26
Section 8.8 Partner Minimum Gain Chargeback	26
Section 8.9 Book-Ups/Tax Disparities	26
Section 8.10 Individual Tax Items	26
Section 8.11 Tax Credits	27
Section 8.12 Changes in Number of Units	27
ARTICLE IX DISTRIBUTIONS	27
Section 9.1 Limitations on Distributions	27

TABLE OF CONTENTS
(continued)

	Page
Section 9.2 Mandatory Tax Distributions	28
Section 9.3 Distributions Prior to Liquidation	29
Section 9.4 Withholding Taxes	29
ARTICLE X ACCOUNTS	29
Section 10.1 Books	29
Section 10.2 Tax Matters	29
Section 10.3 Special Basis Adjustment	30
ARTICLE XI TRANSFERS OF UNITS	30
Section 11.1 Transfers	30
Section 11.2 Conditions to Permitted Transfers	31
Section 11.3 Prohibited Transfers	31
Section 11.4 Representations Regarding Transfers	31
Section 11.5 Treatment of Equity Plan Units Issued Pursuant to a Combined Award Agreement	32
ARTICLE XII ADDITIONAL RIGHTS AND OBLIGATIONS OF THE MEMBERS	32
Section 12.1 Call Rights	32
Section 12.2 Put Rights	33
Section 12.3 Drag Along Rights	35
Section 12.4 Tag Along Rights	36
Section 12.5 Treatment of Equity Plan Units Issued Pursuant to a Combined Award Agreement	36
ARTICLE XIII ADDITIONAL, SUBSTITUTE AND LIMITED MEMBERS	37
Section 13.1 Admissions	37
Section 13.2 Admission of Additional Members	37
Section 13.3 Admission of Substitute Members	37
Section 13.4 Limited Members	37
Section 13.5 Admission of Equity Plan Members	38
Section 13.6 Withdrawal of Member	39
ARTICLE XIV REPORTS TO MEMBERS	39
Section 14.1 Books and Records	39
Section 14.2 Annual Reports	40
Section 14.3 Quarterly Reports	40
Section 14.4 Tax Returns and Tax Information to Members	41
Section 14.5 Equity Plan Member Information Rights	41
ARTICLE XV EVENTS OF DISSOLUTION	41
Section 15.1 Dissolution	41
Section 15.2 No other Event of Dissolution	41

TABLE OF CONTENTS
(continued)

	Page
ARTICLE XVI TERMINATION	42
Section 16.1 Liquidation	42
Section 16.2 Final Accounting	42
Section 16.3 Cancellation of Certificate	42
ARTICLE XVII EXCULPATION AND INDEMNIFICATION	42
Section 17.1 Exculpation	42
Section 17.2 Indemnification	42
ARTICLE XVIII GENERAL PROVISIONS	43
Section 18.1 Confidentiality	43
Section 18.2 Amendment	44
Section 18.3 Governing Law	45
Section 18.4 WAIVER OF JURY TRIAL	45
Section 18.5 Remedies	45
Section 18.6 Notices	46
Section 18.7 Severability	46
Section 18.8 Counterparts; Signatures	47
Section 18.9 Entire Agreement	47
Section 18.10 Assignment; Binding Effect	47
Section 18.11 Relationship	47
Section 18.12 Interpretation	47
Section 18.13 No Third-Party Beneficiary	47

LIMITED LIABILITY COMPANY
OPERATING AGREEMENT

OF

COMMUNITY CONNECT, LLC

This **LIMITED LIABILITY COMPANY OPERATING AGREEMENT,** effective as of October 26, 2009 (this "**Agreement**"), of Community Connect, LLC, a Delaware limited liability company (the "**Company**"), is made by and among Community Connect, Inc., a Delaware corporation ("**Community Connect**" or the "**Sole Member**"), and each Person subsequently admitted as a Member of the Company in accordance with the terms of this Agreement.

RECITAL

On February 27, 2009, the Company was formed as a limited liability company in accordance with the provisions of the Delaware Limited Liability Company Act, *6 Del. C § 18-101 et seq*, as amended from time to time, and any successor statute (the "**Act**"). The Sole Member wishing to set forth the terms and conditions pursuant to which the Company will conduct its business, and intending to be legally bound hereby, agrees as follows:

ARTICLE I
DEFINITIONS AND CONSTRUCTION

Section 1.1 Definitions. As used in this Agreement, the following terms shall have the meanings set forth below:

"**Additional Member**" shall mean a Person who has acquired Units from the Company after the Effective Date and been admitted as a Member of the Company pursuant to Section 13.2 or, for Equity Plan Members, Section 13.5 hereof.

"**Adjusted Capital Account Deficit**" shall mean, with respect to any Member, the deficit balance, if any, in such Member's Capital Account as of the end of the relevant Taxable Year after giving effect to the following adjustments: (a) credit to such Capital Account any amounts that such Member is obligated to restore pursuant to the penultimate sentences of Regulations §§ 1.704-2(g)(1) and 1.704-2(i)(5); and (b) debit to such Capital Account the items described in Regulations §§ 1.704-1(b)(2)(ii)(d)(4), (5) and (6). This definition of Adjusted Capital Account Deficit is intended to comply with the provisions of Regulations § 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

"**Affiliate**" shall mean, with respect to any Person, any other Person, other than an individual, that is directly or indirectly Controlling, Controlled by or under common Control with such Person.

“**Agreed Value**” shall mean the fair market value of contributed property at the time it is accepted by the Company, as determined by the majority of the Board using any reasonable method of valuation.

“**Applicable Interest Rate**” shall mean the Prime Rate plus 3%.

“**Award Agreement**” shall mean either a Community Connect Award Agreement issued pursuant to the Community Connect Equity Plan or a Combined Award Agreement issued pursuant to the Community Connect Equity Plan and the Interactive Equity Plan, as the case may be.

“**Bankruptcy**” shall mean, with respect to any Person, the occurrence of any of the following events: (a) the filing by such Person of a petition in bankruptcy or for relief under applicable bankruptcy laws; (b) the filing against such Person of any such petition (unless such petition is dismissed within ninety (90) days from the date of filing thereof); (c) entry against such Person of an order for relief under applicable bankruptcy laws; (d) written admission by such Person of its inability to pay its debts as they mature, or a general assignment by such Person for the benefit of creditors; or (e) appointment of a trustee, conservator or receiver for such Person or for any substantial part of the property or affairs of such Person.

“**Board**” shall mean the Board of Managers of the Company consisting of those Managers who are elected from time to time to serve on the Board in accordance with Article IV hereof.

“**Business Day**” shall mean each day of the calendar year other than a Saturday, a Sunday or a day on which banks are required or authorized to close in New York, New York.

“**Capital Account**” shall mean the account maintained for a Member determined in accordance with Article VII hereof.

“**Capital Commitment**” shall mean, as to any Member, the amount of such Member’s commitment, if any, to make Capital Contributions when called upon to do so by the Board, as set forth on Schedule A attached hereto.

“**Capital Contribution**” shall mean the amount of cash or the Agreed Value of any other property (net of any liabilities assumed by the Company or to which such property is subject) contributed to the Company by or on behalf of a Member in consideration for Units as described in Article VI hereof. In the case of a grant of Equity Plan Units to a provider of services to the Company after the date of adoption of the final regulations contemplated by notice of proposed rulemaking REG 105346-03 (May 24, 2005), the Capital Contribution of the applicable Equity Plan Member providing such services shall also include any amount included on or after that date in such Member’s compensation income under Sections 83(a), 83(b) and 83(d)(2) of the Code.

“**Cause**” shall mean: (1) “Cause” as defined in an Equity Plan Member’s employment or consulting agreement, if any, with the Company; or (2) if there is no effective employment or consulting agreement between the Equity Plan Member and the Company that

includes a definition of Cause, then Cause means: (i) a charge, indictment or conviction of, or a plea of guilty or *nolo contendere* to, a misdemeanor involving fraud, embezzlement or an act of moral turpitude, or a felony, whether or not in connection with the performance by the Equity Plan Member of his or her duties or obligations to the Company; (ii) habitual drunkenness or substance abuse; (iii) theft relating to the business of the Company or dishonesty with respect to a material aspect of the Company's business; (iv) the repeated refusal by the Equity Plan Member to use his or her reasonable and diligent efforts to follow the lawful and reasonable policies or directives of the President of the Company or of his or her designated representatives; (v) gross negligence or willful misconduct in the performance of the Equity Plan Member's duties or engaging in illegal activity in connection therewith, including, without limitation, the Equity Plan Member's knowing engagement in any act or course of conduct that would result in the termination or revocation of, or jeopardize the renewal of, any licenses, permits, consents, authorization, approvals or material agreements necessary for the Company to conduct its business or that would have a material adverse effect on the Company; (vi) violation of any nonsolicitation, noncompetition or nondisclosure provision contained in any agreement, including an Award Agreement, entered into by and between the Equity Plan Member and the Company; or (vii) the Equity Plan Member's breach of any fiduciary duty to the Company involving personal gain or profit to the Equity Plan Member. In the case of Newman, the term "Cause" shall be as defined in his employment agreement dated as of May 1, 2007, as amended, between Magazine One, Inc., a subsidiary of Radio One, and Newman (the "Newman Employment Agreement"); provided that for purposes of Section 12.1(c) (and indirectly Section 12.2(c)) of this Agreement, this modified definition of "Cause" for Tom Newman shall refer only to clauses (ii), (vi), (vii), (viii), (ix) or (x) of such definition in his employment agreement.

"**Certificate of Formation**" shall mean the certificate of formation of the Company filed in the Office of the Secretary of State of the State of Delaware pursuant to the Act and through which the Company has been formed.

"**Chairman**" shall mean the individual selected by the Members from time to time to hold such office pursuant to Section 4.7 hereof.

"**Chief Financial Officer**" shall mean the individual selected by the Board from time to time to hold such office pursuant to Section 4.10 hereof.

"**Class A Units**" shall mean Units designated as "Class A Units" as described in Section 5.2(a) hereof.

"**Code**" shall mean the Internal Revenue Code of 1986, as amended from time to time (or any corresponding provisions of succeeding law).

"**Combined Award Agreement**" shall mean the "Combined Interactive One, LLC and Community Connect, LLC Unit Award Agreement" issued pursuant to the Interactive Equity Plan and the Community Connect Equity Plan.

"**Combined Capital Contributions**" shall mean the aggregate Capital Contributions of Community Connect to the Company and Interactive One, Inc. to Interactive

One, net of any distributions to the holders of Class A Units under Section 9.3(a) and net of any deemed distributions pursuant to Section 9.1(b) hereof. According to the books and records of the Sole Member, as of May 11, 2009, the Combined Capital Contributions was approximately $52,000,000. Any Member will be entitled to review the books and records of the Company and Interactive One to verify the accuracy of the amount of Combined Capital Contributions at any time, and in the event of any dispute concerning the amount of Combined Capital Contributions at any time, the decision of Community Connect. shall be binding upon all parties hereto unless a court issues a final and non-appealable decision that the decision of Community Connect. was materially inaccurate, in which case the decision of such court shall govern the determination of the amount of the Combined Capital Contributions. In the event that the amount of the Combined Capital Contributions is challenged hereunder as provided in the immediately preceding sentence, the party prevailing in the court proceeding resulting from such challenge shall be entitled to recoup all costs and expenses incurred in relation to such challenge and the court proceeding from the party that failed to prevail in such court proceeding.

"**Community Connect Award Agreement**" shall mean a Community Connect, LLC Incentive Award Plan Unit Award Agreement issued pursuant to the Community Connect Equity Plan.

"**Community Connect Equity Plan**" shall mean that certain Community Connect, LLC Incentive Award Plan, dated as of February 27, 2009, as it exists from time to time.

"**Control**" (including with correlative meanings "Controls," "Controlling," "Controlled by," "Controlled" or "under common Control with") as used with respect to any Person, shall mean (a) the power of another Person to exercise, directly or indirectly through one or more intermediaries, more than fifty percent (50%) of the Voting Power of such Person or (b) the power to direct or cause the direction, directly or indirectly through one or more intermediaries, of the management and policies of such Person.

"**Depreciation**" shall mean, for each Taxable Year, an amount equal to the depreciation, amortization, or other cost recovery deduction allowable with respect to an asset for such Taxable Year, except that, if the Gross Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such Taxable Year, Depreciation shall be an amount which bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization, or other cost recovery deduction for such Taxable Year bears to such beginning adjusted tax basis; *provided, however*, that if the adjusted basis for federal income tax purposes of an asset at the beginning of such Taxable Year is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the Tax Matters Partner, and *provided,further*, that Depreciation with respect to an asset for which the Company uses the remedial allocation method shall be determined in accordance with Regulations § 1.704-3(d)(2).

"**Distribution**" shall mean a transfer of cash or property by the Company to a Member on account of Units as described in Article IX hereof.

"**Effective Date**" shall mean October 26, 2009.

"**Equity Interests**" shall mean all outstanding Units of the Company, regardless of class or series.

"**Equity Plan Units**" shall mean Units designated as "Equity Plan Units" as described in Section 5.2(b) hereof.

"**Equity Plan Members**" shall mean Members holding Equity Plan Units pursuant to the Community Connect Equity Plan and an Award Agreement.

"**Family Member**" shall mean as to any Person, any lineal descendant of such Person, any Person for whom such Person is a lineal descendant, any sibling of such Person, any spouse of any of the foregoing Persons or any trust for the benefit of any of the foregoing Persons.

"**Federal Rate**" shall mean, for each Taxable Year, the highest federal income tax rate applicable to a U.S. corporation for such Taxable Year.

"**Fully Diluted Basis**" shall mean a computation of Units which includes all outstanding Units and all authorized Equity Plan Units (whether or not outstanding) and all other Units that are issuable upon conversion, exercise or exchange of all derivative equity interests.

"**Grant Date**" shall mean, with respect to a Equity Plan Unit, the date on which such Unit is issued by the Company to a Equity Plan Member pursuant to an Award Agreement.

"**Gross Asset Value**" shall mean, with respect to any asset, such asset's adjusted basis for federal income tax purposes, except as follows:

(a) The initial Gross Asset Value of any asset contributed by a Member to the Company shall be the Agreed Value at the time it is accepted by the Company, unreduced by any liability secured by such asset.

(b) The Gross Asset Value of all Company assets shall be adjusted as provided by Regulation Section 1.704-1(b)(2)(iv)(f)to equal their respective fair market values, as determined by the Board, as of the following times: (i) the acquisition of Units by a new or existing Member in exchange for more than a de minimis Capital Contribution; (ii) the distribution by the Company to a Member of more than a de minimis amount of money or other Company property as consideration for an interest in the Company; (iii) the liquidation of the Company for Federal income tax purposes within the meaning of Treasury Regulation Section 1.704-1(b)(2)(ii)(g); (iv) in connection with the grant of Equity Plan Units (other than a de minimis number of Units) prior to the date of adoption of the final regulations contemplated by notice of proposed rulemaking REG 105346-03 (May 24, 2005) as consideration for the provision of services to or for the benefit of the Company by an existing Equity Plan Member acting in his capacity as a Member, or by a new Equity Plan Member acting in his capacity as a Member or in anticipation of becoming a Member; and (v) in connection with the grant or vesting of Units that have been granted on or after the date of adoption of the final regulations

contemplated by notice of proposed rulemaking REG 105346-03 (May 24, 2005) to a new or existing Equity Plan Member in connection with the performance of services for the Company, but only if such grant or vesting results in such Equity Plan Member recognizing income under section 83 of the Code (or if such grant or vesting would result in such recognition if the Units had a fair market value other than zero); provided, however, that the adjustments pursuant to clauses (i), (ii), (iii), (iv) and (iv) above shall be made only if the Board reasonably determines that such adjustments are necessary or appropriate to reflect the relative economic interests of the Members in the Company.

(c) The Gross Asset Value of any asset of the Company distributed to any Member shall be adjusted to equal the fair market value of such asset as determined by the Board, unreduced by any liability secured by such asset, on the date of Distribution.

(d) The Gross Asset Value of the Company assets shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets pursuant to Code §§ 734(b) or 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Regulations § l.704-1(b)(2)(iv)(m) and paragraph (f) of the definition of "Net Profits" and "Net Losses".

If the Gross Asset Value of an asset has been determined or adjusted pursuant to paragraphs (a), (b) or (d) of this definition, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Net Profits and Net Losses.

"**Interactive One**" shall mean Interactive One, LLC, a Delaware limited liability company that is an affiliate of the Company.

"**Interactive Equity Plan**" shall mean that certain Interactive One, LLC Incentive Award Plan, dated as of February 25, 2009, as such plan may be amended from time to time with the approval of the Board for purposes of providing incentives to employees and other representatives of the Company.

"**Limited Member**" shall mean a Member or other Person that has become a Limited Member pursuant to Section 13.4 hereof or a Person that acquires Units from a Limited Member; *provided* that a Member (that is not a Limited Member) that acquires Units from a Limited Member shall not be deemed to be a Limited Member hereunder but such Member shall, as to such Units, have the rights and obligations of the Limited Member that last held such Units.

"**Manager**" shall mean each individual elected by the Members to serve on the Board pursuant to Article IV. A Manager need not be a Member.

"**Mandatory Tax Distribution**" shall mean, for each Taxable Year, an amount equal to the product of the Tax Rate for such Taxable Year, multiplied by the net taxable income (other than any income or gain attributable to a Sale Transaction) of the Company for such Taxable Year.

“**Member**” shall mean the Sole Member, Substitute Member, Additional Member or Limited Member, as the case may be; and “Members” shall mean the Sole Member, Substitute Members, Additional Members and Limited Members, collectively.

“**Member Nonrecourse Debt**” shall have the meaning of “partner nonrecourse debt” as set forth in Regulations § 1.704-2(b)(4).

“**Member Nonrecourse Deductions**” shall have the meaning of “partner nonrecourse deductions” as set forth in Regulations § 1.704-2(i).

“**Net Gain from a Sale Transaction**” or “**Net Loss from a Sale Transaction**” shall mean the net income, gain, loss or deduction recognized by the Company on a Sale Transaction, computed in accordance with the principles set forth in the definition of “Net Profits” and “Net Losses.”

“**Net Proceeds from a Sale Transaction**” shall mean the proceeds received by the Company or the Members from any Sale Transaction, reduced by the Company’s out-of-pocket costs incurred in connection therewith.

“**Net Profits**” and “**Net Losses**” shall mean, for any Taxable Year or other period, an amount equal to the Company’s taxable income or loss for such year or period, determined in accordance with Code § 703(a) (for this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Code § 703(a)(1) shall be included in taxable income or loss), with the following adjustments:

(a) Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Net Profits or Net Losses shall be added to such taxable income or loss;

(b) Any expenditures of the Company described in Code § 705(a)(2)(B) or treated as Code § 705(a)(2)(B) expenditures pursuant to Regulations § 1.704-1(b)(2)(iv)(i) and not otherwise taken into account in computing Net Profits or Net Losses shall be subtracted from such taxable income or loss;

(c) In the event the Gross Asset Value of any Company asset is adjusted pursuant to paragraphs (b) or (c) of the definition of “Gross Asset Value,” the amount of such adjustment shall be taken into account as gain or loss, as the case may be, from the disposition of such asset for purposes of computing Net Profits or Net Losses;

(d) Gain or loss resulting from any disposition of property with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Gross Asset Value of property disposed of, notwithstanding that the adjusted tax basis of such property differs from its Gross Asset Value;

(e) In lieu of depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account

Depreciation with respect to each asset of the Company for such Taxable Year, computed in accordance with the definition of "Depreciation" above;

(f) To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Code §§ 734(b) or 743(b) is required pursuant to Regulations § 1.704-1 (b)(2)(iv)(m)(4) to be taken into account in determining Capital Accounts as a result of a Distribution other than in complete liquidation of a Member's Units, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases the basis of the asset) from the disposition of the asset and shall be taken into account for purposes of computing Net Profits or Net Losses; and

(g) Net Profits and Net Losses shall not include any Net Gain from a Sale Transaction or Net Loss from a Sale Transaction or any items specifically allocated in Sections 8.5, 8.6, 8.7 and 8.8.

"**Newman**" shall mean Thomas Newman.

"**Non-Equity Plan Members**" shall mean Members other than Equity Plan Members.

"**Nonrecourse Deductions**" shall have the meaning set forth in Regulations § 1.704-2(b)(1).

"**Percentage Interest**" shall mean, with respect to any Member, the ratio of a Member's Units to all outstanding Units, expressed as a percentage. For purposes of determining the number of outstanding Units, all Equity Plan Units awarded under the Community Connect Equity Plan shall be considered outstanding and all Equity Plan Units reserved but not yet awarded shall be allocated among the Non-Equity Plan Members pro rata. Each Member's initial Percentage Interest shall be set forth opposite the name of such Member on Schedule A hereto, and such percentage may be adjusted from time to time pursuant to the terms of this Agreement.

"**Permitted Transferee**"shall mean (a) with respect to the Sole Member, an Affiliate of Radio One and (b) with respect to a Equity Plan Member that is admitted as a Member pursuant to Section 13.5 hereof, (i) the Company, (ii) a transferee pursuant to the Equity Plan Member's will or other similar testamentary disposition or the laws of descent and distribution, (iii) a Family Member of such Equity Plan Member, or (iv) a Person that is an Affiliate of the Equity Plan Member or a Family Member of such Equity Plan Member.

"**Person**" shall mean an individual, corporation, partnership, limited liability company, business trust, estate, unincorporated association, joint venture or other entity of whatever nature.

"**President**" shall mean the individual selected by the Board from time to time to hold such office pursuant to Section 4.9 hereof.

“**Prime Rate**” means the “prime” rate as published from time to time by *The Wall Street Journal* and, if no Prime Rate is published by *The Wall Street Journal*, then the rate announced by a major New York money center bank selected by the Board, as its “prime rate” or “base rate,” or, if no such rate is announced, then the rate charged to its best corporate customers for demand loans, with changes in such rate being effective for purposes of this Agreement as of the date announced.

“Radio One” shall mean Radio One, Inc., a Delaware corporation.

“**Regulations** ” shall mean, except where the context indicates otherwise, the permanent and temporary regulations of the Department of the Treasury promulgated under the Code, as such regulations may be lawfully changed from time to time (including corresponding provisions of succeeding regulations).

“**Sale Transaction**” shall mean (i) the sale, transfer or other disposition of all or substantially all of the assets of the Company in a single transaction or series of related transactions, or (ii) the acquisition of the Company by a Person or group of Persons by means of any transaction or series of related transactions (including, without limitation, any merger, consolidation, or reorganization), if, following such transaction or transactions, the Persons that were Members or Affiliates of Members immediately prior to such transaction or transactions beneficially own, directly or indirectly, less than 50 percent (50%) of both the then outstanding equity securities and the combined Voting Power of the then outstanding securities of the purchaser, transferee or successor; *provided, however*, that any transaction consummated under Sections 12.1 or 12.2 hereof shall not constitute or be deemed to be a Sale Transaction hereunder.

“**Secretary**” shall mean the individual selected by the Board from time to time to hold such office pursuant to Section 4.14 hereof.

“**Sole Member**” shall mean Community Connect, Inc. and shall include, solely for purposes of Article VI hereof, any Substitute Member for the Sole Member.

“**State Rate**” shall mean, for each Taxable Year, the highest combined State and local income (or similar) tax rate applicable to corporations in any single geographical taxing jurisdiction in which the Company conducts business for such Taxable Year; *provided, however*, that for any Taxable Year, the Board may select a lesser tax rate that, in the reasonable good faith judgment of the Board, approximates the combined State and local tax rates to which the Members’ shares of the net income of the Company likely will be subject for such Taxable Year.

“**Substitute Member**” shall mean a Person who has been admitted as a Member pursuant to Section 13.3 hereof; *provided* that a Member that acquires Units from another Member shall not be deemed to be a Substitute Member hereunder.

“**Tax Matters Partner**” shall mean the “tax matters partner” of the Company as defined in Code § 6231(a)(7).

“**Tax Rate**” shall mean, for each Taxable Year, the sum of (a) the Federal Rate for such Taxable Year, plus (b) the product of (i) the State Rate for such Taxable Year, multiplied by (ii) 100% minus the Federal Rate for such Taxable Year.

“**Taxable Year**” shall mean the taxable year of the Company, which shall be the same as the Fiscal Year unless otherwise agreed to by the Board and all of the Members or as otherwise required by applicable law.

“**Transfer**” shall mean, as a noun, any voluntary or involuntary sale, assignment, transfer, grant, hypothecation, pledge, encumbrance or other disposition; and, as a verb, voluntarily or involuntarily to sell, assign, transfer, grant, give away, hypothecate, pledge, encumber or otherwise dispose of, and shall include any transfer by will, gift or intestate succession.

“**Units**” shall mean the personal property ownership interests in the Company, as designated into classes in accordance with Article V of this Agreement, including any and all benefits to which the holder of such personal property ownership interests may be entitled as provided in this Agreement, together with all obligations of such holder to comply with the terms and provisions of this Agreement, including, but not limited to, the rights of each Member in the Distributions, Net Profits, Net Losses and Capital Accounts of the Company with respect to the personal property ownership interests held by such Member.

“**Vested**” means, with respect to the Equity Plan Units, the lapse, in accordance with the terms of the Community Connect Equity Plan or Award Agreement, of the forfeiture restrictions applicable to all or a portion of the Equity Plan Common Units awarded to an Equity Plan Member pursuant to the applicable Award Agreement.

“**Voting Power**” shall mean, with respect to a Person, the power to vote, or to direct the voting of, whether directly or indirectly, through record ownership or any contract, securities that may be cast for the election of the board of directors or the board of managers (or similar governing body) of such Person.

As used in this Agreement, the following terms shall have the meanings set forth in the respective sections of this Agreement identified below:

Term	Section
Annual Budget	4.16(b)
Claims	17.2(a)
Class A Sale Price	12.3(a)
Class A Unit Sale	12.3
Closing Date	12.3(a)
Common Units	5.1(a)
Community Connect	Preamble

Term	Section
Company	Preamble
Confidential Information	18.1
Covered Person	17.1
Covered Persons	17.1
Drag-Along Equity Plan Member	12.3(b)
Electronic Transmission	3.8(b)
Equity Plan Call Closing	12.1(d)
Equity Plan Call Unit Price	12.1(c)
Equity Plan Call Units	12.1(b)
Equity Plan Drag-Along Closing	12.3(c)
Equity Plan Drag-Along Unit Price	12.3(b)
Equity Plan Drag-Along Units	12.3(b)
Equity Plan Put Closing	12.2(d)
Equity Plan Put Unit Price	12.2(c)
Equity Plan Put Units	12.2(b)
Equity Plan Tag-Along Closing	12.4(b)
Equity Plan Tag-Along Unit Price	12.4(a)
Equity Plan Tag-Along Units	12.4(a)
Event of Dissolution	15.1
Fiscal Year	2.9
Indemnified Person	17.2(a)
Indemnified Persons	17.2(a)
Interactive One Equity Plan Units	5.2(b)(iii)
Joinder Agreement	11.1(b)
Liquidation	16.1(a)
Newman Employment Agreement	Definition of "Cause" in this Section 1.1
Permitted Inter-Company Cost Schedule	9.1(b)
Permitted Transfer	11.1(a)
Prohibited Transfer	11.3(a)
Proposed Annual Budget	4.16(a)
Proposed Inter-Company Cost Schedule	9.1(b)

Term	Section
Purchaser	12.3(b)
Qualifying Equity Plan Put Units	12.2(a)
Safe Harbor Election	10.2
Sale Notice	12.3(a)
Service	2.3
Tag-Along Notice	12.4(a)
Tag-Along Seller	12.4(a)

Section 1.2 Company Powers. Subject to the terms of this Agreement, the Company and the Board (acting on behalf of the Company) shall possess and may exercise all of the powers and privileges permitted by the Act, together with any powers incidental thereto, so far as such powers and privileges are necessary or convenient to the conduct, promotion or attainment of the business purposes of the Company specified in Section 2.3 hereof.

Section 1.3 Construction. Whenever the context requires, the gender of any word used in this Agreement includes the masculine, feminine or neuter, and the number of any word includes the singular or plural. The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” Unless the context otherwise requires, all references to articles, sections and paragraphs refer to articles, sections and paragraphs of this Agreement, and the terms “hereof,” “herein,” and other like terms refer to this Agreement as a whole, including the schedules hereto.

Section 1.4 Headings. The headings and subheadings in this Agreement are included for convenience and identification only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof.

ARTICLE II
FORMATION AND ORGANIZATION

Section 2.1 Formation. The Company was formed as a Delaware limited liability company pursuant to the provisions of the Act by filing the Certificate of Formation for the Company with the Office of the Secretary of State of the State of Delaware in conformity with the Act. The Company and, if required, the Members and each of the future Members, if any, shall execute or cause to be executed from time to time all other instruments, certificates, notices and documents and shall do or cause to be done all such acts and things (including keeping books and records and making publications or periodic filings) as may now or hereafter be required for the formation, valid existence and, when appropriate in accordance with the terms of this Agreement, termination of the Company as a limited liability company under the laws of the State of Delaware.

Section 2.2 Name. The name of the Company shall be “**COMMUNITY CONNECT, LLC**” and its business shall be carried on in such name with such variations and changes as the Board shall determine or deem necessary or desirable to comply with

requirements of the jurisdictions in which the Company's operations are conducted or to comply with applicable law.

Section 2.3 Business Purpose. The Company is formed for the purpose of developing and conducting certain Internet activities for Radio One (the "**Service**"). The Company may engage in other business purposes permitted under the Act only upon the approval of the Board.

Section 2.4 Registered Office and Agent. The location of the registered office of the Company in the State of Delaware shall be 2711 Centerville Road, Wilmington, Delaware 19808. The Company's registered agent at such address shall be Corporation Service Company. The Board may, from time to time, change the Company's registered office or registered agent, and shall forthwith amend the Certificate of Formation to reflect such change.

Section 2.5 Term. The existence of the Company commenced on the Effective Date and, subject to the provisions of Articles XV and XVI below, the Company shall have perpetual existence. Notwithstanding the actual date of execution of this Agreement, this Agreement shall be effective as of the Effective Date, pursuant to Section 18-201(d) of the Act

Section 2.6 Principal Place of Business. The principal place of business of the Company shall be located at 205 Hudson Street, 6th Floor, New York, New York 10013 or at such other location as the Board may, from time to time, select.

Section 2.7 Title to Company Property. Legal title to all property of the Company shall be held, vested and conveyed in the name of the Company and no real or other property of the Company shall be deemed to be owned by the Members individually.

Section 2.8 Business Transactions of the Members and Managers with the Company. In accordance with Section 18-107 of the Act and subject to the terms and conditions of this Agreement, each Member and Manager may lend money to, borrow money from, act as a surety, guarantor or endorser for, guarantee or assume one or more obligations of, provide collateral for, and transact other business with, the Company and, subject to applicable law, shall have the same rights and obligations with respect to any such matter as a Person who is not a Member or Manager.

Section 2.9 Fiscal Year. The fiscal year of the Company (the "**Fiscal Year**") for financial statement purposes shall end on December 31 of each year. The Board may change the Fiscal Year solely upon receiving the written consent of all of the Members.

Section 2.10 Other Qualifications. The Members agree that the Company shall file or record such documents and take such other actions under the laws of any jurisdiction as are necessary or desirable to permit the Company to do business in any such jurisdiction and/or promote the limitation of liability for the Members in any such jurisdiction. Each Member hereby authorizes the Board to take any action that may be necessary or desirable in order to permit the Company to do business (or facilitate the doing of business) in any jurisdiction and/or to promote the limitation of liability for the Members therein; *provided* that any such action is not in conflict with any of the terms of this Agreement.

Section 2.11 No State Law Partnership. The parties to this Agreement agree to form a limited liability company and do not intend to form a partnership under the laws of the State of Delaware or any other laws; *provided*, *however*, that, to the extent permitted by U.S. or other applicable law, the Company shall be treated as a partnership for U.S. federal, state and local income tax purposes.

ARTICLE III
THE MEMBERS

Section 3.1 Members; Powers of Members. The name and address of each Member is set forth on Schedule A hereto. Schedule A shall be amended from time to time by (a) the Board (without any further action by the Members or any class of Members) to reflect the admission of an Additional Member, Substitute Member or Limited Member in accordance with Article XIII hereof, the Transfer of Units between Members, the acquisition or forfeiture of Units by Members or the withdrawal of a Member pursuant to Section 13.6 hereof, in each case provided that such actions complied with the terms of this Agreement or (b) the Secretary of the Company (without any further action by the Members or any class of Members) to reflect any updated notice information for a Member properly delivered by such Member to the Company. The Members shall have the power to exercise any and all rights or powers granted to the Members (or individual or groups of Members, if applicable) pursuant to the express terms of this Agreement. Except as otherwise provided in this Agreement or specifically required by the Act (which requirement may not be waived or superseded by a contrary provision in a Delaware limited liability company's operating agreement) (i) no Person or Persons other than the Board acting under the authority of this Agreement, and individuals authorized by the Board acting under the authority of the Board, shall have the power to act for or on behalf of, or to bind, the Company and (ii) no Member shall have the right to vote upon or consent to any matter.

Section 3.2 Meetings of Members. Meetings of the Members, for any purpose or purposes, unless otherwise prescribed by the Act or by this Agreement, may be called by the Chairman and shall be called by the Secretary at the request in writing of any Member or Members owning at least twenty-five percent (25%) of the Vested Units on a Fully Diluted Basis. Such request shall state the purpose or purposes of the proposed meeting. Business transacted at any meeting of the Members will be limited to the purposes stated in the notice.

Section 3.3 Place of Meetings. The Board may designate any place, either within or outside of the State of Delaware, as the place of meeting for any meeting of the Members. If no designation is made, the place of meeting shall be the principal executive offices of the Company. Members may participate in a meeting by means of a conference telephone or electronic media by means of which all Persons participating in the meeting can communicate concurrently with each other, and any such participation in a meeting shall constitute presence in person of such Member at such meeting.

Section 3.4 Notice of Members' Meetings.

(a) Written notice stating the place, day, and hour of the meeting and the purpose for which the meeting is called shall be delivered not less than ten (10) days nor more

than fifty (50) days before the date of the meeting, by or at the direction of the Person calling the meeting to each Member of record of Units entitled to vote at such meeting.

(b) Notice to Members shall be made and shall be deemed effective in accordance with Section 18.7 hereof.

(c) When a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting the Company may transact any business which might have been transacted at the original meeting. If the adjournment is for more than thirty (30) days, a notice of the adjourned meeting shall be given to each Member holding Units entitled to vote at the meeting.

Section 3.5 Waiver of Notice.

(a) When any notice is required to be given to any Member of the Company under the provisions of Section 3.4 hereof, a waiver thereof in writing signed by the Person entitled to such notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of such notice.

(b) By attending or participating in a meeting, a Member:

(i) waives objection to lack of notice or defective notice of such meeting unless the Member, at the beginning of the meeting, objects to the holding of the meeting or the transacting of business at the meeting; and

(ii) waives objection to consideration at such meeting of a particular matter not within the purpose or purposes described in the meeting notice unless the Member objects to considering the matter when it is presented.

Section 3.6 Voting Record. The Secretary shall make a complete record of the Members entitled to vote at each meeting of Members or any adjournment thereof, and the results of any such vote of the Members. Members shall be entitled to inspect such voting record during normal business hours at the Company's principal executive offices.

Section 3.7 Vote Required. Only those actions that require the approval of the Members (or certain individual classes of the Members) under this Agreement or that specifically require the approval of the Members under the Act (which requirement may not be waived or superseded by a contrary provision in a Delaware limited liability company's operating agreement) shall be submitted to the Members for approval. On all matters submitted to all of the Members for approval, the affirmative vote, in person or by proxy, of the holders of a majority of the outstanding Units entitled to vote shall be the act of the Members, unless the vote of a greater proportion is required by the Act or this Agreement.

Section 3.8 Action by Written Consent of Members.

(a) Any action required or permitted to be taken at any meeting of the Members may be taken without a meeting if Members holding not less than the minimum number of Units that would be necessary to approve the action pursuant to the terms of this Agreement consent thereto in writing. Such writing or writings shall be filed with the minutes of the proceedings of the Members. In no instance where action is authorized by written consent shall a meeting of Members be called or notice be given; however, a copy of the action taken by written consent shall be maintained with the records of the Company. Reasonably prompt notice of the taking of any action taken without a meeting by less than unanimous written consent shall be given to those Members who have not consented in writing and who, if the action had been taken at a meeting, would have been entitled to notice of the meeting if the record date for such meeting had been the date that written consents signed by a sufficient number of Members to take the action were obtained. Written consent by the Members pursuant to this Section 3.8 shall have the same force and effect as a vote of such Members taken at a duly held meeting of the Members and may be stated as such in any document.

(b) An Electronic Transmission consenting to an action to be taken and transmitted by a Member, or by a Person or Persons authorized to act for a Member, shall be deemed to be written, signed and dated for purposes of this Section 3.8, *provided* that any such Electronic Transmission sets forth or is delivered with information from which the Company can determine (i) that the electronic transmission was transmitted by the Member, or by a Person or Persons authorized to act for the Member, and (ii) the date on which such Member or authorized Person or Persons transmitted such electronic transmission. The date on which such electronic transmission is transmitted shall be deemed to be the date on which such consent was signed. For the purposes of this Agreement, "**Electronic Transmission**" means any form of communication not directly involving physical transmission of paper that creates a record that may be retained, retrieved and reviewed by a recipient thereof and that may be directly reproduced in paper form by such recipient through an automated process.

(c) Any copy, facsimile or other reliable reproduction of a consent in writing may be substituted or used in lieu of the original writing for any and all purposes for which the original writing could be used, *provided* that such copy, facsimile or other reproduction shall be a complete reproduction of the entire original writing.

Section 3.9 No Liability of Members. All debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and no Member shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a Member.

ARTICLE IV
MANAGEMENT OF THE COMPANY

Section 4.1 Management by Board of Managers. Except for situations in which the approval of Members is expressly required by this Agreement or by a provision of the Act (which cannot be waived or superseded by this Agreement), the powers of the Company shall be

exercised by or under the authority of a Board of Managers and such Board of Managers may make (or designate to officers of the Company in accordance with this Agreement the authority to make) all decisions affecting the business and affairs of the Company. All decisions made, and all actions taken, by the Board shall be made or taken only with the affirmative consent of both Managers or, if there are more than two Managers, a majority of the Managers then serving on the Board (each Manager having one vote). The Managers shall be elected annually by a majority in interest of the Class A Members. Each Manager shall serve until the next annual election of Managers by a majority in interest of the Class A Members or his or her earlier resignation, removal, incapacity or death. The number of Managers shall be determined by a majority in interest of the Class A Members. As of the date hereof, the number of Managers that constitutes the Board is two (2), and consists of Alfred C. Liggins III and Linda J. Vilardo.

Section 4.2 Removal; Resignations; Vacancies.

A Manager may be removed by a majority in interest of the Class A Members at any time, with or without cause. Any Manager may resign at any time by providing written notice to each Manager and each Class A Member entitled to vote. Such resignation shall be effective upon receipt of such notice by each of the Persons indicated above or, if later, at the time specified in such written notice of resignation. If at any time a vacancy is created on the Board by reason of an increase in the number of Managers by a majority in interest of the Class A Members or the incapacity, death, removal or resignation of a Manager, then a majority in interest of the Class A Members shall fill the new position or designate a replacement for such Manager by delivering a written notice of such new election or replacement to the other Managers and the other Members. From and after the date on which the other Managers and the other Members receive such notice, the new or replacement Manager shall be deemed to be a Manager and shall have all authority, power and capacity accorded to a Manager on the Board.

Section 4.3 Meetings of the Board.

(a) The Board shall meet at such times as determined by the Board to be necessary for the management of the Company's business. Meetings of the Board may be called by the Chairman or any Manager on at least three (3) days' prior written notice of the time and place of such meeting. A majority of the Managers then in office shall constitute a quorum for the transaction of business by the Board.

(b) Notice of any Board meeting may be waived by any Manager before or after such meeting.

(c) By attending or participating in a meeting, a Manager:

(i) waives objection to lack of notice or defective notice of such meeting unless the Manager, at the beginning of the meeting, objects to the holding of the meeting or the transacting of business at the meeting; and

(ii) waives objection to consideration at such meeting of a particular matter not within the purpose or purposes described in the meeting notice unless the Manager objects to considering the matter when it is presented.

(d) Meetings of the Board or committees thereof may be conducted in person or by telephone conference facilities. Any action required or permitted to be taken at any meeting of the Board may be taken without a meeting if all of the Managers then in office consent thereto in writing (including by Electronic Transmission), and the writing or writings (including Electronic Transmissions) are filed with the minutes of proceedings of the Board. The date on which an Electronic Transmission is transmitted shall be deemed to be the date on which such consent was signed.

Section 4.4 Compensation of Managers. Managers shall not receive any salary or other compensation for their services, but shall be reimbursed for their reasonable out-of-pocket expenses incurred in attending meetings of the Board and any committees thereof.

Section 4.5 Power to Bind Company. No Manager (acting in his or her capacity as such) shall have any authority to bind the Company with respect to any matter except pursuant to a resolution expressly authorizing such action which resolution is duly adopted by the Board by the affirmative vote required for such matter pursuant to this Agreement or the Act.

Section 4.6 Committees. The Board also may designate one or more committees, each committee to consist of one or more of the Managers of the Company. The Board may designate one or more Managers as alternate members of any committee, who may replace any absent or disqualified member at any meeting of any such committee. Any committee, to the extent permitted by law and provided in the resolution establishing such committee, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Company. Each committee shall keep regular minutes and report to the Board promptly following each committee meeting.

Section 4.7 Chairman of the Board. There shall be a Chairman of the Board of the Company (the "**Chairman**") (who is currently Alfred C. Liggins III), who shall serve as such until the earlier of his or her death, resignation or removal by the Board, with or without cause, which removal shall require the written consent of the Board.

(a) The Chairman shall have the responsibility for (i) general oversight of the operations of the Company, including oversight over the President of the Company, and (ii) reporting to the Board regarding the financial and operational status of the Company.

(b) If, at any time, a vacancy is created in the position of Chairman for any reason, including by reason of the incapacity, death, removal or resignation of the initial Chairman, Alfred C. Liggins III, then a majority in interest of the Class A Members shall, within thirty (30) days of the date of the vacancy, appoint a new Chairman.

Section 4.8 Officers and Related Persons; Retention of Authority by Board; Matters Not Subject to Approval.

(a) The Board shall have the authority to appoint and terminate officers of the Company in accordance with and subject to the provisions of Sections 4.7 and 4.9 through 4.15 hereof and retain and terminate employees, agents and consultants of the Company. The Board may delegate such duties to any such officers, employees, agents and consultants as the Board

deems appropriate, including the power, acting individually or jointly, to represent and bind the Company in all matters, in accordance with the scope of their respective duties; *provided, however,* that the Board may not delegate any of its duties and obligations under this Agreement and may not delegate any duties that are required to be exercised by the Board under the Act or any duties that a Board of Directors of a Delaware corporation is required to retain and exercise under the Delaware General Corporation Law.

(b) Without limiting the provisions of Section 4.8(a) hereof or any other provision of this Agreement, prior approval of the Board shall be required before the Company shall be permitted to take any of the following actions:

(i) the entering into, amendment or waiver of the terms of, or termination of any contract or agreement (A) providing for receipts to or expenditures by the Company in any twelve (12) month period in excess of $100,000, and (B) with any Member or any Affiliate thereof, except as otherwise provided in this Agreement;

(ii) any issuance of Equity Plan Units;

(iii) any authorization of or incurrence of any indebtedness from any Person or Persons in an amount greater than $100,000 over any consecutive twelve (12) month period;

(iv) commencing any litigation proceeding; or

(v) settling any litigation proceeding (A) for an amount in excess of $50,000, or (B) involving a Manager or a senior executive officer of the Company.

Section 4.9 President. There shall be a President of the Company who shall be appointed by the Board upon the recommendation of the Chairman and serve as such until the earlier of his or her death, resignation or removal by the Board, with or without cause. The President shall have the responsibility for managing the day-to-day business operations and affairs of the Company and supervising its other officers, subject to the direction, supervision and control of both the Chairman and the Board. In general, the President shall (subject to Section 4.8 hereof) have such other powers and perform such other duties as usually pertain to the office of the President of a corporation under Delaware law, including, without limitation, the authority to appoint and terminate officers of the Company (other than the Chairman) and retain and terminate employees of the Company to whom the President may delegate his or her duties; provided, however, the President shall be subject to the power of the Chairman or the Board at any time or from time to time to withhold authority with respect to any matter or assign specific duties and responsibilities to him or her The initial President is Thomas Newman.

Section 4.10 Chief Financial Officer. The Board may appoint a Chief Financial Officer of the Company who shall serve as such until the earlier of his or her death, resignation or removal by the Board, with or without cause. In general, the Chief Financial Officer shall have such powers and perform such duties as usually pertain to the office of Chief Financial Officer of a corporation under Delaware law. The initial Chief Financial Officer is Gillian Kellie.

Section 4.11 Vice Presidents. The Board may from time to time appoint one or more Vice Presidents who shall each serve until the earlier of his or her death, resignation or removal by the Board with or without cause. Each Vice President shall have such powers and duties as may be assigned to him or her by the Board (subject to Section 4.8 hereof) or the President.

Section 4.12 Treasurer. There shall be a Treasurer of the Company who shall be appointed by the Board and serve as such until the earlier of his or her death, resignation or removal by the Board, with or without cause. The Treasurer shall have custody of the Company's funds and securities, shall keep full and accurate account of receipts and disbursements, shall deposit all monies and valuable effects in the name and to the credit of the Company in such depository or depositories as may be designated by the Board, and shall perform such other duties as may be assigned to him or her by the Board (subject to Section 4.8 hereof) or the President.

Section 4.13 Assistant Treasurers. The Board may from time to time appoint one or more Assistant Treasurers who shall each serve until the earlier of his or her death, resignation or removal by the Board with or without cause. Each Assistant Treasurer shall have such powers and duties as may be assigned to him or her by the Board (subject to Section 4.8 hereof) or the President.

Section 4.14 Secretary. There shall be a Secretary of the Company who shall be appointed by the Board and serve as such until the earlier of his or her death, resignation or removal by the Board, with or without cause. Except as otherwise provided in this Agreement, the Secretary shall keep the minutes of all meetings of the Board and of the Members in books provided for that purpose, and shall attend to the giving and service of all notices. The Secretary may sign with the Chairman or President all certificates representing Units of the Company, if any, and shall have charge of the transfer books, and other papers as the Board may direct, all of which shall at all reasonable times be open to inspection by any Manager (or any designee thereof) upon prior written request at the office of the Company during normal business hours. The Secretary shall perform such other duties as may be assigned to him or her by the Board (subject to Section 4.8 hereof) or the President. The initial Secretary is Linda J. Vilardo.

Section 4.15 Assistant Secretaries. The Board may from time to time appoint one or more Assistant Secretaries who shall each serve until the earlier of his or her death, resignation or removal by the Board with or without cause. Each Assistant Secretary shall have such powers and duties as may be assigned to him or her by the Board (subject to Section 4.8 hereof) or the President.

Section 4.16 Adoption of the Annual Budget.

(a) Prior to January 1, 2009 and thereafter at least sixty (60) days prior to the last day of each calendar year (beginning with the year 2009), the President shall present a proposed annual budget (the "**Proposed Annual Budget**") to the Board, such Proposed Annual Budget to contain detailed projections covering the Company's anticipated revenues and expenses for the applicable period.

(b) The Chairman shall call a meeting of the Board as soon as practicable after the delivery of the Proposed Annual Budget to the Board, which meeting shall take place no later than thirty (30) days prior to the end of the applicable calendar year. At this meeting, at which the President shall receive written notice and the right to be present, the Board shall approve the Proposed Annual Budget, with such changes as the Board may approve (in the form approved by the Board, the **"Annual Budget"**).

(c) A copy of the Annual Budget shall be provided to the President and each Non-Equity Plan Member within ten (10) Business Days of approval by the Board.

Section 4.17 Employment Agreements.

(a) Subject to Section 4.17(b), the rights and obligations of the Company or the Board with respect to any officer as set forth in this Article IV and elsewhere in this Agreement shall not override or supersede the contractual obligations of the Company or Radio One, as employer, or the rights of any officer, as employee, in each case under any employment agreement to which such officer of the Company is a party.

(b) This Agreement, the limited liability company agreement of Interactive One and the Combined Award Agreement with Newman dated October 26, 2009, shall supercede and replace Sections 5 and 7(d) of the Newman Employment Agreement and Schedule A thereto, and all references to Section 7(d) and Schedule A in the Newman Employment Agreement (including those in Section 2.2) shall be deemed to be references to this Agreement, such limited liability company agreement and such Award Agreement. Newman acknowledges that by reason of this Agreement, the limited liability company agreement of Interactive One and the Combined Award Agreement dated October 26, 2009, the obligations of Radio One and its subsidiaries under Section 7(d) of the Newman Employment Agreement have been satisfied.

(c) The terms and conditions of this Section 4.17 shall supercede anything to the contrary contained in this Agreement.

ARTICLE V
CAPITAL STRUCTURE

Section 5.1 Authorized Units.

(a) The Company is authorized to issue one class of Units designated as "**Common Units**". The total number of Common Units which the Company is authorized to issue is Ten Thousand (10,000) Units. The Board may increase the number of authorized Units and create additional classes and/or series of Units, subject to the approval of a majority in interest of the Class A Members. In the event that the authorized number of Units available for issuance is increased pursuant to this Section 5.1, the Board shall indicate the total number of Units available for issuance with respect to any then existing class and/or series and any new class and/or series after giving effect to such approved increase. Any increase in the authorization of, or the issuance of additional, Common Units or the authorization or issuance of new or additional classes and/or series of Units shall not supersede the express rights of any

holder of Equity Plan Units as set forth in the Award Agreement or employment agreement to which such holder is a party.

(b) As of the date hereof, there are two (2) separate series of Common Units designated as "**Class A Units**" and "**Equity Plan Units**." The total number of Class A Units which the Company has authority to issue is Nine Thousand (9,000) Class A Units and the total number of Equity Plan Units which the Company has authority to issue One Thousand (1,000) Equity Plan Units.

Section 5.2 Rights of Designated Common Units. The series of Common Units designated as of the date hereof shall have the following rights, preferences and limitations (subject to the restrictions and limitations on the rights of any Limited Member as set forth in Section 13.4 hereof):

(a) Class A Units.

(i) Voting Rights. Subject to Section 13.4 hereof, each Member holding Class A Units shall have the right to one vote per Class A Unit held, and shall be entitled to notice of any Members' meeting in accordance with this Agreement, and shall be entitled to vote upon such matters and in such manner as may be provided by the Act or this Agreement.

(ii) Other Rights. Subject to Section 13.4 hereof, each holder of Class A Units shall have rights applicable to all Members (in their capacity as Members without regard to any rights attributable to any specific class or series of Units) and otherwise provided hereunder expressly for Members holding Class A Units.

Notwithstanding any other provision to the contrary in this Agreement, none of the following actions shall be taken by the Company without (and the Board and officers, on behalf of the Company, shall not take such action without) the prior approval the holders of at least fifty percent (50%) of the outstanding Class A Units:

(1) any amendment, modification or termination of the Certificate of Formation, except to change the Company's registered office or registered agent;

(2) any creation of a new class or series of Units or reclassification of the existing Units, in either case which provides for any rights or preferences equal to or greater than those provided in this Agreement for the Class A Units;

(3) the issuance of any additional Units other than Equity Plan Units reserved for issuance pursuant to Section 5.1 and the Community Connect Equity Plan and approved by the Board;

(4) entering into any agreement or other document to effect a Sale Transaction or the consummation of any Liquidation;

(5) any Distribution, unless such Distribution is a Mandatory Tax Distribution approved by the Board or is otherwise expressly provided for in this Agreement;

(6) any redemption, purchase or other acquisition of any outstanding Units, except as otherwise expressly provided in this Agreement or the Community Connect Equity Plan;

(7) except as otherwise provided in this Agreement, any change in the authorized number of Managers on the Board;

(b) Equity Plan Units.

(i) Voting Rights. The Equity Plan Units shall be non-voting.

(ii) Other Rights. The rights of each Equity Plan Member shall be limited to those expressly provided to such Member in this Agreement.

(iii) The Members acknowledge and agree that the Board may issue Equity Plan Units simultaneously with equity plan units ("**Interactive One Equity Plan Units**") that are issued by Interactive One, an Affiliate of the Company, under the Interactive One Equity Plan and that the Equity Plan Units and the Interactive One Equity Plan Units are to carry identical rights and obligations to the fullest extent permitted by law and will be evidenced by the Combined Award Agreement. All rights with respect to the Equity Plan Units that are subject to the Combined Award Agreement shall be subject to all of the terms and conditions of the Combined Award Agreement.

Section 5.3 Reservation and Issuance of Common Units.

(a) Class A Units. Four Thousand Seven Hundred and Fifty (4,750) Class A Units were issued on the Effective Date to the Sole Member. The remaining authorized Class A Units shall be reserved for issuance to the extent authorized under Section 5.2.

(b) Equity Plan Units. One Hundred (100) Equity Plan Units were issued on the Effective Date to Newman. The remaining authorized Equity Plan Units shall be reserved for issuance to employees and consultants of the Company in accordance with the Community Connect Equity Plan. No Capital Contribution or Capital Commitment is required in exchange for such Units other than as required under the Community Connect Equity Plan or applicable Award Agreement.

Section 5.4 Units Subject to Forfeiture.

(a) Subject to the express terms of any applicable Award Agreement or employment agreement, all Units of a Limited Member shall be subject to forfeiture in accordance with the provisions of Section 13.4(c) hereof.

(b) All Equity Plan Units that fail to Vest pursuant to the terms of the Community Connect Equity Plan and the related Award Agreement shall be forfeited.

(c) A Member who forfeits Units shall retain no interest in profits or capital of the Company associated with such Units.

Section 5.5 No Appraisal Rights. No class or series of Units or Members shall be entitled to appraisal rights in connection with or as a result of any amendment to this Agreement, any merger or consolidation of the Company, any conversion of the Company to another business form, any transfer to or domestication in any jurisdiction by the Company or the sale of all or substantially all of the Company's assets.

ARTICLE VI
CONTRIBUTIONS

Section 6.1 Initial Capital Contribution.

(a) The Sole Member made the Capital Contribution set forth opposite its name under the heading **"Capital Contribution"** on Schedule A hereto and has received therefore 4,750 Class A Units.

Section 6.2 Further Contributions. No further Capital Contributions (including any cash that may be required to pay Company costs and expenses) shall be required of any Member.

Section 6.3 Interest. No interest shall accrue on any Capital Contribution and no Member shall have the right to withdraw or be repaid any Capital Contribution, except as otherwise provided in this Agreement.

Section 6.4 No Return of Capital Contribution. Except as expressly provided in this Agreement, no Member shall be entitled to a return of its Capital Contribution.

Section 6.5 No Loans. If any Member advances any money to, or on behalf of, the Company, the amount of any such advance shall not be deemed a Loan but shall be deemed an additional Capital Contribution of such Member. No Interest shall accrue on any such advance. Additional Capital Contributions from a Member shall not result in the issuance of additional Class A Units to such Member unless all Members (including the holders of Equity Plan Units) approve such issuance.

ARTICLE VII
CAPITAL ACCOUNTS

Section 7.1 Maintenance of Capital Accounts.

(a) The Company shall establish and maintain Capital Accounts for each Member in accordance with the following provisions:

(i) to each Member's Capital Account there shall be credited (A) such Member's Capital Contributions, including the Agreed Value of any contributions other than cash, (B) such Member's distributive share of Net Profits and any items in the nature of income or gain that are specially allocated, and (C) the amount of any Company liabilities assumed by such Member or that are secured by any property distributed to such Member; and

(ii) to each Member's Capital Account there shall be debited (A) the amount of money and the Gross Asset Value of any other property distributed to such Member pursuant to any provision of this Agreement, (B) such Member's distributive share of Net Losses and any items in the nature of expense or losses that are specially allocated and (C) the amount of any liabilities of such Member assumed by the Company or that are secured by any property contributed by such Member to the Company (to the extent not otherwise taken into account in determining a Member's Capital Contribution).

(b) This Section and other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Regulations § 1.704-1(b), and shall be interpreted and applied in a manner consistent with such Regulations. Notwithstanding that a particular adjustment is not set forth in this Section 7.1, the Capital Accounts of the Members shall be adjusted as required by, and in accordance with, the capital account maintenance rules of Regulations § 1.704-1(b).

Section 7.2 Negative Capital Accounts. No Member shall be required to make up a Capital Account deficit or to pay to any Member the amount of any such deficit.

Section 7.3 Sale or Exchange of Units. In the event of a Transfer of some or all of a Member's Units, the Capital Account of the transferring Member shall become or be added to the Capital Account of the Substitute Member or the Member that acquires Units in such Transfer, to the extent it relates to the Member's Units so Transferred, and, with respect to the Units so Transferred, the provisions of Articles VIII and IX shall apply to the Substitute Member or the Member that acquires such Units as if such Person had held such Units from inception and received all allocations and distributions with respect to such Units that have been received by the transferring Member.

ARTICLE VIII
ALLOCATIONS OF PROFITS AND LOSSES

Section 8.1 Net Profits. Except as otherwise provided herein, Net Profits shall be allocated among the Members in accordance with each Member's Percentage Interest.

Section 8.2 Net Losses. Except as otherwise provided herein, Net Losses shall be allocated among the Members in accordance with each Member's Percentage Interest.

Section 8.3 Limitation on Allocation of Losses. If an allocation of Net Losses to a Member would cause an Adjusted Capital Account Deficit for such Member, such Net Losses shall instead be allocated among Members with positive Capital Account balances in proportion to such balances.

Section 8.4 Allocation of Nonrecourse Deductions. Nonrecourse Deductions shall be allocated among the Members in proportion to each Member's Percentage Interest.

Section 8.5 Allocation of Member Nonrecourse Deductions. Member Nonrecourse Deductions shall be allocated, as provided in Regulations § 1.704-2(i)(1) to the Members in accordance with the ratios in which they bear the economic risk of loss for the relevant Member Nonrecourse Debt for purposes of Regulations § 1.752-2.

Section 8.6 Qualified Income Offset. If any Member unexpectedly receives any adjustments, allocations or distributions described in Regulations § 1.704-1(b)(2)(ii)(d)(4), (5) or (6), items of Company income and gain shall be specially allocated to each such Member in an amount and manner sufficient to eliminate, to the extent required by the Regulations, the Adjusted Capital Account Deficit of such Member as quickly as possible, *provided* that an allocation pursuant to this Section 8.6 shall be made only if and to the extent that such Member would have an Adjusted Capital Account Deficit after all other allocations provided for in this Article VIII have been tentatively made as if this Section 8.6 were not in the Agreement.

Section 8.7 Minimum Gain Chargeback. In the event that there is a net decrease in the partnership minimum gain of the Company during a Taxable Year, the minimum gain chargeback described in Regulations §§ 1.704-2(f) and (g) shall apply.

Section 8.8 Partner Minimum Gain Chargeback. In the event that there is a net decrease in partner nonrecourse debt minimum gain (as defined in Regulations § 1.704-2) during a Taxable Year, any Member with a share of that nonrecourse debt minimum gain (determined under Regulations § 1.704-2(i)(5)) as of the beginning of the year must be allocated items of income and gain for the year (and, if necessary, for succeeding years) equal to that Member's share of such net decrease in accordance with Regulations § 1.704-2(i)(4).

Section 8.9 Book-Ups/Tax Disparities.

(a) In the case of contributed property, items of income, gain, loss and deduction, shall be allocated for federal income tax purposes in a manner consistent with the requirements of Code § 704(c) and Regulations § 1.704-3 to take into account the difference between the Agreed Value of such property and its adjusted tax basis at the time of contribution.

(b) In the event of an adjustment to Capital Accounts in accordance with paragraph (b) of the definition of "Gross Asset Value," items of income, gain, loss and deduction shall thereafter be allocated for federal income tax purposes in a manner consistent with Regulations § 1.704-3(a)(6)(i).

(c) Allocations under this Section 8.9 shall not affect Capital Accounts of the Members. The method or methods to be elected under Regulations § 1.704-3 for such allocations shall be selected by the Tax Matters Partner.

Section 8.10 Individual Tax Items. For each Taxable Year (or portion thereof) in which one Member owns all of the Percentage Interests, all Company items of income, gain, loss and deduction, and all other tax items for such Taxable Year (or portion thereof), shall be

allocated to such Member. Except as otherwise provided in the preceding sentence and in Section 8.9, all Company items of income, gain, loss, and deduction, and all other tax items for each Taxable Year, shall be allocated among the Members as follows: (a) each Member's allocable share of each item included in the computation of Net Profit or Net Loss for that year shall equal such Member's overall percentage share of the Net Profit or Net Loss for such year, (b) each Member's allocable share of each item included in the computation of Net Gain from a Sale Transaction or Net Loss from a Sale Transaction for such year shall equal such Member's overall percentage share of the Net Gain from a Sale Transaction or Net Loss from a Sale Transaction for such year, and (c) each Member shall be allocated any items specifically allocated to such Member under Sections 8.5, 8.6, 8.7 and 8.8.

Section 8.11 Tax Credits. Tax credits of the Company, if any, shall be allocated among the Members in proportion to the number of Units held by each Member.

Section 8.12 Changes in Number of Units. In the event the number or character of Units held by a Member changes during a Taxable Year, the allocation of items of income, gain, loss and deduction to such Member shall be based on the weighted average number of Units held by the Member and the weighted average number of Units outstanding during the Taxable Year, unless otherwise required by the Code or Regulations or agreed to by each Member affected by such allocation. Further, any items of deduction allowable to the Company on account of a compensatory transfer of Equity Plan Units and any adjustment to the Gross Asset Value of Company assets that is taken into account as gain or loss in accordance with paragraph (c) of the definition of Net Profits and Net Losses shall be allocated to and among the Members in proportion to the Units they held immediately prior to the date the grantee of such Equity Plan Units included corresponding amounts as compensation income under Sections 83(a), 83(b) or 83(d)(2) of the Code.

ARTICLE IX
DISTRIBUTIONS

Section 9.1 Limitations on Distributions.

(a) No Distribution to Members shall be declared or paid unless, after giving effect to such Distribution, the fair value of all assets of the Company exceeds all liabilities of the Company (and such reserves as shall be reasonably established by the Board), other than liabilities to Members on account of their Capital Accounts.

(b) Further, notwithstanding anything herein to the contrary, no Distribution shall be made to the holder of any Equity Plan Unit holder until and unless (i) the holders of the Class A Units and the holders of Class A Units of Interactive One have received Distributions from both the Company and Interactive One equal to the Combined Capital Contributions and (ii) the holders of Class A Units and the other holders of Equity Plan Units have (to the extent not in duplication of subclause (i)) received Distributions equal to each such Member's Capital Account balance immediately before the issuance of the Equity Plan Units with respect to which such Distribution would otherwise be made (taking into account the last sentence of Section 8.12). For purposes hereof, the holders of Class A Units will be deemed to receive Distributions

in an amount equal to the excess, if any, of (x) payments that are made to such holders or their Affiliates for the provision of goods and services to the Company and Interactive One over (y) the costs to such Affiliates of providing such goods and services. For purposes hereof, the Company and Newman agree that there needs to be established a list of specific services and an appropriate cost amount for such services that will not be considered Distributions to holders of Class A Units. In lieu of attaching such a list to this Agreement, the Members have agreed that Community Connect will each year, in connection with the review of the Annual Budget, prepare a schedule (the "Proposed Inter-Company Cost Schedule") that details the services rendered and the cost for such services for review by all Members. If such Proposed Inter-Company Cost Schedule is approved by all Members, it shall become the "Permitted Inter-Company Cost Schedule" and no payments for the services and in the amounts specified therein shall be treated as Distributions to the holders of Class A Units. In the event of any dispute relating to the items on the Proposed Inter-Company Cost Schedule, the Company's determination as to the cost of any service in question shall be deemed conclusive unless either (i) the disputing Member can provide a third party bid demonstrating the cost of the item or service is 10% greater or lower than the determination of cost made by the Company in the case of goods and services that can be readily acquired from third parties or (ii) the disputing Member can establish that the method of allocating costs to the Company of support services that are provided by Community Connect or its Affiliates (*e.g.*, accounting, legal, human resources, etc.) are not reasonable in light of the size and activities of the Company as compared with the other entities which are part of Radio One to which such costs are allocated. In such event, the Company and such Member will jointly hire an independent accountant to determine the cost of the item or service that should have been allocated to the Company. In the event the cost of the item or service is determined by such independent accountant to be within 10% of the cost as determined by the Company, the Member disputing the cost of such service shall bear the full cost of such accounting, including all costs (including any legal expenses) of the Company associated therewith. In the event the cost of the item or service is determined by such independent accountant to be more than 10% higher or more than 10% lower than the cost of such item or service as determined by the Company, then the Company shall bear the full cost of such mediation, including all costs (including any legal expenses) of the disputing Member associated therewith. In determining the costs of such items or services that are obtained from third parties, the independent accountant shall be required to determine the cost of such items or services from three (3) independent parties and take the average cost of such service among such parties. The decision of such independent accountant shall then govern the determination of the items and the costs thereof that should be included in the Permitted Inter-Company Cost Schedule. To the extent that the Company does not pay to Community Connect any amounts specified on the Permitted Inter-Company Cost Schedule for the provision of goods and services by Community Connect to the Company, such unpaid amounts shall be treated as liabilities of the Company.

Section 9.2 Mandatory Tax Distributions. The Mandatory Tax Distribution shall be distributed to the Members in proportion to each Member's Percentage Interest at the time of the distribution. Such distributions shall be made at least annually, on or before the 60th day after the end of the relevant Taxable Year, and shall not be accounted for on the books and records of the Company as a return of Capital Contributions and shall not be charged against Distributions to which Members are entitled under Section 9.3(a) hereof.

Section 9.3 Distributions Prior to Liquidation. Except as otherwise provided in this Agreement and subject to the limitations provided herein, and subject to all Mandatory Tax Distributions having been made, Distributions may be made to the Members at such times and in such amounts as the Board may determine. Distributions shall be made to the Members as follows:

(a) first, to the holders of the Class A Units until they have received from the Company and Interactive One an amount equal to the Combined Capital Contributions (excluding Mandatory Tax Distributions);

(b) second, to the Members on a per Unit basis in proportion to each Member's Percentage Interest.

Section 9.4 Withholding Taxes. The Company is authorized to withhold from Distributions to a Member, or with respect to allocations to a Member, and to pay over to a federal, state or local government, any amounts required to be withheld pursuant to the Code, or any provisions of any other federal, state or local law. Any amounts so withheld shall be treated as having been distributed to such Member pursuant to Section 9.2 for all purposes of this Agreement, and shall be offset against the amounts otherwise distributable to such Member under Section 9.2 hereof.

ARTICLE X
ACCOUNTS

Section 10.1 Books. The Chief Financial Officer, or the Treasurer if at any time there is no Chief Financial Officer, shall cause to be maintained complete and accurate books of account of the Company's affairs at the Company's principal place of business. Separate accounts shall be kept for each class and series of Units. Such books shall be kept on such method of accounting as the Board shall select.

Section 10.2 Tax Matters. Community Connect shall be the Tax Matters Partner. The Tax Matters Partner shall, except to the extent impracticable as a result of the failure of a Member to timely deliver necessary information to the Tax Matters Partner, cause to be prepared, signed and filed all tax returns of the Company required by any federal state or local law, make any tax elections for the Company allowed under the Code or the tax laws of any state or other jurisdiction having taxing jurisdiction over the Company and monitor any governmental tax authority in any audit that such authority may conduct of the Company's books and records or other documents. The Tax Matters Partner shall cause the Company to deliver to the Members an IRS Schedule K-1 as soon as practicable following the close of each Taxable Year, but no later than seventy-five (75) days after the end of each Taxable Year; *provided, however,* that such period shall be automatically extended in the event of a delay beyond the control of the Tax Matters Partner, such as a delay resulting from the failure of a third party to provide required tax information to the Company in a timely manner. The Tax Matters Partner shall be entitled to reimbursement from the Company for all necessary and reasonable out-of-pocket expenses incurred in performing its duties as Tax Matters Partner.

The Tax Matters Partner shall also cause the Company to elect the safe harbor described in Notice 2005-43, 2005-1 CB 1221, under which the fair market value of an Equity Plan Unit that is transferred in connection with the performance of services is treated as being equal to the liquidation value of such Unit (the "**Safe Harbor Election**"). The Safe Harbor Election shall be made as of the earliest date permitted under any IRS revenue procedure or other administrative guidance issued subsequent to Notice 2005-43. The Company and each of its Members (including each Equity Plan Member to whom a Unit is transferred in connection with the performance of services) agree to comply with all requirements of the Safe Harbor Election with respect to all Equity Plan Units transferred in connection with the performance of services.

Section 10.3 Special Basis Adjustment. The Tax Matters Partner shall, without any further consent of the Members being required (except as specifically required herein), have discretion to make an election for federal income tax purposes to adjust the basis of property pursuant to §§ 754,734(b) and 743(b) of the Code, or comparable provisions of state, local or foreign law, in connection with Transfers of Units.

ARTICLE XI
TRANSFERS OF UNITS

Section 11.1 Transfers.

(a) No Member may Transfer all or any portion of its Equity Interests other than (i) to a Permitted Transferee, (ii) any Transfer of all or any portion of a Member's Equity Interests pursuant to Sections 12.1, 12.2, 12.3 or 12.4 hereof, and (iii) any Transfer of all or any portion of a Member's Equity Interests pursuant to a Sale Transaction (each, a "**Permitted Transfer**"), *provided* that in each case such Transfer is made in accordance with Section 11.2 hereof. Any attempted Transfer of the Equity Interests by such Members, other than in strict accordance with this Article XI, shall be null and void and the purported transferee shall have no rights as a Member hereunder, except as may otherwise by provided in Section 13.4 as to such transferee.

(b) Notwithstanding anything to the contrary in this Agreement, no Transfer of Units shall be deemed effective until the transferee of such Units executes a joinder agreement, in substantially the form attached hereto as Schedule B (the "**Joinder Agreement**") pursuant to which, among other things, such transferee shall agree to be bound by the obligations of the Member transferring such Units to such transferee under this Agreement and, if such transferee is an Affiliate of the Member transferring such Units, such transferee shall agree to grant all authority to act on its behalf to the Member transferring such Units to such transferee. Any purported transfer in violation of this Section 11.1(b) shall be null and void.

(c) Notwithstanding anything to the contrary in this Agreement, no Member shall enter into any agreement to vote or otherwise exercise any of the rights appurtenant to any of the Units held by such Member with any Person other than an Affiliate of such Member.

Section 11.2 Conditions to Permitted Transfers. A Member shall be entitled to make a Permitted Transfer of all or any portion of its Equity Interests only upon satisfaction of each of the following conditions:

(a) such Transfer does not require the registration or qualification of such Equity Interests pursuant to any applicable federal or state securities laws, rules and regulations;

(b) such Transfer does not result in a violation of applicable laws, rules and regulations;

(c) the Chairman receives written instruments that are in a form and substance satisfactory to the Chairman, as determined in his or her reasonable judgment (including, without limitation, (i) copies of any instruments of Transfer, (ii) such Person's agreement to be bound by this Agreement in the same manner, and subject to the same obligations and restrictions (including without limitation the transfer restrictions set forth in this Article XI) as the Member making such Transfer, including by execution of a Joinder Agreement; *provided, however,* that no such agreement shall be required if the Person receiving such Transfer is also a Member hereunder, and (iii) if requested by the Chairman, an opinion of counsel to such Person, in form and substance reasonably acceptable to the Chairman, to the effect that the conditions set forth in subsections (a) and (b) above have been satisfied).

Section 11.3 Prohibited Transfers.

(a) Prohibited Transfer. A **"Prohibited Transfer"** shall be deemed to have occurred if a transaction or series of related transactions is consummated that results in a Transfer of Units other than Permitted Transfer occurring in accordance with Section 11.1 and Section 11.2.

(b) Effect of a Prohibited Transfer. Upon receipt of written notice from any Member or the Company that such Person believes that a Prohibited Transfer has occurred, each Member transferring Units in the alleged Prohibited Transfer shall use its best efforts to nullify such Prohibited Transfer within a period of thirty (30) days or to demonstrate within a period of thirty (30) days to the reasonable satisfaction of the Board that the alleged Prohibited Transfer is not a Prohibited Transfer. Failure to nullify such Prohibited Transfer or to demonstrate to the reasonable satisfaction of the Board that an alleged Prohibited Transfer is not a Prohibited Transfer within such 30 day period shall automatically result in the Member transferred in the Prohibited Transfer becoming a Limited Member in accordance with Section 13.4 hereof.

Section 11.4 Representations Regarding Transfers. Each Member hereby covenants and agrees with the Company for the benefit of the Company and all Members, that (i) it is not currently making a market in Units and will not in the future make a market in Units, and (ii) it will not Transfer its Equity Interest on an established securities market, a secondary market (or the substantial equivalent thereof) within the meaning of Code Section 7704(b) (and any Regulations, proposed Regulations, revenue rulings, or other official pronouncements of the Internal Revenue Service or the United States Treasury Department that may be promulgated or published thereunder). Each Member further agrees that it will not Transfer any Equity Interest

to any Person unless such Person agrees to be bound by this Section 11.4 and to Transfer such Interest only to Persons who agree to be similarly bound.

Section 11.5 Treatment of Equity Plan Units Issued Pursuant to a Combined Award Agreement. Notwithstanding anything else in this Article XI to the contrary, if Equity Plan Members hold Equity Plan Units issued pursuant to a Combined Award Agreement, then there may be no Transfer under this Article XI unless the Interactive One Equity Plan Units granted by Interactive One under the Combined Award Agreement are Transferred in the same proportions as the Equity Plan Units are Transferred.

ARTICLE XII
ADDITIONAL RIGHTS AND OBLIGATIONS OF THE MEMBERS

Section 12.1 Call Rights.

(a) The Company may, in its sole discretion, elect to purchase up to all of the Vested Equity Plan Units of each Equity Plan Member under the following circumstances:

(i) within twelve (12) months (or such shorter period if required by applicable law) of the date an Equity Plan Member ceases to be an employee, consultant or representative of the Company, as applicable;

(ii) in the event of a Sale Transaction;

(iii) in the event of the Bankruptcy of such Equity Plan Member; and

(iv) as permitted by and in accordance with the terms and conditions of the applicable Award Agreement or employment agreement.

(b) If the Company elects to exercise its right to purchase such Equity Plan Units in accordance with this Article XII, it shall provide written notice thereof to the Equity Plan Members, which notice shall include the number of Equity Plan Units to be purchased (the "**Equity Plan Call Units**") and the basis on which the Company is exercising its call rights under Section 12.1(a).

(c) The fair market value of each Equity Plan Call Unit (such price, the "**Equity Plan Call Unit Price**") shall be determined by an appraisal process between the Company and the applicable Equity Plan Member, which process shall include deductions for any outstanding debt or other liabilities of the Company (including accrued but unpaid interest at the Applicable Interest Rate) and each Class A Member's right to the return of its Capital Contributions under Section 9.3(a) (it being understood that the deduction of debt and/or the right to receive back contributed capital may result in the Equity Plan Units or the Interactive One Equity Plan Units having a negative value that will be taken into consideration in determining the net value of the Equity Plan Units and Interactive One Equity Plan Units subject to the same Combined Award Agreement); *provided, however,* in the event that the basis for the Company's exercise of its rights under this Section 12.1 is as a result of the termination of an

Equity Plan Member for Cause, or the Board has determined that such Member has violated any non-solicitation, non-competition or non-disclosure provision contained in any agreement entered into by and between such Member and the Company, the fair market value of such Member's Equity Plan Units shall be the lesser of such Member's Capital Account balance attributed to such Units or the value determined in accordance with the procedures described above. If the value of the Equity Plan Units is positive and the value of the Interactive One Equity Plan Units is negative, the Equity Plan Units will only have value equal to the sum of such positive and negative amounts (i.e., the positive amount of the value of the Equity Plan Units will be offset by the negative amount of the value of the Interactive One Equity Plan Units that have a negative value). In the event that the Equity Plan Member and the Company cannot reach an agreement as to the Equity Plan Call Unit Price within thirty (30) days of the date of the notice delivered pursuant to Section 12.1(b), the parties agree to submit such determination to binding arbitration in New York, New York, before one (1) arbitrator. The arbitration shall be administered by the American Arbitration Association pursuant to the AAA Rules and Procedures. For purposes of determining the Equity Plan Call Unit Price, the valuation of the Company shall first be determined as an entirety before determining the value of the Equity Plan Units held by the applicable Equity Plan Member, based on the amount that such Equity Plan Member would receive from the proceeds of the sale of the Company at such valuation upon the liquidation of the Company, and the interest of the Equity Plan Member shall not be subject to a discount for minority interest or lack of liquidity.

(d) The closing of the purchase and sale of the Equity Plan Call Units pursuant to this Section 12.1 (the "**Equity Plan Call Closing**") shall occur on the date as is determined by the Board but, in any event, within one hundred twenty (120) days of the date that the notice of the Company's intent to purchase the Equity Plan Call Units is delivered pursuant to Section 12.1(b). At the Equity Plan Call Closing, (1) each Equity Plan Member selling Equity Plan Call Units shall (A) execute and deliver such documents as shall be reasonably requested by the Company and (B) represent and warrant that such Equity Plan Call Units are being transferred free and clear of liens, encumbrances and interests or rights of other Persons, and (2) the Company shall make payment to each Equity Plan Member selling such Equity Plan Call Units in an amount equal to the Equity Plan Call Unit Price *multiplied by* the number of Equity Plan Call Units being sold by such Equity Plan Member, such payment to be made, in the Company's sole discretion, by (x) wire transfer of immediately available funds to an account specified in writing by such Equity Plan Member or (y) by wire transfer of immediately available funds equal to at least twenty percent (20%) of such purchase price and by delivery of a promissory note in the principal amount of the balance of such purchase price issued by the Company (in form and substance satisfactory to the Board) bearing interest at a rate of eight percent (8.0%) per annum, the principal and interest of which shall be due and payable in four (4) equal quarterly installments of principal, together with accrued interest, beginning on the first day of the fiscal quarter following the fiscal quarter in which the closing occurs, and continuing on the first day of each succeeding fiscal quarter until fully paid.

Section 12.2 Put Rights.

(a) Each Equity Plan Member may, in his, her or its sole discretion, elect to have the Company purchase all or a portion of his, her or its Equity Plan Units that are Vested (the "**Qualifying Equity Plan Put Units**") under the following circumstances:

(i) in the event that the Equity Plan Member ceases to be an employee of the Company, but only to the extent permitted by, and subject to, the terms and conditions of such Equity Plan Member's Award Agreement;

(ii) a material breach by the Company of any agreement between the Equity Plan Member and the Company;

(iii) in the event that Alfred C. Liggins III ceases to be associated in any capacity with the Company or any Affiliate of the Company in connection with a change in Control of Radio One; and

(iv) as permitted by and in accordance with the terms and conditions of the applicable Award Agreement.

(b) If an Equity Plan Member elects to exercise his, her or its right to cause the Company to purchase such Member's Qualifying Equity Plan Put Units in accordance with this Article XII, it shall provide written notice thereof to the Company, which notice shall include the number of Qualifying Equity Plan Put Units to be purchased (the "**Equity Plan Put Units**") and the basis on which the Equity Plan Member is exercising its put rights under Section 12.2(a) above.

(c) The fair market value of each Equity Plan Put Unit (such price, the "**Equity Plan Put Unit Price**") shall be determined in accordance with the procedures described in Section 12.1(c) with respect to the determination of the Equity Plan Call Unit Price.

(d) The closing of the purchase and sale of the Equity Plan Put Units pursuant to this Section 12.2 (the "**Equity Plan Put Closing**") shall occur on the date as is determined by the Board but, in any event, within one hundred twenty (120) days of the date that the notice of the Equity Plan Member's intent to require the Company to purchase the Equity Plan Call Units is delivered pursuant to Section 12.2(b). At the Equity Plan Put Closing, (1) each Equity Plan Member selling Equity Plan Put Units shall (A) execute and deliver such documents as shall be reasonably requested by the Company and (B) represent and warrant that such Equity Plan Put Units are being transferred free and clear of liens, encumbrances and interests or rights of other Persons, and (2) the Company shall make payment to each Equity Plan Member selling such Equity Plan Put Units in an amount equal to the Equity Plan Put Unit Price *multiplied by* the number of Equity Plan Put Units being sold by such Equity Plan Member, such payment to be made, in the Company's sole discretion, by (x) wire transfer of immediately available funds to an account specified in writing by such Equity Plan Member or (y) by wire transfer of immediately available funds equal to at least twenty percent (20%) of such purchase price and by delivery of a promissory note in the principal amount of the balance of such purchase price issued by the Company (in form and substance satisfactory to the Board) bearing interest at a rate of eight percent (8.0%) per annum, the principal and interest of which shall be due and payable in

four (4) equal quarterly installments of principal, together with accrued interest, beginning on the first day of the fiscal quarter following the fiscal quarter in which the closing occurs, and continuing on the first day of each succeeding fiscal quarter until fully paid.

Section 12.3 Drag Along Rights In connection with any transaction in which the Sole Member is selling in excess of twenty-five percent (25%) of their aggregate Class A Units in the Company to a Person or Persons that are not Affiliates of the Company or Controlled by Affiliates of the Company (the "**Class A Unit Sale**"), the Sole Member shall have the rights and obligations set forth in this Section 12.3.

(a) At least sixty (60) days prior to the date that the proposed Class A Unit Sale is scheduled to close (the "**Closing Date**"), the Sole Member shall provide each Equity Plan Member with a written notice of the proposed Class A Unit Sale (the "**Sale Notice**"). The Sale Notice shall contain (i) a description of the Class A Unit Sale, (ii) the per-Unit price (the "**Class A Sale Price**") to be paid by the Purchaser, (iii) the Closing Date and (iv) an indication as to whether or not the Member intends to exercise its rights set forth in Section 12.3(b) and, if so, the number of Equity Plan Drag-Along Units (as defined below) to be included in the Class A Unit Sale.

(b) The Sole Member shall have the right, but not the obligation, to require each Equity Plan Member (each such Equity Plan Member, a "**Drag-Along Equity Plan Member**" and, collectively, the "**Drag-Along Equity Plan Members**") to sell to the Class A Unit Sale purchaser (the "**Purchaser**") a pro rata portion of Equity Plan Units held by such Equity Plan Member that, as of the Closing Date, are Vested (the "**Equity Plan Drag-Along Units**") at a price per Equity Plan Drag-Along Unit equal to the amount that the Equity Plan Member would receive on account the Equity Plan Drag-Along Units if the Company were sold for a value that would result in the Class A Members receiving the Class A Sale Price per Class A Unit after allocation of such value to all Members in accordance with the provisions of this Agreement applicable to the liquidation of the Company.

(c) The closing of the purchase and sale of the Equity Plan Drag-Along Units pursuant to this Section 12.3 (the "**Equity Plan Drag-Along Closing**") shall occur as close as practicable to the Closing Date. At the Equity Plan Drag-Along Closing, (1) each Drag-Along Equity Plan Member shall (A) execute and deliver such documents as shall be reasonably requested by the Purchaser and (B) represent and warrant to the Purchaser that such Units are being transferred to the Purchaser free and clear of liens, encumbrances and interests or rights of other Persons, and (2) the Purchaser shall make payment to the Drag-Along Equity Plan Member selling such Units in an amount equal to the Equity Plan Drag-Along Price *multiplied by* the number of Equity Plan Drag-Along Units being sold by such Member, such payment to be made by wire transfer of immediately available funds to an account specified in writing by such Member.

(d) Nothing contained in this Section 12.3 and the exercise of the Sole Member's rights hereunder will impact on any Equity Plan Units that are not Vested.

(e) Notwithstanding anything else in this Section 12.3 to the contrary, the Equity Plan Members shall not be subject to the provisions of this Section 12.3 if no payment would be made to the Equity Plan Members hereunder.

Section 12.4 Tag-Along Rights. In the event of a Class A Unit Sale in which the Sole Member does not elect to exercise its rights pursuant to Section 12.3(b), each Equity Plan Member shall have the rights and obligations set forth in this Section 12.4.

(a) Upon receipt of a Sale Notice in which the Sole Member does not elect to exercise its rights pursuant to 12.3(b), each Equity Plan Member shall have the right, but not the obligation, to require the Sole Member to include a pro rata portion of Equity Plan Units held by such Equity Plan Member that, as of the Closing Date, are Vested (the "**Equity Plan Tag-Along Units**") at a price per Equity Plan Tag-Along Unit equal to the amount that the Equity Plan Member would receive on account the Equity Plan Tag-Along Units if the Company were sold for a value that would result in the Class A Members receiving the Class A Sale Price per Class A Unit after allocation of such value to all Members in accordance with the provisions of this Agreement applicable to the liquidation of the Company (such price, the "**Equity Plan Tag-Along Unit Price**"), by delivering a written notice (the "**Tag-Along Notice**") to the Sole Member at least forty (40) days prior to the Closing Date indicating such Member's desire to sell to the Purchaser the Equity Plan Tag-Along Units. Each Equity Plan Member delivering a Tag- Along Notice to the Sole Member shall be referred to herein as a "**Tag-Along Seller**."

(b) The closing of the purchase and sale of the Equity Plan Tag-Along Units pursuant to this Section 12.4 (the "**Equity Plan Tag-Along Closing**") shall occur as close as practicable to the Closing Date. At the Equity Plan Tag-Along Closing (i) each Tag-Along Seller shall (A) execute and deliver such documents as shall be reasonably requested by the Purchaser in order to vest full beneficial and record ownership of the Equity Plan Tag-Along Units in the Purchaser, and (B) represent and warrant to the Purchaser that such Equity Plan Tag- Along Units are being acquired by the Purchaser free and clear of liens, encumbrances and interests or rights of other Persons, and (ii) the Purchaser shall make payment to each Tag-Along Seller in an amount equal to the number of Equity Plan Tag-Along Units being acquired from such Tag-Along Seller *multiplied by* the Equity Plan Tag-Along Unit Price, such payment to be made by wire transfer of immediately available funds to an account specified in writing by such Member.

(c) Nothing contained in this Section 12.4 and the exercise of the Sole Member's rights hereunder will impact on any Equity Plan Units that are not Vested.

(d) Notwithstanding anything else in this Section 12.4 to the contrary, no Equity Plan Holder will have any rights hereunder if no payment would be made to the Equity Plan Members by exercising the rights set forth in this Section 12.4.

Section 12.5 Treatment of Equity Plan Units Issued Pursuant to a Combined Award Agreement. Notwithstanding anything else in this Article XII to the contrary, if Equity Plan Members hold Equity Plan Units issued pursuant to a Combined Award Agreement, then there may be no purchase or sale under Sections 12.1 or 12.2 of this Article XII unless the

Interactive One Equity Plan Units granted by Interactive One under the Combined Award Agreement are purchased or sold in the same proportions as the Equity Plan Units are purchased or sold.

ARTICLE XIII
ADDITIONAL, SUBSTITUTE AND LIMITED MEMBERS

Section 13.1 Admissions. No Person shall be admitted to the Company as a Member (other than the Sole Member and Newman as an Equity Plan Member who are the signatories hereto) except in accordance with Section 13.2, 13.3, 13.4 or 13.5 hereof. Any purported admission which is not in accordance with this Article XIII shall be null and void. Upon admission of any Additional, Substitute Member or Limited Member, or upon any Member ceasing to be a Member, the books and records of the Company shall be revised accordingly to reflect such admission or cessation.

Section 13.2 Admission of Additional Members. Except for the admission of Equity Plan Members which shall be as set forth in Section 13.5, a Person shall become an Additional Member pursuant to the terms of this Agreement only if and when each of the following conditions is satisfied:

(a) the Board, in its sole and absolute discretion, determines the nature and amount of the Capital Contribution and/or Capital Commitment to be made by such Person;

(b) the Board has received, on behalf of the Company, such Person's Capital Contribution and/or Capital Commitment as so determined;

(c) the Board consents in writing to such admission, which consent may be given or withheld in its sole and absolute discretion and, if such Person is to be admitted as a Member holding Units, the Board shall determine which class or series of authorized Units such Person shall hold;

(d) the Board receives written instruments (including, without limitation, a subscription agreement and such Person's consent to be bound by this Agreement as a Member) that are in form and substance satisfactory to the Board, as determined in its sole and absolute discretion; and

(e) the Sole Member has approved the classification and issuance of Units.

Section 13.3 Admission of Substitute Members. A Person who acquires all or a portion of a Member's Units shall become a Substitute Member of the Company only following a Transfer of Units made in accordance with Article XI hereof.

Section 13.4 Limited Members.

(a) A Member (or its successor in interest, if any, pursuant to (i) or (ii) below or his or her personal representatives, executors or heirs, pursuant to (iv) below) shall automatically become a Limited Member upon the earliest to occur of any of the following events:

(i) as to any Member that is not an individual, the filing of a certificate of dissolution, or its equivalent, for such Member;

(ii) as to any Member that Transfers all or any part of its Units (and as to the Person to whom such Units are Transferred), in the event that such Units are Transferred in a manner that does not comply with Article XI hereof following a determination by a court of competent jurisdiction or the Board upon advice of counsel selected by the Board that the provisions of Article XI shall not be applicable to such Transfer; *provided* that in the event of such a Transfer the limitations and restrictions applicable to a Limited Member shall only apply to the Units so Transferred;

(iii) the Bankruptcy of such Member; or

(iv) as to any Non-Equity Plan Member that is an individual, the death or permanent incapacity (as determined in good faith by the Board) of such Non-Equity Plan Member.

(b) Notwithstanding anything to the contrary contained in this Agreement, a Limited Member shall have no:

(i) right to vote on any matter being voted on by the Members generally or by any class or group of Members or to receive notice of a meeting of Members; or

(ii) inspection or information rights provided to Members under Article XIV hereof.

(c) Subject to the limitations and restrictions set forth in Section 13.4(b) hereof, a Limited Member shall retain such rights, and remain subject to such obligations, as were applicable to such Limited Member (or the Member from whom such Limited Member acquired Units or other Equity Interests) prior to becoming a Limited Member. If a Limited Member shall fail, within twenty (20) days of a written request from the Company, to consent in writing to be bound by this Agreement, (in the event such Person is not a party to any such agreement at the time such written request is made), the Equity Interests held by such Limited Member shall be forfeited and cancelled.

Section 13.5 Admission of Equity Plan Members. Persons awarded Equity Plan Units under the Community Connect Equity Plan shall be admitted as Members in accordance with the terms of the Community Connect Equity Plan, the applicable Award Agreement and this Agreement if and only if, and when, each of the following conditions is satisfied:

(a) the Board or a committee thereof approves the issuance of such Equity Plan Units to such Person, and

(b) the Board or a committee thereof receives written instruments (including, without limitation, such Person's consent to be bound by this Agreement as a Member as a Equity Plan Member and the applicable Award Agreement executed by such Person) that are in form and substance satisfactory to the Board, as determined in its sole and absolute discretion.

Section 13.6 Withdrawal of Member. Members shall not be permitted to voluntarily withdraw from the Company for any reason. Any Member shall cease to be a Member of the Company upon the date such Member ceases to hold any Units. No such Member shall have a right to a return of its Capital Contribution solely in his or her capacity as a Member.

ARTICLE XIV
REPORTS TO MEMBERS

Section 14.1 Books and Records.

(a) Each Non-Equity Plan Member has the right, subject to such reasonable standards (including standards governing what information and documents are to be furnished at what time and location and at whose expense) as may be established by the Managers, to obtain from the Company from time to time upon reasonable demand for any purpose reasonably related to the Non-Equity Plan Member's interest as a Member of the Company:

(i) True and full information regarding the status of the business and financial condition of the Company;

(ii) Promptly after they become available, a copy of the federal, state and local income tax returns for each year of the Company;

(iii) A current list of the name and last known business, residence or mailing address of each Member and Manager;

(iv) A copy of this Agreement, the Certificate of Formation and all amendments thereto;

(v) True and full information regarding the amount of cash and a description and statement of the Agreed Value of any other property or services contributed by each Member and the date on which each became a Member; and

(vi) Other information regarding the affairs of the Company as is reasonable.

(b) Each Equity Plan Member has the right, subject to such reasonable standards (including standards governing what information and documents are to be furnished) and at whose expense as may be established by the Board from time to time, to obtain from the Company from time to time upon reasonable demand for any purpose reasonably related to the Equity Plan Member's interest as a Member of the Company:

(i) information regarding the status of the business and financial condition of the Company;

(ii) promptly after they become available, a copy of the federal, state and local income tax returns for each year of the Company; and

(iii) a copy of this Agreement, the Certificate of Formation and all amendments thereto.

The foregoing information will either be mailed to each Equity Plan Member at his residence address that has been supplied by such Equity Plan Member to the Company or at the Company's offices in New York City.

(c) Each Manager shall have the right to examine all of the information described in subsections (a) and (b) of this Section 14.1 for any purpose reasonably related to his or her position as a Manager.

(d) The Company may maintain its records in other than a written form if such form is capable of conversion into written form within a reasonable time.

(e) Any demand by a Member under this Section shall be in writing and shall state the purpose of such demand.

(f) The Company shall permit each Non-Equity Plan Member to visit and inspect the Company's properties, to examine its books of account and records and to discuss the Company's affairs, finances and accounts with its officers, during normal business hours upon reasonable advance notice.

(g) The Company shall provide each Non-Equity Plan Member with prompt notice of the initiation of any material legal action against the Company.

(h) The obligations and limitations set forth in Section 18.1 hereof shall apply to any Confidential Information disclosed or otherwise made available to any Member pursuant to this Section 14.1.

Section 14.2 Annual Reports. Within sixty (60) days after the end of each Fiscal Year, the Company shall cause to be prepared, and each Member furnished with, financial statements accompanied by a report thereon from an independent accounting firm approved by the Board or a committee thereof stating that such statements are prepared and fairly stated in all material respects in accordance with generally accepted accounting principles, and, to the extent inconsistent therewith, in accordance with this Agreement, including the following:

(a) A copy of the balance sheet of the Company as of the last day of such Fiscal Year;

(b) A statement of income or loss for the Company for such Fiscal Year; and

(c) A statement of the Members' Capital Accounts, changes thereto for such Fiscal Year and Percentage Interests at the end of such Fiscal Year.

Section 14.3 Quarterly Reports. Within thirty (30) days after the end of each quarter, the Company shall cause each Non-Equity Plan Member to be furnished with unaudited quarterly financial statements prepared in accordance with the Company's methods of

accounting, of the type described in Section 14.2, as of the last day of such quarter, *provided* that such quarterly reports need not include such footnotes as may be required by generally accepted accounting principles.

Section 14.4 Tax Returns and Tax Information to Members. The Company shall send to each Person who was a Member at any time during such Fiscal Year such tax information, including, without limitation, Federal Tax Schedule K-1, as shall be reasonably necessary for the preparation of such Member's federal income tax return. The Tax Matters Partner shall use reasonable efforts to distribute all necessary tax information to each Member as soon as practicable after the end of each Taxable Year, but not later than seventy-five (75) days after the end of each Taxable Year; *provided, however*, that such period shall be automatically extended in the event of a delay beyond the control of the Tax Matters Partner, such as a delay resulting from the failure of a third party to provide required tax information to the Company in a timely manner.

Section 14.5 Equity Plan Member Information Rights. Notwithstanding anything to the contrary in this Agreement, the Equity Plan Members in their capacity as Equity Plan Members shall have no rights to obtain or review books or records of the Company or other information or reports except to the extent specifically set forth in Section 14.1(b), Section 14.2 and Section 14.4 hereof.

ARTICLE XV
EVENTS OF DISSOLUTION

Section 15.1 Dissolution. The Company shall be dissolved upon the occurrence of any of the following events (each, an **"Event of Dissolution"**):

(a) A judicial dissolution of the Company pursuant to Section 18-802 of the Act;

(b) Following the sale, transfer or other disposition of all or substantially all of the assets of the Company pursuant to a Sale Transaction; or

(c) The Members that are entitled to vote holding at least a majority of the Class A Units vote for dissolution.

Section 15.2 No other Event of Dissolution. No other event, including the retirement, withdrawal, insolvency, liquidation, dissolution, insanity, resignation, expulsion, Bankruptcy, death, incapacity or adjudication of incompetency of a Member, shall cause the dissolution of the Company.

ARTICLE XVI
TERMINATION

Section 16.1 Liquidation. In the event that an Event of Dissolution shall occur, the Company shall be liquidated and its affairs shall be wound up (in each case, a **"Liquidation"**) and all proceeds from such Liquidation shall be distributed as set forth below:

(i) first, to pay, or otherwise make reasonable provision for payment, to creditors, including Members who are creditors to the extent permitted by law, in satisfaction of the Company's liabilities; and

(ii) second, to the Members, in accordance with their respective positive Capital Account balances (after giving effect to the allocation of all items of Profit, Loss, deduction and credit (or items thereof)).

Section 16.2 Final Accounting. In the event of the dissolution of the Company, prior to any Liquidation, a proper accounting shall be made to the Members from the date of the last previous accounting to the date of dissolution.

Section 16.3 Cancellation of Certificate. Upon the completion of the Distribution of the Company's assets upon dissolution of the Company, the Company shall be terminated, all Units shall be cancelled and the Board shall cause the Company to execute and file a Certificate of Cancellation in accordance with Section 18-203 of the Act.

ARTICLE XVII
EXCULPATION AND INDEMNIFICATION

Section 17.1 Exculpation. Notwithstanding any other provisions of this Agreement, whether express or implied, or obligation or duty at law or in equity, none of the Members, Managers or any officers, directors, stockholders, Affiliates, partners, members, employees, representatives, consultants or agents of either the Managers or the Members (individually, a **"Covered Person"** and, collectively, the **"Covered Persons"**) shall be liable to the Company or any other Person for any act or omission taken or omitted in good faith by a Covered Person on behalf of the Company and in the reasonable belief that such act or omission was in or was not opposed to the best interests of the Company; *provided* that such act or omission does not constitute fraud, willful misconduct, bad faith, or gross negligence. Equity Plan Members and their respective Covered Persons shall not be entitled by reason of this Section 17.1 to exculpation from any liability that arises under any employment or consulting agreement or arrangement in existence between the Company and such Person or by reason of any breach thereof.

Section 17.2 Indemnification.

(a) To the fullest extent permitted by law, the Company shall indemnify and hold harmless each Covered Person (individually, an "**Indemnified Person**" and, collectively, the "**Indemnified Persons**") from and against any and all losses, claims, demands, liabilities, expenses (including reasonable attorneys' fees and expenses), judgments, fines, settlements and

other amounts arising from any and all actions, suits or proceedings, whether civil, criminal, administrative or investigative ("**Claims**"), in which such Indemnified Person may be involved, or threatened to be involved, as a party or otherwise, by reason of its management of the property, business, or affairs of the Company or the fact that such Indemnified Person was a Member, Manager, officer, employee, representative, consultant or agent of the Company, or by reason of the fact that such Person, at the request of the Company, is or was serving as an officer, director, employee or agent of another limited liability company, corporation, partnership, joint venture, trust or other enterprise if the Indemnified Person in relation to the facts, events and circumstances on which such action, suit or proceeding is based (i) acted in good faith and in a manner that the Indemnified Person reasonably believed to be in, or not opposed to, the best interests of the Company or (ii) with respect to a criminal action or proceeding had no reasonable cause to believe that the Indemnified Person's conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere*, or its equivalent, shall not, in and of itself, create a presumption or otherwise constitute evidence that the Indemnified Person acted in a manner contrary to that specified in (i) or (ii) above. An Indemnified Person shall not be entitled to indemnification under this Section 17.2 with respect to any Claim if it has engaged in fraud, willful misconduct, bad faith or gross negligence with respect to the matters that gave rise to such Claim. In the event that an employment or consulting agreement or arrangement exists between a Equity Plan Member and the Company, such Equity Plan Member and his or her Covered Persons shall not be entitled to indemnification under this Section 17.2 for Claims arising thereunder or in breach thereof.

(b) Expenses (including reasonable attorneys' fees and disbursements) incurred by an Indemnified Person in investigating or defending any Claim shall be paid by the Company in advance of the final disposition of such Claim upon receipt by the Company of an undertaking by or on behalf of such Indemnified Person to repay such amount if it shall be ultimately determined by a court of competent jurisdiction from which no further appeal may be taken or the time for any appeal has lapsed (or otherwise, as the case may be) that such Indemnified Person is not entitled to be indemnified by the Company as authorized by this Section 17.2.

(c) The indemnification provided by this Section 17.2 shall be in addition to any other rights to which each Indemnified Person may be entitled under any agreement, as a matter of law or otherwise, both (i) as to the action in the Indemnified Person's capacity as a Member, Manager, officer, employee, representative, consultant or agent of the Company or by reason of its management of the property, business or affairs of the Company, and (ii) as to action in another capacity, and shall continue as to an Indemnified Person who has ceased to serve in such capacity and shall inure to the benefit of the heirs, successors, assigns, administrators and personal representatives of the Indemnified Person.

ARTICLE XVIII
GENERAL PROVISIONS

Section 18.1 Confidentiality.

(a) Each Member agrees that it shall at all times keep confidential and not disclose or make accessible to anyone, any confidential or proprietary information, knowledge or data concerning or relating to the business or financial affairs of the Company ("**Confidential Information**"), except to the extent as may be required by applicable law, court process or other obligations pursuant to any governmental or regulatory authority requirement. Notwithstanding the foregoing, each Member may disclose such Confidential Information to its directors, officers, employees, Affiliates and advisors having a need to know the Confidential Information in order to accomplish the legitimate purposes or functions of the Company subject to (1) such Persons being advised of the provisions of this Section 18.1, and (2) such Member being responsible for any breach of this Section 18.1 by any such Persons. Each Member shall safeguard Confidential Information with the same degree of care as such Member uses to safeguard the confidentiality of its own confidential and proprietary information, knowledge or data.

(b) The obligations of the Members specified in Section 18.1(a) hereof shall not apply, and the Member shall have no further obligations, with respect to any Confidential Information to the extent that a Member can demonstrate that such Confidential Information (i) is generally known to the public or within the Company's industry at the time of disclosure to the Member or becomes generally known through no wrongful act on the part of the Member, (ii) is in the Member's possession at the time of disclosure to the Member otherwise than as a result of the Member's breach of any legal obligation, (iii) becomes known to the Member through the disclosure by sources other than the Company having, based upon a reasonable investigation by such Member, the legal right to disclose such Confidential Information, or (iv) is independently developed by the Member without reference to or reliance upon the Confidential Information.

(c) The obligations set forth in this Section 18.1 shall be continuing and survive the termination of this Agreement and following the dissolution of the Company, in each case for a period of three years, and shall be continuing and survive the withdrawal of a Member from the Company with respect to such Member for a period of five years following such withdrawal.

Section 18.2 Amendment.

(a) Except as otherwise expressly provided herein:

(i) no provision of this Agreement may be amended or modified except upon the written consent of a majority of the holders of Class A Units;

(ii) any amendment or modification of any provision of this Agreement that would modify the limited liability of a Member as set forth in Section 3.9 hereof or increase the amount of capital to be contributed or committed by a Member to the Company must be approved by such Member; and

(iii) no provision of Articles VIII, IX, XI or XII or Section 4.17, Section 6.5 or this Section 18.2 may be amended or modified in a manner adverse to the rights of an Equity Plan Member without the written consent of such Equity Plan Member.

(b) Subject to the contractual rights of any Member as expressly set forth in the Award Agreement or an employment agreement, and subject to Section 18.2(a)(iii), each Member shall be bound by any amendment or modification effected in accordance with this Section 18.2, whether or not such Member has consented to such amendment or waiver. The failure of any party to enforce any of the provisions of this Agreement shall in no way be construed as a waiver of such provisions and shall not affect the right of such party thereafter to enforce each and every provision of this Agreement in accordance with its terms.

(c) Notwithstanding anything to the contrary contained in this Section 18.2, (1) the name of the Company and/or the name under which the Company's services are provided may be changed (and corresponding amendments to this Agreement and the Certificate of Formation may be made), (2) corrections or clarifications that do not change the substantive meaning of any provision hereof may be made and (3) changes to Article VIII of this Agreement and other conforming changes in this Agreement may be made to the extent necessary to properly reflect the terms of the Community Connect Equity Plan (provided that any such amendment shall be consistent with the economic arrangement of the Members as reflected in the terms of this Agreement).

(d) Notwithstanding anything to the contrary contained in this Section 18.2, Schedules A and B hereto may be amended from time to time by the Company as necessary to reflect accurate and correct information relating to the Members.

Section 18.3 Governing Law. This Agreement shall be construed in accordance with and governed exclusively by the laws of the State of Delaware (without giving effect to any conflicts or choice of law provisions that would cause the application of the domestic substantive laws of any other jurisdiction).

Section 18.4 WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY VOLUNTARILY AND IRREVOCABLY WAIVES TRIAL BY JURY IN ANY ACTION OR OTHER PROCEEDING BROUGHT IN CONNECTION WITH THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 18.5 Remedies.

(a) The parties hereto agree that irreparable harm would occur in the event that any of the agreements and provisions of this Agreement were not performed fully by the parties hereto in accordance with their specific terms or conditions or were otherwise breached, and that money damages are an inadequate remedy for breach of the Agreement because of the difficulty of ascertaining and quantifying the amount of damage that will be suffered by the parties hereto in the event that this Agreement is not performed in accordance with its terms or conditions or is otherwise breached. It is accordingly hereby agreed that the parties hereto shall be entitled to an injunction or injunctions to restrain, enjoin and prevent breaches of this Agreement by the other parties and to enforce specifically such terms and provisions of this Agreement, such remedy being in addition to, and not in lieu of, any other rights and remedies to which the other parties are entitled at law or in equity.

(b) The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive its right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise. Except where a time period is specified, no delay on the part of any party in the exercise of any right, power, privilege or remedy hereunder shall operate as a waiver thereof, nor shall any exercise or partial exercise of any such right, power, privilege or remedy preclude any further exercise thereof or the exercise of any other right, power, privilege or remedy.

Section 18.6 Notices. All demands, notices, requests, consents and other communications required or permitted under this Agreement shall be by written notice and sent by (a) personal delivery, (b) Electronic Transmission (including pursuant to Section 3.8(b) and Section 4.3(d) hereof) or facsimile machine (in each case with a confirmation copy sent by one of the other methods authorized in clauses (a), (c) or (d) hereof), (c) commercial courier (including Federal Express) or U.S. Postal Service overnight delivery service, or (d) deposit with the U.S. Postal Service mailed first class, registered or certified mail, postage prepaid. If such notice is being made or delivered to the Company, such notice shall be made to the Company's principal executive offices as follows: 205 Hudson Street, 6th Floor, New York, New York 10013 and if such is being made to the Sole Member (or to a Unit Affiliate of such Sole Member) or a Substitute Member or Additional Member that is not a Unit Affiliate of the Sole Member, such notice shall be made to such Sole Member for and on behalf of itself and its Unit Affiliates or to such Substitute Member or Additional Member (and to such other Persons to be copied in connection with notices to such Member) as set forth on Schedule A hereof. Notices shall be deemed delivered and to have been received upon the earliest to occur of (i) if sent by personal delivery, upon receipt by the party to whom such notice is directed; (ii) if sent by facsimile machine or by Electronic Transmission (including pursuant to Section 3.8(b) or Section 4.3(d) hereof), the day (other than a Saturday, Sunday or legal holiday in the jurisdiction to which such notice is directed) such notice is sent if sent (as evidenced by Electronic Transmission or facsimile confirmed receipt) prior to 5:00 p.m. U.S. Eastern Time, or the day (other than a Saturday, Sunday or legal holiday in the jurisdiction to which such notice is directed) after which such notice is sent if sent after 5:00 p.m. U.S. Eastern Time; (iii) if sent by overnight delivery service, the first day (other than a Saturday, Sunday or legal holiday in the jurisdiction to which such notice is directed) following the day the same is deposited with the commercial carrier or U.S. Postal Service; and (iv) if sent by first class mail, registered or certified, postage prepaid, the fifth day (other than a Saturday, Sunday or legal holiday in the jurisdiction to which such notice is directed) following the day the same is deposited with the U.S. Postal Service. Each party, by notice duly given to the Company and all other Members, may specify a different address for the giving of any notice hereunder.

Section 18.7 Severability. If any term or provision of this Agreement, or the application thereof to any Person or circumstance, shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or application to other Persons or circumstances, shall not be affected thereby, and each term and provision of this Agreement shall be enforced to the fullest extent permitted by law.

Section 18.8 Counterparts; Signatures. This Agreement may be executed in any number of counterparts with the same effect as if all parties hereto had signed the same document, and all counterparts shall be construed together and shall constitute one instrument. A facsimile or photocopied signature shall be deemed to be the functional equivalent of an original for all purposes.

Section 18.9 Entire Agreement. This Agreement, any Award Agreement and any employment agreement with a Member constitute the full and entire understanding and agreement among the parties hereto pertaining to the subject matter hereof and supercede all prior understandings and agreements pertaining hereto, whether written or oral. In the event of any conflict between the terms of this Agreement and the terms of any Award Agreement, the terms of the Award Agreement shall govern.

Section 18.10 Assignment; Binding Effect. This Agreement may not be assigned, in whole or in part, by any party hereto except in connection with a Transfer of Units to a Substitute Member in accordance with the terms and conditions of this Agreement. Any purported assignment in violation of this Section 18.11 shall be null and void. A Transfer of Units to a Substitute Member shall not be deemed to be an assignment of any of the rights or obligations of the Transferring Member under those Sections of this Agreement in which such Transferring Member is granted rights or has undertaken obligations specifically by name.

Section 18.11 Relationship. Nothing in this Agreement shall be construed to render any of the Members partners or joint venturers or to impose upon any of them any liability as such, except as otherwise specifically provided in this Agreement. No party to this Agreement has any authorization to enter into any contracts or assume any obligations for any other party or make any warranties or representations on behalf of another party other than as expressly authorized herein.

Section 18.12 Interpretation. Each Member has agreed to the use of the particular language of the provisions of this Agreement, and any questions of doubtful interpretation shall not be resolved by any rule or interpretation against the draftsman, but rather in accordance with the fair meaning thereof, having due regard to the benefits and rights intended to be conferred upon the parties and the limitations and restrictions upon such rights and benefits intended to be provided.

Section 18.13 No Third-Party Beneficiary. Except as provided in Article XVII hereof, this Agreement is made solely for the benefit of the parties hereto and no other Person shall have any rights, interest, or claims hereunder or otherwise be entitled to any benefits under or on account of this Agreement as a third-party beneficiary or otherwise.

[SIGNATURES CONTAINED ON FOLLOWING PAGE]

IN WITNESS WHEREOF, each Member has executed this Agreement as of the date first above written.

COMMUNITY CONNECT, INC.

By:
Name:
Title:

EQUITY PLAN MEMBER

Name: Thomas Newman

[SIGNATURE PAGE TO OPERATING AGREEMENT]

IN WITNESS WHEREOF, each Member has executed this Agreement as of the date first above written.

COMMUNITY CONNECT, INC.

By: __________________________________
Name:
Title:

EQUITY PLAN MEMBER

/s/ Thomas Newman
Name: Thomas Newman

[SIGNATURE PAGE TO OPERATING AGREEMENT]

SCHEDULE A

Name/Address of Member	Aggregate Capital Contribution as of May 11, 2009 for Community Connect, Inc. and as of the Effective Date for Thomas Newman	Number of Units
Class A Units		
Community Connect, Inc.		
New York, New York	Approximately	
Attn: Alfred C. Liggins III	$38,000,000	4,750
Equity Plan Units		
Thomas Newman	$100	100

SCHEDULE B

JOINDER AGREEMENT

This JOINDER AGREEMENT (this "Agreement"), is executed by and among [__________________], a resident of __________________ (the "Transferee"), and Community Connect, LLC, a Delaware limited liability corporation (the "Company").

W I T N E S S E T H:

WHEREAS, the Interactive One and Newman (as such terms are defined in the Operating Agreement referred to below) entered into that certain Amended and Restated Limited Liability Company Operating Agreement of the Company, dated as of __________________ __________, 2009 (as amended from time to time, the "Operating Agreement"), providing for, among other things, the capitalization and operation of the Company;

WHEREAS, pursuant to Article XI of the Operating Agreement, no Transfer of Units may be effective unless the Transferee executes an agreement agreeing to be bound by the terms of the Operating Agreement; and

WHEREAS, in order to effectuate the Transfer permitted by the Operating Agreement, the Transferee and the Company desire to enter into this Agreement.

NOW THEREFORE, in consideration of the foregoing premises, the mutual covenants and agreements set forth herein, and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. **Defined Terms.** Capitalized terms used but not otherwise defined in this Agreement shall have the respective meanings ascribed to such terms in the Operating Agreement.

2. **Representations, Warranties and Covenants of the Transferee.** The Transferee hereby represents and warrants to, and covenants and agrees with, the Company, effective as of the date hereof, as follows:

a) the Transferee understands that (i) the Units are not registered under the Securities Act of 1933, as amended (the "Act"), or any state securities laws and are being offered and sold in reliance upon exemptions provided in the Act and state securities laws for transactions not involving any public offering and, therefore, the Units cannot be resold or transferred unless the Units are registered under the Act and any applicable state securities laws or unless an exemption from registration is available, and (ii) the availability of the exemptions relied upon by the Company in issuing the Units is dependent, in part, upon the truth of the representations and warranties made by the Transferee in this Agreement;

b) the Transferee is acquiring the Units for investment only, solely for the Transferee's own account, not as a nominee or agent, and not with a view to the sale or other distribution thereof, in whole or in part, and the Transferee has no contract, understanding, agreement or arrangement with any Person to transfer to such Person or any other Person any of the Units (except as provided in the Operating Agreement), and the Transferee has no present intention to enter into any such contract, understanding, agreement or arrangement;

c) the Transferee understands that the Units are subject to restrictions on transfer, and that the Transferee may not transfer the Units except in accordance with the Operating Agreement;

d) the Transferee understands that that the Units are "restricted securities" under applicable U.S. federal and state securities laws and that, pursuant to these laws, the Transferee must hold the Units indefinitely unless they are registered with the Securities and Exchange Commission and qualified by the state authorities (unless an exemption from such registration and qualification requirements is available) and the Company is under no obligation (and has no intention) to register the Units under any circumstances or to attempt to make available any exemption from registration under the Act or any applicable state securities law, at the Transferee's expense or otherwise;

e) the Transferee acknowledges that (i) if an exemption from registration or qualification is available, it may be conditioned on various requirements, including but not limited to the availability of current public information about the Company, the time and manner of the sale, the holding period of the Units and on requirements relating to the Company that are outside of the Transferee's control; and (ii) the Company is not presently subject, and may never be subject, to the reporting requirements of the Securities Exchange Act of 1934, as amended, to the extent required to enable the Transferee to sell its Units pursuant to Rule 144 under the Securities Act of 1933, as amended;

f) the Transferee understands that no public market now exists for any of the securities issued by the Company, and that the Company has made no assurances that a public market will ever exist for the Units;

g) the Transferee is relying solely on its own conclusions or the advice of its own counsel or advisors with respect to the tax aspects of its investment in the Company;

h) for the purpose of qualification of the offer and sale of the Units under applicable state securities laws, (i) if such Transferee is an individual, then the Transferee is a resident of the state set forth on the signature page to this Agreement and (ii) if the Transferee is a partnership, corporation, limited liability company or other entity, then the office or offices of the Transferee in which its investment decision was made is located at the address or addresses of the Transferee set forth on the signature page to this Agreement;

i) if the Transferee is a partnership, corporation, limited liability company or other entity, then this Agreement has been executed by a duly authorized officer on behalf of the Transferee, and the execution, delivery and performance hereof by the Transferee have been duly authorized by all required action;

j) the Transferee has full power and authority to enter into this Agreement and the Operating Agreement and the execution and delivery by the Transferee of, and the performance by the Transferee of its obligations under, this Agreement and the Operating Agreement will result in valid and legally binding obligations of the Transferee, enforceable against the Transferee in accordance with the respective terms and provisions hereof and thereof, subject to the effect of bankruptcy, insolvency, reorganization, receivership, moratorium and other laws affecting the rights and remedies of creditors generally and of general principles of equity;

k) the execution and delivery by the Transferee of, and the performance by the Transferee of its obligations under, this Agreement and the Operating Agreement (i) does not and will not result in a breach of any of the terms, conditions or provisions of, or constitute a default under (A) any governing instrument of the Transferee (if the Transferee is a partnership, corporation, limited liability company or other entity) or (B) (1) any note, credit agreement, mortgage, indenture or other evidence of indebtedness, or any lease or other agreement or understanding to which Transferee is a party, or (2) any license, permit or franchise, in either case to which the Transferee is a party or by which it is bound or to which any of its properties or assets are subject except, in each case, where the breach or default thereunder is not reasonably likely to materially and adversely affect the Transferee's ability to perform its obligations under this Agreement or the Operating Agreement, (ii) does not require any authorization or approval under or pursuant to any of the matters set forth in (A) or (B) above (other than such authorizations or approvals which have been obtained on or prior to the date hereof), or (iii) does not violate, in any material respect, any statute, regulation, law, order, injunction or decree to which the Transferee is subject;

l) there is no litigation, investigation or other proceeding pending or, to the Transferee's knowledge, threatened, against the Transferee which, if adversely determined, would materially and adversely affect the Transferee's ability to perform its obligations under this Agreement or the Operating Agreement;

m) no consent, approval or authorization of, or filing, registration or qualification with, any court or governmental authority is required on the part of the Transferee for the execution and delivery of this Agreement and the Operating Agreement or the performance by the Transferee of its obligations under this Agreement and the Operating Agreement;

n) neither the Transferee, nor any of its officers, employees, agents, directors, stockholders or partners, if applicable has (i) agreed to pay any commission, fee or other remuneration to any third party to solicit or contact any potential investor,

(ii) engaged in any general solicitation, or (iii) published any advertisement, in each case, in connection with the offer and sale of the Units; and

o) the Transferee acknowledges and understands that the Units in the Company shall be uncertificated and that, should the Company elect to represent the Units by certificates, any certificates evidencing Units shall be stamped or endorsed with a legend in substantially the following form:

> THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS, AND ACCORDINGLY NEITHER SUCH SECURITIES NOR ANY INTEREST THEREIN MAY BE SOLD, TRANSFERRED, PLEDGED, OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR AN EXEMPTION THEREFROM UNDER SUCH ACT AND ANY SUCH LAWS APPLICABLE THERETO AND THE RULES AND REGULATIONS THEREUNDER.
>
> THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO RESTRICTION AS TO THEIR VOTING, SALE, TRANSFER, HYPOTHECATION, OR ASSIGNMENT AND MAY BE SUBJECT TO FORFEITURE AND OTHER RESTRICTIONS, IN EACH CASE, AS SET FORTH IN THE LIABILITY COMPANY OPERATING AGREEMENT OF COMMUNITY CONNECT, LLC, DATED AS OF ___________________ __________, 2009, AMONG CERTAIN MEMBERS NAMED THEREIN, TOGETHER WITH ANY RELATED AGREEMENTS. COPIES OF SUCH AGREEMENTS ARE ON FILE AT THE PRINCIPAL OFFICE OF THE COMPANY AND MAY BE OBTAINED WITHOUT CHARGE UPON WRITTEN REQUEST TO THE COMPANY.

3. **Survival of Representations and Warranties.** All representations and warranties made by the Transferee in Section 2 hereof shall survive the execution and delivery of this Agreement.

4. **Joinder to Operating Agreement.** By execution and delivery of this Agreement, the Transferee hereby (i) joins in and agrees to be fully bound by, and subject to, all of the obligations, covenants, terms and conditions of the Operating Agreement applicable to a Member as though the Transferee were an original party thereto, and shall be deemed included in the definition of “Member” and “Additional Member” for all purposes thereof, (ii) acknowledges receipt of the Operating Agreement and represents, warrants, covenants and agrees that the Transferee has read the Operating Agreement and understands that by signing this document, the Transferee shall assume all of the duties and obligations of a Member thereunder and (iii) authorizes this Agreement to be attached to and made part of the Operating Agreement or counterparts thereof.

5. **Modification.** Except to the extent modified by the terms of this Agreement, and the terms and conditions of the Operating Agreement shall remain in full force and effect.

6. **Notice.** The address to which notice should be sent to the Transferee pursuant to the Operating Agreement (including Schedule A thereof) is set forth on the signature page hereof. In the event such address shall change, Transferee shall promptly provide written notice of such new address to the Company and the Company shall be authorized to update such information as appropriate in the books and records of the Company and any other relevant documents.

7. **Governing Law.** This Agreement shall be construed in accordance with and governed exclusively by the law of the State of Delaware (without giving effect to any conflicts or choice of law provisions that would cause the application of the domestic substantive laws of any other jurisdiction).

8. **Counterparts; Signatures.** This Agreement may be executed in any number of counterparts with the same effect as if all parties hereto had signed the same document, and all counterparts shall be construed together and shall constitute one instrument. A facsimile or photocopied signature shall be deemed to be the functional equivalent of an original for all purposes.

[The remainder of this page is intentionally left blank]

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

TRANSFEREE:

[___________________]

By: ______________________________
Name:
Title:

Transferee Address for Notice:

[insert address]

COMPANY:

COMMUNITY CONNECT, LLC

By: ______________________________
Name:
Title:

Exhibit 3.15

State of Delaware
Secretary of State
Division of Corporations
Delivered 07:07 PM 03/27/2007
FILED 06:44 PM 03/27/2007
SRV 070368868 — 4324715 FILE

CERTIFICATE OF FORMATION

OF

DISTRIBUTION ONE, LLC

This Certificate of Formation of Distribution One, LLC (the "Company"), dated as of February 12, 2007, is being duly executed and filed by the undersigned, an authorized person, to form a limited liability company under the Delaware Limited Liability Company Act (6 Del.C. § 18-101, et seq.).

FIRST. The name of the limited liability company formed hereby is DISTRIBUTION ONE, LLC.

SECOND. The address of the initial registered office of the Company in the State of Delaware shall be: 2711 Centerville Road, Suite 400, Wilmington, DE 19808.

THIRD. The name and address of the Company's registered agent for service of process on the Company in the State of Delaware are: Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, DE 19808.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Formation as of the date first above written.

/s/ Linda J. Vilardo
Authorized Person

Exhibit 3.16

AMENDED AND RESTATED
LIMITED LIABILITY COMPANY
OPERATING AGREEMENT
OF

DISTRIBUTION ONE, LLC

This Amended and Restated Limited Liability Company Agreement (the "Agreement") of Distribution One, LLC, a Delaware limited liability company (the "Company"), is made as of October 18, 2010, by Radio One Distribution Holdings, LLC, a Delaware limited liability company, as sole member (the "Member").

RECITALS

WHEREAS, on February 12, 2007, the Company was formed as a limited liability company in accordance with the provisions of the Delaware Limited Liability Company Act, 6 Del. C. § 18-101 *et seq*, as amended from time to time, and any successor statute (the "Act") and, on March 27, 2007, the initial members of the Company, the Member and TV One, LLC, a Delaware limited liability company ("TV One," and collectively with the Member, the "Original Members") entered into an operating agreement pursuant to the Act governing the affairs of the Company and the conduct of its business (the "Operating Agreement");

WHEREAS, the Original Members of the Company have entered into a Membership Interest Transfer Agreement whereby the Member acquired all equity interests in the Company previously held by TV One, thereby becoming the sole equity holder of the Company;

WHEREAS, the Member agrees that it is in its best interests to amend and restate the Operating Agreement of the Company in its entirety as set forth herein;

NOW, THEREFORE, in consideration of the agreements and obligations set forth herein and intending to be legally bound, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Member hereby agrees as follows:

1. Formation; Admission of Member. The Company was formed as a Delaware limited liability company pursuant to the provisions of the Act by filing the Certificate of Formation for the Company with the Office of the Secretary of State of the State of Delaware in conformity with the Act. The Company and, if required, the Member shall execute or cause to be executed from time to time all other instruments, certificates, notices and documents and shall do or cause to be done all such acts and things (including keeping books and records and making periodic filings) as may now or hereafter be required for the formation, valid existence and, when appropriate in accordance with the terms of this Agreement, termination of the Company as a limited liability company under the laws of the State of Delaware.

2. Name. The name of the Company is "Distribution One, LLC" and all Company business shall be conducted under such name.

3. Purpose. The Company is formed for the purpose of engaging in any lawful act or activity for which limited liability companies may be formed under Delaware law and engaging in any and all activities necessary, convenient, desirable or incidental to the foregoing.

4. Principal Place of Business. The principal place of business of the Company shall be at c/o Radio One, Inc., 5900 Princess Garden Parkway, 7th Floor, Lanham, MD 20706.

5. Member. The name and mailing address of the Member is as follows:

Name	Address
Radio One Distribution Holdings, LLC	5900 Princess Garden Parkway, 7th Floor Lanham, MD 20706 Attn: General Counsel

6. Registered Agent and Office. The street address of the initial registered office of the Company shall be: 2711 Centerville Road, Suite 400, Wilmington, DE 19808. The name of the Company's registered agent at such address is: Corporation Service Company. At any time, the Member may designate a different registered agent and/or registered office.

7. Powers. The Company shall have the power and authority to take any and all actions necessary, appropriate, proper, advisable, incidental or convenient to or for the furtherance of the purposes described herein, including all powers, statutory or otherwise, possessed by the members of limited liability companies under Delaware law.

8. Management of the Company. The business affairs of the Company shall be managed by the Member in accordance with Section 18-402 of the Act. Management of the Company shall be vested solely in the Member. The Member shall have sole and complete discretion in determining whether to issue Units, the number of Units to be issued at any particular time, the purchase price for any Units issued, and all other terms and conditions governing any Units or the issuance thereof. The number of Units outstanding as of the date of this Agreement shall be one hundred (100). The Member may appoint a President, one or more Vice Presidents, a Treasurer, a Secretary and/or one or more other officers as it deems necessary, desirable or appropriate, with such authority and upon such terms and conditions as the Member deems appropriate or, in the absence of such determination by the Member, as are appropriate to an officer with a similar title of a Delaware corporation. Any such officer shall serve at the pleasure of the Member and may be removed, with or without cause, by the Member.

9. Relationship Between the Member and the Company.

(a) The Member, its Affiliates (hereinafter defined), and the managers, officers and employees of the Member and its Affiliates may enter into agreements with the Company providing for the performance of services for the Company, and the receipt of such compensation as the Company may agree to pay.

(b) None of the Member, Manager (as defined in the Act) or officers of the Company shall be liable or accountable in damages or otherwise to the Company or the Member for any act or omission done or omitted by him, her or it in good faith, unless such act or omission constitutes gross negligence or willful misconduct on the part of the Member, Manager or officer of the Company. The Company is expressly permitted in the normal course of its business to enter into transactions with the Member and any or all Managers or officers or with any Affiliates of the Member or of any such Manager or officer.

(c) All expenses incurred with respect to the organization, operation and management of the Company shall be borne by the Company. The Member shall be entitled to reimbursement from the Company for direct expenses allocable to the organization, operation and management of the Company.

(d) "Affiliate" shall mean any Person (hereinafter defined) directly or indirectly controlling, controlled by or under common control with the Person in question; and, if the Person in question is not an individual, any executive officer or director of the Person in question or of any Person directly or indirectly controlling the Person in question. As used in this definition of "Affiliate," the term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise. "Person" shall mean any individual, corporation, association, partnership, limited liability company, joint venture, trust, estate or other entity or organization.

10. Indemnity. In accordance with Section 18-108 of the Act, the Company shall indemnify and hold harmless the Member and any Manager, officer of the Company and Affiliate thereof (individually, in each case, an "Indemnitee"), to the fullest extent permitted by law against any loss, liability, damage, judgment, demand, claim, cost or expense incurred by or asserted against the Indemnitee (including, without limitation, reasonable attorney's fees and disbursements incurred in the defense thereof) arising out of any act or omission of the Indemnitee in connection with the Company. Unless otherwise provided in this Section 10, in the event of any action by the Member against any Indemnitee, including a derivative suit, the Company shall indemnify, hold harmless and pay all expenses of such Indemnitee, including reasonable attorney's fees and disbursements incurred in the defense thereof. Notwithstanding the provisions of this Section 10, this Section 10 shall be enforced only to the maximum extent permitted by law, and no Indemnitee shall be indemnified from any liability for the fraud, intentional misconduct, gross negligence or a knowing violation of the law which was material to the cause of action.

11. Allocation of Profits and Losses. The Company's profits and losses, and all items allocable for tax purposes, shall be allocated to the Member.

12. Distributions. Distributions shall be made to the Member at the times and in the aggregate amounts as determined by the Member.

13. Assignments. The Member may assign in whole or in part its limited liability interest in the Company in accordance with the Act.

14. Admission of Additional Members. One or more additional members may be admitted to the Company with the consent of the Member upon such terms and conditions as the Member, in its discretion, shall approve. In the event of the admission of any new member or members, the Member and such additional member or members shall execute an appropriate amendment to this Agreement reflecting such terms and conditions and such other matters which the Member deems appropriate or upon which the Member and such additional member or members shall agree.

15. Resignation of Member. The Member may resign from the Company in accordance with the Act.

16. Liability of Member. Except as otherwise required in the Act, the debts, obligations, and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, the Member shall not be obligated for any such debt, obligation or liability of the Company solely by reason of being a member or participating in the management of the Company. The failure of the Company to observe any formalities or requirements relating to the exercise of its powers or management of its business or affairs under the Act or this Agreement shall not be grounds for imposing liability on the Member for liabilities of the Company.

17. Dissolution. The Company shall dissolve, and its affairs shall be wound up, upon the first to occur of the following: (a) the written consent of the Member; (b) the resignation of the Member; (c) the termination of the legal existence of the Member; (d) the occurrence of any event which terminates the continued membership of the Member in the Company; and (e) the entry of a decree of judicial dissolution under Section 18-802 of the Act. Upon the occurrence of an event set forth in this Section 17, the Member shall be entitled to receive, after winding up the affairs of the Company and paying or making reasonable provision for all of the Company's creditors to the extent required by Section 18-804 of the Act, the remaining funds of the Company. The Member shall not have any obligation to restore to the Company the amount by which its capital account may be negative. Actions taken by the Member or the Company to effectuate or facilitate the orderly winding up of the Company's affairs shall not be construed to involve a continuation of the Company.

18. Amendments. This Agreement may be amended only in writing. Any such amendment must be approved and executed by the Member.

19. Binding Effect; Benefits. This Agreement shall be binding upon and inure to the benefit of the Member and, to the extent permitted by this Agreement, its successors, legal representatives and assigns. No Person other than the Member shall be entitled to any benefits under the Agreement, except as otherwise expressly provided. Reference to any Person in this Agreement includes such Person's successors and permitted assigns.

20. Captions. Captions contained in this Agreement are inserted as a matter of convenience and in no way define, limit, extend or describe the scope of this Agreement or the intent of any provision hereof.

21. Severability. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision were omitted. The preceding sentence shall be of no force or effect if the consequence of enforcing the remainder of this Agreement without such invalid or unenforceable provision would be to cause any party to lose the benefit of its economic bargain.

22. Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED UNDER THE LAWS OF THE STATE OF DELAWARE, EXCLUDING ANY CONFLICTS OF LAWS, RULE OR PRINCIPLE THAT MIGHT REFER THE GOVERNANCE OR CONSTRUCTION OF THIS AGREEMENT TO THE LAW OF ANOTHER JURISDICTION.

23. Consent to Jurisdiction Provision. The Member hereby (i) irrevocably submits to the nonexclusive jurisdiction of any Delaware State court or Federal court sitting in Wilmington, Delaware, in any action arising out of this Agreement, and (ii) consents to the service of process by mail. Nothing herein shall affect the right of any party to serve legal process in any manner permitted by law or affect its right to bring any action in any other court.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Member has executed this Agreement as of the date and year first above written.

RADIO ONE DISTRIBUTION HOLDINGS, LLC

By: /s/ Linda J. Vilardo
Name: Linda J. Vilardo
Title: Vice President

Amended & Restated Limited Liability Company Operating Agreement
Distribution One, LLC

Exhibit 3.19

State of Delaware
Secretary of State
Division of Corporations
Delivered 06:32 PM 11/28/2007
FILED 06:32 PM 11/28/2007
SRV 071264269 — 4451231 FILE

CERTIFICATE OF INCORPORATION

OF

INTERACTIVE ONE, INC.

FIRST: The name of the Corporation is INTERACTIVE ONE, INC. (the "Corporation").

SECOND: The address of the Corporation's registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, the City of Wilmington, County of New Castle 19801. The name of the Corporation's registered agent at such address is The Corporation Trust Company.

THIRD: The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.

FOURTH: The total number of shares of stock which the Corporation shall have authority to issue is One Thousand (1,000) shares of Common Stock, $0.01 par value per share.

FIFTH: The board of directors ("Board of Directors") is authorized to make, alter or repeal the by-laws of the Corporation. Election of directors need not be by written ballot.

SIXTH: A director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the Delaware General Corporation Law, or (iv) for any transaction from which the director derived an improper personal benefit. If the Delaware General Corporation Law is hereafter amended to authorize the further elimination or limitation of the liability of directors, then the liability of the directors of the Corporation, in addition to the limitation on personal liability provided herein, shall be limited to the fullest extent permitted by the amended Delaware General Corporation Law. Any repeal or modification of this paragraph by the stockholders of the Corporation shall be prospective only, and shall not adversely affect any limitation on the personal liability of a director of the Corporation at the time of such repeal or modification.

SEVENTH: A. Each person who was or is a party or is threatened to be made a party to or is involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "proceeding", by reason of the fact that he or she, or a person of whom he or she is the legal representative, is or was a director or officer of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether the basis of such proceeding is alleged action in an official capacity as a director, officer, employee or agent or in any other capacity while serving as a director, officer, employee or agent, shall be

indemnified and held harmless by the Corporation to the fullest extent authorized by the Delaware General Corporation Law, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than said law permitted the Corporation to provide prior to such amendment), against all expense, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid or to be paid in settlement) actually and reasonably incurred or suffered by such person in connection therewith, and such indemnification shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of his or her heirs, executors and administrators; provided, however, that, except as provided in Paragraph B hereof, the Corporation shall indemnify any such person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the Board of Directors of the Corporation. The right to indemnification conferred in this Article SEVENTH shall be a contract right and shall include the right to be paid by the Corporation the expenses incurred in defending any such proceeding in advance of its final disposition; provided, however, that, if the Delaware General Corporation Law requires, the payment of such expenses incurred by a director or officer in his or her capacity as a director or officer (and not in any other capacity in which service was or is rendered by such person while a director or officer, including, without limitation, service to an employee benefit plan) in advance of the final disposition of a proceeding, shall be made only upon delivery to the Corporation of an undertaking, by or on behalf of such director or officer, to repay all amounts so advanced if it shall ultimately be determined that such director or officer is not entitled to be indemnified under this Article SEVENTH or otherwise. The Corporation may, by action of its Board of Directors, provide indemnification to employees and agents of the Corporation with the same scope and effect as the foregoing indemnification of directors and officers.

B. If a claim under Paragraph A of this Article SEVENTH is not paid in full by the Corporation within thirty days after a written claim has been received by the Corporation, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any is required, has been tendered to the Corporation) that the claimant has not met the standards of conduct which make it permissible under the Delaware General Corporation Law for the Corporation to indemnify the claimant for the amount claimed, but the burden of providing such defense shall be on the Corporation. Neither the failure of the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the Delaware General Corporation Law, nor an actual determination by the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

C. The right to indemnification and the payment of expenses incurred in defending a proceeding in advance of its final disposition conferred in this Article SEVENTH

shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, provision of the Certificate of Incorporation, by-law, agreement, vote of stockholders or disinterested directors or otherwise.

D. The Corporation may maintain insurance, at its expense, to protect itself and any person who is or was a director, officer, employee or agent of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any such expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the Delaware General Corporation Law.

EIGHTH: The name and mailing address of the incorporator is:

Deborah Hawkins
5900 Princess Garden Parkway
5th Floor
Lanham, MD 20706

I, THE UNDERSIGNED, being the incorporator hereinbefore named, for the purpose of forming a corporation pursuant to the General Corporation Law of Delaware, do make this certificate, hereby declaring and certifying that this is my act and deed and the facts herein stated are true, and accordingly have hereunto set my hand this 28th day of November, 2007.

/s/ Deborah Hawkins
Deborah Hawkins, Sole Incorporator

Name Reservation Status

Reservation No.	Entity Name	Entity Type	Cost	Status	Expiration Date (mm/dd/yyyy)
4451231	INTERACTIVE ONE INC.	CORPORATION	75.00	RESERVED	03/01/2008
0000000	INTERACTIVE ONE LLC	LIMITED LIABILITY COMPANY (LLC)	0.00	NOT AVAILABLE	—

SRV Number — 071184177
Payment Type — Credit Card
Card Number -************3836
Card Type — MC
Credit Card Reference Number — 110207123101305
Amount Charged — $75.00

State of Delaware
Secretary of State
Division of Corporations
Delivered 06:43 PM 06/05/2008
FILED 04:55 PM 06/05/2008
SRV 080667602 — 4451231 FILE

CERTIFICATE OF CHANGE OF LOCATION OF REGISTERED OFFICE

AND OF REGISTERED AGENT

OF

Interactive One, Inc.

It is hereby certified that:

1. The name of the corporation (hereinafter called the "corporation") is:

Interactive One, Inc.

2. The registered office of the corporation within the State of Delaware is hereby changed to 2711 Centerville Road, Suite 400, City of Wilmington 19808, County of New Castle.

3. The registered agent of the corporation within the State of Delaware is hereby changed to Corporation Service Company, the business office of which is identical with the registered office of the corporation as hereby changed.

4. The corporation has authorized the changes hereinbefore set forth by resolution of its Board of Directors.

Signed on June 5, 2008

/s/ Linda J. Vilardo
Name: Linda J. Vilardo
Title: Vice President

State of Delaware
Secretary of State
Division of Corporations
Delivered 01:20 PM 07/01/2008
FILED 01:14 PM 07/01/2008
SRV 080747616 — 4451231 FILE

STATE OF DELAWARE
CERTIFICATE OF MERGER OF
DOMESTIC CORPORATIONS

Pursuant to Title 8, Section 251(c) of the Delaware General Corporation Law, the undersigned corporation executed the following Certificate of Merger:

FIRST: The name of the surviving corporation is Interactive One, Inc., and the name of the corporation being merged into this surviving corporation is Magazine One, Inc.

SECOND: The Agreement of Merger has been approved, adopted, certified, executed and acknowledged by each of the constituent corporations.

THIRD: The name of the surviving corporation is Interactive One, Inc. a Delaware corporation.

FOURTH: The Certificate of Incorporation of the surviving corporation shall be its Certificate of Incorporation.

FIFTH: The merger is to become effective July on 1, 2008.

SIXTH: The Agreement of Merger is on file at 5900 Princess Garden Parkway, 7th Floor, Lanham, Maryland 20706, the place of business of the surviving corporation.

SEVENTH: A copy of the Agreement of Merger will be furnished by the surviving corporation on request, without cost, to any stockholder of the constituent corporations.

IN WITNESS WHEREOF, said surviving corporation has caused this certificate to be signed by an authorized officer, the l6th day of June, A.D., 2008.

By: /s/ Linda J. Vilardo
Authorized Officer
Name: Linda J. Vilardo
Print or Type
Title: Vice President

Exhibit 3.20

BYLAWS

OF

INTERACTIVE ONE, INC.
(as of November 30, 2007)

A DELAWARE CORPORATION

ARTICLE I — OFFICES

Section 1. Registered Office. The registered office in the State of Delaware shall be at 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808 in the County of New Castle. The name of the corporation's registered agent at such address shall be Corporation Service Company. The registered office or registered agent of the corporation may be changed from time to time by action of the board of directors on the filing of a certificate or certificates as required by law.

Section 2. Other Offices. The corporation may also have offices at such other places, both within and without the State of Delaware, as the board of directors may from time to time determine or the business of the corporation may require.

ARTICLE II — MEETINGS OF STOCKHOLDERS

Section 1. Place and Time of Meetings. An annual meeting of the stockholders shall be held each year, beginning in the year 2008, prior to the last day of September. At such meeting, the stockholders shall elect the directors of the corporation and conduct such other business as may come before the meeting. The time and place of the annual meeting shall be determined by the board of directors. Special meetings of the stockholders for any other purpose may be held at such time and place, within or without the State of Delaware, as shall be stated in the notice of the meeting or in a duly executed waiver of notice thereof. Special meetings of the stockholders may be called by the president or the chairman of the board for any purpose and shall be called by the secretary if directed in writing by two or more members of the board of directors or the holders of more than 10% of the outstanding stock and stating the purpose or purposes of the proposed meeting. The board of directors may elect to hold a meeting of the stockholders solely by means of remote communications.

Section 2. Notice. Whenever stockholders are required or permitted to take action at a meeting, written or printed notice of every annual or special meeting of the stockholders, stating the place, date, time, and, in the case of special meetings, the purpose or purposes, of such meeting, shall be given to each stockholder entitled to vote at such meeting not less than 10 nor more than 60 days before the date of the meeting. All such notices shall be delivered, either personally or by mail, by or at the direction of the board of directors, the chairman of the board, the chief executive officer, the president or the secretary, and if mailed, such notice shall be deemed to be delivered when deposited in the United States mail with

postage prepaid and addressed to the stockholder at his or her address as it appears on the records of the corporation. Without limiting the manner by which notice otherwise may be given to the stockholders, any notice given by the corporation to the stockholders shall be effective if given by a form of electronic transmission consented to by the stockholder to whom the notice is given. Any such consent shall be revocable by the stockholder by written notice to the corporation. Any such consent shall be deemed revoked if (a) the corporation is unable to deliver by electronic transmission two consecutive notices given by the corporation in accordance with such consent and (b) such inability becomes known to the corporation's secretary, an assistant secretary, transfer agent or other person responsible for giving such notice; provided, however, that the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or other action. Notice given by electronic transmission shall be deemed given: (i) if by facsimile, when directed to a number at which the stockholder has consented to receive notice, (ii) if by electronic mail, when directed to an electronic mail address at which the stockholder has consented to receive notice, (iii) if by posting on an electronic network together with separate notice to the stockholder of such specific posting, upon the later of (A) such posting and (B) the giving of such separate notice, and (iv) if by any other form of electronic transmission, when directed to the stockholder.

Section 3. Waiver of Notice. Whenever any notice is required to be given under the provisions of the statutes or of the certificate of incorporation or of these bylaws, a waiver thereof in writing, signed by the person or persons entitled to said notice, or a waiver by electronic transmission by the person entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting of stockholders shall constitute a waiver of notice of such meeting, except when the stockholder attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders, directors or members of a committee of directors need be specified in any written waiver of notice or any waiver by electronic transmission unless so required by the certificate of incorporation or these bylaws.

Section 4. Stockholders List. The officer having charge of the stock ledger of the corporation shall make, at least 10 days before every meeting of the stockholders, a complete list arranged in alphabetical order of the stockholders entitled to vote at such meeting, specifying the address of and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least 10 days prior to the meeting, either at a place within the city where the meeting is to be held, which place shall be specified in the notice of the meeting or, if not so specified, at the place where the meeting is to be held. The list shall also be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present.

Section 5. Quorum; Adjourned Meetings. The presence of stockholders entitled to cast at least a majority of the votes that all stockholders are entitled to cast on a matter to be acted upon at a meeting of the stockholders shall constitute a quorum for the purposes of consideration and action on the matter, except as otherwise provided by statute or by the certificate of incorporation. If a quorum is not present, the holders of the shares present in

person or represented by proxy at the meeting and entitled to vote thereat shall have the power, by the affirmative vote of the holders of a majority of such shares, to adjourn the meeting to another time or place. Unless the adjournment is for more than thirty days or unless a new record date is set for the adjourned meeting, no notice of the adjourned meeting need be given to any stockholder, provided that the time and place of the adjourned meeting were announced at the meeting at which the adjournment was taken. At the adjourned meeting, the corporation may transact any business which might have been transacted at the original meeting.

Section 6. Vote Required. When a quorum is present or represented by proxy at any meeting, the vote of a majority of the votes cast by all stockholders entitled to vote and, if any stockholders are entitled to vote as a class, the vote of a majority of the votes cast by the stockholders entitled to vote as a class, whether such stockholders are present in person or represented by proxy at the meeting, shall be the act of the stockholders, unless the question is one upon which by express provisions of an applicable statute or of the certificate of incorporation a different vote is required, in which case such express provision shall govern and control the decision of such question.

Section 7. Voting Rights. Except as otherwise provided by the Delaware General Corporation Law or by the certificate of incorporation of the corporation or any amendments thereto and subject to Section 4 of ARTICLE VI hereof, each stockholder shall at every meeting of the stockholders be entitled to one vote in person or by proxy for each share of capital stock held by such stockholder.

Section 8. Proxies. Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for him or her by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period.

Section 9. Action Without Meeting. Any action required by law or these bylaws to be taken at any annual or special meeting of stockholders of the corporation, or any action which may be taken at any annual or special meeting of such stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize such action at a meeting at which all shares entitled to vote thereon were present and voted. The record date for determining stockholders entitled to express consent to corporate action in writing without a meeting, when no prior action by the board of directors is necessary, shall be the date on which the first written consent is expressed. A telegram, cablegram or other electronic transmission consenting to an action to be taken and transmitted by a stockholder, or by a person or persons authorized to act for a stockholder, shall be deemed to be written, signed and dated for purposes of this Section 9, provided, that any such telegram, cablegram or other electronic transmission sets forth or is delivered with information from which the corporation can determine (a) that the telegram, cablegram or other electronic transmission was transmitted by the stockholder, or by a person or persons authorized to act for the stockholder, and (b) the date on which such stockholder or authorized person or persons transmitted such telegram, cablegram or electronic transmission. The date on which such telegram, cablegram or electronic transmission is transmitted shall be

deemed to be the date on which such consent was signed. Any copy, facsimile or other reliable reproduction of a consent in writing may be substituted or used in lieu of the original writing for any and all purposes for which the original writing could be used, provided, that such copy, facsimile or other reproduction shall be a complete reproduction of the entire original writing.

ARTICLE III — DIRECTORS

Section 1. General Authority. The business and affairs of the corporation shall be managed by or under the direction of its board of directors which may exercise all such powers of the corporation and do such lawful acts and things as are not by statute or by the certificate of incorporation or by these bylaws directed or required to be exercised or done by the stockholders.

Section 2. Number, Election and Term of Office. The number of directors shall be no fewer than 3 nor more than 7, as determined from time to time by resolution of the board or as otherwise provided in the certificate of incorporation of the corporation. The directors shall be elected by a plurality of the votes of the shares present in person or represented by proxy at the meeting and entitled to vote in the election of directors except that the first directors of the corporation shall be appointed by the sole incorporator of the corporation. The directors shall be elected in this manner at the annual meeting of the stockholders, except as provided in Section 3 of this ARTICLE III. Each director elected shall hold office until a successor is duly elected and qualified or until his or her earlier death, resignation or removal as hereinafter provided. Directors need not be stockholders of the corporation.

Section 3. Removal and Resignation. Any director or the entire board of directors may be removed at any time, with or without cause, by the vote of a majority of the votes cast by all stockholders entitled to vote at an election of directors, except as otherwise provided by statute. Any director may resign at any time upon written notice to the president or secretary of the corporation. The resignation of any director shall take effect at the time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4. Vacancies. Except as otherwise provided by the certificate of incorporation of the corporation or any amendments thereto, vacancies and newly created directorships resulting from any increase in the authorized number of directors may be filled by a majority vote of the holders of the corporation's outstanding stock entitled to vote thereon or by a majority vote of the Board of Directors. Each director so chosen shall hold office until a successor is duly elected and qualified or until his or her earlier death, resignation or removal as herein provided.

Section 5. Annual Meetings. The annual meeting of each newly elected board of directors shall be held without other notice than this bylaw immediately after, and at the same place as, the annual meeting of stockholders.

Section 6. Other Meetings and Notice. Regular meetings, other than the annual meeting, of the board of directors may be held without notice at such time and at such place as shall from time to time be determined by resolution of the board. Special meetings of

the board of directors may be called by or at the request of the chairman, the chief executive officer or the president on at least 24 hours notice to each director, either personally, by telephone, by mail, by telegraph, by facsimile or by other electronic transmission; in like manner and on like notice the secretary must call a special meeting on the written request of a majority of directors. Such notice shall state the date, time and place, if any, of the meeting but need not state the purpose thereof, except as otherwise herein expressly provided. A written waiver of notice signed by the director entitled to notice, whether before or after the time stated therein, shall be equivalent to notice. Attendance of a director at the meeting shall constitute a waiver of notice of such meeting, except when the director attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

Section 7. Quorum. A majority of the total number of directors shall constitute a quorum for the transaction of business. The vote of a majority of directors present at a meeting at which a quorum is present shall be the act of the board of directors. If a quorum shall not be present at any meeting of the board of directors, the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

Section 8. Committees. The board of directors may, by resolution passed by a majority of the whole board, designate one or more committees. Each committee shall consist of one or more of the directors of the corporation, which, to the extent provided in such resolution and not otherwise limited by statute, shall have and may exercise the powers of the board of directors in the management and affairs of the corporation including without limitation the power to declare a dividend and to authorize the issuance of stock; provided, however, that no such committee shall have the power or authority to amend these bylaws or the certificate of incorporation. The board of directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the board of directors. Each committee shall keep regular minutes of its meetings and report the same to the directors when required.

Section 9. Committee Rules. Each committee of the board of directors may fix its own rules of procedure and shall hold its meetings as provided by such rules, except as may otherwise be provided by the resolution of the board of directors designating such committee, but in all cases the presence of at least a majority of the members of such committee shall be necessary to constitute a quorum. In the event that a member and that member's alternate, if alternates are designated by the board of directors as provided in Section 8 of this ARTICLE III, of such committee is/are absent or disqualified, the member or members thereof present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the board of directors to act at the meeting in place of any such absent or disqualified member.

Section 10. Compensation. The directors may be paid their expenses, if any, of attendance at each meeting of the board of directors and may be paid a fixed sum for attendance at each meeting of the board of directors or a stated salary as director. No such payment shall preclude any director from serving the corporation in any other capacity and

receiving compensation therefor. Members of special or standing committees may be allowed like compensation for attending committee meetings.

Section 11. Communications Equipment. Members of the board of directors or any committee thereof may participate in and act at any meeting of such board or committee through the use of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in the meeting pursuant to this section shall constitute presence in person at the meeting.

Section 12. Action by Written Consent. Any action required or permitted to be taken at any meeting of the board of directors, or of any committee thereof, may be taken without a meeting if all members of the board or committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the board of directors or committee.

ARTICLE IV — OFFICERS

Section 1. Number. The officers of the corporation shall be elected by the board of directors and shall consist of a chairman of the board (if the board of directors so deems advisable and elects), a president (who shall perform the functions of the chairman of the board if none be elected), one or more vice-presidents, a secretary, a treasurer, and such other officers and assistant officers as may be deemed necessary or desirable by the board of directors. Any number of offices may be held by the same person. In its discretion, the board of directors may choose not to fill any office for any period as it may deem advisable, except the offices of president and secretary.

Section 2. Election and Term of Office. The officers of the corporation shall be elected annually by the board of directors at the meeting of the board of directors held after each annual meeting of stockholders. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Vacancies may be filled or new offices created and filled at any meeting of the board of directors. Each officer shall hold office until the next annual meeting of the board of directors and until a successor is duly elected and qualified or until his or her earlier death, resignation or removal as hereinafter provided.

Section 3. Removal. Any officer or agent elected by the board of directors may be removed by the board of directors whenever in its judgment the best interest of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

Section 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the board of directors for the unexpired portion of the term by the board of directors then in office.

Section 5. Compensation. Compensation of all officers shall be fixed by the board of directors, and no officer shall be prevented from receiving such compensation by virtue of the fact that he or she is also a director of the corporation.

Section 6. Chairman of the Board. The chairman shall preside at all meetings of the board of directors and all meetings of the stockholders and shall have such other powers and perform such duties as may from time to time be assigned to him by the board of directors.

Section 7. The Chief Executive Officer. The chief executive officer of the corporation shall have such powers and perform such duties as are specified in these bylaws and as may from time to time be assigned to him by the board of directors. The chief executive officer shall have overall management of the business of the corporation and its subsidiaries and shall see that all orders and resolutions of the boards of directors of the corporation and its subsidiaries are carried into effect. The chief executive officer shall execute bonds, mortgages and other contracts requiring a seal, under the seal of the corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the board of directors to some other officer or agent of the corporation. The chief executive officer shall have general powers of supervision and shall be the final arbitrator of all differences among officers of the corporation and its subsidiaries, and such decision as to any matter affecting the corporation and its subsidiaries subject only to the boards of directors. In the absence of the chairman for any reason, including the failure of the board of directors to elect a chairman, or in the event of the chairman's inability or refusal to act, the chief executive officer shall have all the powers of and be subject to all the restrictions upon the chairman.

Section 8. The President. The president shall have such powers and perform such duties as are specified in these bylaws and as may from time to time be assigned to him by the board of directors. The president shall have general and active management of the business of the corporation and shall see that all orders and resolutions of the board of directors are carried into effect. The president shall execute bonds, mortgages and other contracts requiring a seal, under the seal of the corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the board of directors to some other officer or agent of the corporation. The president shall have general powers of supervision and shall be the final arbitrator of all differences between officers of the corporation, and such decision as to any matter affecting the corporation subject only to the board of directors or the chief executive officer (if the president and the chief executive officer are not the same person). In the absence of the chief executive officer for any reason, including the failure of the board of directors to elect a chief executive officer or in the event of the chief executive officer's inability or refusal to act, the president shall have all the powers of and be subject to all the restrictions upon the chief executive officer.

Section 9. Vice Presidents. The vice-president, or if there shall be more than one, the vice-presidents in the order determined by the board of directors, including any executive vice presidents, shall, in the absence or disability of the president, perform the duties and exercise the powers of the president and shall perform such other duties and have such other powers as the board of directors or the president may, from time to time, determine or these bylaws may prescribe.

Section 10. The Secretary and Assistant Secretaries. The secretary shall attend all meetings of the board of directors and all meetings of the stockholders and record all the proceedings of the meetings of the corporation and the board of directors in a book to be kept for

that purpose and shall perform like duties for the standing committees when required. The secretary shall give, or cause to be given, notice of all meetings of the stockholders and special meetings of the board of directors; perform such other duties as may be prescribed by the board of directors or president, under whose supervision he or she shall be; shall have custody of the corporate seal of the corporation and the secretary, or an assistant secretary, shall have authority to affix the same to any instrument requiring it and when so affixed, it may be attested by his or her signature or by the signature of such assistant secretary. The board of directors may give general authority to any other officer to affix the seal of the corporation and to attest the affixing by his or her signature. The assistant secretary, or if there be more than one, the assistant secretaries in the order determined by the board of directors, shall, in the absence or disability of the secretary, perform the duties and exercise the powers of the secretary and shall perform such other duties and have such other powers as the board of directors or the president may from time to time prescribe.

Section 11. The Treasurer and Assistant Treasurer. The treasurer shall have the custody of the corporate funds and securities; shall keep full and accurate accounts of receipts and disbursements in books belonging to the corporation; shall deposit all monies and other valuable effects in the name and to the credit of the corporation as may be ordered by the board of directors, taking proper vouchers for such disbursements; and shall render to the president and the board of directors, at its regular meeting or when the board of directors so requires, an account of the corporation. If required by the board of directors, the treasurer shall give the corporation a bond (which shall be rendered every six years) in such sums and with such surety or sureties as shall be satisfactory to the board of directors for the faithful performance of the duties of the office of treasurer and for the restoration to the corporation, in case of death, resignation, retirement, or removal from office, of all books, papers, vouchers, money, and other property of whatever kind in the possession or under the control of the treasurer belonging to the corporation. The assistant treasurer, or if there shall be more than one, the assistant treasurers in the order determined by the board of directors, shall in the absence or disability of the treasurer, perform the duties and exercise the powers of the treasurer and shall perform such other duties and have such other powers as the board of directors or the president may from time to time prescribe.

Section 12. Other Officers, Assistant Officers and Agents. Officers, assistant officers and agents, if any, other than those whose duties are provided for in these bylaws, shall have such authority and perform such duties as may from time to time be prescribed by resolution of the board of directors.

ARTICLE V — INDEMNIFICATION

Officers, directors and others shall be entitled to indemnification to the extent provided in the certificate of incorporation.

ARTICLE VI — CERTIFICATES OF STOCK

Section 1. Form. Every holder of stock in the corporation shall be entitled to have a certificate, signed by, or signed in the name of the corporation by the president or a vice-president, and the secretary or an assistant secretary of the corporation, certifying the number of

shares owned by him or her in the corporation. Where a certificate is signed (1) by a transfer agent or an assistant transfer agent other than the corporation or its employee or (2) by a registrar, other than the corporation or its employee, the signature of any such president, vice-president, secretary, or assistant secretary may be facsimile. In case any officer or officers have signed a certificate or certificates, or whose facsimile signature or signatures have been used on certificate or certificates, shall cease to be such officer or officers of the corporation whether because of death, resignation or otherwise before such certificate or certificates have been delivered by the corporation, such certificate or certificates may nevertheless be issued and delivered as though the person or persons who signed such certificate or certificates or whose facsimile signature or signatures have been used on such certificate or certificates had not ceased to be such officer or officers of the corporation. All certificates for shares shall be consecutively numbered or otherwise identified. The name of the person to whom the shares represented thereby are issued, with the number of shares and date of issue, shall be entered on the books of the corporation. All certificates surrendered to the corporation for transfer shall be canceled, and no new certificate shall be issued in replacement until the former certificate for a like number of shares shall have been surrendered or canceled, except as otherwise provided in Section 2 with respect to lost, stolen or destroyed certificates.

Section 2. Lost Certificates. The board of directors may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the corporation alleged to have been lost, stolen, or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost, stolen, or destroyed. When authorizing such issue of a new certificate or certificates, the board of directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen, or destroyed certificate or certificates, or his or her legal representative, to give the corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the corporation with respect to the certificate alleged to have been lost, stolen or destroyed.

Section 3. Transfers of Stock. Upon surrender to the corporation or the transfer agent of the corporation of a certificate for shares, it shall be the duty of the corporation to issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction upon its books.

Section 4. Fixing a Record Date. The board of directors may fix in advance a record date for the determination of stockholders entitled to notice of, and to vote at, any meeting of stockholders and any adjournment thereof; stockholders entitled to consent to corporate action in writing without a meeting; stockholders entitled to receive payment of any dividend or other distribution or allotment of rights or entitled to exercise any rights in respect to any change, conversion or exchange of stock; or, for the purpose of any other lawful action, which record date may not precede the date on which the resolution fixing such record date is adopted by the board of directors. The record date for the determination of stockholders entitled to notice of, and to vote at, a meeting of stockholders shall not be more than 60 days nor less than 10 days before the date of such meeting. The record date for the determination of stockholders entitled to consent to corporate action in writing without a meeting shall not be more than 10 days after the date upon which the resolution fixing the record date is adopted by the board of directors. The record date for the determination of stockholders with respect to any other action shall not be

more than 60 days before the date of such action. If no record date is fixed: the record date for determining stockholders entitled to notice of, and to vote at, a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or if notice is waived, at the close of business on the day next preceding the day on which the meeting is held; the record date for determining stockholders entitled to consent to corporate action in writing without a meeting when no prior action by the board of directors is required by the Delaware General Corporation Law, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the corporation by delivery to its registered office in the State of Delaware, its principal place of business, or an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded; and, the record date for determining stockholders with respect to any other action shall be the close of business on the day on which the board of directors adopts the resolution relating thereto.

ARTICLE VII - GENERAL PROVISIONS

Section 1. Dividends. Dividends upon the capital stock of the corporation, subject to the provisions of the certificate of incorporation, if any, may be declared by the board of directors at any regular or special meeting, pursuant to law. Dividends may be paid in cash, in property, or in shares of the capital stock, subject to the provisions of the certificate of incorporation. Before payment of any dividend, there may be set aside out of any funds of the corporation available for dividends such sum or sums as the directors from time to time, in their absolute discretion, think proper as a reserve or reserves to meet contingencies, equalize dividends, repair or maintain any property of the corporation, or for any other purpose, and the directors may modify or abolish any such reserve in the manner in which it was created.

Section 2. Checks, Drafts or Orders. All checks, drafts, or other orders for the payment of money by or to the corporation and all notes and other evidences of indebtedness issued in the name of the corporation shall be signed by such officer or officers, agent or agents of the corporation, and in such manner, as shall be determined by resolution of the board of directors or a duly authorized committee thereof.

Section 3. Deposits. All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation or otherwise as the board of directors or the Chief Executive Officer, the President or the Treasurer shall direct in such banks, trust companies or other depositories as the board of directors may select, or as may be selected by any officer or officers or agent or agents of the corporation to whom power in that respect shall have been delegated by the board of directors. For the purpose of deposit and collection for the account of the corporation, checks, drafts and other orders for the payment of money which are payable to the order of the corporation may be endorsed, assigned and delivered by any officer of the corporation.

Section 4. Contracts. The board of directors may authorize any officer or officers, or any agent or agents, of the corporation to enter into any contract or to execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

Section 5. Loans. The corporation may lend money to, or guarantee any obligation of, or otherwise assist any officer or other employee of the corporation or of its subsidiary, including any officer or employee who is a director of the corporation or its subsidiary, whenever, in the judgment of the directors, such loan, guaranty or assistance may reasonably be expected to benefit the corporation. The loan, guaranty or other assistance may be with or without interest, and may be unsecured, or secured in such manner as the board of directors shall approve, including, without limitation, a pledge of shares of stock of the corporation. Nothing contained in this section shall be deemed to deny, limit or restrict the powers of guaranty or warranty of the corporation at common law or under any statute.

Section 6. Fiscal Year. The fiscal year of the corporation shall be fixed by resolution of the board of directors.

Section 7. Corporate Seal. The board of directors shall provide a corporate seal which shall be in the form of a circle and shall have inscribed thereon the name of the corporation and the words “Corporate Seal, Delaware.” The seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

Section 8. Voting Securities Owned by Corporation. Voting securities in any other corporation held by the corporation shall be voted by the president or the executive vice president, unless the board of directors specifically confers authority to vote with respect thereto upon some other person or officer. Any person authorized to vote securities shall have the power to appoint proxies, with general power of substitution.

Section 9. Inspection of Books and Records. Any stockholder of record, in person or by attorney or other agent, shall, upon written demand upon oath stating the purpose thereof, have the right during the usual hours of business to inspect for any proper purpose the corporation’s stock ledger, a list of its stockholders, and its other books and records, and to make copies or extracts therefrom. A proper purpose shall mean any purpose reasonably related to such person’s interest as a stockholder. In every instance where an attorney or other agent shall be the person who seeks the right to inspection, the demand under oath shall be accompanied by a power of attorney or such other writing which authorizes the attorney or other agent to so act on behalf of the stockholder. The demand under oath shall be directed to the corporation at its registered office in the State of Delaware or at its principal place of business.

Section 10. Form of Records. Any records maintained by the corporation in the regular course of its business, including its stock ledger, books of account, and minute books, may be kept on, or by means of, or be in the form of, any information storage device or method, provided, that the records so kept can be converted into clearly legible paper form within a reasonable time. The corporation shall so convert any records so kept upon the request of any person entitled to inspect the same.

Section 11. Section Headings. Section headings in these bylaws are for convenience of reference only and shall note given any substantive effect in limiting or otherwise construing any provision herein.

Section 12. Inconsistent Provisions. In the event that any provision of these bylaws is or becomes inconsistent with any provision of the certificate of incorporation, the Delaware General Corporation Law or any other applicable law, the provision of these bylaws shall not be given any effect to the extent of such inconsistency but shall otherwise be given full force and effect.

ARTICLE VIII — INTERESTED DIRECTORS

No contract or transaction between this Corporation and one or more of its directors or officers, or between this Corporation and any other corporation, partnership, association, or other organization in which one or more of its directors or officers are directors or officers, or have a financial interest, shall be void or voidable solely for this reason, or solely because the director or officer is present at or participates in the meeting of the board or committee thereof which authorizes the contract or transaction, or solely because his or their votes are counted for such purpose, if:

(a) The material facts as to such director's or officer's relationship or interest and as to the contract or transaction are disclosed or are known to the board of directors or the committee, and the board or committee in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested directors, even though the disinterested directors may be less than a quorum; or

(b) The material facts as to such director's or officer's relationship or interest and as to the contract or transaction are disclosed or are known to the stockholders entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the stockholders; or

(c) The contract or transaction is fair as to the Corporation as of the time it is authorized, approved or ratified, by the board of directors, a committee thereof, or the stockholders.

Common or interested directors may be counted in determining the presence of a quorum at a meeting of the board of directors or of a committee which authorized the contract or transaction.

ARTICLE IX — AMENDMENTS

These bylaws may be amended, altered or repealed and new bylaws adopted at any meeting of the board of directors by a majority vote, provided that the affirmative vote of the holders of a majority of the shares of common stock of the corporation then entitled to vote shall be required to adopt any provision inconsistent with, or to amend or repeal any provision of, Section 2 or 4 of ARTICLE III or this ARTICLE IX. The fact that the power to adopt, amend, alter or repeal the bylaws has been conferred upon the board of directors shall not divest the stockholders of the same powers.

State of Delaware
Secretary of State
Division of Corporations
Delivered 06:32 PM 11/28/2007
FILED 06:33 PM 11/28/2007
SRV 071264273 — 4464518 FILE

STATE OF DELAWARE

CERTIFICATE OF FORMATION

OF

INTERACTIVE ONE, LLC

FIRST: The name of the limited liability company is Interactive One, LLC (the "Company").

SECOND: The address, including street, number, city, and county, of the registered office of the Company in the State of Delaware is 1209 Orange Street, City of Wilmington, County of New Castle, Delaware 19801; and the name of the registered agent of the Company in the State of Delaware at such address is The Corporation Trust Company.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Formation this, 28th day of November, 2007.

/s/ Deborah Hawkins
Name: Deborah Hawkins
Authorized Person

INTERACTIVE ONE, INC.
5900 Princess Garden Parkway
5th Floor
Lanham, MD 20706

CONSENT TO USE OF NAME

INTERACTIVE ONE, INC., a corporation organized under the laws of the State of Delaware, hereby consents to the organization of INTERACTIVE ONE, LLC in the State of Delaware.

IN WITNESS WHEREOF, the said corporation has caused this consent to be executed by its Vice President this 28th day of November, 2007.

INTERACTIVE ONE, INC.

By: /s/ Linda J. Vilardo
Name: Linda J. Vilardo
Title: Vice President

State of Delaware
Secretary of State
Division of Corporations
Delivered 06:44 PM 06/05/2008
FILED 04:58 PM 06/05/2008
SRV 080667627 — 4464518 FILE

Certificate of Amendment to Certificate of Formation

of

Interactive One, LLC

It is hereby certified that:

1. The name of the limited liability company (hereinafter called the “limited liability company”) is:

Interactive One, LLC

2. The certificate of formation of the limited liability company is hereby amended by striking out the statement relating to the limited liability company’s registered agent and registered office and by substituting in lieu thereof the following new statement:

> “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 Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808.”

Executed on June 5, 2008

By: /s/ Linda J. Vilardo
Name: Linda J. Vilardo
Title: Vice President

Exhibit 3.22

AMENDMENT NO.1
TO
AMENDED AND RESTATED
LIMITED LIABILITY COMPANY OPERATING AGREEMENT
OF
INTERACTIVE ONE, LLC

THIS AMENDMENT NO. 1 (this "Amendment") to Amended and Restated Limited Liability Company Operating Agreement of Interactive One, LLC, a Delaware limited liability company (the "Company"), is made as of this 4th day of November, 2010 by and among Interactive One, Inc., a Delaware corporation (together with any Substitute Member, the "Sole Member"), the Company, the Equity Plan Members signatory hereto and each Person subsequently admitted as a Member of the Company in accordance with the LLC Agreement (defined below). "Members" shall mean collectively the Sole Member, the Equity Plan Members and any person subsequently admitted as a Member. Capitalized terms used herein without definition shall have the meanings ascribed thereto in the LLC Agreement referred to below.

W I T N E S S E T H:

WHEREAS, the Members are party to that certain Amended and Restated Limited Liability Company Operating Agreement of Interactive One, LLC adopted as of October 26, 2009 (the "LLC Agreement") relating to the management and operation of the Company;

WHEREAS, the Members and the Company have agreed to amend the LLC Agreement in accordance with Section 18.2 of the LLC Agreement as set forth in this Amendment;

NOW, THEREFOR, for mutual consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Amendment to Transfer Restrictions. Section 11.1 of the LLC Agreement is hereby stricken in its entirety and the following Section 11.1 is inserted in its place:

Section 11.1 Transfers

(a) Subject to Section 11.1(d) hereof, no Member may Transfer all or any portion of its Equity Interests other than (i) to a Permitted Transferee, (ii) any Transfer of all or any portion of a Member's Equity Interests pursuant to Sections 12.1, 12.2, 12.3 or 12.4 hereof and (iii) any Transfer of all or any portion of a Member's Equity Interests pursuant to a Sale Transaction (each, a "**Permitted Transfer**"), *provided* that in each case such Transfer is made in accordance with Section 11.2 hereof. Any attempted Transfer of the Equity Interests by such Members, other than in strict accordance with this Article XI, shall be null and void and the purported transferee shall have no rights as a Member hereunder, except as may otherwise be provided in Section 13.4 as to such transferee.

(b) Notwithstanding anything to the contrary in this Agreement, no Transfer of Units (other than in accordance with Section 11.1(d) hereof) shall be deemed effective until the transferee of such Units executes a joinder agreement, in substantially the form attached hereto as Schedule B (the "**Joinder Agreement**") pursuant to which, among other things, such transferee shall agree to be bound by the obligations of the Member transferring such Units to such transferee under this Agreement and, if such transferee is an Affiliate of the Member transferring such Units, such transferee shall agree to grant all authority to act on its behalf to the Member transferring such Units to such transferee. Any purported transfer in violation of this Section 11.1(b) shall be null and void.

(c) Notwithstanding anything to the contrary in this Agreement but subject to Section 11.1(d) hereof, no Member shall enter into any agreement to vote or otherwise exercise any of the rights appurtenant to any of the Units held by such Member with any Person other than an Affiliate of such Member.

(d) Notwithstanding anything to the contrary in this Agreement, no consent of any Member shall be required to permit (i) the Sole Member to pledge its membership interest as security for a loan to such Sole Member or any Affiliate of such Sole Member, or (ii) a pledgee of the Sole Member's membership interest in the Company to Transfer such membership interest in connection with such pledgee's exercise of its rights and remedies with respect thereto, or to permit such pledgee or its assignee to be substituted for the Sole Member under this Agreement in connection with such pledgee's exercise of such rights and remedies. For the avoidance of doubt, any such Transfer pursuant to this Section 11.1(d) shall be deemed effective upon its occurrence and shall not require the execution of a Joinder Agreement.

2. Amendment to Schedule A. Schedule A to the Operating Agreement is hereby stricken in its entirety and replaced with Schedule A attached hereto.

3. Full Force and Effect. Except as amended herein, the LLC Agreement shall remain in full force and effect.

4. Governing Law; Counterparts. This Amendment shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to the principles of conflicts of laws. This Amendment may be executed in counterparts, each of which shall constitute an original but all of which when taken together shall constitute a single agreement.

IN WITNESS WHEREOF, the undersigned have executed this Amendment as of the date first written above.

MEMBER:

INTERACTIVE ONE, INC.,
a Delaware corporation

By: /s/ Linda J. Vilardo
Name: LINDA J. VILARDO
Title: Vice President

COMPANY:

INTERACTIVE ONE, LLC,
a Delaware limited liability company

By: /s/ Linda J. Vilardo
Name: LINDA J. VILARDO
Title: Vice President

EQUITY PLAN MEMBERS:

By: /s/ Thomas Newman
Name: Thomas Newman

By: ______________________
Name: Courtney I. Williams

By: /s/ Christopher Keith Bowen
Name: Christopher Keith Bowen

By: /s/ Smokey D. Fontaine
Name: Smokey D. Fontaine

EQUITY PLAN MEMBERS:

By: ______________________________

Name: Thomas Newman

By: /s/ Courtney I. Williams

Name: Courtney I. Williams

By: ______________________________

Name: Christopher Keith Bowen

By: ______________________________

Name: Smokey D. Fontaine

SCHEDULE A

Name/Address of Member	Aggregate Capital Contribution as of May 11, 2009 for Interactive One, Inc. and as of the Effective Date for Equity Plan Members	Number of Units
CLASS A UNITS **Interactive One, Inc.**	Approximately $14,000,000	4,700
New York, New York **Attn: Alfred C. Liggins III**		
EQUITY PLAN UNITS **Thomas Newman**	$100	100
EQUITY PLAN UNITS **Courtney I. Williams**	$50	50
EQUITY PLAN UNITS **Christopher Keith Bowen**	$50	50
EQUITY PLAN UNITS **Smokey D. Fontaine**	$50	50

AMENDED AND RESTATED

LIMITED LIABILITY COMPANY
OPERATING AGREEMENT
OF
INTERACTIVE ONE, LLC

EFFECTIVE AS OF OCTOBER 26, 2009

K&E.

Table of Contents

	Page
ARTICLE I DEFINITIONS AND CONSTRUCTION	1
Section 1.1 Definitions	1
Section 1.2 Company Powers	12
Section 1.3 Construction	12
Section 1.4 Headings	12
ARTICLE II FORMATION AND ORGANIZATION	12
Section 2.1 Formation	12
Section 2.2 Name	12
Section 2.3 Business Purpose	13
Section 2.4 Registered Office and Agent	13
Section 2.5 Term	13
Section 2.6 Principal Place of Business	13
Section 2.7 Title to Company Property	13
Section 2.8 Business Transactions of the Members and Managers with the Company	13
Section 2.9 Fiscal Year	13
Section 2.10 Other Qualifications	13
Section 2.11 No State Law Partnership	14
ARTICLE III THE MEMBERS	14
Section 3.1 Members; Powers of Members	14
Section 3.2 Meetings of Members	14
Section 3.3 Place of Meetings	14
Section 3.4 Notice of Members' Meetings	14
Section 3.5 Waiver of Notice	15
Section 3.6 Voting Record	15
Section 3.7 Vote Required	15
Section 3.8 Action by Written Consent of Members	16
Section 3.9 No Liability of Members	16
ARTICLE IV MANAGEMENT OF THE COMPANY	16
Section 4.1 Management by Board of Managers	16
Section 4.2 Removal; Resignations; Vacancies	17
Section 4.3 Meetings of the Board	17
Section 4.4 Compensation of Managers	18
Section 4.5 Power to Bind Company	18
Section 4.6 Committees	18
Section 4.7 Chairman of the Board	18
Section 4.8 Officers and Related Persons; Retention of Authority by Board; Matters Not Subject to Approval	18
Section 4.9 President	19

TABLE OF CONTENTS
(continued)

	Page
Section 4.10 Chief Financial Officer	19
Section 4.11 Vice Presidents	20
Section 4.12 Treasurer	20
Section 4.13 Assistant Treasurers	20
Section 4.14 Secretary	20
Section 4.15 Assistant Secretaries	20
Section 4.16 Adoption of the Annual Budget	20
Section 4.17 Employment Agreements	21
ARTICLE V CAPITAL STRUCTURE	21
Section 5.1 Authorized Units	21
Section 5.2 Rights of Designated Common Units	22
Section 5.3 Reservation and Issuance of Common Units	23
Section 5.4 Units Subject to Forfeiture	23
Section 5.5 No Appraisal Rights	24
ARTICLE VI CONTRIBUTIONS	24
Section 6.1 Initial Capital Contribution	24
Section 6.2 Further Contributions	24
Section 6.3 Interest	24
Section 6.4 No Return of Capital Contribution	24
Section 6.5 No Loans	24
ARTICLE VII CAPITAL ACCOUNTS	24
Section 7.1 Maintenance of Capital Accounts	24
Section 7.2 Negative Capital Accounts	25
Section 7.3 Sale or Exchange of Units	25
ARTICLE VIII ALLOCATIONS OF PROFITS AND LOSSES	25
Section 8.1 Net Profits	25
Section 8.2 Net Losses	25
Section 8.3 Limitation on Allocation of Losses	25
Section 8.4 Allocation of Nonrecourse Deductions	25
Section 8.5 Allocation of Member Nonrecourse Deductions	26
Section 8.6 Qualified Income Offset	26
Section 8.7 Minimum Gain Chargeback	26
Section 8.8 Partner Minimum Gain Chargeback	26
Section 8.9 Book-Ups/Tax Disparities	26
Section 8.10 Individual Tax Items	26
Section 8.11 Tax Credits	27
Section 8.12 Changes in Number of Units	27
ARTICLE IX DISTRIBUTIONS	27
Section 9.1 Limitations on Distributions	27

TABLE OF CONTENTS
(continued)

	Page
Section 9.2 Mandatory Tax Distributions	28
Section 9.3 Distributions Prior to Liquidation	28
Section 9.4 Withholding Taxes	29
ARTICLE X ACCOUNTS	29
Section 10.1 Books	29
Section 10.2 Tax Matters	29
Section 10.3 Special Basis Adjustment	30
ARTICLE XI TRANSFERS OF UNITS	30
Section 11.1 Transfers	30
Section 11.2 Conditions to Permitted Transfers	30
Section 11.3 Prohibited Transfers	31
Section 11.4 Representations Regarding Transfers	31
Section 11.5 Treatment of Equity Plan Units Issued Pursuant to a Combined Award Agreement	32
ARTICLE XII ADDITIONAL RIGHTS AND OBLIGATIONS OF THE MEMBERS	32
Section 12.1 Call Rights	32
Section 12.2 Put Rights	33
Section 12.3 Drag Along Rights	35
Section 12.4 Tag-Along Rights	36
Section 12.5 Treatment of Equity Plan Units Issued Pursuant to a Combined Award Agreement	36
ARTICLE XIII ADDITIONAL, SUBSTITUTE AND LIMITED MEMBERS	37
Section 13.1 Admissions	37
Section 13.2 Admission of Additional Members	37
Section 13.3 Admission of Substitute Members	37
Section 13.4 Limited Members	37
Section 13.5 Admission of Equity Plan Members	38
Section 13.6 Withdrawal of Member	38
ARTICLE XIV REPORTS TO MEMBERS	39
Section 14.1 Books and Records	39
Section 14.2 Annual Reports	40
Section 14.3 Quarterly Reports	40
Section 14.4 Tax Returns and Tax Information to Members	41
Section 14.5 Equity Plan Member Information Rights	41
ARTICLE XV EVENTS OF DISSOLUTION	41
Section 15.1 Dissolution	41
Section 15.2 No other Event of Dissolution	41

TABLE OF CONTENTS
(continued)

	Page
ARTICLE XVI TERMINATION	41
Section 16.1 Liquidation	41
Section 16.2 Final Accounting	42
Section 16.3 Cancellation of Certificate	42
ARTICLE XVII EXCULPATION AND INDEMNIFICATION	42
Section 17.1 Exculpation	42
Section 17.2 Indemnification	42
ARTICLE XVIII GENERAL PROVISIONS	43
Section 18.1 Confidentiality	43
Section 18.2 Amendment	44
Section 18.3 Governing Law	45
Section 18.4 WAIVER OF JURY TRIAL	45
Section 18.5 Remedies	45
Section 18.6 Notices	46
Section 18.7 Severability	46
Section 18.8 Counterparts; Signatures	46
Section 18.9 Entire Agreement	46
Section 18.10 Assignment; Binding Effect	47
Section 18.11 Relationship	47
Section 18.12 Interpretation	47
Section 18.13 No Third-Party Beneficiary	47

AMENDED AND RESTATED

LIMITED LIABILITY COMPANY
OPERATING AGREEMENT

OF

INTERACTIVE ONE, LLC

This AMENDED AND RESTATED LIMITED LIABILITY COMPANY OPERATING AGREEMENT, effective as of October 26, 2009 (this "**Agreement**"), of Interactive One, LLC, a Delaware limited liability company (the "**Company**"), is made by and among Interactive One, Inc., a Delaware corporation ("**Interactive One**" or the "**Sole Member**"), and each Person subsequently admitted as a Member of the Company in accordance with the terms of this Agreement.

RECITAL

On November 27, 2007, the Company was formed as a limited liability company in accordance with the provisions of the Delaware Limited Liability Company Act, *6 Del. C § 18-101 et seq*, as amended from time to time, and any successor statute (the "**Act**"). Initially, the Company had two member entities: Interactive One, Inc and Magazine One, Inc. ("**Magazine One**"). On July 1, 2008, Magazine One was merged with and into Interactive One leaving Interactive One as the Sole Member of the Company. Accordingly, the Sole Member wishing to set forth the terms and conditions pursuant to which the Company will conduct its business, and intending to be legally bound hereby, agrees as follows:

ARTICLE I
DEFINITIONS AND CONSTRUCTION

Section 1.1 Definitions. As used in this Agreement, the following terms shall have the meanings set forth below:

"**Additional Member**" shall mean a Person who has acquired Units from the Company after the Effective Date and been admitted as a Member of the Company pursuant to Section 13.2 or, for Equity Plan Members, Section 13.5 hereof.

"**Adjusted Capital Account Deficit**" shall mean, with respect to any Member, the deficit balance, if any, in such Member's Capital Account as of the end of the relevant Taxable Year after giving effect to the following adjustments: (a) credit to such Capital Account any amounts that such Member is obligated to restore pursuant to the penultimate sentences of Regulations §§ l.704-2(g)(1) and 1.704-2(i)(5); and (b) debit to such Capital Account the items described in Regulations §§ 1.704-1(b)(2)(ii)(d)(4), (5) and (6). This definition of Adjusted Capital Account Deficit is intended to comply with the provisions of Regulations § 1.704- 1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

"**Affiliate**" shall mean, with respect to any Person, any other Person, other than an individual, that is directly or indirectly Controlling, Controlled by or under common Control with such Person.

"**Agreed Value**" shall mean the fair market value of contributed property at the time it is accepted by the Company, as determined by the majority of the Board using any reasonable method of valuation.

"**Applicable Interest Rate**" shall mean the Prime Rate plus 3%.

"**Award Agreement**" shall mean either an Interactive Award Agreement issued pursuant to the Interactive Equity Plan or a Combined Award Agreement issued pursuant to the Interactive Equity Plan and the Community Connect Equity Plan, as the case may be.

"**Bankruptcy**" shall mean, with respect to any Person, the occurrence of any of the following events: (a) the filing by such Person of a petition in bankruptcy or for relief under applicable bankruptcy laws; (b) the filing against such Person of any such petition (unless such petition is dismissed within ninety (90) days from the date of filing thereof); (c) entry against such Person of an order for relief under applicable bankruptcy laws; (d) written admission by such Person of its inability to pay its debts as they mature, or a general assignment by such Person for the benefit of creditors; or (e) appointment of a trustee, conservator or receiver for such Person or for any substantial part of the property or affairs of such Person.

"**Board**" shall mean the Board of Managers of the Company consisting of those Managers who are elected from time to time to serve on the Board in accordance with Article IV hereof.

"**Business Day**" shall mean each day of the calendar year other than a Saturday, a Sunday or a day on which banks are required or authorized to close in New York, New York.

"**Capital Account**" shall mean the account maintained for a Member determined in accordance with Article VII hereof.

"**Capital Commitment**" shall mean, as to any Member, the amount of such Member's commitment, if any, to make Capital Contributions when called upon to do so by the Board, as set forth on Schedule A attached hereto.

"**Capital Contribution**" shall mean the amount of cash or the Agreed Value of any other property (net of any liabilities assumed by the Company or to which such property is subject) contributed to the Company by or on behalf of a Member in consideration for Units as described in Article VI hereof. In the case of a grant of Equity Plan Units to a provider of services to the Company after the date of adoption of the final regulations contemplated by notice of proposed rulemaking REG 105346-03 (May 24, 2005), the Capital Contribution of the applicable Equity Plan Member providing such services shall also include any amount included on or after that date in such Member's compensation income under Sections 83(a), 83(b) and 83(d)(2) of the Code.

“**Cause**” shall mean: (1) “Cause” as defined in an Equity Plan Member’s employment or consulting agreement, if any, with the Company; or (2) if there is no effective employment or consulting agreement between the Equity Plan Member and the Company that includes a definition of Cause, then Cause means: (i) a charge, indictment or conviction of, or a plea of guilty or *nolo contendere* to, a misdemeanor involving fraud, embezzlement or an act of moral turpitude, or a felony, whether or not in connection with the performance by the Equity Plan Member of his or her duties or obligations to the Company; (ii) habitual drunkenness or substance abuse; (iii) theft relating to the business of the Company or dishonesty with respect to a material aspect of the Company’s business; (iv) the repeated refusal by the Equity Plan Member to use his or her reasonable and diligent efforts to follow the lawful and reasonable policies or directives of the President of the Company or of his or her designated representatives; (v) gross negligence or willful misconduct in the performance of the Equity Plan Member’s duties or engaging in illegal activity in connection therewith, including, without limitation, the Equity Plan Member’s knowing engagement in any act or course of conduct that would result in the termination or revocation of, or jeopardize the renewal of, any licenses, permits, consents, authorization, approvals or material agreements necessary for the Company to conduct its business or that would have a material adverse effect on the Company; (vi) violation of any nonsolicitation, noncompetition or nondisclosure provision contained in any agreement, including an Award Agreement, entered into by and between the Equity Plan Member and the Company; or (vii) the Equity Plan Member’s breach of any fiduciary duty to the Company involving personal gain or profit to the Equity Plan Member. In the case of Newman, the term “Cause” shall be as defined in his employment agreement dated as of May 1, 2007, as amended, between Magazine One, Inc., a subsidiary of Radio One, and Newman (the “Newman Employment Agreement”); provided that for purposes of Section 12.1(c) (and indirectly Section 12.2(c)) of this Agreement, this modified definition of “Cause” for Tom Newman shall refer only to clauses (ii), (vi), (vii), (viii), (ix) or (x) of such definition in his employment agreement.

“**Certificate of Formation**” shall mean the certificate of formation of the Company filed in the Office of the Secretary of State of the State of Delaware pursuant to the Act and through which the Company has been formed.

“**Chairman**” shall mean the individual selected by the Members from time to time to hold such office pursuant to Section 4.7 hereof.

“Chief Financial Officer” shall mean the individual selected by the Board from time to time to hold such office pursuant to Section 4.10 hereof.

“**Class A Units**” shall mean Units designated as “Class A Units” as described in Section 5.2(a) hereof.

“**Code**” shall mean the Internal Revenue Code of 1986, as amended from time to time (or any corresponding provisions of succeeding law).

“**Combined Award Agreement**” shall mean the “Combined Interactive One, LLC and Community Connect, LLC Unit Award Agreement” issued pursuant to the Interactive Equity Plan and the Community Connect Equity Plan.

"**Combined Capital Contributions**" shall mean the aggregate Capital Contributions of Interactive One to the Company and Community Connect, Inc. to Community Connect, net of any distributions to the holders of Class A Units under Section 9.3(a) and net of any deemed distributions pursuant to Section 9.1(b) hereof. According to the books and records of the Sole Member, as of May 11, 2009, the Combined Capital Contributions was approximately $52,000,000. Any Member will be entitled to review the books and records of the Company and Community Connect to verify the accuracy of the amount of Combined Capital Contributions at any time, and in the event of any dispute concerning the amount of Combined Capital Contributions at any time, the decision of Interactive One shall be binding upon all parties hereto unless a court issues a final and non-appealable decision that the decision of Interactive One was materially inaccurate, in which case the decision of such court shall govern the determination of the amount of the Combined Capital Contributions. In the event that the amount of the Combined Capital Contributions is challenged hereunder as provided in the immediately preceding sentence, the party prevailing in the court proceeding resulting from such challenge shall be entitled to recoup all costs and expenses incurred in relation to such challenge and the court proceeding from the party that failed to prevail in such court proceeding.

"**Community Connect Equity Plan**" shall mean that certain Community Connect, LLC Incentive Award Plan, dated as of February 27, 2009, as it exists from time to time.

"**Community Connect**" shall mean Community Connect, LLC, a Delaware limited liability company that is an affiliate of the Company.

"**Control**" (including with correlative meanings "Controls", "Controlling,"Controlled by", "Controlled" or "under common Control with") as used with respect to any Person, shall mean (a) the power of another Person to exercise, directly or indirectly through one or more intermediaries, more than fifty percent (50%) of the Voting Power of such Person or (b) the power to direct or cause the direction, directly or indirectly through one or more intermediaries, of the management and policies of such Person.

"**Depreciation**" shall mean, for each Taxable Year, an amount equal to the depreciation, amortization, or other cost recovery deduction allowable with respect to an asset for such Taxable Year, except that, if the Gross Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such Taxable Year, Depreciation shall be an amount which bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization, or other cost recovery deduction for such Taxable Year bears to such beginning adjusted tax basis; *provided, however*, that if the adjusted basis for federal income tax purposes of an asset at the beginning of such Taxable Year is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the Tax Matters Partner, and *provided, further*, that Depreciation with respect to an asset for which the Company uses the remedial allocation method shall be determined in accordance with Regulations § 1.704-3(d)(2).

"**Distribution**" shall mean a transfer of cash or property by the Company to a Member on account of Units as described in Article IX hereof.

"**Effective Date**" shall mean October 26, 2009.

"**Equity Interests**" shall mean all outstanding Units of the Company, regardless of class or series.

"**Equity Plan Units**" shall mean Units designated as "Equity Plan Units" as described in Section 5.2(b) hereof.

"**Equity Plan Members**" shall mean Members holding Equity Plan Units pursuant to the interactive Equity Plan and an Award Agreement.

"**Family Member**" shall mean as to any Person, any lineal descendant of such Person, any Person for whom such Person is a lineal descendant, any sibling of such Person, any spouse of any of the foregoing Persons or any trust for the benefit of any of the foregoing Persons.

"**Federal Rate**" shall mean, for each Taxable Year, the highest federal income tax rate applicable to a U.S. corporation for such Taxable Year.

"**Fully Diluted Basis**" shall mean a computation of Units which includes all outstanding Units and all authorized Equity Plan Units (whether or not outstanding) and all other Units that are issuable upon conversion, exercise or exchange of all derivative equity interests.

"**Grant Date**" shall mean, with respect to a Equity Plan Unit, the date on which such Unit is issued by the Company to a Equity Plan Member pursuant to an Award Agreement.

"**Gross Asset Value**" shall mean, with respect to any asset, such asset's adjusted basis for federal income tax purposes, except as follows:

(a) The initial Gross Asset Value of any asset contributed by a Member to the Company shall be the Agreed Value at the time it is accepted by the Company, unreduced by any liability secured by such asset.

(b) The Gross Asset Value of all Company assets shall be adjusted as provided by Regulation Section 1.704-1(b)(2)(iv)(f)to equal their respective fair market values, as determined by the Board, as of the following times: (i) the acquisition of Units by a new or existing Member in exchange for more than a de minimis Capital Contribution; (ii) the distribution by the Company to a Member of more than a de minimis amount of money or other Company property as consideration for an interest in the Company; (iii) the liquidation of the Company for Federal income tax purposes within the meaning of Treasury Regulation Section 1.704-1(b)(2)(ii)(g); (iv) in connection with the grant of Equity Plan Units (other than a de minimis number of Units) prior to the date of adoption of the final regulations contemplated by notice of proposed rulemaking REG 105346-03 (May 24, 2005) as consideration for the provision of services to or for the benefit of the Company by an existing Equity Plan Member acting in his capacity as a Member, or by a new Equity Plan Member acting in his capacity as a Member or in anticipation of becoming a Member; and (v) in connection with the grant or vesting of Units that have been granted on or after the date of adoption of the final regulations

contemplated by notice of proposed rulemaking REG 105346-03 (May 24, 2005) to a new or existing Equity Plan Member in connection with the performance of services for the Company, but only if such grant or vesting results in such Equity Plan Member recognizing income under section 83 of the Code (or if such grant or vesting would result in such recognition if the Units had a fair market value other than zero); provided, however, that the adjustments pursuant to clauses (i), (ii), (iii), (iv) and (iv) above shall be made only if the Board reasonably determines that such adjustments are necessary or appropriate to reflect the relative economic interests of the Members in the Company.

(c) The Gross Asset Value of any asset of the Company distributed to any Member shall be adjusted to equal the fair market value of such asset as determined by the Board, unreduced by any liability secured by such asset, on the date of Distribution.

(d) The Gross Asset Value of the Company assets shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets pursuant to Code §§ 734(b) or 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Regulations § 1.704-1(b)(2)(iv)(m) and paragraph (f) of the definition of "Net Profits" and "Net Losses".

If the Gross Asset Value of an asset has been determined or adjusted pursuant to paragraphs (a), (b) or (d) of this definition, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Net Profits and Net Losses.

"**Interactive Award Agreement**" shall mean an Interactive One, LLC Incentive Award Plan Unit Award Agreement issued pursuant to the Interactive Equity Plan

"**Interactive Equity Plan**" shall mean that certain Interactive One, LLC Incentive Award Plan, dated as of February 25, 2009, as such plan may be amended from time to time with the approval of the Board for purposes of providing incentives to employees and other representatives of the Company.

"**Limited Member**" shall mean a Member or other Person that has become a Limited Member pursuant to Section 13.4 hereof or a Person that acquires Units from a Limited Member; *provided* that a Member (that is not a Limited Member) that acquires Units from a Limited Member shall not be deemed to be a Limited Member hereunder but such Member shall, as to such Units, have the rights and obligations of the Limited Member that last held such Units.

"**Manager**" shall mean each individual elected by the Members to serve on the Board pursuant to Article IV. A Manager need not be a Member.

"**Mandatory Tax Distribution**" shall mean, for each Taxable Year, an amount equal to the product of the Tax Rate for such Taxable Year, multiplied by the net taxable income (other than any income or gain attributable to a Sale Transaction) of the Company for such Taxable Year.

"**Member**" shall mean the Sole Member, Substitute Member, Additional Member or Limited Member, as the case may be; and "Members" shall mean the Sole Member, Substitute Members, Additional Members and Limited Members, collectively.

"**Member Nonrecourse Debt**" shall have the meaning of "partner nonrecourse debt" as set forth in Regulations § 1.704-2(b)(4).

"**Member Nonrecourse Deductions**" shall have the meaning of "partner nonrecourse deductions" as set forth in Regulations § 1.704-2(i).

"**Net Gain from a Sale Transaction**" or "**Net Loss from a Sale Transaction**" shall mean the net income, gain, loss or deduction recognized by the Company on a Sale Transaction, computed in accordance with the principles set forth in the definition of "Net Profits" and "Net Losses."

"**Net Proceeds from a Sale Transaction**" shall mean the proceeds received by the Company or the Members from any Sale Transaction, reduced by the Company's out-of-pocket costs incurred in connection therewith.

"**Net Profits**" and "**Net Losses**" shall mean, for any Taxable Year or other period, an amount equal to the Company's taxable income or loss for such year or period, determined in accordance with Code § 703(a) (for this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Code § 703(a)(l) shall be included in taxable income or loss), with the following adjustments:

(a) Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Net Profits or Net Losses shall be added to such taxable income or loss;

(b) Any expenditures of the Company described in Code § 705(a)(2)(B) or treated as Code § 705(a)(2)(B) expenditures pursuant to Regulations § 1.704-1(b)(2)(iv)(i) and not otherwise taken into account in computing Net Profits or Net Losses shall be subtracted from such taxable income or loss;

(c) In the event the Gross Asset Value of any Company asset is adjusted pursuant to paragraphs (b) or (c) of the definition of "Gross Asset Value," the amount of such adjustment shall be taken into account as gain or loss, as the case may be, from the disposition of such asset for purposes of computing Net Profits or Net Losses;

(d) Gain or loss resulting from any disposition of property with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Gross Asset Value of property disposed of, notwithstanding that the adjusted tax basis of such property differs from its Gross Asset Value;

(e) In lieu of depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account

Depreciation with respect to each asset of the Company for such Taxable Year, computed in accordance with the definition of "Depreciation" above;

(f) To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Code §§ 734(b) or 743(b) is required pursuant to Regulations § 1.704-1(b)(2)(iv)(m)(4) to be taken into account in determining Capital Accounts as a result of a Distribution other than in complete liquidation of a Member's Units, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases the basis of the asset) from the disposition of the asset and shall be taken into account for purposes of computing Net Profits or Net Losses; and

(g) Net Profits and Net Losses shall not include any Net Gain from a Sale Transaction or Net Loss from a Sale Transaction or any items specifically allocated in Sections 8.5, 8.6, 8.7 and 8.8.

"**Newman**" shall mean Thomas Newman.

"**Non-Equity Plan Members**" shall mean Members other than Equity Plan Members.

"**Nonrecourse Deductions**" shall have the meaning set forth in Regulations § 1.704-2(b)(1).

"**Percentage Interest**" shall mean, with respect to any Member, the ratio of a Member's Units to all outstanding Units, expressed as a percentage. For purposes of determining the number of outstanding Units, all Equity Plan Units awarded under the Interactive Equity Plan shall be considered outstanding and all Equity Plan Units reserved but not yet awarded shall be allocated among the Non-Equity Plan Members pro rata. Each Member's initial Percentage Interest shall be set forth opposite the name of such Member on Schedule A hereto, and such percentage may be adjusted from time to time pursuant to the terms of this Agreement.

"**Permitted Transferee**" shall mean (a) with respect to the Sole Member, an Affiliate of Radio One and (b) with respect to a Equity Plan Member that is admitted as a Member pursuant to Section 13.5 hereof (i) the Company, (ii) a transferee pursuant to the Equity Plan Member's will or other similar testamentary disposition or the laws of descent and distribution, (iii) a Family Member of such Equity Plan Member, or (iv) a Person that is an Affiliate of the Equity Plan Member or a Family Member of such Equity Plan Member.

"**Person**" shall mean an individual, corporation, partnership, limited liability company, business trust, estate, unincorporated association, joint venture or other entity of whatever nature.

"**President**" shall mean the individual selected by the Board from time to time to hold such office pursuant to Section 4.9 hereof.

"**Prime Rate**" means the "prime" rate as published from time to time by *The Wall Street Journal* and, if no Prime Rate is published by *The Wall Street Journal*, then the rate announced by a major New York money center bank selected by the Board, as its "prime rate" or "base rate," or, if no such rate is announced, then the rate charged to its best corporate customers for demand loans, with changes in such rate being effective for purposes of this Agreement as of the date announced.

"**Radio One**" shall mean Radio One, Inc., a Delaware corporation.

"**Regulations**" shall mean, except where the context indicates otherwise, the permanent and temporary regulations of the Department of the Treasury promulgated under the Code, as such regulations may be lawfully changed from time to time (including corresponding provisions of succeeding regulations).

"**Sale Transaction**" shall mean (i) the sale, transfer or other disposition of all or substantially all of the assets of the Company in a single transaction or series of related transactions, or (ii) the acquisition of the Company by a Person or group of Persons by means of any transaction or series of related transactions (including, without limitation, any merger, consolidation, or reorganization), if, following such transaction or transactions, the Persons that were Members or Affiliates of Members immediately prior to such transaction or transactions beneficially own, directly or indirectly, less than 50 percent (50%) of both the then outstanding equity securities and the combined Voting Power of the then outstanding securities of the purchaser, transferee or successor; *provided, however*, that any transaction consummated under Sections 12.1 or 12.2 hereof shall not constitute or be deemed to be a Sale Transaction hereunder.

"**Secretary**" shall mean the individual selected by the Board from time to time to hold such office pursuant to Section 4.14 hereof.

"**Sole Member**" shall mean Interactive One, Inc. and shall include, solely for purposes of Article VI hereof, any Substitute Member for the Sole Member.

"**State Rate**" shall mean, for each Taxable Year, the highest combined State and local income (or similar) tax rate applicable to corporations in any single geographical taxing jurisdiction in which the Company conducts business for such Taxable Year; *provided, however,* that for any Taxable Year, the Board may select a lesser tax rate that, in the reasonable good faith judgment of the Board, approximates the combined State and local tax rates to which the Members' shares of the net income of the Company likely will be subject for such Taxable Year.

"**Substitute Member**" shall mean a Person who has been admitted as a Member pursuant to Section 13.3 hereof; *provided* that a Member that acquires Units from another Member shall not be deemed to be a Substitute Member hereunder.

"**Tax Matters Partner**" shall mean the "tax matters partner" of the Company as defined in Code § 6231(a)(7).

"**Tax Rate**" shall mean, for each Taxable Year, the sum of (a) the Federal Rate for such Taxable Year, plus (b) the product of (i) the State Rate for such Taxable Year, multiplied by (ii) 100% minus the Federal Rate for such Taxable Year.

"**Taxable Year**" shall mean the taxable year of the Company, which shall be the same as the Fiscal Year unless otherwise agreed to by the Board and all of the Members or as otherwise required by applicable law.

"**Transfer**" shall mean, as a noun, any voluntary or involuntary sale, assignment, transfer, grant, hypothecation, pledge, encumbrance or other disposition; and, as a verb, voluntarily or involuntarily to sell, assign, transfer, grant, give away, hypothecate, pledge, encumber or otherwise dispose of, and shall include any transfer by will, gift or intestate succession.

"**Units**" shall mean the personal property ownership interests in the Company, as designated into classes in accordance with Article V of this Agreement, including any and all benefits to which the holder of such personal property ownership interests may be entitled as provided in this Agreement, together with all obligations of such holder to comply with the terms and provisions of this Agreement, including, but not limited to, the rights of each Member in the Distributions, Net Profits, Net Losses and Capital Accounts of the Company with respect to the personal property ownership interests held by such Member.

"**Vested**" means, with respect to the Equity Plan Units, the lapse, in accordance with the terms of the Interactive Equity Plan or Award Agreement, of the forfeiture restrictions applicable to all or a portion of the Equity Plan Common Units awarded to an Equity Plan Member pursuant to the applicable Award Agreement.

"**Voting Power**" shall mean, with respect to a Person, the power to vote, or to direct the voting of, whether directly or indirectly, through record ownership or any contract, securities that may be cast for the election of the board of directors or the board of managers (or similar governing body) of such Person.

As used in this Agreement, the following terms shall have the meanings set forth in the respective sections of this Agreement identified below:

Term	Section
Annual Budget	4.16(b)
Community Connect Equity Plan Units	5.2(b)(iii)
Claims	17.2(a)
Class A Sale Price	12.3(a)
Class A Unit Sale	12.3
Closing Date	12.3(a)
Common Units	5.1(a)

Term	Section
Company	Preamble
Confidential Information	18.1
Covered Person	17.1
Covered Persons	17.1
Drag-Along Equity Plan Member	12.3(b)
Electronic Transmission	3.8(b)
Equity Plan Call Closing	12.1(d)
Equity Plan Call Unit Price	12.1(c)
Equity Plan Call Units	12.1(b)
Equity Plan Drag-Along Closing	12.3(c)
Equity Plan Drag-Along Unit Price	12.3(b)
Equity Plan Drag-Along Units	12.3(b)
Equity Plan Put Closing	12.2(d)
Equity Plan Put Unit Price	12.2(c)
Equity Plan Put Units	12.2(b)
Equity Plan Tag-Along Closing	12.4(b)
Equity Plan Tag-Along Unit Price	12.4(a)
Equity Plan Tag-Along Units	12.4(a)
Event of Dissolution	15.1
Fiscal Year	2.9
Indemnified Person	17.2(a)
Indemnified Persons	17.2(a)
Interactive One	Preamble
Joinder Agreement	11.1(b)
Liquidation	16.1(a)
Newman Employment Agreement	Definition of “Cause” in this Section 1.1
Permitted Inter-Company Cost Schedule	9.1(b)
Permitted Transfer	11.1(a)
Prohibited Transfer	11.3(a)
Proposed Annual Budget	4.16(a)
Proposed Inter-Company Cost Schedule	9.1(b)

Term	Section
Purchaser	12.3(b)
Qualifying Equity Plan Put Units	12.2(a)
Safe Harbor Election	10.2
Sale Notice	12.3(a)
Service	2.3
Tag-Along Notice	12.4(a)
Tag-Along Seller	12.4(a)

Section 1.2 Company Powers. Subject to the terms of this Agreement, the Company and the Board (acting on behalf of the Company) shall possess and may exercise all of the powers and privileges permitted by the Act, together with any powers incidental thereto, so far as such powers and privileges are necessary or convenient to the conduct, promotion or attainment of the business purposes of the Company specified in Section 2.3 hereof.

Section 1.3 Construction. Whenever the context requires, the gender of any word used in this Agreement includes the masculine, feminine or neuter, and the number of any word includes the singular or plural. The words “include”,“includes” and “including” shall be deemed to be followed by the phrase “without limitation.” Unless the context otherwise requires, all references to articles, sections and paragraphs refer to articles, sections and paragraphs of this Agreement, and the terms “hereof”,“herein,” and other like terms refer to this Agreement as a whole, including the schedules hereto.

Section 1.4 Headings. The headings and subheadings in this Agreement are included for convenience and identification only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof.

ARTICLE II
FORMATION AND ORGANIZATION

Section 2.1 Formation. The Company was formed as a Delaware limited liability company pursuant to the provisions of the Act by filing the Certificate of Formation for the Company with the Office of the Secretary of State of the State of Delaware in conformity with the Act. The Company and, if required, the Members and each of the future Members, if any, shall execute or cause to be executed from time to time all other instruments, certificates, notices and documents and shall do or cause to be done all such acts and things (including keeping books and records and making publications or periodic filings) as may now or hereafter be required for the formation, valid existence and, when appropriate in accordance with the terms of this Agreement, termination of the Company as a limited liability company under the laws of the State of Delaware.

Section 2.2 Name. The name of the Company shall be “**INTERACTIVE ONE, LLC**” and its business shall be carried on in such name with such variations and changes as the

Board shall determine or deem necessary or desirable to comply with requirements of the jurisdictions in which the Company's operations are conducted or to comply with applicable law.

Section 2.3 Business Purpose. The Company is formed for the purpose of developing and conducting certain Internet activities for Radio One (the "**Service**"). The Company may engage in other business purposes permitted under the Act only upon the approval of the Board.

Section 2.4 Registered Office and Agent. The location of the registered office of the Company in the State of Delaware shall be 2711 Centerville Road, Wilmington, Delaware 19808. The Company's registered agent at such address shall be Corporation Service Company. The Board may, from time to time, change the Company's registered office or registered agent, and shall forthwith amend the Certificate of Formation to reflect such change.

Section 2.5 Term. The existence of the Company commenced on the Effective Date and, subject to the provisions of Articles XV and XVI below, the Company shall have perpetual existence.

Section 2.6 Principal Place of Business. The principal place of business of the Company shall be located at 205 Hudson Street, 6th Floor, New York, New York 10013 or at such other location as the Board may, from time to time, select.

Section 2.7 Title to Company Property. Legal title to all property of the Company shall be held, vested and conveyed in the name of the Company and no real or other property of the Company shall be deemed to be owned by the Members individually.

Section 2.8 Business Transactions of the Members and Managers with the Company. In accordance with Section 18-107 of the Act and subject to the terms and conditions of this Agreement, each Member and Manager may lend money to, borrow money from, act as a surety, guarantor or endorser for, guarantee or assume one or more obligations of, provide collateral for, and transact other business with, the Company and, subject to applicable law, shall have the same rights and obligations with respect to any such matter as a Person who is not a Member or Manager.

Section 2.9 Fiscal Year. The fiscal year of the Company (the "**Fiscal Year**") for financial statement purposes shall end on December 31 of each year. The Board may change the Fiscal Year solely upon receiving the written consent of all of the Members.

Section 2.10 Other Qualifications. The Members agree that the Company shall file or record such documents and take such other actions under the laws of any jurisdiction as are necessary or desirable to permit the Company to do business in any such jurisdiction and/or promote the limitation of liability for the Members in any such jurisdiction. Each Member hereby authorizes the Board to take any action that may be necessary or desirable in order to permit the Company to do business (or facilitate the doing of business) in any jurisdiction and/or to promote the limitation of liability for the Members therein; *provided* that any such action is not in conflict with any of the terms of this Agreement.

Section 2.11 No State Law Partnership. The parties to this Agreement agree to form a limited liability company and do not intend to form a partnership under the laws of the State of Delaware or any other laws; *provided, however*, that, to the extent permitted by U.S. or other applicable law, the Company shall be treated as a partnership for U.S. federal, state and local income tax purposes.

ARTICLE III
THE MEMBERS

Section 3.1 Members; Powers of Members. The name and address of each Member is set forth on Schedule A hereto.Schedule A shall be amended from time to time by (a) the Board (without any further action by the Members or any class of Members) to reflect the admission of an Additional Member, Substitute Member or Limited Member in accordance with Article XIII hereof, the Transfer of Units between Members, the acquisition or forfeiture of Units by Members or the withdrawal of a Member pursuant to Section 13.6 hereof, in each case provided that such actions complied with the terms of this Agreement or (b) the Secretary of the Company (without any further action by the Members or any class of Members) to reflect any updated notice information for a Member properly delivered by such Member to the Company. The Members shall have the power to exercise any and all rights or powers granted to the Members (or individual or groups of Members, if applicable) pursuant to the express terms of this Agreement. Except as otherwise provided in this Agreement or specifically required by the Act (which requirement may not be waived or superseded by a contrary provision in a Delaware limited liability company's operating agreement) (i) no Person or Persons other than the Board acting under the authority of this Agreement, and individuals authorized by the Board acting under the authority of the Board, shall have the power to act for or on behalf of, or to bind, the Company and (ii) no Member shall have the right to vote upon or consent to any matter.

Section 3.2 Meetings of Members. Meetings of the Members, for any purpose or purposes, unless otherwise prescribed by the Act or by this Agreement, may be called by the Chairman and shall be called by the Secretary at the request in writing of any Member or Members owning at least twenty-five percent (25%) of the Vested Units on a Fully Diluted Basis. Such request shall state the purpose or purposes of the proposed meeting. Business transacted at any meeting of the Members will be limited to the purposes stated in the notice.

Section 3.3 Place of Meetings. The Board may designate any place, either within or outside of the State of Delaware, as the place of meeting for any meeting of the Members. If no designation is made, the place of meeting shall be the principal executive offices of the Company. Members may participate in a meeting by means of a conference telephone or electronic media by means of which all Persons participating in the meeting can communicate concurrently with each other, and any such participation in a meeting shall constitute presence in person of such Member at such meeting.

Section 3.4 Notice of Members' Meetings.

(a) Written notice stating the place, day, and hour of the meeting and the purpose for which the meeting is called shall be delivered not less than ten (10) days nor more

than fifty (50) days before the date of the meeting, by or at the direction of the Person calling the meeting to each Member of record of Units entitled to vote at such meeting.

(b) Notice to Members shall be made and shall be deemed effective in accordance with Section 18.7 hereof.

(c) When a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting the Company may transact any business which might have been transacted at the original meeting. If the adjournment is for more than thirty (30) days, a notice of the adjourned meeting shall be given to each Member holding Units entitled to vote at the meeting.

Section 3.5 Waiver of Notice.

(a) When any notice is required to be given to any Member of the Company under the provisions of Section 3.4 hereof, a waiver thereof in writing signed by the Person entitled to such notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of such notice.

(b) By attending or participating in a meeting, a Member:

(i) waives objection to lack of notice or defective notice of such meeting unless the Member, at the beginning of the meeting, objects to the holding of the meeting or the transacting of business at the meeting; and

(ii) waives objection to consideration at such meeting of a particular matter not within the purpose or purposes described in the meeting notice unless the Member objects to considering the matter when it is presented.

Section 3.6 Voting Record. The Secretary shall make a complete record of the Members entitled to vote at each meeting of Members or any adjournment thereof, and the results of any such vote of the Members. Members shall be entitled to inspect such voting record during normal business hours at the Company's principal executive offices.

Section 3.7 Vote Required. Only those actions that require the approval of the Members (or certain individual classes of the Members) under this Agreement or that specifically require the approval of the Members under the Act (which requirement may not be waived or superseded by a contrary provision in a Delaware limited liability company's operating agreement) shall be submitted to the Members for approval. On all matters submitted to all of the Members for approval, the affirmative vote, in person or by proxy, of the holders of a majority of the outstanding Units entitled to vote shall be the act of the Members, unless the vote of a greater proportion is required by the Act or this Agreement.

Section 3.8 Action by Written Consent of Members.

(a) Any action required or permitted to be taken at any meeting of the Members may be taken without a meeting if Members holding not less than the minimum number of Units that would be necessary to approve the action pursuant to the terms of this Agreement consent thereto in writing. Such writing or writings shall be filed with the minutes of the proceedings of the Members. In no instance where action is authorized by written consent shall a meeting of Members be called or notice be given; however, a copy of the action taken by written consent shall be maintained with the records of the Company. Reasonably prompt notice of the taking of any action taken without a meeting by less than unanimous written consent shall be given to those Members who have not consented in writing and who, if the action had been taken at a meeting, would have been entitled to notice of the meeting if the record date for such meeting had been the date that written consents signed by a sufficient number of Members to take the action were obtained. Written consent by the Members pursuant to this Section 3.8 shall have the same force and effect as a vote of such Members taken at a duly held meeting of the Members and may be stated as such in any document.

(b) An Electronic Transmission consenting to an action to be taken and transmitted by a Member, or by a Person or Persons authorized to act for a Member, shall be deemed to be written, signed and dated for purposes of this Section 3.8, *provided* that any such Electronic Transmission sets forth or is delivered with information from which the Company can determine (i) that the electronic transmission was transmitted by the Member, or by a Person or Persons authorized to act for the Member, and (ii) the date on which such Member or authorized Person or Persons transmitted such electronic transmission. The date on which such electronic transmission is transmitted shall be deemed to be the date on which such consent was signed. For the purposes of this Agreement, **"Electronic Transmission"** means any form of communication not directly involving physical transmission of paper that creates a record that may be retained, retrieved and reviewed by a recipient thereof and that may be directly reproduced in paper form by such recipient through an automated process.

(c) Any copy, facsimile or other reliable reproduction of a consent in writing may be substituted or used in lieu of the original writing for any and all purposes for which the original writing could be used, *provided* that such copy, facsimile or other reproduction shall be a complete reproduction of the entire original writing.

Section 3.9 No Liability of Members. All debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and no Member shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a Member.

ARTICLE IV
MANAGEMENT OF THE COMPANY

Section 4.1 Management by Board of Managers. Except for situations in which the approval of Members is expressly required by this Agreement or by a provision of the Act (which cannot be waived or superseded by this Agreement), the powers of the Company shall be

exercised by or under the authority of a Board of Managers and such Board of Managers may make (or designate to officers of the Company in accordance with this Agreement the authority to make) all decisions affecting the business and affairs of the Company. All decisions made, and all actions taken, by the Board shall be made or taken only with the affirmative consent of both Managers or, if there are more than two Managers, a majority of the Managers then serving on the Board (each Manager having one vote). The Managers shall be elected annually by a majority in interest of the Class A Members. Each Manager shall serve until the next annual election of Managers by a majority in interest of the Class A Members or his or her earlier resignation, removal, incapacity or death. The number of Managers shall be determined by a majority in interest of the Class A Members. As of the date hereof, the number of Managers that constitutes the Board is two (2), and consists of Alfred C. Liggins III and Linda J. Vilardo.

Section 4.2 Removal; Resignations; Vacancies.

A Manager may be removed by a majority in interest of the Class A Members at any time, with or without cause. Any Manager may resign at any time by providing written notice to each Manager and each Class A Member entitled to vote. Such resignation shall be effective upon receipt of such notice by each of the Persons indicated above or, if later, at the time specified in such written notice of resignation. If at any time a vacancy is created on the Board by reason of an increase in the number of Managers by a majority in interest of the Class A Members or the incapacity, death, removal or resignation of a Manager, then a majority in interest of the Class A Members shall fill the new position or designate a replacement for such Manager by delivering a written notice of such new election or replacement to the other Managers and the other Members. From and after the date on which the other Managers and the other Members receive such notice, the new or replacement Manager shall be deemed to be a Manager and shall have all authority, power and capacity accorded to a Manager on the Board.

Section 4.3 Meetings of the Board.

(a) The Board shall meet at such times as determined by the Board to be necessary for the management of the Company's business. Meetings of the Board may be called by the Chairman or any Manager on at least three (3) days' prior written notice of the time and place of such meeting. A majority of the Managers then in office shall constitute a quorum for the transaction of business by the Board.

(b) Notice of any Board meeting may be waived by any Manager before or after such meeting.

(c) By attending or participating in a meeting, a Manager:

(i) waives objection to lack of notice or defective notice of such meeting unless the Manager, at the beginning of the meeting, objects to the holding of the meeting or the transacting of business at the meeting; and

(ii) waives objection to consideration at such meeting of a particular matter not within the purpose or purposes described in the meeting notice unless the Manager objects to considering the matter when it is presented.

(d) Meetings of the Board or committees thereof may be conducted in person or by telephone conference facilities. Any action required or permitted to be taken at any meeting of the Board may be taken without a meeting if all of the Managers then in office consent thereto in writing (including by Electronic Transmission), and the writing or writings (including Electronic Transmissions) are filed with the minutes of proceedings of the Board. The date on which an Electronic Transmission is transmitted shall be deemed to be the date on which such consent was signed.

Section 4.4 Compensation of Managers. Managers shall not receive any salary or other compensation for their services, but shall be reimbursed for their reasonable out-of-pocket expenses incurred in attending meetings of the Board and any committees thereof.

Section 4.5 Power to Bind Company. No Manager (acting in his or her capacity as such) shall have any authority to bind the Company with respect to any matter except pursuant to a resolution expressly authorizing such action which resolution is duly adopted by the Board by the affirmative vote required for such matter pursuant to this Agreement or the Act.

Section 4.6 Committees. The Board also may designate one or more committees, each committee to consist of one or more of the Managers of the Company. The Board may designate one or more Managers as alternate members of any committee, who may replace any absent or disqualified member at any meeting of any such committee. Any committee, to the extent permitted by law and provided in the resolution establishing such committee, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Company. Each committee shall keep regular minutes and report to the Board promptly following each committee meeting.

Section 4.7 Chairman of the Board. There shall be a Chairman of the Board of the Company (the "**Chairman**") (who is currently Alfred C. Liggins III), who shall serve as such until the earlier of his or her death, resignation or removal by the Board, with or without cause, which removal shall require the written consent of the Board.

(a) The Chairman shall have the responsibility for (i) general oversight of the operations of the Company, including oversight over the President of the Company, and (ii) reporting to the Board regarding the financial and operational status of the Company.

(b) If, at any time, a vacancy is created in the position of Chairman for any reason, including by reason of the incapacity, death, removal or resignation of the current Chairman, Alfred C. Liggins III, then a majority in interest of the Class A Members shall, within thirty (30) days of the date of the vacancy, appoint a new Chairman.

Section 4.8 Officers and Related Persons; Retention of Authority by Board; Matters Not Subject to Approval.

(a) The Board shall have the authority to appoint and terminate officers of the Company in accordance with and subject to the provisions of Sections 4.7 and 4.9 through 4.15 hereof and retain and terminate employees, agents and consultants of the Company. The Board may delegate such duties to any such officers, employees, agents and consultants as the Board

deems appropriate, including the power, acting individually or jointly, to represent and bind the Company in all matters, in accordance with the scope of their respective duties; *provided, however*, that the Board may not delegate any of its duties and obligations under this Agreement and may not delegate any duties that are required to be exercised by the Board under the Act or any duties that a Board of Directors of a Delaware corporation is required to retain and exercise under the Delaware General Corporation Law.

(b) Without limiting the provisions of Section 4.8(a) hereof or any other provision of this Agreement, prior approval of the Board shall be required before the Company shall be permitted to take any of the following actions:

(i) the entering into, amendment or waiver of the terms of, or termination of any contract or agreement (A) providing for receipts to or expenditures by the Company in any twelve (12) month period in excess of $100,000, and (B) with any Member or any Affiliate thereof, except as otherwise provided in this Agreement;

(ii) any issuance of Equity Plan Units;

(iii) any authorization of or incurrence of any indebtedness from any Person or Persons in an amount greater than $100,000 over any consecutive twelve (12) month period;

(iv) commencing any litigation proceeding; or

(v) settling any litigation proceeding (A) for an amount in excess of $50,000, or (B) involving a Manager or a senior executive officer of the Company.

Section 4.9 President. There shall be a President of the Company who shall be appointed by the Board upon the recommendation of the Chairman and serve as such until the earlier of his or her death, resignation or removal by the Board, with or without cause. The President shall have the responsibility for managing the day-to-day business operations and affairs of the Company and supervising its other officers, subject to the direction, supervision and control of both the Chairman and the Board. In general, the President shall (subject to Section 4.8 hereof) have such other powers and perform such other duties as usually pertain to the office of the President of a corporation under Delaware law, including, without limitation, the authority to appoint and terminate officers of the Company (other than the Chairman) and retain and terminate employees of the Company to whom the President may delegate his or her duties; provided, however, the President shall be subject to the power of the Chairman or the Board at any time or from time to time to withhold authority with respect to any matter or assign specific duties and responsibilities to him or her The current President is Thomas Newman.

Section 4.10 Chief Financial Officer. The Board may appoint a Chief Financial Officer of the Company who shall serve as such until the earlier of his or her death, resignation or removal by the Board, with or without cause. In general, the Chief Financial Officer shall have such powers and perform such duties as usually pertain to the office of Chief Financial Officer of a corporation under Delaware law. The current Chief Financial Officer is Gillian Kellie.

Section 4.11 Vice Presidents. The Board may from time to time appoint one or more Vice Presidents who shall each serve until the earlier of his or her death, resignation or removal by the Board with or without cause. Each Vice President shall have such powers and duties as may be assigned to him or her by the Board (subject to Section 4.8 hereof) or the President.

Section 4.12 Treasurer. There shall be a Treasurer of the Company who shall be appointed by the Board and serve as such until the earlier of his or her death, resignation or removal by the Board, with or without cause. The Treasurer shall have custody of the Company's funds and securities, shall keep full and accurate account of receipts and disbursements, shall deposit all monies and valuable effects in the name and to the credit of the Company in such depository or depositories as may be designated by the Board, and shall perform such other duties as may be assigned to him or her by the Board (subject to Section 4.8 hereof) or the President.

Section 4.13 Assistant Treasurers. The Board may from time to time appoint one or more Assistant Treasurers who shall each serve until the earlier of his or her death, resignation or removal by the Board with or without cause. Each Assistant Treasurer shall have such powers and duties as may be assigned to him or her by the Board (subject to Section 4.8 hereof) or the President.

Section 4.14 Secretary. There shall be a Secretary of the Company who shall be appointed by the Board and serve as such until the earlier of his or her death, resignation or removal by the Board, with or without cause. Except as otherwise provided in this Agreement, the Secretary shall keep the minutes of all meetings of the Board and of the Members in books provided for that purpose, and shall attend to the giving and service of all notices. The Secretary may sign with the Chairman or President all certificates representing Units of the Company, if any, and shall have charge of the transfer books, and other papers as the Board may direct, all of which shall at all reasonable times be open to inspection by any Manager (or any designee thereof) upon prior written request at the office of the Company during normal business hours. The Secretary shall perform such other duties as may be assigned to him or her by the Board (subject to Section 4.8 hereof) or the President. The current Secretary is Linda J. Vilardo.

Section 4.15 Assistant Secretaries. The Board may from time to time appoint one or more Assistant Secretaries who shall each serve until the earlier of his or her death, resignation or removal by the Board with or without cause. Each Assistant Secretary shall have such powers and duties as may be assigned to him or her by the Board (subject to Section 4.8 hereof) or the President.

Section 4.16 Adoption of the Annual Budget.

(a) Prior to January 1, 2009 and thereafter at least sixty (60) days prior to the last day of each calendar year (beginning with the year 2009), the President shall present a proposed annual budget (the "**Proposed Annual Budget**") to the Board, such Proposed Annual Budget to contain detailed projections covering the Company's anticipated revenues and expenses for the applicable period.

(b) The Chairman shall call a meeting of the Board as soon as practicable after the delivery of the Proposed Annual Budget to the Board, which meeting shall take place no later than thirty (30) days prior to the end of the applicable calendar year. At this meeting, at which the President shall receive written notice and the right to be present, the Board shall approve the Proposed Annual Budget, with such changes as the Board may approve (in the form approved by the Board, the "**Annual Budget**").

(c) A copy of the Annual Budget shall be provided to the President and each Non-Equity Plan Member within ten (10) Business Days of approval by the Board.

Section 4.17 Employment Agreements.

(a) Subject to Section 4.17(b), the rights and obligations of the Company or the Board with respect to any officer as set forth in this Article IV and elsewhere in this Agreement shall not override or supersede the contractual obligations of the Company or Radio One, as employer, or the rights of any officer, as employee, in each case under any employment agreement to which such officer of the Company is a party.

(b) This Agreement, the limited liability company agreement of Community Connect and the Combined Award Agreement with Newman dated October 26, 2009, shall supercede and replace Sections 5 and 7(d) of the Newman Employment Agreement and Schedule A thereto, and all references to Section 7(d) and Schedule A in the Newman Employment Agreement (including those in Section 2.2) shall be deemed to be references to this Agreement, such limited liability company agreement and such Award Agreement. Newman acknowledges that by reason of this Agreement, the limited liability company agreement of Community Connect and the Combined Award Agreement dated October 26, 2009, the obligations of Radio One and its subsidiaries under Section 7(d) of the Newman Employment Agreement have been satisfied.

(c) The terms and conditions of this Section 4.17 shall supercede anything to the contrary contained in this Agreement.

ARTICLE V
CAPITAL STRUCTURE

Section 5.1 Authorized Units.

(a) The Company is authorized to issue one class of Units designated as "**Common Units**". The total number of Common Units which the Company is authorized to issue is Ten Thousand (10,000) Units. The Board may increase the number of authorized Units and create additional classes and/or series of Units, subject to the approval of a majority in interest of the Class A Members. In the event that the authorized number of Units available for issuance is increased pursuant to this Section 5.1, the Board shall indicate the total number of Units available for issuance with respect to any then existing class and/or series and any new class and/or series after giving effect to such approved increase. Any increase in the authorization of, or the issuance of additional, Common Units or the authorization or issuance of new or additional classes and/or series of Units shall not supersede the express rights of any

holder of Equity Plan Units as set forth in the Award Agreement or employment agreement to which such holder is a party.

(b) As of the date hereof, there are two (2) separate series of Common Units designated as "**Class A Units**" and "**Equity Plan Units**." The total number of Class A Units which the Company has authority to issue is Nine Thousand (9,000) Class A Units and the total number of Equity Plan Units which the Company has authority to issue One Thousand (1,000) Equity Plan Units.

Section 5.2 Rights of Designated Common Units. The series of Common Units designated as of the date hereof shall have the following rights, preferences and limitations (subject to the restrictions and limitations on the rights of any Limited Member as set forth in Section 13.4 hereof):

(a) Class A Units.

(i) Voting Rights. Subject to Section 13.4 hereof, each Member holding Class A Units shall have the right to one vote per Class A Unit held, and shall be entitled to notice of any Members' meeting in accordance with this Agreement, and shall be entitled to vote upon such matters and in such manner as may be provided by the Act or this Agreement.

(ii) Other Rights. Subject to Section 13.4 hereof, each holder of Class A Units shall have rights applicable to all Members (in their capacity as Members without regard to any rights attributable to any specific class or series of Units) and otherwise provided hereunder expressly for Members holding Class A Units.

Notwithstanding any other provision to the contrary in this Agreement, none of the following actions shall be taken by the Company without (and the Board and officers, on behalf of the Company, shall not take such action without) the prior approval the holders of at least fifty percent (50%) of the outstanding Class A Units:

(1) any amendment, modification or termination of the Certificate of Formation, except to change the Company's registered office or registered agent;

(2) any creation of a new class or series of Units or reclassification of the existing Units, in either case which provides for any rights or preferences equal to or greater than those provided in this Agreement for the Class A Units;

(3) the issuance of any additional Units other than Equity Plan Units reserved for issuance pursuant to Section 5.1 and the Interactive Equity Plan and approved by the Board;

(4) entering into any agreement or other document to effect a Sale Transaction or the consummation of any Liquidation;

(5) any Distribution, unless such Distribution is a Mandatory Tax Distribution approved by the Board or is otherwise expressly provided for in this Agreement;

(6) any redemption, purchase or other acquisition of any outstanding Units, except as otherwise expressly provided in this Agreement or the Interactive Equity Plan;

(7) except as otherwise provided in this Agreement, any change in the authorized number of Managers on the Board;

(b) Equity Plan Units.

(i) Voting Rights. The Equity Plan Units shall be non-voting.

(ii) Other Rights. The rights of each Equity Plan Member shall be limited to those expressly provided to such Member in this Agreement.

(iii) The Members acknowledge and agree that the Board may issue Equity Plan Units simultaneously with equity plan units (**"Community Connect Equity Plan Units"**) that are issued by Community Connect, an Affiliate of the Company, under the Community Connect Equity Plan and that the Equity Plan Units and the Community Connect Equity Plan Units are to carry identical rights and obligations to the fullest extent permitted by law and will be evidenced by the Combined Award Agreement. All rights with respect to the Equity Plan Units that are subject to the Combined Award Agreement shall be subject to all of the terms and conditions of the Combined Award Agreement.

Section 5.3 Reservation and Issuance of Common Units.

(a) Class A Units. Four Thousand Seven Hundred and Fifty (4,750) Class A Units were issued on the Effective Date to the Sole Member. The remaining authorized Class A Units shall be reserved for issuance to the extent authorized under Section 5.2.

(b) Equity Plan Units. One Hundred (100) Equity Plan Units were issued on the Effective Date to Newman. The remaining authorized Equity Plan Units shall be reserved for issuance to employees and consultants of the Company in accordance with the Interactive Equity Plan. No Capital Contribution or Capital Commitment is required in exchange for such Units other than as required under the Interactive Equity Plan or applicable Award Agreement.

Section 5.4 Units Subject to Forfeiture.

(a) Subject to the express terms of any applicable Award Agreement or employment agreement, all Units of a Limited Member shall be subject to forfeiture in accordance with the provisions of Section 13.4(c) hereof.

(b) All Equity Plan Units that fail to Vest pursuant to the terms of the Interactive Equity Plan and the related Award Agreement shall be forfeited.

(c) A Member who forfeits Units shall retain no interest in profits or capital of the Company associated with such Units.

Section 5.5 No Appraisal Rights. No class or series of Units or Members shall be entitled to appraisal rights in connection with or as a result of any amendment to this Agreement, any merger or consolidation of the Company, any conversion of the Company to another business form, any transfer to or domestication in any jurisdiction by the Company or the sale of all or substantially all of the Company's assets.

ARTICLE VI
CONTRIBUTIONS

Section 6.1 Initial Capital Contribution.

(a) The Sole Member made the Capital Contribution set forth opposite its name under the heading **"Capital Contribution"** on Schedule A hereto and has received therefore 4,750 Class A Units.

Section 6.2 Further Contributions. No further Capital Contributions (including any cash that may be required to pay Company costs and expenses) shall be required of any Member.

Section 6.3 Interest. No interest shall accrue on any Capital Contribution and no Member shall have the right to withdraw or be repaid any Capital Contribution, except as otherwise provided in this Agreement.

Section 6.4 No Return of Capital Contribution. Except as expressly provided in this Agreement, no Member shall be entitled to a return of its Capital Contribution.

Section 6.5 No Loans. If any Member advances any money to, or on behalf of, the Company, the amount of any such advance shall not be deemed a Loan but shall be deemed an additional Capital Contribution of such Member. No Interest shall accrue on any such advance. Additional Capital Contributions from a Member shall not result in the issuance of additional Class A Units to such Member unless all Members (including the holders of Equity Plan Units) approve such issuance.

ARTICLE VII
CAPITAL ACCOUNTS

Section 7.1 Maintenance of Capital Accounts.

(a) The Company shall establish and maintain Capital Accounts for each Member in accordance with the following provisions:

(i) to each Member's Capital Account there shall be credited (A) such Member's Capital Contributions, including the Agreed Value of any contributions other than cash, (B) such Member's distributive share of Net Profits and any items in the nature of income

or gain that are specially allocated, and (C) the amount of any Company liabilities assumed by such Member or that are secured by any property distributed to such Member; and

(ii) to each Member's Capital Account there shall be debited (A) the amount of money and the Gross Asset Value of any other property distributed to such Member pursuant to any provision of this Agreement, (B) such Member's distributive share of Net Losses and any items in the nature of expense or losses that are specially allocated and (C) the amount of any liabilities of such Member assumed by the Company or that are secured by any property contributed by such Member to the Company (to the extent not otherwise taken into account in determining a Member's Capital Contribution).

(b) This Section and other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Regulations § 1.704-1(b), and shall be interpreted and applied in a manner consistent with such Regulations. Notwithstanding that a particular adjustment is not set forth in this Section 7.1, the Capital Accounts of the Members shall be adjusted as required by, and in accordance with, the capital account maintenance rules of Regulations § 1.704-1(b).

Section 7.2 Negative Capital Accounts. No Member shall be required to make up a Capital Account deficit or to pay to any Member the amount of any such deficit.

Section 7.3 Sale or Exchange of Units. In the event of a Transfer of some or all of a Member's Units, the Capital Account of the transferring Member shall become or be added to the Capital Account of the Substitute Member or the Member that acquires Units in such Transfer, to the extent it relates to the Member's Units so Transferred, and, with respect to the Units so Transferred, the provisions of Articles VIII and IX shall apply to the Substitute Member or the Member that acquires such Units as if such Person had held such Units from inception and received all allocations and distributions with respect to such Units that have been received by the transferring Member.

ARTICLE VIII
ALLOCATIONS OF PROFITS AND LOSSES

Section 8.1 Net Profits. Except as otherwise provided herein, Net Profits shall be allocated among the Members in accordance with each Member's Percentage Interest.

Section 8.2 Net Losses. Except as otherwise provided herein, Net Losses shall be allocated among the Members in accordance with each Member's Percentage Interest.

Section 8.3 Limitation on Allocation of Losses. If an allocation of Net Losses to a Member would cause an Adjusted Capital Account Deficit for such Member, such Net Losses shall instead be allocated among Members with positive Capital Account balances in proportion to such balances.

Section 8.4 Allocation of Nonrecourse Deductions. Nonrecourse Deductions shall be allocated among the Members in proportion to each Member's Percentage Interest.

Section 8.5 Allocation of Member Nonrecourse Deductions. Member Nonrecourse Deductions shall be allocated, as provided in Regulations § 1.704-2(i)(1) to the Members in accordance with the ratios in which they bear the economic risk of loss for the relevant Member Nonrecourse Debt for purposes of Regulations § 1.752-2.

Section 8.6 Qualified Income Offset. If any Member unexpectedly receives any adjustments, allocations or distributions described in Regulations § 1.704-1(b)(2)(ii)(d)(4), (5) or (6), items of Company income and gain shall be specially allocated to each such Member in an amount and manner sufficient to eliminate, to the extent required by the Regulations, the Adjusted Capital Account Deficit of such Member as quickly as possible, *provided* that an allocation pursuant to this Section 8.6 shall be made only if and to the extent that such Member would have an Adjusted Capital Account Deficit after all other allocations provided for in this Article VIII have been tentatively made as if this Section 8.6 were not in the Agreement.

Section 8.7 Minimum Gain Chargeback. In the event that there is a net decrease in the partnership minimum gain of the Company during a Taxable Year, the minimum gain chargeback described in Regulations §§ 1.704-2(f) and (g) shall apply.

Section 8.8 Partner Minimum Gain Chargeback. In the event that there is a net decrease in partner nonrecourse debt minimum gain (as defined in Regulations § 1.704-2) during a Taxable Year, any Member with a share of that nonrecourse debt minimum gain (determined under Regulations § 1.704-2(i)(5)) as of the beginning of the year must be allocated items of income and gain for the year (and, if necessary, for succeeding years) equal to that Member's share of such net decrease in accordance with Regulations § 1.704-2(i)(4).

Section 8.9 Book-Ups/Tax Disparities.

(a) In the case of contributed property, items of income, gain, loss and deduction, shall be allocated for federal income tax purposes in a manner consistent with the requirements of Code §704(c) and Regulations § 1.704-3 to take into account the difference between the Agreed Value of such property and its adjusted tax basis at the time of contribution.

(b) In the event of an adjustment to Capital Accounts in accordance with paragraph (b) of the definition of "Gross Asset Value," items of income, gain, loss and deduction shall thereafter be allocated for federal income tax purposes in a manner consistent with Regulations § 1.704-3(a)(6)(i).

(c) Allocations under this Section 8.9 shall not affect Capital Accounts of the Members. The method or methods to be elected under Regulations § 1.704-3 for such allocations shall be selected by the Tax Matters Partner.

Section 8.10 Individual Tax Items. For each Taxable Year (or portion thereof) in which one Member owns all of the Percentage Interests, all Company items of income, gain, loss and deduction, and all other tax items for such Taxable Year (or portion thereof), shall be allocated to such Member. Except as otherwise provided in the preceding sentence and in Section 8.9, all Company items of income, gain, loss, and deduction, and all other tax items for each Taxable Year, shall be allocated among the Members as follows: (a) each Member's

allocable share of each item included in the computation of Net Profit or Net Loss for that year shall equal such Member's overall percentage share of the Net Profit or Net Loss for such year, (b) each Member's allocable share of each item included in the computation of Net Gain from a Sale Transaction or Net Loss from a Sale Transaction for such year shall equal such Member's overall percentage share of the Net Gain from a Sale Transaction or Net Loss from a Sale Transaction for such year, and (c) each Member shall be allocated any items specifically allocated to such Member under Sections 8.5, 8.6, 8.7 and 8.8.

Section 8.11 Tax Credits. Tax credits of the Company, if any, shall be allocated among the Members in proportion to the number of Units held by each Member.

Section 8.12 Changes in Number of Units. In the event the number or character of Units held by a Member changes during a Taxable Year, the allocation of items of income, gain, loss and deduction to such Member shall be based on the weighted average number of Units held by the Member and the weighted average number of Units outstanding during the Taxable Year, unless otherwise required by the Code or Regulations or agreed to by each Member affected by such allocation. Further, any items of deduction allowable to the Company on account of a compensatory transfer of Equity Plan Units and any adjustment to the Gross Asset Value of Company assets that is taken into account as gain or loss in accordance with paragraph (c) of the definition of Net Profits and Net Losses shall be allocated to and among the Members in proportion to the Units they held immediately prior to the date the grantee of such Equity Plan Units included corresponding amounts as compensation income under Sections 83(a), 83(b) or 83(d)(2) of the Code.

ARTICLE IX
DISTRIBUTIONS

Section 9.1 Limitations on Distributions.

(a) No Distribution to Members shall be declared or paid unless, after giving effect to such Distribution, the fair value of all assets of the Company exceeds all liabilities of the Company (and such reserves as shall be reasonably established by the Board), other than liabilities to Members on account of their Capital Accounts.

(b) Further, notwithstanding anything herein to the contrary, no Distribution shall be made to the holder of any Equity Plan Unit holder until and unless (i) the holders of the Class A Units and the holders of Class A Units of Community Connect have received Distributions from both the Company and Community Connect equal to the Combined Capital Contributions and (ii) the holders of Class A Units and the other holders of Equity Plan Units have (to the extent not in duplication of subclause (i)) received Distributions equal to each such Member's Capital Account balance immediately before the issuance of the Equity Plan Units with respect to which such Distribution would otherwise be made (taking into account the last sentence of Section 8.12). For purposes hereof, the holders of Class A Units will be deemed to receive Distributions in an amount equal to the excess, if any, of (x) payments that are made to such holders or their Affiliates for the provision of goods and services to the Company and Community Connect over (y) the costs to such Affiliates of providing such goods and services.

For purposes hereof, the Company and Newman agree that there needs to be established a list of specific services and an appropriate cost amount for such services that will not be considered Distributions to holders of Class A Units. In lieu of attaching such a list to this Agreement, the Members have agreed that Interactive One will each year, in connection with the review of the Annual Budget, prepare a schedule (the "Proposed Inter-Company Cost Schedule") that details the services rendered and the cost for such services for review by all Members. If such Proposed Inter-Company Cost Schedule is approved by all Members, it shall become the "Permitted Inter-Company Cost Schedule" and no payments for the services and in the amounts specified therein shall be treated as Distributions to the holders of Class A Units. In the event of any dispute relating to the items on the Proposed Inter-Company Cost Schedule, the Company's determination as to the cost of any service in question shall be deemed conclusive unless either (i) the disputing Member can provide a third party bid demonstrating the cost of the item or service is 10% greater or lower than the determination of cost made by the Company in the case of goods and services that can be readily acquired from third parties or (ii) the disputing Member can establish that the method of allocating costs to the Company of support services that are provided by Interactive One or its Affiliates (*e.g*., accounting, legal, human resources, etc.) are not reasonable in light of the size and activities of the Company as compared with the other entities which are part of Radio One to which such costs are allocated. In such event, the Company and such Member will jointly hire an independent accountant to determine the cost of the item or service that should have been allocated to the Company. In the event the cost of the item or service is determined by such independent accountant to be within 10% of the cost as determined by the Company, the Member disputing the cost of such service shall bear the full cost of such accounting, including all costs (including any legal expenses) of the Company associated therewith. In the event the cost of the item or service is determined by such independent accountant to be more than 10% higher or more than 10% lower than the cost of such item or service as determined by the Company, then the Company shall bear the full cost of such mediation, including all costs (including any legal expenses) of the disputing Member associated therewith. In determining the costs of such items or services that are obtained from third parties, the independent accountant shall be required to determine the cost of such items or services from three (3) independent parties and take the average cost of such service among such parties. The decision of such independent accountant shall then govern the determination of the items and the costs thereof that should be included in the Permitted Inter-Company Cost Schedule. To the extent that the Company does not pay to Interactive One any amounts specified on the Permitted Inter-Company Cost Schedule for the provision of goods and services by Interactive One to the Company, such unpaid amounts shall be treated as liabilities of the Company.

Section 9.2 Mandatory Tax Distributions. The Mandatory Tax Distribution shall be distributed to the Members in proportion to each Member's Percentage Interest at the time of the distribution. Such distributions shall be made at least annually, on or before the 60th day after the end of the relevant Taxable Year, and shall not be accounted for on the books and records of the Company as a return of Capital Contributions and shall not be charged against Distributions to which members are entitled under Section 9.3(a) hereof.

Section 9.3 Distributions Prior to Liquidation. Except as otherwise provided in this Agreement and subject to the limitations provided herein, and subject to all Mandatory Tax

Distributions having been made, Distributions may be made to the Members at such times and in such amounts as the Board may determine. Distributions shall be made to the Members as follows:

(a) first, to the holders of the Class A Units until they have received from the Company and Community Connect an amount equal to the Combined Capital Contributions (excluding Mandatory Tax Distributions);

(b) second, to the Members on a per Unit basis in proportion to each Member's Percentage Interest.

Section 9.4 Withholding Taxes. The Company is authorized to withhold from Distributions to a Member, or with respect to allocations to a Member, and to pay over to a federal, state or local government, any amounts required to be withheld pursuant to the Code, or any provisions of any other federal, state or local law. Any amounts so withheld shall be treated as having been distributed to such Member pursuant to Section 9.2 for all purposes of this Agreement, and shall be offset against the amounts otherwise distributable to such Member under Section 9.2 hereof.

ARTICLE X
ACCOUNTS

Section 10.1 Books. The Chief Financial Officer, or the Treasurer if at any time there is no Chief Financial Officer, shall cause to be maintained complete and accurate books of account of the Company's affairs at the Company's principal place of business. Separate accounts shall be kept for each class and series of Units. Such books shall be kept on such method of accounting as the Board shall select.

Section 10.2 Tax Matters. Interactive One shall be the Tax Matters Partner. The Tax Matters Partner shall, except to the extent impracticable as a result of the failure of a Member to timely deliver necessary information to the Tax Matters Partner, cause to be prepared, signed and filed all tax returns of the Company required by any federal state or local law, make any tax elections for the Company allowed under the Code or the tax laws of any state or other jurisdiction having taxing jurisdiction over the Company and monitor any governmental tax authority in any audit that such authority may conduct of the Company's books and records or other documents. The Tax Matters Partner shall cause the Company to deliver to the Members an IRS Schedule K-1 as soon as practicable following the close of each Taxable Year, but no later than seventy-five (75) days after the end of each Taxable Year; *provided, however*, that such period shall be automatically extended in the event of a delay beyond the control of the Tax Matters Partner, such as a delay resulting from the failure of a third party to provide required tax information to the Company in a timely manner. The Tax Matters Partner shall be entitled to reimbursement from the Company for all necessary and reasonable out-of-pocket expenses incurred in performing its duties as Tax Matters Partner.

The Tax Matters Partner shall also cause the Company to elect the safe harbor described in Notice 2005-43, 2005-1 CB 1221, under which the fair market value of an Equity

Plan Unit that is transferred in connection with the performance of services is treated as being equal to the liquidation value of such Unit (the **"Safe Harbor Election"**). The Safe Harbor Election shall be made as of the earliest date permitted under any IRS revenue procedure or other administrative guidance issued subsequent to Notice 2005-43. The Company and each of its Members (including each Equity Plan Member to whom a Unit is transferred in connection with the performance of services) agree to comply with all requirements of the Safe Harbor Election with respect to all Equity Plan Units transferred in connection with the performance of services.

Section 10.3 Special Basis Adjustment. The Tax Matters Partner shall, without any further consent of the Members being required (except as specifically required herein), have discretion to make an election for federal income tax purposes to adjust the basis of property pursuant to §§754, 734(b) and 743(b) of the Code, or comparable provisions of state, local or foreign law, in connection with Transfers of Units.

ARTICLE XI
TRANSFERS OF UNITS

Section 11.1 Transfers.

(a) No Member may Transfer all or any portion of its Equity Interests other than (i) to a Permitted Transferee, (ii) any Transfer of all or any portion of a Member's Equity Interests pursuant to Sections 12.1, 12.2, 12.3 or 12.4 hereof, and (iii) any Transfer of all or any portion of a Member's Equity Interests pursuant to a Sale Transaction (each, a **"Permitted Transfer"**), *provided* that in each case such Transfer is made in accordance with Section 11.2 hereof. Any attempted Transfer of the Equity Interests by such Members, other than in strict accordance with this Article XI, shall be null and void and the purported transferee shall have no rights as a Member hereunder, except as may otherwise by provided in Section 13.4 as to such transferee.

(b) Notwithstanding anything to the contrary in this Agreement, no Transfer of Units shall be deemed effective until the transferee of such Units executes a joinder agreement, in substantially the form attached hereto as Schedule B (the **"Joinder Agreement"**) pursuant to which, among other things, such transferee shall agree to be bound by the obligations of the Member transferring such Units to such transferee under this Agreement and, if such transferee is an Affiliate of the Member transferring such Units, such transferee shall agree to grant all authority to act on its behalf to the Member transferring such Units to such transferee. Any purported transfer in violation of this Section 11.1(b) shall be null and void.

(c) Notwithstanding anything to the contrary in this Agreement, no Member shall enter into any agreement to vote or otherwise exercise any of the rights appurtenant to any of the Units held by such Member with any Person other than an Affiliate of such Member.

Section 11.2 Conditions to Permitted Transfers. A Member shall be entitled to make a Permitted Transfer of all or any portion of its Equity Interests only upon satisfaction of each of the following conditions:

(a) such Transfer does not require the registration or qualification of such Equity Interests pursuant to any applicable federal or state securities laws, rules and regulations;

(b) such Transfer does not result in a violation of applicable laws, rules and regulations;

(c) the Chairman receives written instruments that are in a form and substance satisfactory to the Chairman, as determined in his or her reasonable judgment (including, without limitation, (i) copies of any instruments of Transfer, (ii) such Person's agreement to be bound by this Agreement in the same manner, and subject to the same obligations and restrictions (including without limitation the transfer restrictions set forth in this Article XI) as the Member making such Transfer, including by execution of a Joinder Agreement; *provided, however*, that no such agreement shall be required if the Person receiving such Transfer is also a Member hereunder, and (iii) if requested by the Chairman, an opinion of counsel to such Person, in form and substance reasonably acceptable to the Chairman, to the effect that the conditions set forth in subsections (a) and (b) above have been satisfied).

Section 11.3 Prohibited Transfers.

(a) Prohibited Transfer. A **"Prohibited Transfer"** shall be deemed to have occurred if a transaction or series of related transactions is consummated that results in a Transfer of Units other than Permitted Transfer occurring in accordance with Section 11.1 and Section 11.2.

(b) Effect of a Prohibited Transfer. Upon receipt of written notice from any Member or the Company that such Person believes that a Prohibited Transfer has occurred, each Member transferring Units in the alleged Prohibited Transfer shall use its best efforts to nullify such Prohibited Transfer within a period of thirty (30) days or to demonstrate within a period of thirty (30) days to the reasonable satisfaction of the Board that the alleged Prohibited Transfer is not a Prohibited Transfer. Failure to nullify such Prohibited Transfer or to demonstrate to the reasonable satisfaction of the Board that an alleged Prohibited Transfer is not a Prohibited Transfer within such 30 day period shall automatically result in the Member transferred in the Prohibited Transfer becoming a Limited Member in accordance with Section 13.4 hereof.

Section 11.4 Representations Regarding Transfers. Each Member hereby covenants and agrees with the Company for the benefit of the Company and all Members, that (i) it is not currently making a market in Units and will not in the future make a market in Units, and (ii) it will not Transfer its Equity Interest on an established securities market, a secondary market (or the substantial equivalent thereof) within the meaning of Code Section 7704(b) (and any Regulations, proposed Regulations, revenue rulings, or other official pronouncements of the Internal Revenue Service or the United States Treasury Department that may be promulgated or published thereunder). Each Member further agrees that it will not Transfer any Equity Interest to any Person unless such Person agrees to be bound by this Section 11.4 and to Transfer such Interest only to Persons who agree to be similarly bound.

Section 11.5 Treatment of Equity Plan Units Issued Pursuant to a Combined Award Agreement. Notwithstanding anything else in this Article XI to the contrary, if Equity Plan Members hold Equity Plan Units issued pursuant to a Combined Award Agreement, then there may be no Transfer under this Article XI unless the Community Connect Equity Plan Units granted by Community Connect under the Combined Award Agreement are Transferred in the same proportions as the Equity Plan Units are Transferred.

ARTICLE XII
ADDITIONAL RIGHTS AND OBLIGATIONS OF THE MEMBERS

Section 12.1 Call Rights.

(a) The Company may, in its sole discretion, elect to purchase up to all of the Vested Equity Plan Units of each Equity Plan Member under the following circumstances:

(i) within twelve (12) months (or such shorter period if required by applicable law) of the date an Equity Plan Member ceases to be an employee, consultant or representative of the Company, as applicable;

(ii) in the event of a Sale Transaction;

(iii) in the event of the Bankruptcy of such Equity Plan Member; and

(iv) as permitted by and in accordance with the terms and conditions of the applicable Award Agreement or employment agreement.

(b) If the Company elects to exercise its right to purchase such Equity Plan Units in accordance with this Article XII, it shall provide written notice thereof to the Equity Plan Members, which notice shall include the number of Equity Plan Units to be purchased (the **"Equity Plan Call Units"**) and the basis on which the Company is exercising its call rights under Section 12.1(a).

(c) The fair market value of each Equity Plan Call Unit (such price, the **"Equity Plan Call Unit Price"**) shall be determined by an appraisal process between the Company and the applicable Equity Plan Member, which process shall include deductions for any outstanding debt or other liabilities of the Company (including accrued but unpaid interest at the Applicable Interest Rate) and each Class A Member's right to the return of its Capital Contributions under Section 9.3(a) (it being understood that the deduction of debt and/or the right to receive back contributed capital may result in the Equity Plan Units or the Community Connect Equity Plan Units having a negative value that will be taken into consideration in determining the net value of the Equity Plan Units and Community Connect Equity Plan Units subject to the same Combined Award Agreement); *provided, however*, in the event that the basis for the Company's exercise of its rights under this Section 12.1 is as a result of the termination of an Equity Plan Member for Cause, or the Board has determined that such Member has violated any non- solicitation, non-competition or non-disclosure provision contained in any agreement entered into by and between such Member and the Company, the fair market value of such Member's Equity Plan Units shall be the lesser of such Member's Capital Account balance

attributed to such Units or the value determined in accordance with the procedures described above. If the value of the Equity Plan Units is positive and the value of the Community Connect Equity Plan Units is negative, the Equity Plan Units will only have value equal to the sum of such positive and negative amounts (*i.e.*, the positive amount of the value of the Equity Plan Units will be offset by the negative amount of the value of the Community Connect Equity Plan Units that have a negative value). In the event that the Equity Plan Member and the Company cannot reach an agreement as to the Equity Plan Call Unit Price within thirty (30) days of the date of the notice delivered pursuant to Section 12.1(b), the parties agree to submit such determination to binding arbitration in New York, New York, before one (1) arbitrator. The arbitration shall be administered by the American Arbitration Association pursuant to the AAA Rules and Procedures. For purposes of determining the Equity Plan Call Unit Price, the valuation of the Company shall first be determined as an entirety before determining the value of the Equity Plan Units held by the applicable Equity Plan Member, based on the amount that such Equity Plan Member would receive from the proceeds of the sale of the Company at such valuation upon the liquidation of the Company, and the interest of the Equity Plan Member shall not be subject to a discount for minority interest or lack of liquidity.

(d) The closing of the purchase and sale of the Equity Plan Call Units pursuant to this Section 12.1 (the **"Equity Plan Call Closing"**) shall occur on the date as is determined by the Board but, in any event, within one hundred twenty (120) days of the date that the notice of the Company's intent to purchase the Equity Plan Call Units is delivered pursuant to Section 12.1(b). At the Equity Plan Call Closing, (1) each Equity Plan Member selling Equity Plan Call Units shall (A) execute and deliver such documents as shall be reasonably requested by the Company and (B) represent and warrant that such Equity Plan Call Units are being transferred free and clear of liens, encumbrances and interests or rights of other Persons, and (2) the Company shall make payment to each Equity Plan Member selling such Equity Plan Call Units in an amount equal to the Equity Plan Call Unit Price *multiplied by* the number of Equity Plan Call Units being sold by such Equity Plan Member, such payment to be made, in the Company's sole discretion, by (x) wire transfer of immediately available funds to an account specified in writing by such Equity Plan Member or (y) by wire transfer of immediately available funds equal to at least twenty percent (20%) of such purchase price and by delivery of a promissory note in the principal amount of the balance of such purchase price issued by the Company (in form and substance satisfactory to the Board) bearing interest at a rate of eight percent (8.0%) per annum, the principal and interest of which shall be due and payable in four (4) equal quarterly installments of principal, together with accrued interest, beginning on the first day of the fiscal quarter following the fiscal quarter in which the closing occurs, and continuing on the first day of each succeeding fiscal quarter until fully paid.

Section 12.2 Put Rights.

(a) Each Equity Plan Member may, in his, her or its sole discretion, elect to have the Company purchase all or a portion of his, her or its Equity Plan Units that are Vested (the **"Qualifying Equity Plan Put Units"**) under the following circumstances:

(i) in the event that the Equity Plan Member ceases to be an employee of the Company, but only to the extent permitted by, and subject to, the terms and conditions of such Equity Plan Member's Award Agreement;

(ii) a material breach by the Company of any agreement between the Equity Plan Member and the Company;

(iii) in the event that Alfred C. Liggins III ceases to be associated in any capacity with the Company or any Affiliate of the Company in connection with a change in Control of Radio One; and

(iv) as permitted by and in accordance with the terms and conditions of the applicable Award Agreement.

(b) If an Equity Plan Member elects to exercise his, her or its right to cause the Company to purchase such Member's Qualifying Equity Plan Put Units in accordance with this Article XII, it shall provide written notice thereof to the Company, which notice shall include the number of Qualifying Equity Plan Put Units to be purchased (the **"Equity Plan Put Units"**) and the basis on which the Equity Plan Member is exercising its put rights under Section 12.2(a) above.

(c) The fair market value of each Equity Plan Put Unit (such price, the **"Equity Plan Put Unit Price"**) shall be determined in accordance with the procedures described in Section 12.1(c) with respect to the determination of the Equity Plan Call Unit Price.

(d) The closing of the purchase and sale of the Equity Plan Put Units pursuant to this Section 12.2 (the **"Equity Plan Put Closing"**) shall occur on the date as is determined by the Board but, in any event, within one hundred twenty (120) days of the date that the notice of the Equity Plan Member's intent to require the Company to purchase the Equity Plan Call Units is delivered pursuant to Section 12.2(b). At the Equity Plan Put Closing, (1) each Equity Plan Member selling Equity Plan Put Units shall (A) execute and deliver such documents as shall be reasonably requested by the Company and (B) represent and warrant that such Equity Plan Put Units are being transferred free and clear of liens, encumbrances and interests or rights of other Persons, and (2) the Company shall make payment to each Equity Plan Member selling such Equity Plan Put Units in an amount equal to the Equity Plan Put Unit Price *multiplied by* the number of Equity Plan Put Units being sold by such Equity Plan Member, such payment to be made, in the Company's sole discretion, by (x) wire transfer of immediately available funds to an account specified in writing by such Equity Plan Member or (y) by wire transfer of immediately available funds equal to at least twenty percent (20%) of such purchase price and by delivery of a promissory note in the principal amount of the balance of such purchase price issued by the Company (in form and substance satisfactory to the Board) bearing interest at a rate of eight percent (8.0%) per annum, the principal and interest of which shall be due and payable in four (4) equal quarterly installments of principal, together with accrued interest, beginning on the first day of the fiscal quarter following the fiscal quarter in which the closing occurs, and continuing on the first day of each succeeding fiscal quarter until fully paid.

Section 12.3 Drag Along Rights In connection with any transaction in which the Sole Member is selling in excess of twenty-five percent (25%) of their aggregate Class A Units in the Company to a Person or Persons that are not Affiliates of the Company or Controlled by Affiliates of the Company (the **"Class A Unit Sale"**), the Sole Member shall have the rights and obligations set forth in this Section 12.3.

(a) At least sixty (60) days prior to the date that the proposed Class A Unit Sale is scheduled to close (the **"Closing Date"**), the Sole Member shall provide each Equity Plan Member with a written notice of the proposed Class A Unit Sale (the **"Sale Notice"**). The Sale Notice shall contain (i) a description of the Class A Unit Sale, (ii) the per-Unit price (the **"Class A Sale Price"**) to be paid by the Purchaser, (iii) the Closing Date and (iv) an indication as to whether or not the Member intends to exercise its rights set forth in Section 12.3(b) and, if so, the number of Equity Plan Drag-Along Units (as defined below) to be included in the Class A Unit Sale.

(b) The Sole Member shall have the right, but not the obligation, to require each Equity Plan Member (each such Equity Plan Member, a **"Drag-Along Equity Plan Member"** and, collectively, the **"Drag-Along Equity Plan Members"**) to sell to the Class A Unit Sale purchaser (the **"Purchaser"**) a pro rata portion of Equity Plan Units held by such Equity Plan Member that, as of the Closing Date, are Vested (the **"Equity Plan Drag-Along Units"**) at a price per Equity Plan Drag-Along Unit equal to the amount that the Equity Plan Member would receive on account the Equity Plan Drag-Along Units if the Company were sold for a value that would result in the Class A Members receiving the Class A Sale Price per Class A Unit after allocation of such value to all Members in accordance with the provisions of this Agreement applicable to the liquidation of the Company.

(c) The closing of the purchase and sale of the Equity Plan Drag-Along Units pursuant to this Section 12.3 (the **"Equity Plan Drag-Along Closing"**) shall occur as close as practicable to the Closing Date. At the Equity Plan Drag-Along Closing, (1) each Drag-Along Equity Plan Member shall (A) execute and deliver such documents as shall be reasonably requested by the Purchaser and (B) represent and warrant to the Purchaser that such Units are being transferred to the Purchaser free and clear of liens, encumbrances and interests or rights of other Persons, and (2) the Purchaser shall make payment to the Drag-Along Equity Plan Member selling such Units in an amount equal to the Equity Plan Drag-Along Price *multiplied by* the number of Equity Plan Drag-Along Units being sold by such Member, such payment to be made by wire transfer of immediately available funds to an account specified in writing by such Member.

(d) Nothing contained in this Section 12.3 and the exercise of the Sole Member's rights hereunder will impact on any Equity Plan Units that are not Vested.

(e) Notwithstanding anything else in this Section 12.3 to the contrary, the Equity Plan Members shall not be subject to the provisions of this Section 12.3 if no payment would be made to the Equity Plan Members hereunder.

Section 12.4 Tag-Along Rights. In the event of a Class A Unit Sale in which the Sole Member does not elect to exercise its rights pursuant to Section 12.3(b), each Equity Plan Member shall have the rights and obligations set forth in this Section 12.4.

(a) Upon receipt of a Sale Notice in which the Sole Member does not elect to exercise its rights pursuant to 12.3(b), each Equity Plan Member shall have the right, but not the obligation, to require the Sole Member to include a pro rata portion of Equity Plan Units held by such Equity Plan Member that, as of the Closing Date, are Vested (the **"Equity Plan Tag-Along Units"**) at a price per Equity Plan Tag-Along Unit equal to the amount that the Equity Plan Member would receive on account the Equity Plan Tag-Along Units if the Company were sold for a value that would result in the Class A Members receiving the Class A Sale Price per Class A Unit after allocation of such value to all Members in accordance with the provisions of this Agreement applicable to the liquidation of the Company (such price, the **"Equity Plan Tag-Along Unit Price"**), by delivering a written notice (the **"Tag-Along Notice"**) to the Sole Member at least forty (40) days prior to the Closing Date indicating such Member's desire to sell to the Purchaser the Equity Plan Tag-Along Units. Each Equity Plan Member delivering a Tag-Along Notice to the Sole Member shall be referred to herein as a **"Tag-Along Seller."**

(b) The closing of the purchase and sale of the Equity Plan Tag-Along Units pursuant to this Section 12.4 (the **"Equity Plan Tag-Along Closing"**) shall occur as close as practicable to the Closing Date. At the Equity Plan Tag-Along Closing (i) each Tag-Along Seller shall (A) execute and deliver such documents as shall be reasonably requested by the Purchaser in order to vest full beneficial and record ownership of the Equity Plan Tag-Along Units in the Purchaser, and (B) represent and warrant to the Purchaser that such Equity Plan Tag-Along Units are being acquired by the Purchaser free and clear of liens, encumbrances and interests or rights of other Persons, and (ii) the Purchaser shall make payment to each Tag-Along Seller in an amount equal to the number of Equity Plan Tag-Along Units being acquired from such Tag-Along Seller *multiplied by* the Equity Plan Tag-Along Unit Price, such payment to be made by wire transfer of immediately available funds to an account specified in writing by such Member.

(c) Nothing contained in this Section 12.4 and the exercise of the Sole Member's rights hereunder will impact on any Equity Plan Units that are not Vested.

(d) Notwithstanding anything else in this Section 12.4 to the contrary, no Equity Plan Holder will have any rights hereunder if no payment would be made to the Equity Plan Members by exercising the rights set forth in this Section 12.4.

Section 12.5 Treatment of Equity Plan Units Issued Pursuant to a Combined Award Agreement. Notwithstanding anything else in this Article XII to the contrary, if Equity Plan Members hold Equity Plan Units issued pursuant to a Combined Award Agreement, then there may be no purchase or sale under Sections 12.1 or 12.2 of this Article XII unless the Community Connect Equity Plan Units granted by Community Connect under the Combined Award Agreement are purchased or sold in the same proportions as the Equity Plan Units are purchased or sold.

ARTICLE XIII
ADDITIONAL, SUBSTITUTE AND LIMITED MEMBERS

Section 13.1 Admissions. No Person shall be admitted to the Company as a Member (other than the Sole Member and Newman as an Equity Plan Member who are the signatories hereto) except in accordance with Section 13.2, 13.3, 13.4 or 13.5 hereof. Any purported admission which is not in accordance with this Article XIII shall be null and void. Upon admission of any Additional, Substitute Member or Limited Member, or upon any Member ceasing to be a Member, the books and records of the Company shall be revised accordingly to reflect such admission or cessation.

Section 13.2 Admission of Additional Members. Except for the admission of Equity Plan Members which shall be as set forth in Section 13.5, a Person shall become an Additional Member pursuant to the terms of this Agreement only if and when each of the following conditions is satisfied:

(a) the Board, in its sole and absolute discretion, determines the nature and amount of the Capital Contribution and/or Capital Commitment to be made by such Person;

(b) the Board has received, on behalf of the Company, such Person’s Capital Contribution and/or Capital Commitment as so determined;

(c) the Board consents in writing to such admission, which consent may be given or withheld in its sole and absolute discretion and, if such Person is to be admitted as a Member holding Units, the Board shall determine which class or series of authorized Units such Person shall hold;

(d) the Board receives written instruments (including, without limitation, a subscription agreement and such Person’s consent to be bound by this Agreement as a Member) that are in form and substance satisfactory to the Board, as determined in its sole and absolute discretion; and

(e) the Sole Member has approved the classification and issuance of Units.

Section 13.3 Admission of Substitute Members. A Person who acquires all or a portion of a Member’s Units shall become a Substitute Member of the Company only following a Transfer of Units made in accordance with Article XI hereof.

Section 13.4 Limited Members.

(a) A Member (or its successor in interest, if any, pursuant to (i) or (ii) below or his or her personal representatives, executors or heirs, pursuant to (iv) below) shall automatically become a Limited Member upon the earliest to occur of any of the following events:

(i) as to any Member that is not an individual, the filing of a certificate of dissolution, or its equivalent, for such Member;

(ii) as to any Member that Transfers all or any part of its Units (and as to the Person to whom such Units are Transferred), in the event that such Units are Transferred in a manner that does not comply with Article XI hereof following a determination by a court of competent jurisdiction or the Board upon advice of counsel selected by the Board that the provisions of Article XI shall not be applicable to such Transfer; *provided* that in the event of such a Transfer the limitations and restrictions applicable to a Limited Member shall only apply to the Units so Transferred;

(iii) the Bankruptcy of such Member; or

(iv) as to any Non-Equity Plan Member that is an individual, the death or permanent incapacity (as determined in good faith by the Board) of such Non-Equity Plan Member.

(b) Notwithstanding anything to the contrary contained in this Agreement, a Limited Member shall have no:

(i) right to vote on any matter being voted on by the Members generally or by any class or group of Members or to receive notice of a meeting of Members; or

(ii) inspection or information rights provided to Members under Article XIV hereof.

(c) Subject to the limitations and restrictions set forth in Section 13.4(b) hereof, a Limited Member shall retain such rights, and remain subject to such obligations, as were applicable to such Limited Member (or the Member from whom such Limited Member acquired Units or other Equity Interests) prior to becoming a Limited Member. If a Limited Member shall fail, within twenty (20) days of a written request from the Company, to consent in writing to be bound by this Agreement, (in the event such Person is not a party to any such agreement at the time such written request is made), the Equity Interests held by such Limited Member shall be forfeited and cancelled.

Section 13.5 Admission of Equity Plan Members. Persons awarded Equity Plan Units under the Interactive Equity Plan shall be admitted as Members in accordance with the terms of the Interactive Equity Plan, the applicable Award Agreement and this Agreement if and only if, and when, each of the following conditions is satisfied:

(a) the Board or a committee thereof approves the issuance of such Equity Plan Units to such Person, and

(b) the Board or a committee thereof receives written instruments (including, without limitation, such Person's consent to be bound by this Agreement as a Member as a Equity Plan Member and the applicable Award Agreement executed by such Person) that are in form and substance satisfactory to the Board, as determined in its sole and absolute discretion.

Section 13.6 Withdrawal of Member. Members shall not be permitted to voluntarily withdraw from the Company for any reason. Any Member shall cease to be a Member of the

Company upon the date such Member ceases to hold any Units. No such Member shall have a right to a return of its Capital Contribution solely in his or her capacity as a Member.

ARTICLE XIV
REPORTS TO MEMBERS

Section 14.1 Books and Records.

(a) Each Non-Equity Plan Member has the right, subject to such reasonable standards (including standards governing what information and documents are to be furnished at what time and location and at whose expense) as may be established by the Managers, to obtain from the Company from time to time upon reasonable demand for any purpose reasonably related to the Non-Equity Plan Member's interest as a Member of the Company:

(i) True and full information regarding the status of the business and financial condition of the Company;

(ii) Promptly after they become available, a copy of the federal, state and local income tax returns for each year of the Company;

(iii) A current list of the name and last known business, residence or mailing address of each Member and Manager;

(iv) A copy of this Agreement, the Certificate of Formation and all amendments thereto;

(v) True and full information regarding the amount of cash and a description and statement of the Agreed Value of any other property or services contributed by each Member and the date on which each became a Member; and

(vi) Other information regarding the affairs of the Company as is reasonable.

(b) Each Equity Plan Member has the right, subject to such reasonable standards (including standards governing what information and documents are to be furnished) and at whose expense as may be established by the Board from time to time, to obtain from the Company from time to time upon reasonable demand for any purpose reasonably related to the Equity Plan Member's interest as a Member of the Company:

(i) information regarding the status of the business and financial condition of the Company;

(ii) promptly after they become available, a copy of the federal, state and local income tax returns for each year of the Company; and

(iii) a copy of this Agreement, the Certificate of Formation and all amendments thereto.

The foregoing information will either be mailed to each Equity Plan Member at his residence address that has been supplied by such Equity Plan Member to the Company or at the Company's offices in New York City.

(c) Each Manager shall have the right to examine all of the information described in subsections (a) and (b) of this Section 14.1 for any purpose reasonably related to his or her position as a Manager.

(d) The Company may maintain its records in other than a written form if such form is capable of conversion into written form within a reasonable time.

(e) Any demand by a Member under this Section shall be in writing and shall state the purpose of such demand.

(f) The Company shall permit each Non-Equity Plan Member to visit and inspect the Company's properties, to examine its books of account and records and to discuss the Company's affairs, finances and accounts with its officers, during normal business hours upon reasonable advance notice.

(g) The Company shall provide each Non-Equity Plan Member with prompt notice of the initiation of any material legal action against the Company.

(h) The obligations and limitations set forth in Section 18.1 hereof shall apply to any Confidential Information disclosed or otherwise made available to any Member pursuant to this Section 14.1.

Section 14.2 Annual Reports. Within sixty (60) days after the end of each Fiscal Year, the Company shall cause to be prepared, and each Member furnished with, financial statements accompanied by a report thereon from an independent accounting firm approved by the Board or a committee thereof stating that such statements are prepared and fairly stated in all material respects in accordance with generally accepted accounting principles, and, to the extent inconsistent therewith, in accordance with this Agreement, including the following:

(a) A copy of the balance sheet of the Company as of the last day of such Fiscal Year;

(b) A statement of income or loss for the Company for such Fiscal Year; and

(c) A statement of the Members' Capital Accounts, changes thereto for such Fiscal Year and Percentage Interests at the end of such Fiscal Year.

Section 14.3 Quarterly Reports. Within thirty (30) days after the end of each quarter, the Company shall cause each Non-Equity Plan Member to be furnished with unaudited quarterly financial statements prepared in accordance with the Company's methods of accounting, of the type described in Section 14.2, as of the last day of such quarter, *provided* that such quarterly reports need not include such footnotes as may be required by generally accepted accounting principles.

Section 14.4 Tax Returns and Tax Information to Members. The Company shall send to each Person who was a Member at any time during such Fiscal Year such tax information, including, without limitation, Federal Tax Schedule K-1, as shall be reasonably necessary for the preparation of such Member's federal income tax return. The Tax Matters Partner shall use reasonable efforts to distribute all necessary tax information to each Member as soon as practicable after the end of each Taxable Year, but not later than seventy-five (75) days after the end of each Taxable Year; *provided*, *however*, that such period shall be automatically extended in the event of a delay beyond the control of the Tax Matters Partner, such as a delay resulting from the failure of a third party to provide required tax information to the Company in a timely manner.

Section 14.5 Equity Plan Member Information Rights. Notwithstanding anything to the contrary in this Agreement, the Equity Plan Members in their capacity as Equity Plan Members shall have no rights to obtain or review books or records of the Company or other information or reports except to the extent specifically set forth in Section 14.1(b), Section 14.2 and Section 14.4 hereof.

ARTICLE XV
EVENTS OF DISSOLUTION

Section 15.1 Dissolution. The Company shall be dissolved upon the occurrence of any of the following events (each, an "**Event of Dissolution**"):

(a) A judicial dissolution of the Company pursuant to Section 18-802 of the Act;

(b) Following the sale, transfer or other disposition of all or substantially all of the assets of the Company pursuant to a Sale Transaction; or

(c) The Members that are entitled to vote holding at least a majority of the Class A Units vote for dissolution.

Section 15.2 No other Event of Dissolution. No other event, including the retirement, withdrawal, insolvency, liquidation, dissolution, insanity, resignation, expulsion, Bankruptcy, death, incapacity or adjudication of incompetency of a Member, shall cause the dissolution of the Company.

ARTICLE XVI
TERMINATION

Section 16.1 Liquidation. In the event that an Event of Dissolution shall occur, the Company shall be liquidated and its affairs shall be wound up (in each case, a "**Liquidation**") and all proceeds from such Liquidation shall be distributed as set forth below:

(i) first, to pay, or otherwise make reasonable provision for payment, to creditors, including Members who are creditors to the extent permitted by law, in satisfaction of the Company's liabilities; and

(ii) second, to the Members, in accordance with their respective positive Capital Account balances (after giving effect to the allocation of all items of Profit, Loss, deduction and credit (or items thereof)).

Section 16.2 Final Accounting. In the event of the dissolution of the Company, prior to any Liquidation, a proper accounting shall be made to the Members from the date of the last previous accounting to the date of dissolution.

Section 16.3 Cancellation of Certificate. Upon the completion of the Distribution of the Company's assets upon dissolution of the Company, the Company shall be terminated, all Units shall be cancelled and the Board shall cause the Company to execute and file a Certificate of Cancellation in accordance with Section 18-203 of the Act.

ARTICLE XVII
EXCULPATION AND INDEMNIFICATION

Section 17.1 Exculpation. Notwithstanding any other provisions of this Agreement, whether express or implied, or obligation or duty at law or in equity, none of the Members, Managers or any officers, directors, stockholders, Affiliates, partners, members, employees, representatives, consultants or agents of either the Managers or the Members (individually, a "**Covered Person**" and, collectively, the "**Covered Persons**") shall be liable to the Company or any other Person for any act or omission taken or omitted in good faith by a Covered Person on behalf of the Company and in the reasonable belief that such act or omission was in or was not opposed to the best interests of the Company; *provided* that such act or omission does not constitute fraud, willful misconduct, bad faith, or gross negligence. Equity Plan Members and their respective Covered Persons shall not be entitled by reason of this Section 17.1 to exculpation from any liability that arises under any employment or consulting agreement or arrangement in existence between the Company and such Person or by reason of any breach thereof.

Section 17.2 Indemnification.

(a) To the fullest extent permitted by law, the Company shall indemnify and hold harmless each Covered Person (individually, an "**Indemnified Person**" and, collectively, the **"Indemnified Persons"**) from and against any and all losses, claims, demands, liabilities, expenses (including reasonable attorneys' fees and expenses), judgments, fines, settlements and other amounts arising from any and all actions, suits or proceedings, whether civil, criminal, administrative or investigative ("**Claims**"), in which such Indemnified Person may be involved, or threatened to be involved, as a party or otherwise, by reason of its management of the property, business or affairs of the Company or the fact that such Indemnified Person was a Member, Manager, officer, employee, representative, consultant or agent of the Company, or by reason of the fact that such Person, at the request of the Company, is or was serving as an officer, director, employee or agent of another limited liability company, corporation, partnership, joint venture, trust or other enterprise if the Indemnified Person in relation to the facts, events and circumstances on which such action, suit or proceeding is based (i) acted in good faith and in a manner that the Indemnified Person reasonably believed to be in, or not opposed to, the best

interests of the Company or (ii) with respect to a criminal action or proceeding had no reasonable cause to believe that the Indemnified Person's conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere*, or its equivalent, shall not, in and of itself, create a presumption or otherwise constitute evidence that the Indemnified Person acted in a manner contrary to that specified in (i) or (ii) above. An Indemnified Person shall not be entitled to indemnification under this Section 17.2 with respect to any Claim if it has engaged in fraud, willful misconduct, bad faith or gross negligence with respect to the matters that gave rise to such Claim. In the event that an employment or consulting agreement or arrangement exists between a Equity Plan Member and the Company, such Equity Plan Member and his or her Covered Persons shall not be entitled to indemnification under this Section 17.2 for Claims arising thereunder or in breach thereof.

(b) Expenses (including reasonable attorneys' fees and disbursements) incurred by an Indemnified Person in investigating or defending any Claim shall be paid by the Company in advance of the final disposition of such Claim upon receipt by the Company of an undertaking by or on behalf of such Indemnified Person to repay such amount if it shall be ultimately determined by a court of competent jurisdiction from which no further appeal may be taken or the time for any appeal has lapsed (or otherwise, as the case may be) that such Indemnified Person is not entitled to be indemnified by the Company as authorized by this Section 17.2.

(c) The indemnification provided by this Section 17.2 shall be in addition to any other rights to which each Indemnified Person may be entitled under any agreement, as a matter of law or otherwise, both (i) as to the action in the Indemnified Person's capacity as a Member, Manager, officer, employee, representative, consultant or agent of the Company or by reason of its management of the property, business or affairs of the Company, and (ii) as to action in another capacity, and shall continue as to an Indemnified Person who has ceased to serve in such capacity and shall inure to the benefit of the heirs, successors, assigns, administrators and personal representatives of the Indemnified Person.

ARTICLE XVIII
GENERAL PROVISIONS

Section 18.1 Confidentiality.

(a) Each Member agrees that it shall at all times keep confidential and not disclose or make accessible to anyone, any confidential or proprietary information, knowledge or data concerning or relating to the business or financial affairs of the Company ("**Confidential Information**"), except to the extent as may be required by applicable law, court process or other obligations pursuant to any governmental or regulatory authority requirement. Notwithstanding the foregoing, each Member may disclose such Confidential Information to its directors, officers, employees, Affiliates and advisors having a need to know the Confidential Information in order to accomplish the legitimate purposes or functions of the Company subject to (1) such Persons being advised of the provisions of this Section 18.1, and (2) such Member being responsible for any breach of this Section 18.1 by any such Persons. Each Member shall safeguard Confidential

Information with the same degree of care as such Member uses to safeguard the confidentiality of its own confidential and proprietary information, knowledge or data.

(b) The obligations of the Members specified in Section 18.1(a) hereof shall not apply, and the Member shall have no further obligations, with respect to any Confidential Information to the extent that a Member can demonstrate that such Confidential Information (i) is generally known to the public or within the Company's industry at the time of disclosure to the Member or becomes generally known through no wrongful act on the part of the Member, (ii) is in the Member's possession at the time of disclosure to the Member otherwise than as a result of the Member's breach of any legal obligation, (iii) becomes known to the Member through the disclosure by sources other than the Company having, based upon a reasonable investigation by such Member, the legal right to disclose such Confidential Information, or (iv) is independently developed by the Member without reference to or reliance upon the Confidential Information.

(c) The obligations set forth in this Section 18.1 shall be continuing and survive the termination of this Agreement and following the dissolution of the Company, in each case for a period of three years, and shall be continuing and survive the withdrawal of a Member from the Company with respect to such Member for a period of five years following such withdrawal.

Section 18.2 Amendment.

(a) Except as otherwise expressly provided herein:

(i) no provision of this Agreement may be amended or modified except upon the written consent of a majority of the holders of Class A Units;

(ii) any amendment or modification of any provision of this Agreement that would modify the limited liability of a Member as set forth in Section 3.9 hereof or increase the amount of capital to be contributed or committed by a Member to the Company must be approved by such Member; and

(iii) no provision of Articles VIII, IX, XI or XII or Section 4.17, Section 6.5 or this Section 18.2 may be amended or modified in a manner adverse to the rights of an Equity Plan Member without the written consent of such Equity Plan Member.

(b) Subject to the contractual rights of any Member as expressly set forth in the Award Agreement or an employment agreement, and subject to Section 18.2(a)(iii), each Member shall be bound by any amendment or modification effected in accordance with this Section 18.2, whether or not such Member has consented to such amendment or waiver. The failure of any party to enforce any of the provisions of this Agreement shall in no way be construed as a waiver of such provisions and shall not affect the right of such party thereafter to enforce each and every provision of this Agreement in accordance with its terms.

(c) Notwithstanding anything to the contrary contained in this Section 18.2, (1) the name of the Company and/or the name under which the Company's services are provided

may be changed (and corresponding amendments to this Agreement and the Certificate of Formation may be made), (2) corrections or clarifications that do not change the substantive meaning of any provision hereof may be made and (3) changes to Article VIII of this Agreement and other conforming changes in this Agreement may be made to the extent necessary to properly reflect the terms of the Interactive Equity Plan (provided that any such amendment shall be consistent with the economic arrangement of the Members as reflected in the terms of this Agreement).

(d) Notwithstanding anything to the contrary contained in this Section 18.2, Schedules A and B hereto may be amended from time to time by the Company as necessary to reflect accurate and correct information relating to the Members.

Section 18.3 Governing Law. This Agreement shall be construed in accordance with and governed exclusively by the laws of the State of Delaware (without giving effect to any conflicts or choice of law provisions that would cause the application of the domestic substantive laws of any other jurisdiction).

Section 18.4 WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY VOLUNTARILY AND IRREVOCABLY WAIVES TRIAL BY JURY IN ANY ACTION OR OTHER PROCEEDING BROUGHT IN CONNECTION WITH THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 18.5 Remedies.

(a) The parties hereto agree that irreparable harm would occur in the event that any of the agreements and provisions of this Agreement were not performed fully by the parties hereto in accordance with their specific terms or conditions or were otherwise breached, and that money damages are an inadequate remedy for breach of the Agreement because of the difficulty of ascertaining and quantifying the amount of damage that will be suffered by the parties hereto in the event that this Agreement is not performed in accordance with its terms or conditions or is otherwise breached. It is accordingly hereby agreed that the parties hereto shall be entitled to an injunction or injunctions to restrain, enjoin and prevent breaches of this Agreement by the other parties and to enforce specifically such terms and provisions of this Agreement, such remedy being in addition to, and not in lieu of, any other rights and remedies to which the other parties are entitled at law or in equity.

(b) The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive its right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise. Except where a time period is specified, no delay on the part of any party in the exercise of any right, power, privilege or remedy hereunder shall operate as a waiver thereof, nor shall any exercise or partial exercise of any such right, power, privilege or remedy preclude any further exercise thereof or the exercise of any other right, power, privilege or remedy.

Section 18.6 Notices. All demands, notices, requests, consents and other communications required or permitted under this Agreement shall be by written notice and sent by (a) personal delivery, (b) Electronic Transmission (including pursuant to Section 3.8(b) and Section 4.3(d) hereof) or facsimile machine (in each case with a confirmation copy sent by one of the other methods authorized in clauses (a), (c) or (d) hereof), (c) commercial courier (including Federal Express) or U.S. Postal Service overnight delivery service, or (d) deposit with the U.S. Postal Service mailed first class, registered or certified mail, postage prepaid. If such notice is being made or delivered to the Company, such notice shall be made to the Company's principal executive offices as follows: 205 Hudson Street, 6th Floor, New York, New York 10013 and if such is being made to the Sole Member (or to a Unit Affiliate of such Sole Member) or a Substitute Member or Additional Member that is not a Unit Affiliate of the Sole Member, such notice shall be made to such Sole Member for and on behalf of itself and its Unit Affiliates or to such Substitute Member or Additional Member (and to such other Persons to be copied in connection with notices to such Member) as set forth on Schedule A hereof. Notices shall be deemed delivered and to have been received upon the earliest to occur of (i) if sent by personal delivery, upon receipt by the party to whom such notice is directed; (ii) if sent by facsimile machine or by Electronic Transmission (including pursuant to Section 3.8(b) or Section 4.3(d) hereof), the day (other than a Saturday, Sunday or legal holiday in the jurisdiction to which such notice is directed) such notice is sent if sent (as evidenced by Electronic Transmission or facsimile confirmed receipt) prior to 5:00 p.m. U.S. Eastern Time, or the day (other than a Saturday, Sunday or legal holiday in the jurisdiction to which such notice is directed) after which such notice is sent if sent after 5:00 p.m. U.S. Eastern Time; (iii) if sent by overnight delivery service, the first day (other than a Saturday, Sunday or legal holiday in the jurisdiction to which such notice is directed) following the day the same is deposited with the commercial carrier or U.S. Postal Service; and (iv) if sent by first class mail, registered or certified, postage prepaid, the fifth day (other than a Saturday, Sunday or legal holiday in the jurisdiction to which such notice is directed) following the day the same is deposited with the U.S. Postal Service. Each party, by notice duly given to the Company and all other Members, may specify a different address for the giving of any notice hereunder.

Section 18.7 Severability. If any term or provision of this Agreement, or the application thereof to any Person or circumstance, shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or application to other Persons or circumstances, shall not be affected thereby, and each term and provision of this Agreement shall be enforced to the fullest extent permitted by law.

Section 18.8 Counterparts; Signatures. This Agreement may be executed in any number of counterparts with the same effect as if all parties hereto had signed the same document, and all counterparts shall be construed together and shall constitute one instrument. A facsimile or photocopied signature shall be deemed to be the functional equivalent of an original for all purposes.

Section 18.9 Entire Agreement. This Agreement, any Award Agreement and any employment agreement with a Member constitute the full and entire understanding and agreement among the parties hereto pertaining to the subject matter hereof and supercede all prior understandings and agreements pertaining hereto, whether written or oral. In the event of

any conflict between the terms of this Agreement and the terms of any Award Agreement, the terms of the Award Agreement shall govern.

Section 18.10 Assignment; Binding Effect. This Agreement may not be assigned, in whole or in part, by any party hereto except in connection with a Transfer of Units to a Substitute Member in accordance with the terms and conditions of this Agreement. Any purported assignment in violation of this Section 18.11 shall be null and void. A Transfer of Units to a Substitute Member shall not be deemed to be an assignment of any of the rights or obligations of the Transferring Member under those Sections of this Agreement in which such Transferring Member is granted rights or has undertaken obligations specifically by name.

Section 18.11 Relationship. Nothing in this Agreement shall be construed to render any of the Members partners or joint venturers or to impose upon any of them any liability as such, except as otherwise specifically provided in this Agreement. No party to this Agreement has any authorization to enter into any contracts or assume any obligations for any other party or make any warranties or representations on behalf of another party other than as expressly authorized herein.

Section 18.12 Interpretation. Each Member has agreed to the use of the particular language of the provisions of this Agreement, and any questions of doubtful interpretation shall not be resolved by any rule or interpretation against the draftsman, but rather in accordance with the fair meaning thereof, having due regard to the benefits and rights intended to be conferred upon the parties and the limitations and restrictions upon such rights and benefits intended to be provided.

Section 18.13 No Third-Party Beneficiary. Except as provided in Article XVII hereof, this Agreement is made solely for the benefit of the parties hereto and no other Person shall have any rights, interest, or claims hereunder or otherwise be entitled to any benefits under or on account of this Agreement as a third-party beneficiary or otherwise.

[SIGNATURES CONTAINED ON FOLLOWING PAGE]

IN WITNESS WHEREOF, each Member has executed this Agreement as of the date first above written.

INTERACTIVE ONE, INC.

By: ____
Name:
Title:

EQUITY PLAN MEMBER

By: ____
Name: THOMAS NEWMAN

[SIGNATURE PAGE TO OPERATING AGREEMENT]

SCHEDULE A

Name/Address of Member	Aggregate Capital Contribution as of May 11, 2009 for Interactive One, Inc. and as of the Effective Date for Thomas Newman	Number of Units
CLASS A UNITS		
Interactive One, Inc. New York, New York Attn: Alfred C. Liggins III	Approximately $14,000,000	4,750
EQUITY PLAN UNITS		
Thomas Newman	$100	100

SCHEDULE B

JOINDER AGREEMENT

This JOINDER AGREEMENT (this "Agreement"), is executed by and among [_____], a resident of _______________ (the "Transferee"), and Interactive One, LLC, a Delaware limited liability corporation (the "Company").

W I T N E S S E T H:

WHEREAS, the Interactive One and Newman (as such terms are defined in the Operating Agreement referred to below) entered into that certain Amended and Restated Limited Liability Company Operating Agreement of the Company, dated as of _________ __, 2009 (as amended from time to time, the "Operating Agreement"), providing for, among other things, the capitalization and operation of the Company;

WHEREAS, pursuant to Article XI of the Operating Agreement, no Transfer of Units may be effective unless the Transferee executes an agreement agreeing to be bound by the terms of the Operating Agreement; and

WHEREAS, in order to effectuate the Transfer permitted by the Operating Agreement, the Transferee and the Company desire to enter into this Agreement.

NOW THEREFORE, in consideration of the foregoing premises, the mutual covenants and agreements set forth herein, and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. **Defined Terms.** Capitalized terms used but not otherwise defined in this Agreement shall have the respective meanings ascribed to such terms in the Operating Agreement.

2. **Representations, Warranties and Covenants of the Transferee.** The Transferee hereby represents and warrants to, and covenants and agrees with, the Company, effective as of the date hereof, as follows:

   a) the Transferee understands that (i) the Units are not registered under the Securities Act of 1933, as amended (the "Act"), or any state securities laws and are being offered and sold in reliance upon exemptions provided in the Act and state securities laws for transactions not involving any public offering and, therefore, the Units cannot be resold or transferred unless the Units are registered under the Act and any applicable state securities laws or unless an exemption from registration is available, and (ii) the availability of the exemptions relied upon by the Company in issuing the Units is dependent, in part, upon the truth of the representations and warranties made by the Transferee in this Agreement;

b) the Transferee is acquiring the Units for investment only, solely for the Transferee's own account, not as a nominee or agent, and not with a view to the sale or other distribution thereof, in whole or in part, and the Transferee has no contract, understanding, agreement or arrangement with any Person to transfer to such Person or any other Person any of the Units (except as provided in the Operating Agreement), and the Transferee has no present intention to enter into any such contract, understanding, agreement or arrangement;

c) the Transferee understands that the Units are subject to restrictions on transfer, and that the Transferee may not transfer the Units except in accordance with the Operating Agreement;

d) the Transferee understands that that the Units are "restricted securities" under applicable U.S. federal and state securities laws and that, pursuant to these laws, the Transferee must hold the Units indefinitely unless they are registered with the Securities and Exchange Commission and qualified by the state authorities (unless an exemption from such registration and qualification requirements is available) and the Company is under no obligation (and has no intention) to register the Units under any circumstances or to attempt to make available any exemption from registration under the Act or any applicable state securities law, at the Transferee's expense or otherwise;

e) the Transferee acknowledges that (i) if an exemption from registration or qualification is available, it may be conditioned on various requirements, including but not limited to the availability of current public information about the Company, the time and manner of the sale, the holding period of the Units and on requirements relating to the Company that are outside of the Transferee's control; and (ii) the Company is not presently subject, and may never be subject, to the reporting requirements of the Securities Exchange Act of 1934, as amended, to the extent required to enable the Transferee to sell its Units pursuant to Rule 144 under the Securities Act of 1933, as amended;

f) the Transferee understands that no public market now exists for any of the securities issued by the Company, and that the Company has made no assurances that a public market will ever exist for the Units;

g) the Transferee is relying solely on its own conclusions or the advice of its own counsel or advisors with respect to the tax aspects of its investment in the Company;

h) for the purpose of qualification of the offer and sale of the Units under applicable state securities laws, (i) if such Transferee is an individual, then the Transferee is a resident of the state set forth on the signature page to this Agreement and (ii) if the Transferee is a partnership, corporation, limited liability company or other entity, then the office or offices of the Transferee in which its investment decision was made is located at the address or addresses of the Transferee set forth on the signature page to this Agreement;

i) if the Transferee is a partnership, corporation, limited liability company or other entity, then this Agreement has been executed by a duly authorized officer on behalf of the Transferee, and the execution, delivery and performance hereof by the Transferee have been duly authorized by all required action;

j) the Transferee has full power and authority to enter into this Agreement and the Operating Agreement and the execution and delivery by the Transferee of, and the performance by the Transferee of its obligations under, this Agreement and the Operating Agreement will result in valid and legally binding obligations of the Transferee, enforceable against the Transferee in accordance with the respective terms and provisions hereof and thereof, subject to the effect of bankruptcy, insolvency, reorganization, receivership, moratorium and other laws affecting the rights and remedies of creditors generally and of general principles of equity;

k) the execution and delivery by the Transferee of, and the performance by the Transferee of its obligations under, this Agreement and the Operating Agreement (i) does not and will not result in a breach of any of the terms, conditions or provisions of, or constitute a default under (A) any governing instrument of the Transferee (if the Transferee is a partnership, corporation, limited liability company or other entity) or (B) (1) any note, credit agreement, mortgage, indenture or other evidence of indebtedness, or any lease or other agreement or understanding to which Transferee is a party, or (2) any license, permit or franchise, in either case to which the Transferee is a party or by which it is bound or to which any of its properties or assets are subject except, in each case, where the breach or default thereunder is not reasonably likely to materially and adversely affect the Transferee's ability to perform its obligations under this Agreement or the Operating Agreement, (ii) does not require any authorization or approval under or pursuant to any of the matters set forth in (A) or (B) above (other than such authorizations or approvals which have been obtained on or prior to the date hereof), or (iii) does not violate, in any material respect, any statute, regulation, law, order, injunction or decree to which the Transferee is subject;

l) there is no litigation, investigation or other proceeding pending or, to the Transferee's knowledge, threatened, against the Transferee which, if adversely determined, would materially and adversely affect the Transferee's ability to perform its obligations under this Agreement or the Operating Agreement;

m) no consent, approval or authorization of, or filing, registration or qualification with, any court or governmental authority is required on the part of the Transferee for the execution and delivery of this Agreement and the Operating Agreement or the performance by the Transferee of its obligations under this Agreement and the Operating Agreement;

n) neither the Transferee, nor any of its officers, employees, agents, directors, stockholders or partners, if applicable has (i) agreed to pay any commission, fee or other remuneration to any third party to solicit or contact any potential investor,

(ii) engaged in any general solicitation, or (iii) published any advertisement, in each case, in connection with the offer and sale of the Units; and

o) the Transferee acknowledges and understands that the Units in the Company shall be uncertificated and that, should the Company elect to represent the Units by certificates, any certificates evidencing Units shall be stamped or endorsed with a legend in substantially the following form:

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS, AND ACCORDINGLY NEITHER SUCH SECURITIES NOR ANY INTEREST THEREIN MAY BE SOLD, TRANSFERRED, PLEDGED, OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR AN EXEMPTION THEREFROM UNDER SUCH ACT AND ANY SUCH LAWS APPLICABLE THERETO AND THE RULES AND REGULATIONS THEREUNDER.

THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO RESTRICTION AS TO THEIR VOTING, SALE, TRANSFER, HYPOTHECATION, OR ASSIGNMENT AND MAY BE SUBJECT TO FORFEITURE AND OTHER RESTRICTIONS, IN EACH CASE, AS SET FORTH IN THE LIABILITY COMPANY OPERATING AGREEMENT OF INTERACTIVE ONE, LLC, DATED AS OF __________, 2009, AMONG CERTAIN MEMBERS NAMED THEREIN, TOGETHER WITH ANY RELATED AGREEMENTS. COPIES OF SUCH AGREEMENTS ARE ON FILE AT THE PRINCIPAL OFFICE OF THE COMPANY AND MAY BE OBTAINED WITHOUT CHARGE UPON WRITTEN REQUEST TO THE COMPANY.

3. **Survival of Representations and Warranties.** All representations and warranties made by the Transferee in Section 2 hereof shall survive the execution and delivery of this Agreement.

4. **Joinder to Operating Agreement.** By execution and delivery of this Agreement, the Transferee hereby (i) joins in and agrees to be fully bound by, and subject to, all of the obligations, covenants, terms and conditions of the Operating Agreement applicable to a Member as though the Transferee were an original party thereto, and shall be deemed included in the definition of "Member" and "Additional Member" for all purposes thereof, (ii) acknowledges receipt of the Operating Agreement and represents, warrants, covenants and agrees that the Transferee has read the Operating Agreement and understands that by signing this document, the Transferee shall assume all of the duties and obligations of a Member thereunder and (iii) authorizes this Agreement to be attached to and made part of the Operating Agreement or counterparts thereof.

5. **Modification.** Except to the extent modified by the terms of this Agreement, and the terms and conditions of the Operating Agreement shall remain in full force and effect.

6. **Notice.** The address to which notice should be sent to the Transferee pursuant to the Operating Agreement (including Schedule A thereof) is set forth on the signature page hereof. In the event such address shall change, Transferee shall promptly provide written notice of such new address to the Company and the Company shall be authorized to update such information as appropriate in the books and records of the Company and any other relevant documents.

7. **Governing Law.** This Agreement shall be construed in accordance with and governed exclusively by the law of the State of Delaware (without giving effect to any conflicts or choice of law provisions that would cause the application of the domestic substantive laws of any other jurisdiction).

8. **Counterparts; Signatures.** This Agreement may be executed in any number of counterparts with the same effect as if all parties hereto had signed the same document, and all counterparts shall be construed together and shall constitute one instrument. A facsimile or photocopied signature shall be deemed to be the functional equivalent of an original for all purposes.

[The remainder of this page is intentionally left blank]

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

TRANSFEREE:

[___________________]

By: ______________________________

Name:

Title:

Transferee Address for Notice:

[insert address]

COMPANY:

INTERACTIVE ONE, LLC

By: ______________________________

Name:

Title:

Exhibit 3.25

State of Delaware
Secretary of State
Division of Corporations
Delivered 01:39 PM 07/10/2003
FILED 01:27 PM 07/10/2003
SRV 030453879 — 3678014 FILE

CERTIFICATE OF INCORPORATION

OF

RADIO ONE CABLE HOLDINGS, INC.

The undersigned natural person of the age of eighteen years or more for the purpose of organizing a corporation for conducting the business and promoting the purposes hereinafter stated, under the provisions and subject to the requirements of the laws of the State of Delaware (particularly Chapter 1, Title 8 of the Delaware Code and the acts amendatory thereof and supplemental thereto, and known, identified, and referred to as the General Corporation Law of the State of Delaware"), hereby certifies that:

ARTICLE FIRST

The name of the corporation is Radio One Cable Holdings, Inc. (hereinafter the "Corporation').

ARTICLE SECOND

The address of the Corporation's registered office in the State of Delaware is 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808, in the County of New Castle. The name of the registered agent at such address is the Corporation Service Company.

ARTICLE THIRD

The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.

ARTICLE FOURTH

The total number of shares of stock which the Corporation has the authority to issue is one thousand (1,000) shares of Common Stock, with a par value of $0.01 per share.

ARTICLE FIFTH

The name and address of the sole incorporator of the Corporation is as follows:

NAME	ADDRESS:
Linda J. Eckard Vilardo	c/o Radio One, Inc. 5900 Princess Garden Parkway, 7th Floor Lanham, Maryland 20706

ARTICLE SIXTH

The Corporation is to have perpetual existence.

ARTICLE SEVENTH

In furtherance and not in limitation of the powers conferred by statute, the board of directors of the Corporation is expressly authorized to adopt, amend or repeal the By-Laws of the Corporation.

ARTICLE EIGHTH

Meetings of stockholders may be held within or without the State of Delaware, as the By-Laws of the Corporation may provide. The books of the Corporation may be kept outside the State of Delaware at such place or places as may be designated from time to time by the board of directors or in the By-Laws of the Corporation. Election of directors need not be by written ballot unless the By-Laws of the Corporation so provide.

ARTICLE NINTH

Whenever a compromise or arrangement is proposed between this Corporation and its creditors or any class of them and/or between this Corporation and its stockholder or any class of them, any court of equitable jurisdiction within the State of Delaware may, on the application in a summary way of this Corporation or of any creditor or stockholder thereof or on the application of any receiver or receivers appointed for this Corporation under Section 291 of Title 8 of the Delaware Code or on the application of trustees in dissolution or of any receiver or receivers appointed for this Corporation under Section 279 of Title 8 of the Delaware Code order a meeting of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this Corporation, as the case may be, to be summoned in such manner as the said court directs. If a majority in number representing three-fourths in value of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this Corporation, as the case may be, agree to any compromise or arrangement and to any reorganization of this Corporation as consequence of such compromise or arrangement, the said compromise or arrangement and the said reorganization shall, if sanctioned by the court to which the said application has been made, be binding on all the creditors or class of creditors, and/or on all the stockholders or class of stockholders, of this Corporation, as the case may be, and also on this Corporation.

ARTICLE TENTH

To the fullest extent permitted by the General Corporation Law of the State of Delaware as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than permitted as of the date hereof), a director of this Corporation shall not be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. Any repeal, modification or amendment of the provisions of this Article Tenth by the stockholders of the Corporation shall not adversely affect any right or protection of a director of this Corporation existing hereunder with respect to any act or omission occurring prior to the time of such repeal, modification or amendment.

ARTICLE ELEVENTH

Section 1. Right to Indemnification. Each person who was or is made party or is threatened to be made a party to or is otherwise involved (including involvement as a witness) in any action, suit or proceeding whether civil, criminal, administrative or investigative (hereinafter a "Proceeding"), by reason of the fact that he or she is or was a director or officer of the Corporation or, while a director or officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (hereinafter an "Indemnitee"), whether the basis of such proceeding is alleged action in an official capacity as a director or officer or in any other capacity while serving as a director or officer, shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the General Corporation Law of the State of Delaware, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide for broader indemnification rights than permitted as of the date hereof), against all expense, liability and loss (including attorneys' fees, judgments, fines, excise taxes or penalties and amounts paid in settlement) reasonably incurred or suffered by such Indemnitee in connection therewith and such indemnification shall continue as to an Indemnitee who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the Indemnitee's heirs, executors and administrators; provided, however, that except as provided in Section 2 of this Article Eleventh with respect to proceedings to enforce rights to indemnification, the Corporation shall indemnify any such Indemnitee in connection with a Proceeding (or part thereof) initiated by such Indemnitee only if such Proceeding (or part thereof) was authorized by the Board of Directors of the Corporation. The right to indemnification conferred in this Section 1 of this Article Eleventh shall be a contract right and shall include the obligation of the Corporation to pay the expenses incurred in defending any such Proceeding in advance of its final disposition (hereinafter an "Advance of Expenses"); provided, however that if and to the extent that the Board of Directors of the Corporation requires, an Advance of Expenses incurred by an Indemnitee in his or her capacity as a director or officer (and not in any other capacity in which service was or is rendered by such Indemnitee, including, without limitation, service to an employee benefit plan) shall be made only upon delivery to the Corporation of an undertaking (hereinafter an "Undertaking"), by or on behalf of such Indemnitee, to repay all amounts so advanced if its shall ultimately be determined by final judicial decision from which there is no further right to appeal that such Indemnitee is not entitled to be indemnified for such expenses under this Section 1 or otherwise. The Corporation may, by action of its Board of Directors, provide indemnification to employees and agents of the Corporation with the same or lesser scope and effect as the foregoing indemnification of directors and officers.

Section 2. Procedure for Indemnification. Any indemnification of a director or officer of the Corporation or Advance of Expenses under Section 8.1 of this Article Eleventh shall be made promptly, and in any event within forty-five days (or, in the case of an Advance of Expenses, twenty days) upon the written request of the director or officer. If a determination by the Corporation that the director or officer is entitled to indemnification pursuant to this Article Eleventh is required, and the Corporation fails to respond within sixty days to a written request for indemnity, the Corporation shall be deemed to have approved the request. If the Corporation denies a written request for indemnification or Advance of Expenses, in whole or in part, or if payment in full pursuant to such request is not made within forty-five days (or. in the case of an

Advance of Expenses, twenty days), the right to indemnification or advances as granted by this Article Eleventh shall be enforceable by the director or officer in any court of competent jurisdiction. Such person's costs and expenses incurred in connection with successfully establishing his or her right to indemnification, in whole or in part, in any such action shall also be indemnified by the Corporation. It shall be a defense to any such action (other than an action brought to enforce a claim for the Advance of Expenses where the Undertaking required pursuant to Section 1 of this Article Eleventh, if any, has been tendered to the Corporation) that the claimant has not met the standards of conduct which make it permissible under the General Corporation Law of the State of Delaware for the Corporation to indemnify the claimant for the amount claimed, but the burden of such defense shall be on the Corporation. Neither the failure of the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the General Corporation Law of the State of Delaware, nor an actual determination by the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct. The procedure for indemnification of other employees and agents for whom indemnification is provided pursuant to Section 1 of this Article Eleventh shall be the same procedure set forth in this Section 2 for directors or officers, unless otherwise set forth in the action of the Board of Directors of the Corporation providing for indemnification for such employee or agent.

Section 3. Insurance. The Corporation may purchase and maintain insurance on its own behalf and on behalf of any person who is or was a director, officer, employee or agent of the Corporation or was serving at the request of the Corporation as a director, officer, employee or agent of another Corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss asserted against him or her and incurred by him or her in any such capacity, whether or not the Corporation would have the power to indemnify such person against such expenses, liability or loss under the General Corporation Law of the State of Delaware.

Section 4. Service for Subsidiaries. Any person serving as a director, officer, employee or agent of another Corporation, partnership, limited liability company, joint venture or other enterprise, at least 50% of whose equity interests are owned by the Corporation (hereinafter a "subsidiary" for this Article Eleventh) shall be conclusively presumed to be serving in such capacity at the request of the Corporation.

Section 5. Reliance. Persons who after the date hereof become or remain directors or officers of the Corporation or who, while a director or officer of the Corporation, become or remain a director, officer, employee or agent of a subsidiary, shall be conclusively presumed to have relied on the rights to indemnity, Advance of Expenses and other rights contained in this Article Eleventh in entering into or continuing such service. The rights to indemnification and to the Advance of Expenses conferred in this Article Eleventh shall apply to claims made against an Indemnitee arising out of acts or omissions which occurred or occur both prior and subsequent to the adoption hereof.

Section 6. Non-Exclusivity of Rights. The rights to indemnification and to the Advance of Expenses conferred in this Article Eleventh shall not be exclusive of any other right which any person may have or hereafter acquire hereunder or under any statute, bylaw, agreement, vote of stockholders or disinterested directors or otherwise.

Section 7. Merger or Consolidation. For purposes of this Article Eleventh, references to "the Corporation" shall include any constituent corporation (including any constituent of a constituent) absorbed into the Corporation in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, and employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under this Article Eleventh with respect to such resulting or surviving corporation as he or she would have with respect to such constituent corporation if its separate existence had continued.

ARTICLE TWELFTH

The Corporation expressly elects not to be governed by Section 203 of the General Corporation Law of the State of Delaware.

ARTICLE THIRTEENTH

The Corporation reserves the right to amend, alter, change or repeal any provision contained in this certificate of incorporation in the manner now or hereafter prescribed herein and by the laws of the State of Delaware, and all rights conferred upon stockholders herein are granted subject to this reservation.

I, the undersigned, being the sole incorporator hereinbefore named, for the purpose of forming a corporation in pursuance of the General Corporation Law of the State of Delaware, do make and file this certificate, hereby declaring and certifying that the facts herein stated are true, and accordingly have hereunto set my hand this 10th day of July, 2003.

/s/ Linda J. Eckard Vilardo
Linda J. Eckard Vilardo
Sole Incorporator

State of Delaware
Secretary of State
Division of Corporations
Delivered 04:31 PM 06/30/2010
FILED 04:25 PM 06/30/2010
SRV 100706427 — 3678014 FILE

STATE OF DELAWARE
CERTIFICATE OF AMENDMENT
OF CERTIFICATE OF INCORPORATION

The corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware does hereby certify:

FIRST: That at a meeting of the Board of Directors of Radio One Cable Holdings, Inc. resolutions were duly adopted setting forth a proposed amendment of the Certificate of Incorporation of said corporation, declaring said amendment to be advisable and calling a meeting of the stockholders of said corporation for consideration thereof. The resolution setting forth the proposed amendment is as follows:

RESOLVED, that the Certificate of Incorporation of this corporation be amended by changing the Article thereof numbered “Article Ninth”so that, as amended, said Article shall be and read as follows:

Article Ninth. Reserved.

SECOND: That thereafter, pursuant to resolution of its Board of Directors, a special meeting of the stockholders of said corporation was duly called and held upon notice in accordance with Section 222 of the General Corporation Law of the State of Delaware at which meeting the necessary number of shares as required by statute were voted in favor of the amendment.

THIRD: That said amendment was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, said corporation has caused this certificate to be signed this 29th day of June, 2010.

By: /s/ Linda J. Vilardo
Authorized Officer
Title: Vice President
Name: Linda J. Vilardo
Print or Type

Exhibit 3.26

BYLAWS

OF

RADIO ONE CABLE HOLDINGS, INC.
(as of July 3, 2003)

A DELAWARE CORPORATION

ARTICLE I — OFFICES

Section 1. Registered Office. The registered office in the State of Delaware shall be at 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808 in the County of New Castle. The name of the corporation's registered agent at such address shall be Corporation Service Company. The registered office or registered agent of the corporation may be changed from time to time by action of the board of directors on the filing of a certificate or certificates as required by law.

Section 2. Other Offices. The corporation may also have offices at such other places, both within and without the State of Delaware, as the board of directors may from time to time determine or the business of the corporation may require.

ARTICLE II — MEETINGS OF STOCKHOLDERS

Section 1. Place and Time of Meetings. An annual meeting of the stockholders shall be held each year, beginning in the year 2004, prior to the last day of September. At such meeting, the stockholders shall elect the directors of the corporation and conduct such other business as may come before the meeting. The time and place of the annual meeting shall be determined by the board of directors. Special meetings of the stockholders for any other purpose may be held at such time and place, within or without the State of Delaware, as shall be stated in the notice of the meeting or in a duly executed waiver of notice thereof. Special meetings of the stockholders may be called by the president or the chairman of the board for any purpose and shall be called by the secretary if directed in writing by two or more members of the board of directors or the holders of more than 10% of the outstanding stock and stating the purpose or purposes of the proposed meeting. The board of directors may elect to hold a meeting of the stockholders solely by means of remote communications.

Section 2. Notice. Whenever stockholders are required or permitted to take action at a meeting, written or printed notice of every annual or special meeting of the stockholders, stating the place, date, time, and, in the case of special meetings, the purpose or purposes, of such meeting, shall be given to each stockholder entitled to vote at such meeting not less than 10 nor more than 60 days before the date of the meeting. All such notices shall be delivered, either personally or by mail, by or at the direction of the board of directors, the chairman of the board, the chief executive officer, the president or the secretary, and if mailed, such notice shall be deemed to be delivered when deposited in the United States mail with

postage prepaid and addressed to the stockholder at his or her address as it appears on the records of the corporation. Without limiting the manner by which notice otherwise may be given to the stockholders, any notice given by the corporation to the stockholders shall be effective if given by a form of electronic transmission consented to by the stockholder to whom the notice is given. Any such consent shall be revocable by the stockholder by written notice to the corporation. Any such consent shall be deemed revoked if (a) the corporation is unable to deliver by electronic transmission two consecutive notices given by the corporation in accordance with such consent and (b) such inability becomes known to the corporation's secretary, an assistant secretary, transfer agent or other person responsible for giving such notice; provided, however, that the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or other action. Notice given by electronic transmission shall be deemed given: (i) if by facsimile, when directed to a number at which the stockholder has consented to receive notice, (ii) if by electronic mail, when directed to an electronic mail address at which the stockholder has consented to receive notice, (iii) if by posting on an electronic network together with separate notice to the stockholder of such specific posting, upon the later of (A) such posting and (B) the giving of such separate notice, and (iv) if by any other form of electronic transmission, when directed to the stockholder.

Section 3. Waiver of Notice. Whenever any notice is required to be given under the provisions of the statutes or of the certificate of incorporation or of these bylaws, a waiver thereof in writing, signed by the person or persons entitled to said notice, or a waiver by electronic transmission by the person entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting of stockholders shall constitute a waiver of notice of such meeting, except when the stockholder attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders, directors or members of a committee of directors need be specified in any written waiver of notice or any waiver by electronic transmission unless so required by the certificate of incorporation or these bylaws.

Section 4. Stockholders List. The officer having charge of the stock ledger of the corporation shall make, at least 10 days before every meeting of the stockholders, a complete list arranged in alphabetical order of the stockholders entitled to vote at such meeting, specifying the address of and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least 10 days prior to the meeting, either at a place within the city where the meeting is to be held, which place shall be specified in the notice of the meeting or, if not so specified, at the place where the meeting is to be held. The list shall also be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present.

Section 5. Quorum; Adjourned Meetings. The presence of stockholders entitled to cast at least a majority of the votes that all stockholders are entitled to cast on a matter to be acted upon at a meeting of the stockholders shall constitute a quorum for the purposes of consideration and action on the matter, except as otherwise provided by statute or by the certificate of incorporation. If a quorum is not present, the holders of the shares present in

person or represented by proxy at the meeting and entitled to vote thereat shall have the power, by the affirmative vote of the holders of a majority of such shares, to adjourn the meeting to another time or place. Unless the adjournment is for more than thirty days or unless a new record date is set for the adjourned meeting, no notice of the adjourned meeting need be given to any stockholder, provided that the time and place of the adjourned meeting were announced at the meeting at which the adjournment was taken. At the adjourned meeting, the corporation may transact any business which might have been transacted at the original meeting.

Section 6. Vote Required. When a quorum is present or represented by proxy at any meeting, the vote of a majority of the votes cast by all stockholders entitled to vote and, if any stockholders are entitled to vote as a class, the vote of a majority of the votes cast by the stockholders entitled to vote as a class, whether such stockholders are present in person or represented by proxy at the meeting, shall be the act of the stockholders, unless the question is one upon which by express provisions of an applicable statute or of the certificate of incorporation a different vote is required, in which case such express provision shall govern and control the decision of such question.

Section 7. Voting Rights. Except as otherwise provided by the Delaware General Corporation Law or by the certificate of incorporation of the corporation or any amendments thereto and subject to Section 4 of ARTICLE VI hereof, each stockholder shall at every meeting of the stockholders be entitled to one vote in person or by proxy for each share of capital stock held by such stockholder.

Section 8. Proxies. Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for him or her by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period.

Section 9. Action Without Meeting. Any action required by law or these bylaws to be taken at any annual or special meeting of stockholders of the corporation, or any action which may be taken at any annual or special meeting of such stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize such action at a meeting at which all shares entitled to vote thereon were present and voted. The record date for determining stockholders entitled to express consent to corporate action in writing without a meeting, when no prior action by the board of directors is necessary, shall be the date on which the first written consent is expressed. A telegram, cablegram or other electronic transmission consenting to an action to be taken and transmitted by a stockholder, or by a person or persons authorized to act for a stockholder, shall be deemed to be written, signed and dated for purposes of this Section 9, provided, that any such telegram, cablegram or other electronic transmission sets forth or is delivered with information from which the corporation can determine (a) that the telegram, cablegram or other electronic transmission was transmitted by the stockholder, or by a person or persons authorized to act for the stockholder, and (b) the date on which such stockholder or authorized person or persons transmitted such telegram, cablegram or electronic transmission. The date on which such telegram, cablegram or electronic transmission is transmitted shall be

deemed to be the date on which such consent was signed. Any copy, facsimile or other reliable reproduction of a consent in writing may be substituted or used in lieu of the original writing for any and all purposes for which the original writing could be used, provided, that such copy, facsimile or other reproduction shall be a complete reproduction of the entire original writing.

ARTICLE III — DIRECTORS

Section 1. General Authority. The business and affairs of the corporation shall be managed by or under the direction of its board of directors which may exercise all such powers of the corporation and do such lawful acts and things as are not by statute or by the certificate of incorporation or by these bylaws directed or required to be exercised or done by the stockholders.

Section 2. Number, Election and Term of Office. The number of directors shall be no fewer than 5 nor more than 11, as determined from time to time by resolution of the board or as otherwise provided in the certificate of incorporation of the corporation. The directors shall be elected by a plurality of the votes of the shares present in person or represented by proxy at the meeting and entitled to vote in the election of directors except that the first directors of the corporation shall be appointed by the sole incorporator of the corporation. The directors shall be elected in this manner at the annual meeting of the stockholders, except as provided in Section 3 of this ARTICLE III. Each director elected shall hold office until a successor is duly elected and qualified or until his or her earlier death, resignation or removal as hereinafter provided. Directors need not be stockholders of the corporation.

Section 3. Removal and Resignation. Any director or the entire board of directors may be removed at any time, with or without cause, by the vote of a majority of the votes cast by all stockholders entitled to vote at an election of directors, except as otherwise provided by statute. Any director may resign at any time upon written notice to the president or secretary of the corporation. The resignation of any director shall take effect at the time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4. Vacancies. Except as otherwise provided by the certificate of incorporation of the corporation or any amendments thereto, vacancies and newly created directorships resulting from any increase in the authorized number of directors may be filled by a majority vote of the holders of the corporation's outstanding stock entitled to vote thereon or by a majority vote of the Board of Directors. Each director so chosen shall hold office until a successor is duly elected and qualified or until his or her earlier death, resignation or removal as herein provided.

Section 5. Annual Meetings. The annual meeting of each newly elected board of directors shall be held without other notice than this bylaw immediately after, and at the same place as, the annual meeting of stockholders.

Section 6. Other Meetings and Notice. Regular meetings, other than the annual meeting, of the board of directors may be held without notice at such time and at such place as shall from time to time be determined by resolution of the board. Special meetings of

the board of directors may be called by or at the request of the chairman, the chief executive officer or the president on at least 24 hours notice to each director, either personally, by telephone, by mail, by telegraph, by facsimile or by other electronic transmission; in like manner and on like notice the secretary must call a special meeting on the written request of a majority of directors. Such notice shall state the date, time and place, if any, of the meeting but need not state the purpose thereof, except as otherwise herein expressly provided. A written waiver of notice signed by the director entitled to notice, whether before or after the time stated therein, shall be equivalent to notice. Attendance of a director at the meeting shall constitute a waiver of notice of such meeting, except when the director attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

Section 7. Quorum. A majority of the total number of directors shall constitute a quorum for the transaction of business. The vote of a majority of directors present at a meeting at which a quorum is present shall be the act of the board of directors. If a quorum shall not be present at any meeting of the board of directors, the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

Section 8. Committees. The board of directors may, by resolution passed by a majority of the whole board, designate one or more committees. Each committee shall consist of one or more of the directors of the corporation, which, to the extent provided in such resolution and not otherwise limited by statute, shall have and may exercise the powers of the board of directors in the management and affairs of the corporation including without limitation the power to declare a dividend and to authorize the issuance of stock; provided, however, that no such committee shall have the power or authority to amend these bylaws or the certificate of incorporation. The board of directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the board of directors. Each committee shall keep regular minutes of its meetings and report the same to the directors when required.

Section 9. Committee Rules. Each committee of the board of directors may fix its own rules of procedure and shall hold its meetings as provided by such rules, except as may otherwise be provided by the resolution of the board of directors designating such committee, but in all cases the presence of at least a majority of the members of such committee shall be necessary to constitute a quorum. In the event that a member and that member's alternate, if alternates are designated by the board of directors as provided in Section 8 of this ARTICLE III, of such committee is/are absent or disqualified, the member or members thereof present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the board of directors to act at the meeting in place of any such absent or disqualified member.

Section 10. Compensation. The directors may be paid their expenses, if any, of attendance at each meeting of the board of directors and may be paid a fixed sum for attendance at each meeting of the board of directors or a stated salary as director. No such payment shall preclude any director from serving the corporation in any other capacity and

receiving compensation therefor. Members of special or standing committees may be allowed like compensation for attending committee meetings.

Section 11. Communications Equipment. Members of the board of directors or any committee thereof may participate in and act at any meeting of such board or committee through the use of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in the meeting pursuant to this section shall constitute presence in person at the meeting.

Section 12. Action by Written Consent. Any action required or permitted to be taken at any meeting of the board of directors, or of any committee thereof, may be taken without a meeting if all members of the board or committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the board of directors or committee.

ARTICLE IV — OFFICERS

Section 1. Number. The officers of the corporation shall be elected by the board of directors and shall consist of a chairman of the board (if the board of directors so deems advisable and elects), a president (who shall perform the functions of the chairman of the board if none be elected), one or more vice-presidents, a secretary, a treasurer, and such other officers and assistant officers as may be deemed necessary or desirable by the board of directors. Any number of offices may be held by the same person. In its discretion, the board of directors may choose not to fill any office for any period as it may deem advisable, except the offices of president and secretary.

Section 2. Election and Term of Office. The officers of the corporation shall be elected annually by the board of directors at the meeting of the board of directors held after each annual meeting of stockholders. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Vacancies may be filled or new offices created and filled at any meeting of the board of directors. Each officer shall hold office until the next annual meeting of the board of directors and until a successor is duly elected and qualified or until his or her earlier death, resignation or removal as hereinafter provided.

Section 3. Removal. Any officer or agent elected by the board of directors may be removed by the board of directors whenever in its judgment the best interest of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

Section 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the board of directors for the unexpired portion of the term by the board of directors then in office.

Section 5. Compensation. Compensation of all officers shall be fixed by the board of directors, and no officer shall be prevented from receiving such compensation by virtue of the fact that he or she is also a director of the corporation.

Section 6. Chairman of the Board. The chairman shall preside at all meetings of the board of directors and all meetings of the stockholders and shall have such other powers and perform such duties as may from time to time be assigned to him by the board of directors.

Section 7. The Chief Executive Officer. The chief executive officer of the corporation shall have such powers and perform such duties as are specified in these bylaws and as may from time to time be assigned to him by the board of directors. The chief executive officer shall have overall management of the business of the corporation and its subsidiaries and shall see that all orders and resolutions of the boards of directors of the corporation and its subsidiaries are carried into effect. The chief executive officer shall execute bonds, mortgages and other contracts requiring a seal, under the seal of the corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the board of directors to some other officer or agent of the corporation. The chief executive officer shall have general powers of supervision and shall be the final arbitrator of all differences among officers of the corporation and its subsidiaries, and such decision as to any matter affecting the corporation and its subsidiaries subject only to the boards of directors. In the absence of the chairman for any reason, including the failure of the board of directors to elect a chairman, or in the event of the chairman's inability or refusal to act, the chief executive officer shall have all the powers of and be subject to all the restrictions upon the chairman.

Section 8. The President. The president shall have such powers and perform such duties as are specified in these bylaws and as may from time to time be assigned to him by the board of directors. The president shall have general and active management of the business of the corporation and shall see that all orders and resolutions of the board of directors are carried into effect. The president shall execute bonds, mortgages and other contracts requiring a seal, under the seal of the corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the board of directors to some other officer or agent of the corporation. The president shall have general powers of supervision and shall be the final arbitrator of all differences between officers of the corporation, and such decision as to any matter affecting the corporation subject only to the board of directors or the chief executive officer (if the president and the chief executive officer are not the same person). In the absence of the chief executive officer for any reason, including the failure of the board of directors to elect a chief executive officer or in the event of the chief executive officer's inability or refusal to act, the president shall have all the powers of and be subject to all the restrictions upon the chief executive officer.

Section 9. Vice Presidents. The vice-president, or if there shall be more than one, the vice-presidents in the order determined by the board of directors, including any executive vice presidents, shall, in the absence or disability of the president, perform the duties and exercise the powers of the president and shall perform such other duties and have such other powers as the board of directors or the president may, from time to time, determine or these bylaws may prescribe.

Section 10. The Secretary and Assistant Secretaries. The secretary shall attend all meetings of the board of directors and all meetings of the stockholders and record all the proceedings of the meetings of the corporation and the board of directors in a book to be kept for

that purpose and shall perform like duties for the standing committees when required. The secretary shall give, or cause to be given, notice of all meetings of the stockholders and special meetings of the board of directors; perform such other duties as may be prescribed by the board of directors or president, under whose supervision he or she shall be; shall have custody of the corporate seal of the corporation and the secretary, or an assistant secretary, shall have authority to affix the same to any instrument requiring it and when so affixed, it may be attested by his or her signature or by the signature of such assistant secretary. The board of directors may give general authority to any other officer to affix the seal of the corporation and to attest the affixing by his or her signature. The assistant secretary, or if there be more than one, the assistant secretaries in the order determined by the board of directors, shall, in the absence or disability of the secretary, perform the duties and exercise the powers of the secretary and shall perform such other duties and have such other powers as the board of directors or the president may from time to time prescribe.

Section 11. The Treasurer and Assistant Treasurer. The treasurer shall have the custody of the corporate funds and securities; shall keep full and accurate accounts of receipts and disbursements in books belonging to the corporation; shall deposit all monies and other valuable effects in the name and to the credit of the corporation as may be ordered by the board of directors, taking proper vouchers for such disbursements; and shall render to the president and the board of directors, at its regular meeting or when the board of directors so requires, an account of the corporation. If required by the board of directors, the treasurer shall give the corporation a bond (which shall be rendered every six years) in such sums and with such surety or sureties as shall be satisfactory to the board of directors for the faithful performance of the duties of the office of treasurer and for the restoration to the corporation, in case of death, resignation, retirement, or removal from office, of all books, papers, vouchers, money, and other property of whatever kind in the possession or under the control of the treasurer belonging to the corporation. The assistant treasurer, or if there shall be more than one, the assistant treasurers in the order determined by the board of directors, shall in the absence or disability of the treasurer, perform the duties and exercise the powers of the treasurer and shall perform such other duties and have such other powers as the board of directors or the president may from time to time prescribe.

Section 12. Other Officers, Assistant Officers and Agents. Officers, assistant officers and agents, if any, other than those whose duties are provided for in these bylaws, shall have such authority and perform such duties as may from time to time be prescribed by resolution of the board of directors.

ARTICLE V — INDEMNIFICATION

Officers, directors and others shall be entitled to indemnification to the extent provided in the certificate of incorporation.

ARTICLE VI — CERTIFICATES OF STOCK

Section 1. Form. Every holder of stock in the corporation shall be entitled to have a certificate, signed by, or signed in the name of the corporation by the president or a vice-president, and the secretary or an assistant secretary of the corporation, certifying the number of

shares owned by him or her in the corporation. Where a certificate is signed (1) by a transfer agent or an assistant transfer agent other than the corporation or its employee or (2) by a registrar, other than the corporation or its employee, the signature of any such president, vice-president, secretary, or assistant secretary may be facsimile. In case any officer or officers have signed a certificate or certificates, or whose facsimile signature or signatures have been used on certificate or certificates, shall cease to be such officer or officers of the corporation whether because of death, resignation or otherwise before such certificate or certificates have been delivered by the corporation, such certificate or certificates may nevertheless be issued and delivered as though the person or persons who signed such certificate or certificates or whose facsimile signature or signatures have been used on such certificate or certificates had not ceased to be such officer or officers of the corporation. All certificates for shares shall be consecutively numbered or otherwise identified. The name of the person to whom the shares represented thereby are issued, with the number of shares and date of issue, shall be entered on the books of the corporation. All certificates surrendered to the corporation for transfer shall be canceled, and no new certificate shall be issued in replacement until the former certificate for a like number of shares shall have been surrendered or canceled, except as otherwise provided in Section 2 with respect to lost, stolen or destroyed certificates.

Section 2. Lost Certificates. The board of directors may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the corporation alleged to have been lost, stolen, or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost, stolen, or destroyed. When authorizing such issue of a new certificate or certificates, the board of directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen, or destroyed certificate or certificates, or his or her legal representative, to give the corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the corporation with respect to the certificate alleged to have been lost, stolen or destroyed.

Section 3. Transfers of Stock. Upon surrender to the corporation or the transfer agent of the corporation of a certificate for shares, it shall be the duty of the corporation to issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction upon its books.

Section 4. Fixing a Record Date. The board of directors may fix in advance a record date for the determination of stockholders entitled to notice of, and to vote at, any meeting of stockholders and any adjournment thereof; stockholders entitled to consent to corporate action in writing without a meeting; stockholders entitled to receive payment of any dividend or other distribution or allotment of rights or entitled to exercise any rights in respect to any change, conversion or exchange of stock; or, for the purpose of any other lawful action, which record date may not precede the date on which the resolution fixing such record date is adopted by the board of directors. The record date for the determination of stockholders entitled to notice of, and to vote at, a meeting of stockholders shall not be more than 60 days nor less than 10 days before the date of such meeting. The record date for the determination of stockholders entitled to consent to corporate action in writing without a meeting shall not be more than 10 days after the date upon which the resolution fixing the record date is adopted by the board of directors. The record date for the determination of stockholders with respect to any other action shall not be

more than 60 days before the date of such action. If no record date is fixed: the record date for determining stockholders entitled to notice of, and to vote at, a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or if notice is waived, at the close of business on the day next preceding the day on which the meeting is held; the record date for determining stockholders entitled to consent to corporate action in writing without a meeting when no prior action by the board of directors is required by the Delaware General Corporation Law, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the corporation by delivery to its registered office in the State of Delaware, its principal place of business, or an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded; and, the record date for determining stockholders with respect to any other action shall be the close of business on the day on which the board of directors adopts the resolution relating thereto.

ARTICLE VII — GENERAL PROVISIONS

Section 1. Dividends. Dividends upon the capital stock of the corporation, subject to the provisions of the certificate of incorporation, if any, may be declared by the board of directors at any regular or special meeting, pursuant to law. Dividends may be paid in cash, in property, or in shares of the capital stock, subject to the provisions of the certificate of incorporation. Before payment of any dividend, there may be set aside out of any funds of the corporation available for dividends such sum or sums as the directors from time to time, in their absolute discretion, think proper as a reserve or reserves to meet contingencies, equalize dividends, repair or maintain any property of the corporation, or for any other purpose, and the directors may modify or abolish any such reserve in the manner in which it was created.

Section 2. Checks, Drafts or Orders. All checks, drafts, or other orders for the payment of money by or to the corporation and all notes and other evidences of indebtedness issued in the name of the corporation shall be signed by such officer or officers, agent or agents of the corporation, and in such manner, as shall be determined by resolution of the board of directors or a duly authorized committee thereof.

Section 3. Deposits. All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation or otherwise as the board of directors or the Chief Executive Officer, the President or the Treasurer shall direct in such banks, trust companies or other depositories as the board of directors may select, or as may be selected by any officer or officers or agent or agents of the corporation to whom power in that respect shall have been delegated by the board of directors. For the purpose of deposit and collection for the account of the corporation, checks, drafts and other orders for the payment of money which are payable to the order of the corporation may be endorsed, assigned and delivered by any officer of the corporation.

Section 4. Contracts. The board of directors may authorize any officer or officers, or any agent or agents, of the corporation to enter into any contract or to execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

Section 5. Loans. The corporation may lend money to, or guarantee any obligation of, or otherwise assist any officer or other employee of the corporation or of its subsidiary, including any officer or employee who is a director of the corporation or its subsidiary, whenever, in the judgment of the directors, such loan, guaranty or assistance may reasonably be expected to benefit the corporation. The loan, guaranty or other assistance may be with or without interest, and may be unsecured, or secured in such manner as the board of directors shall approve, including, without limitation, a pledge of shares of stock of the corporation. Nothing contained in this section shall be deemed to deny, limit or restrict the powers of guaranty or warranty of the corporation at common law or under any statute.

Section 6. Fiscal Year. The fiscal year of the corporation shall be fixed by resolution of the board of directors.

Section 7. Corporate Seal. The board of directors shall provide a corporate seal which shall be in the form of a circle and shall have inscribed thereon the name of the corporation and the words "Corporate Seal, Delaware." The seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

Section 8. Voting Securities Owned by Corporation. Voting securities in any other corporation held by the corporation shall be voted by the president or the executive vice president, unless the board of directors specifically confers authority to vote with respect thereto upon some other person or officer. Any person authorized to vote securities shall have the power to appoint proxies, with general power of substitution.

Section 9. Inspection of Books and Records. Any stockholder of record, in person or by attorney or other agent, shall, upon written demand upon oath stating the purpose thereof, have the right during the usual hours of business to inspect for any proper purpose the corporation's stock ledger, a list of its stockholders, and its other books and records, and to make copies or extracts therefrom. A proper purpose shall mean any purpose reasonably related to such person's interest as a stockholder. In every instance where an attorney or other agent shall be the person who seeks the right to inspection, the demand under oath shall be accompanied by a power of attorney or such other writing which authorizes the attorney or other agent to so act on behalf of the stockholder. The demand under oath shall be directed to the corporation at its registered office in the State of Delaware or at its principal place of business.

Section 10. Form of Records. Any records maintained by the corporation in the regular course of its business, including its stock ledger, books of account, and minute books, may be kept on, or by means of, or be in the form of, any information storage device or method, provided, that the records so kept can be converted into clearly legible paper form within a reasonable time. The corporation shall so convert any records so kept upon the request of any person entitled to inspect the same.

Section 11. Section Headings. Section headings in these bylaws are for convenience of reference only and shall note given any substantive effect in limiting or otherwise construing any provision herein.

Section 12. Inconsistent Provisions. In the event that any provision of these bylaws is or becomes inconsistent with any provision of the certificate of incorporation, the Delaware General Corporation Law or any other applicable law, the provision of these bylaws shall not be given any effect to the extent of such inconsistency but shall otherwise be given full force and effect.

ARTICLE VIII — INTERESTED DIRECTORS

No contract or transaction between this Corporation and one or more of its directors or officers, or between this Corporation and any other corporation, partnership, association, or other organization in which one or more of its directors or officers are directors or officers, or have a financial interest, shall be void or voidable solely for this reason, or solely because the director or officer is present at or participates in the meeting of the board or committee thereof which authorizes the contract or transaction, or solely because his or their votes are counted for such purpose, if:

(a) The material facts as to such director's or officer's relationship or interest and as to the contract or transaction are disclosed or are known to the board of directors or the committee, and the board or committee in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested directors, even though the disinterested directors may be less than a quorum; or

(b) The material facts as to such director's or officer's relationship or interest and as to the contract or transaction are disclosed or are known to the stockholders entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the stockholders; or

(c) The contract or transaction is fair as to the Corporation as of the time it is authorized, approved or ratified, by the board of directors, a committee thereof, or the stockholders.

Common or interested directors may be counted in determining the presence of a quorum at a meeting of the board of directors or of a committee which authorized the contract or transaction.

ARTICLE IX — AMENDMENTS

These bylaws may be amended, altered or repealed and new bylaws adopted at any meeting of the board of directors by a majority vote, provided that the affirmative vote of the holders of a majority of the shares of common stock of the corporation then entitled to vote shall be required to adopt any provision inconsistent with, or to amend or repeal any provision of, Section 2 or 4 of ARTICLE III or this ARTICLE IX. The fact that the power to adopt, amend, alter or repeal the bylaws has been conferred upon the board of directors shall not divest the stockholders of the same powers.

Exhibit 3.27

State of Delaware
Secretary of State
Division of Corporations
Delivered 01:43 PM 04/07/2006
FILED 01:37 PM 04/07/2006
SRV 060329346 — 4139072 FILE

CERTIFICATE OF FORMATION

OF

RADIO ONE DISTRIBUTION HOLDINGS, LLC

This Certificate of Formation of Radio One Distribution Holdings, LLC (the "Company"), dated as of April 6, 2006, is being duly executed and filed by the undersigned, an authorized person, to form a limited liability company under the Delaware Limited Liability Company Act (6 Del.C. §18-101, et seq.).

FIRST. The name of the limited liability company formed hereby is RADIO ONE DISTRIBUTION HOLDINGS, LLC.

SECOND. The address of the initial registered office of the Company in the State of Delaware shall be: 2711 Centerville Road, Suite 400, Wilmington, DE 19808.

THIRD. The name and address of the Company's registered agent for service of process on the Company in the State of Delaware are: Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, DE 19808.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Formation as of the date first above written.

/s/ John W. Jones
John W. Jones
Authorized Person

Exhibit 3.28

LIMITED LIABILITY COMPANY AGREEMENT
OF
RADIO ONE DISTRIBUTION HOLDINGS, LLC

This Limited Liability Company Agreement (the "Agreement") of Radio One Distribution Holdings, LLC, a Delaware limited liability company (the "Company"), is made as of April ___, 2006, by Radio One, Inc., a Delaware corporation (the "Member").

In consideration of the agreements and obligations set forth herein and intending to be legally bound, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Member hereby agrees as follows:

1. Formation: Admission of Member. The Company was formed on April ___, 2006 by filing a Certificate of Formation with the Delaware Secretary of State pursuant to the Delaware Limited Liability Company Act (the "Delaware Act") and on behalf of the Member. Simultaneously with the execution and delivery of this Agreement and the aforementioned filing of the Certificate of Formation, the Member is admitted as the sole member of the Company.

2. Name. The name of the Company is "Radio One Distribution Holdings, LLC" and all Company business shall be conducted under such name.

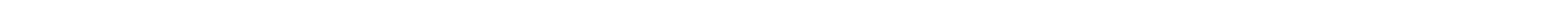
3. Purpose. The Company is formed for the purpose of engaging in any lawful act or activity for which limited liability companies may be formed under Delaware law and engaging in any and all activities necessary, convenient, desirable or incidental to the foregoing, provided that such acts and activities are in no way inconsistent with the agreements in effect from time to time between the Member and its lenders.

4. Principal Place of Business. The principal place of business of the Company shall be at c/o Radio One, Inc., 5900 Princess Garden Parkway, 7th Floor, Lanham, MD 20706.

5. Member. The name and mailing address of the Member is as follows:

Name	Address
Radio One, Inc.	5900 Princess Garden Parkway, 7th Floor Lanham, MD 20706 Attn: General Counsel

6. Registered Agent and Office. The street address of the initial registered office of the Company shall be: 2711 Centerville Road, Suite 400, Wilmington, DE 19808. The name of the Company's registered agent at such address is: Corporation Service Company. At any time, the Member may designate a different registered agent and/or registered office.



7. Powers. The Company shall have the power and authority to take any and all actions necessary, appropriate, proper, advisable, incidental or convenient to or for the furtherance of the purposes described herein, including all powers, statutory or otherwise, possessed by the members of limited liability companies under Delaware law.

8. Management of the Company. The business affairs of the Company shall be managed by the Member in accordance with Section 18-402 of the Delaware Act. Management of the Company shall be vested solely in the Member. The Member shall have sole and complete discretion in determining whether to issue Units, the number of Units to be issued at any particular time, the purchase price for any Units issued, and all other terms and conditions governing any Units or the issuance thereof. The Member may appoint a President, one or more Vice Presidents, a Treasurer, a Secretary and/or one or more other officers as it deems necessary, desirable or appropriate, with such authority and upon such terms and conditions as the Member deems appropriate or, in the absence of such determination by the Member, as are appropriate to an officer with a similar title of a Delaware corporation. Any such officer shall serve at the pleasure of the Member and may be removed, with or without cause, by the Member.

9. Relationship Between the Member and the Company.

(a) The Member, its Affiliates (hereinafter defined), and the directors, officers and employees of the Member and its Affiliates may enter into agreements with the Company providing for the performance of services for the Company, and the receipt of such compensation as the Company may agree to pay.

(b) None of the Member, Manager (as defined in the Delaware Act) or officers of the Company shall be liable or accountable in damages or otherwise to the Company or the Member for any act or omission done or omitted by him, her or it in good faith, unless such act or omission constitutes gross negligence or willful misconduct on the part of the Member, Manager or officer of the Company. The Company is expressly permitted in the normal course of its business to enter into transactions with the Member and any or all Managers or officers or with any Affiliates of the Member or of any such Manager or officer.

(c) All expenses incurred with respect to the organization, operation and management of the Company shall be borne by the Company. The Member shall be entitled to reimbursement from the Company for direct expenses allocable to the organization, operation and management of the Company.

(d) “Affiliate” shall mean any Person (hereinafter defined) directly or indirectly controlling, controlled by or under common control with the Person in question; and, if the Person in question is not an individual, any executive officer or director of the Person in question or of any Person directly or indirectly controlling the Person in question. As used in this definition of “Affiliate,” the term “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise. “Person” shall mean any individual, corporation, association, partnership, limited liability company, joint venture, trust, estate or other entity or organization.

10. Indemnity. In accordance with Section 18-108 of the Delaware Act, the Company shall indemnify and hold harmless the Member and any Manager, officer of the Company and Affiliate thereof (individually, in each case, an "Indemnitee"), to the fullest extent permitted by law against any loss, liability, damage, judgment, demand, claim, cost or expense incurred by or asserted against the Indemnitee (including, without limitation, reasonable attorney's fees and disbursements incurred in the defense thereof) arising out any act or omission of the Indemnitee in connection with the Company. Unless otherwise provided in this Section 10, in the event of any action by the Member against any Indemnitee, including a derivative suit, the Company shall indemnify, hold harmless and pay all expenses of such Indemnitee, including reasonable attorney's fees and disbursements incurred in the defense thereof. Notwithstanding the provisions of this Section 10, this Section 10 shall be enforced only to the maximum extent permitted by law, and no Indemnitee shall be indemnified from any liability for the fraud, intentional misconduct, gross negligence or a knowing violation of the law which was material to the cause of action.

11. Capital Contributions. The Member has made an initial capital contribution to the Company of $1,000.00, and the Company has issued to the Member the entire membership interest in the Company. The Member is not required to make any additional contributions to the Company.

12. Allocation of Profits and Losses. The Company's profits and losses, and all items allocable for tax purposes, shall be allocated to the Member.

13. Distributions. Distributions shall be made to the Member at the times and in the aggregate amounts as determined by the Member.

14. Assignments. The Member may assign in whole or in part its limited liability interest in the Company in accordance with the Delaware Act.

15. Admission of Additional Members. One or more additional members may be admitted to the Company with the consent of the Member upon such terms and conditions as the Member, in its discretion, shall approve. In the event of the admission of any new member or members, the Member and such additional member or members shall execute an appropriate amendment to this Agreement reflecting such terms and conditions and such other matters which the Member deems appropriate or upon which the Member and such additional member or members shall agree.

16. Resignation of Member. The Member may resign from the Company in accordance with the Delaware Act.

17. Liability of Member. Except as otherwise required in the Delaware Act, the debts, obligations, and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, the Member shall not be obligated for any such debt, obligation or liability of the Company solely by reason of being a member or participating in the management of the Company. The failure of the Company to observe any formalities or requirements relating to the exercise of its powers or management of

its business or affairs under the Delaware Act or this Agreement shall not be grounds for imposing liability on the Member for liabilities of the Company.

18. Dissolution. Dissolution of the Company will occur upon the consent of the Member to dissolution of the Company. The exclusive means by which the Company may be dissolved are set forth in this Section 18. The Company will not be dissolved upon the death, retirement, resignation, expulsion, bankruptcy, or dissolution of the Member or upon the occurrence of any other event which terminates the continued membership of the Member in the Company. Upon the occurrence of an event set forth in this Section 18, the Member shall be entitled to receive, after paying or making reasonable provision for all of the Company's creditors to the extent required by Section 18-804 of the Delaware Act, the remaining funds of the Company.

19. Amendments. This Agreement may be amended only in writing. Any such amendment must be approved and executed by the Member.

20. Binding Effect; Benefits. This Agreement shall be binding upon and inure to the benefit of the Member and, to the extent permitted by this Agreement, its successors, legal representatives and assigns. No Person other than the Member shall be entitled to any benefits under the Agreement, except as otherwise expressly provided. Reference to any Person in this Agreement includes such Person's successors and permitted assigns.

21. Captions. Captions contained in this Agreement are inserted as a matter of convenience and in no way define, limit, extend or describe the scope of this Agreement or the intent of any provision hereof.

22. Severability. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision were omitted. The preceding sentence shall be of no force or effect if the consequence of enforcing the remainder of this Agreement without such invalid or unenforceable provision would be to cause any party to lose the benefit of its economic bargain.

23. Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED UNDER THE LAWS OF THE STATE OF DELAWARE, EXCLUDING ANY CONFLICTS OF LAWS, RULE OR PRINCIPLE THAT MIGHT REFER THE GOVERNANCE OR CONSTRUCTION OF THIS AGREEMENT TO THE LAW OF ANOTHER JURISDICTION.

24. Consent to Jurisdiction Provision. The Member hereby (i) irrevocably submits to the nonexclusive jurisdiction of any Delaware State court or Federal court sitting in Wilmington, Delaware, in any action arising out of this Agreement, and (ii) consents to the service of process by mail. Nothing herein shall affect the right of any party to serve legal process in any manner permitted by law or affect its right to bring any action in any other court.

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IN WITNESS WHEREOF, the Member has executed this Agreement as of the date and year first above written.

RADIO ONE, INC.

By: /s/ John W. Jones
Name: John W. Jones
Title: Vice President and General Counsel

Exhibit 5.1

KIRKLAND & ELLIS LLP
AND AFFILIATED PARTNERSHIPS

300 North LaSalle
Chicago, Illinois 60654

312 862-2000

Facsimile:
312 862-2200

www.kirkland.com

February 9, 2011

Radio One, Inc.
5900 Princess Garden Parkway,
7th Floor
Lanham, Maryland 20706

Re: Registration Statement on Form S-4

Ladies and Gentlemen:

We are issuing this opinion letter in our capacity as special legal counsel to Radio One, Inc., a Delaware corporation (the "Issuer"), and each of the Issuer's subsidiaries listed on Schedule I hereto (collectively, the "Guarantors" and, together with the Issuer, the "Registrants"). This opinion letter is being delivered in connection with the proposed registration by the Registrants of (i) $286,794,302 in aggregate principal amount of the Issuer's 12.5%/15.0% Senior Subordinated Notes due 2016 (the "Exchange Notes"), (ii) up to $40,241,304 in additional 12.5%/15.0% Senior Subordinated Notes due 2016 issued as interest in respect of the Exchange Notes (the "PIK Notes" and together with the Exchange Notes, the "Notes") and (iii) the guarantees of the Guarantors with respect to the Notes (the "Guarantees"), pursuant to a Registration Statement on Form S-4, to be filed with the Securities and Exchange Commission (the "Commission") on or about February 9, 2011, under the Securities Act of 1933, as amended (the "Act"). Such Registration Statement, as amended or supplemented, is hereinafter referred to as the "Registration Statement." The Registration Statement is being filed in accordance with a Registration Rights Agreement, dated November 24, 2010, by and among the Registrants and certain initial holders (the "Registration Rights Agreement") and the Notes and the Guarantees are being offered in exchange for and in replacement of $286,794,302 in aggregate principal amount of 12.5%/15.0% Senior Subordinated Notes due 2016 (the "Existing Notes") and the guarantees thereof issued by the Issuer on November 24, 2010 through a private placement exempt from the registration requirements of the Act.

The Notes and the Guarantees are to be issued pursuant to the Indenture with respect to the 12.5%/15.0% Senior Subordinated Notes due 2016, dated as of November 24, 2010 (as may be amended or supplemented from time to time, the "Indenture"), among the Issuer, the Guarantors and Wilmington Trust Company, as trustee (the "Trustee").

In connection with issuing this opinion letter, we have examined originals, or copies certified or otherwise identified to our satisfaction, of such documents, corporate records and

other instruments as we have deemed necessary for the purposes of this opinion, including (i) resolutions of the Registrants with respect to the issuance of the Notes and the Guarantees, (ii) the Indenture, (iii) the Registration Statement and (iv) the Registration Rights Agreement.

For purposes of this opinion, we have assumed the authenticity of all documents submitted to us as originals, the conformity to the originals of all documents submitted to us as copies and the authenticity of the originals of all documents submitted to us as copies. We have also assumed the legal capacity of all natural persons, the genuineness of the signatures of persons signing all documents in connection with which this opinion is rendered, the authority of such persons signing on behalf of the parties thereto (other than the Registrants) and the due authorization, execution and delivery of all documents by the parties thereto (other than the Registrants). We have not independently established or verified any facts relevant to the opinions expressed herein, but have relied upon statements and representations of officers and other representatives of the Registrants and others.

Our opinion expressed below is subject to the qualifications that we express no opinion as to the applicability of, compliance with, or effect of (i) any bankruptcy, insolvency, reorganization, fraudulent transfer, fraudulent conveyance, moratorium or other similar law affecting the enforcement of creditors' rights generally, (ii) general principles of equity (regardless of whether enforcement is considered in a proceeding in equity or at law) or (iii) other commonly recognized statutory and judicial constraints on enforceability including statutes of limitations.

We have also assumed that:

(i) the Registration Statement will be effective at the time the Notes are offered as contemplated by the Registration Statement;

(ii) any applicable prospectus supplement has been prepared and filed with the Commission describing the Notes offered thereby to the extent necessary;

(iii) the Existing Notes have been exchanged in the manner described in the prospectus forming a part of the Registration Statement;

(iv) the PIK Notes will be offered and sold in the manner stated in the Registration Statement or any applicable prospectus supplement;

(v) the Indenture has been duly qualified under the Trust Indenture Act of 1939, as amended; and

(vi) the Registrants will have obtained any legally required consents, approvals, authorizations and other orders of the Commission and any other federal regulatory agencies

necessary for the Notes to be exchanged, offered and sold in the manner stated in the Registration Statement and any applicable prospectus supplement.

Based upon and subject to the qualifications, assumptions and limitations set forth herein, we are of the opinion that (A) when the Exchange Notes have been duly executed and authenticated in accordance with the provisions of the Indenture, and duly delivered to the holders thereof in exchange for the Existing Notes, the Exchange Notes will be valid and binding obligations of the Issuer and the Guarantees thereof will be valid and binding obligations of the Guarantors and (B) when the PIK Notes have been duly executed, authenticated and issued in accordance with the provisions of the Indenture, and duly delivered to the holders thereof, the PIK Notes will be valid and binding obligations of the Issuer and the Guarantees thereof will be valid and binding obligations of the Guarantors.

We hereby consent to the filing of this opinion with the Commission as Exhibit 5.1 to the Registration Statement. We also consent to the reference to our firm under the heading “Legal Matters” in the Registration Statement. In giving this consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the Commission.

Our advice on every legal issue addressed in this letter is based exclusively on the federal securities laws of the United States, the laws of the State of New York, the General Corporation Law of the State of Delaware, the Limited Liability Company Act of the State of Delaware and the Delaware Revised Uniform Limited Partnership Act, including the applicable provisions of the Delaware constitution and reported judicial decisions interpreting these laws. For purposes of our opinion that the Guarantees will be valid and binding obligations of the Guarantors, we have, without conducting any research or investigation with respect thereto, relied on the opinions of: (i) Clark Hill PLC, with respect to Bell Broadcasting Company, a Michigan corporation and (ii) Keating Muething & Klekamp PLL, with respect to Blue Chip Broadcasting Licenses, Ltd. and Blue Chip Broadcasting, Ltd., each an Ohio limited liability company, that such Guarantors have the requisite corporate power and authority to perform their respective obligations under the Indenture and the applicable Guarantees and that such Guarantees do not conflict with, or require consents under the laws of the Guarantors’ respective states of organization. We are not licensed to practice in any of these states.

We express no opinion with respect to the enforceability of: (i) consents to, or restrictions upon, judicial relief or jurisdiction or venue; (ii) waivers of rights or defenses with respect to stay, extension or usury laws; (iii) advance waivers of claims, defenses, rights granted by law, or notice, opportunity for hearing, evidentiary requirements, statutes of limitation, trial by jury or at law, or other procedural rights; (iv) waivers of broadly or vaguely stated rights; (v) provisions for exclusivity, election or cumulation of rights or remedies; (vi) provisions authorizing or validating conclusive or discretionary determinations; (vii) grants of setoff rights; (viii) provisions for the payment of attorneys’ fees where such payment is contrary to law or public policy; (ix) proxies, powers and trusts; (x) restrictions upon non-written modifications and waivers; (xi) provisions

prohibiting, restricting, or requiring consent to assignment or transfer of any right or property; (xii) any provision to the extent it requires any party to indemnify any other person against loss in obtaining the currency due following a court judgment in another currency; and (xiii) provisions for liquidated damages, default interest, late charges, monetary penalties, make-whole premiums or other economic remedies to the extent such provisions are deemed to constitute a penalty.

To the extent that the obligations of the Issuer and the Guarantors under the Indenture may be dependent on such matters, we assume for purposes of this opinion that the applicable trustee is duly organized, validly existing and in good standing under the laws of its jurisdiction of organization; that such trustee is duly qualified to engage in the activities contemplated by the Indenture; that the Indenture has been duly authorized, executed and delivered by the applicable trustee and constitutes the legally valid and binding obligations of such trustee, enforceable against such trustee in accordance with its terms; that the applicable trustee is in compliance, generally and with respect to acting as an agent under the Indenture with all applicable laws and regulations; and that the applicable trustee has the requisite organizational and legal power and authority to perform its obligations under the Indenture.

This opinion is limited to the specific issues addressed herein, and no opinion may be inferred or implied beyond that expressly stated herein. This opinion speaks only as of the date hereof and we assume no obligation to revise or supplement this opinion.

This opinion is furnished to you in connection with the filing of the Registration Statement in accordance with the requirements of Item 601(b)(5) of Regulation S-K under the Act.

Sincerely,

/s/ Kirkland & Ellis LLP

Kirkland & Ellis LLP

Schedule I

Guarantors

Exact Name as Specified in its Charter	Jurisdiction of Formation
Bell Broadcasting Company	Michigan
Blue Chip Broadcasting Licenses, Ltd.	Ohio
Blue Chip Broadcasting, Ltd.	Ohio
Charlotte Broadcasting, LLC	Delaware
Community Connect Inc.	Delaware
Community Connect, LLC	Delaware
Distribution One, LLC	Delaware
Hawes-Saunders Broadcast Properties, Inc.	Delaware
Interactive One, Inc.	Delaware
Interactive One, LLC	Delaware
New Mableton Broadcasting Corporation	Delaware
Radio One Cable Holdings, Inc.	Delaware
Radio One Distribution Holdings, LLC	Delaware
Radio One Licenses, LLC	Delaware
Radio One Media Holdings, LLC	Delaware
Radio One of Atlanta, LLC	Delaware
Radio One of Boston Licenses, LLC	Delaware
Radio One of Boston, Inc.	Delaware
Radio One of Charlotte, LLC	Delaware
Radio One of Detroit, LLC	Delaware
Radio One of Indiana, L.P.	Delaware
Radio One of Indiana, LLC	Delaware
Radio One of North Carolina, LLC	Delaware
Radio One of Texas II, LLC	Delaware
ROA Licenses, LLC	Delaware
Satellite One, L.L.C.	Delaware

Blair B. Hysni
T 313.965.8668
F 313.309.6878
Email:bhysni@clarkhill.com

February 9, 2011

Bell Broadcasting Company
c/o Radio One, Inc.
5900 Princess Garden Parkway, 7th Floor
Lanham, Maryland 20706

Re: Registration Statement on Form S-4

Ladies and Gentlemen:

We are issuing this opinion letter in our capacity as special counsel to Bell Broadcasting Company, a Michigan corporation (the "Guarantor"), in connection with Guarantor's proposed guarantee, along with the other guarantors under the Indenture (defined below), of (i) $286,794,302 in aggregate principal amount of 12.5%/15.0% Senior Subordinated Notes due 2016 (the "Exchange Notes"), and (ii) $40,241,304 of additional Senior Subordinated Notes due 2016 issued in respect of interest on the Exchange Notes (the "PIK Notes" and, together with the Exchange Notes, the "Notes"). The Exchange Notes are to be issued by Radio One, Inc., a Delaware corporation (the "Issuer"), in connection with an offering made pursuant to a Registration Statement on Form S-4 (as amended or supplemented, the "Registration Statement"), filed with the Securities and Exchange Commission (the "Commission") on February 9, 2011, under the Securities Act of 1933, as amended (the "Securities Act"). The Registration Statement is being filed in accordance with a Registration Rights Agreement entered into by the Issuer, the guarantors party thereto, including Guarantor, and certain initial purchasers on November 24, 2010, and the Exchange Notes are being offered in exchange for $286,794,302 12.5%/15.0% Senior Subordinated Notes due 2016 issued by the Issuer on November 24, 2010 through a private placement exempt from the registration requirements of the Securities Act, all of which are eligible to be exchanged for the Exchange Notes. The obligations of the Issuer under the Notes will be guaranteed by Guarantor (the "Guarantee"), jointly and severally with other guarantors. The Notes are to be issued pursuant to the Indenture dated as of November 24, 2010 (the "Indenture"), among the Issuer, the guarantors party thereto

and Wilmington Trust Company, as trustee (the "Trustee"). The Guarantee is to be issued pursuant to the Indenture.

In connection with this opinion, we have examined originals, or copies certified or otherwise identified to our satisfaction, of the Transaction Documents and Organizational Documents described below, to which we have limited the scope of our inquiry and review:

Transaction Documents

The "Transaction Documents" consist of the following documents:

1. The Registration Statement and the exhibits thereto;
2. The Indenture and the exhibits thereto;
3. The Notes; and
4. The Notations of Guarantee attached to the Notes.

Organizational Documents

The "Organizational Documents" consist of the following documents:

1. The Articles of Incorporation of Guarantor, as amended (the "Articles of Incorporation"), certified as a true copy by the Michigan Department of Energy, Labor & Economic Growth (the "Michigan Department") on January 28, 2011;
2. Certificate of Good Standing for Guarantor issued by the Michigan Department on January 28, 2011 (the "Michigan Certificate"); and
3. Certificate of Fact of Guarantor dated the date of this letter, in the form attached as Exhibit A, together with Guarantor's Restated Bylaws, amended as of May 11, 1993 (the "Bylaws"), and the Consent in Lieu of Special Meeting of the Board of Directors dated November 23, 2010, executed by Guarantor's Board of Directors.

For purposes of this opinion, we have assumed the authenticity of all documents submitted to us as originals, the conformity to the originals of all documents submitted to us as copies and the authenticity of the originals of all documents submitted to us as copies. We have also assumed the legal capacity of all natural persons, the genuineness of the signatures of persons signing all documents in connection with which this opinion is rendered, the authority of such persons signing on behalf of the parties thereto other than Guarantor and the due authorization, execution and delivery of all documents by the parties thereto other than

Guarantor. We have not independently established or verified any facts relevant to the opinion expressed herein, but have relied upon statements and representations of the officers and other representatives of Guarantor, public officials and others.

We have also assumed that:

(i) the Registration Statement will be effective at the time the Notes are offered as contemplated by the Registration Statement;

(ii) any applicable prospectus supplement will have been prepared and filed with the Commission describing the Notes offered thereby to the extent necessary;

(iii) all Notes will be offered and sold in the manner stated in the Registration Statement or any applicable prospectus supplement; and

(iv) the Issuer will have obtained any legally required consents, approvals, authorizations and other orders of the Commission and any other federal regulatory agencies necessary for the Notes to be offered and sold in the manner stated in the Registration Statement or any applicable prospectus supplement.

Based upon and subject to the foregoing qualifications, assumptions and limitations and the further limitations set forth below, we are of the opinion that:

1. Guarantor is a corporation duly incorporated, validly existing and, based solely on the Michigan Certificate, in good standing under the laws of the State of Michigan.

2. The Indenture has been duly authorized, executed and delivered by Guarantor and constitutes the valid and binding obligation of Guarantor, enforceable against Guarantor in accordance with its terms.

3. When the Notes have been duly executed and authenticated in accordance with the Indenture, and duly delivered to the holders thereof, the Guarantee will be a valid and binding obligation of Guarantor, enforceable against Guarantor in accordance with its terms.

4. The execution and delivery of the Indenture by Guarantor and the performance by Guarantor of its obligations thereunder (including with respect to the Guarantee) do not conflict with or constitute or result in a breach or default under (or an event which with notice or the passage of time or both would constitute a default under) or result in the creation of a lien or encumbrance under or violation of any of (i) the Articles of Incorporation or Bylaws, or (ii) any law, rule or regulation of governmental authorities (other than those of counties, towns, municipalities and special political subdivisions) of the State of Michigan which we, in the exercise of customary professional diligence,

would reasonably recognize as being applicable to Guarantor and the transactions contemplated by the Indenture (such laws, rule and regulations are referred to in this opinion as "Applicable Laws").

5. No consent, waiver, approval, authorization or order of any court or governmental authority of the State of Michigan is required pursuant to any Applicable Law in connection with Guarantor's issuance of the Guarantee.

Our opinion expressed above is subject to the qualifications that we express no opinion as to the applicability of, compliance with, or effect of: (i) any bankruptcy, insolvency, reorganization, fraudulent transfer, fraudulent conveyance, moratorium or other similar law affecting the enforcement of creditors' rights generally; (ii) general principles of equity (regardless of whether enforcement is considered in a proceeding in equity or at law); (iii) public policy considerations which may limit the rights of parties to obtain certain remedies; (iv) any laws except the laws of the State of Michigan and the Michigan case law decided thereunder; and (v) the "Blue Sky" laws and regulations of Michigan.

This opinion is limited to the specific issues addressed herein, and no opinion may be inferred or implied beyond that expressly stated herein. We assume no obligation to revise or supplement this opinion should the present laws of the State of Michigan be changed by legislative action, judicial decision or otherwise.

This opinion is furnished to you in connection with the filing of the Registration Statement and will be incorporated by reference in the Registration Statement. This opinion may not be used, circulated, quoted or otherwise relied upon for any other purpose, except that Kirkland & Ellis LLP may rely upon this opinion to the same extent as if it were an addressee hereof.

CLARK HILL

We hereby consent to the filing of this opinion with the Commission as Exhibit 5.2 to the Registration Statement. We also consent to the reference to our firm under the heading "Legal Matters" in the Registration Statement with respect to the laws of the State of Michigan. In giving this consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations of the Commission.

Sincerely,

/s/ CLARK HILL PLC

CLARK HILL PLC

CLARK HILL

Exhibit 5.3

F. Mark Reuter
DIRECT DIAL: (513) 579-6469
FACSIMILE: (513) 579-6457
E-MAIL: MReuter@KMKLAW.com

February 9, 2011

Blue Chip Broadcasting, Ltd.
1821 Summit Road, Suite 401
Cincinnati, Ohio 45237

Blue Chip Broadcasting Licenses, Ltd. 1821
Summit Road, Suite 401 Cincinnati, Ohio
45237

Re: Registration Statement on Form S-4

Dear Ladies and Gentlemen:

We are issuing this opinion letter in our capacity as special counsel to Blue Chip Broadcasting, Ltd., an Ohio limited liability company and Blue Chip Broadcasting Licenses, Ltd., an Ohio limited liability company (each a "Guarantor" and collectively, the "Guarantors"), in connection with the Guarantors' proposed guarantee, along with the other guarantors under the Indenture (as defined below), of up to $286,794,302 in aggregate principal amount of 12.5%/15.0% Senior Subordinated Notes due 2016 (the "New 2016 Notes") and up to $40,241,304 in aggregate principal amount of Senior Subordinated Notes Paid-in-Kind (the "Paid-in-Kind Notes" and, collectively with the New 2016 Notes, the "Notes").

The Notes are to be issued by Radio One, Inc., a Delaware corporation (the "Issuer"), in connection with an offering made pursuant to a Registration Statement on Form S-4 (such Registration Statement, as supplemented or amended, is hereinafter referred to as the "Registration Statement"), filed with the Securities and Exchange Commission (the "Commission") on the date hereof under the Securities Act of 1933, as amended (the "Securities Act"). The Registration Statement is being filed in accordance with a Registration Rights Agreement entered into by the Issuer, the guarantors party thereto, including the Guarantors, and certain initial purchasers on November 24, 2010.

The New 2016 Notes are being offered in exchange for up to $286,794,302 in aggregate principal amount of 12.5%/15.0% Senior Subordinated Notes due 2016 (the "Old 2016 Notes") issued by the Issuer on November 24, 2010 through a private placement exempt from the registration requirements of the Securities Act, all of which are eligible to be exchanged for the Notes. The Paid-in-Kind Notes are being issued by the Issuer in respect of interest due and payable on the Old 2016 Notes to May 15, 2012. The obligations of the Issuer under the Notes will be guaranteed by each of the Guarantors (the "Guarantee"). The Notes are to be issued pursuant to the Indenture ("Indenture"), dated as of November 24, 2010, between the Issuer, the guarantors set forth therein and Wilmington Trust Company, as Trustee (the "Trustee"). The Guarantee is to be issued pursuant to the Indenture.

In connection with this opinion, we have examined originals, or copies certified or otherwise identified to our satisfaction, of the following documents, corporate records and other instruments: (i) the articles of organization, operating agreement and by-laws of each Guarantor, (ii) a unanimous written consent of the sole director of each Guarantor with respect to the issuance of the Guarantee and the execution of the Indenture, (iii) the Registration Statement, (iv) the Indenture and (v) the Notation of Guarantee dated November 24, 2010.

For purposes of this opinion, we have assumed the authenticity of all documents submitted to us as originals, the conformity to the originals of all documents submitted to us as copies and the authenticity of the originals of all documents submitted to us as copies. We have also assumed the genuineness of the signatures of persons signing all documents in connection with which this opinion is rendered, the authority of such persons signing on behalf of the parties thereto other than the Guarantors and the due authorization, execution and delivery of all documents by the parties thereto other than the Guarantors. As to any facts material to the opinions expressed herein which we have not independently established or verified, we have relied upon statements and representations of officers and other representatives of the Guarantors, public officials and others.

Our opinions expressed below are subject to the qualifications that we express no opinion as to the applicability of, compliance with, or effect of (i) any bankruptcy, insolvency, reorganization, fraudulent transfer, fraudulent conveyance, moratorium or other similar law affecting the enforcement of creditors' rights generally, (ii) general principles of equity (regardless of whether enforcement is considered in a proceeding in equity or at law), (iii) public policy considerations which may limit the rights of parties to obtain certain remedies, (iv) any law except the laws of the State of Ohio and the Ohio case law decided thereunder, and (v) the "Blue Sky" laws and regulations of the State of Ohio. We express no opinion as to the applicability to the obligations of the Guarantors (or as to the effect thereof on any opinion expressed in this opinion letter) of Section 548 of the United States Bankruptcy Code or any other provision of law relating to fraudulent conveyances, transfers or obligations or the provisions of the law of the State of Ohio restricting loans, distributions or other obligations by any entity for the benefit of the holders of its shares or other ownership interests. Specifically, we express no opinion on any provision of law relating to fraudulent conveyances with respect to the "upstream" subsidiary Guarantee of the Guarantors.

Based upon and subject to the assumptions, qualifications, assumptions and limitations and the further limitations set forth below, we are of the opinion that:

1. Each Guarantor is a limited liability company duly organized, validly existing and in full force and effect under the laws of the State of Ohio.

2. The Indenture has been duly authorized, executed and delivered by each Guarantor. The Indenture is a valid and binding obligation of each Guarantor and is enforceable against each Guarantor in accordance with its terms.

3. When the Notes have been duly executed and authenticated in accordance with the Indenture, and duly delivered to the holders thereof, the Guarantee of the Notes will be a valid and binding obligation of the Guarantors, enforceable against each of the Guarantors in accordance with its terms.

4. The execution and delivery of the Indenture by each Guarantor and the performance by each Guarantor of its obligations thereunder (including with respect to the Guarantee) do not conflict with or constitute or result in a breach or default under (or an event which with notice or the passage of time or both would constitute a default under) or result in the creation of a lien or encumbrance under or violation of any of (i) the articles of organization, operating agreement, by-laws or other organizational documents of the Guarantors or (ii) Applicable Laws. As used herein, "Applicable Laws" means those laws, rules and regulations of governmental authorities (other than those of counties, towns, municipalities and special political subdivisions) of the State

of Ohio which we, in the exercise of customary professional diligence, would reasonably recognize as being applicable to the Guarantors and the transactions contemplated by the Indenture.

5. No consent, waiver, approval, authorization or order of any State of Ohio court or governmental authority of the State of Ohio or any political subdivision thereof is required pursuant to any Applicable Laws for the issuance by the Guarantors of the Guarantee.

Our opinion expressed in Paragraph 1 above with respect to the full force and effect of each Guarantor is based solely on a Certificate issued with respect to each Guarantor by the Secretary of State of the State of Ohio dated January 25, 2011.

This opinion is limited to the specific issues addressed herein, and no opinion may be inferred or implied beyond that expressly stated herein. We assume no obligation to revise or supplement this opinion should the present laws of the State of Ohio be changed by legislative action, judicial decision or otherwise.

This opinion is furnished to you in connection with the filing by the Issuer of a Registration Statement on Form S-4 (the "Form S-4") which will be incorporated by reference into the Registration Statement and is not to be used, circulated, quoted or otherwise relied upon for any other purpose.

We hereby consent to the filing of this opinion with the commission as Exhibit 5.3 to the Form S-4. We also consent to the reference to our firm under the heading "Legal Matters" in the Registration Statement. In giving this consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations of the Commission.

Sincerely,

/s/ KEATING MUETHING & KLEKAMP PLL

KEATING MUETHING & KLEKAMP PLL

Exhibit 12.1

Radio One, Inc.
Calculation of Ratio of Earnings to Fixed Charges
(in thousands of U.S. dollars except for ratios)

	Nine Months Ended September 30,		Year Ended December 31,				
	2010	**2009**	**2009**	**2008**	**2007**	**2006**	**2005**
Earnings:							
Income (loss) from continuing operations before provision for (benefit from) income taxes(1)	$ 4,835	$ (26,173)	$ (39,729)	$ (336,716)	$ (196,466)	$ 38,499	$ 54,751
Plus: fixed charges	31,577	29,521	39,050	60,401	73,730	73,877	63,664
Total	$ 36,412	$ 3,348	$ (679)	$ (276,315)	$ (122,736)	$ 112,376	$ 118,415
Fixed Charges:							
Interest expense	$ 31,059	$ 29,036	$ 38,404	$ 59,689	$ 72,770	$ 72,932	$ 63,010
Estimate of the interest within operating leases(2)	518	485	646	712	960	945	654
Total	$ 31,577	$ 29,521	$ 39,050	$ 60,401	$ 73,730	$ 73,877	$ 63,664
Deficiency of earnings available to cover fixed charges	—	26.2	39.7	336.7	196.5	—	—
Ratio of earnings to fixed charges)	1.15	0.11	—	—	—	1.52	1.86

(1) For purposes of calculating the ratio of earnings to fixed charges, earnings represent income (loss) before income taxes plus fixed charges.

(2) For purposes of estimating interest within operating leases, an interest rate equal to the three month LIBOR plus a spread of 2.25% at the end of each period presented was utilized.

Exhibit 21.1

SUBSIDIARIES OF RADIO ONE, INC.
As of December 31, 2010

Radio One Licenses, LLC, a Delaware limited liability company, is a restricted subsidiary of Radio One, Inc. and is the licensee of the following stations:

KBFB-FM	WFXC-FM	WNNL-FM	WRNB-FM
KBXX-FM	WFXK-FM	WOL-AM	WTPS-AM
KMJQ-FM	WHHL-FM	WOLB-AM	WWIN-AM
KROI-FM	WHTA-FM	WPHI-FM	WWIN-FM
KSOC-FM	WKJM-FM	WPPZ-FM	WYCB-AM
WCDX-FM	WKJS-FM	WPRS-FM	
WERQ-FM	WKYS-FM	WPZZ-FM	
WFUN-FM	WMMJ-FM	WQOK-FM	

Bell Broadcasting Company ("Bell"), a Michigan corporation, is a wholly owned restricted subsidiary of Radio One, Inc. Radio One of Detroit, LLC ("Radio One of Detroit") is a Delaware limited liability company, the sole member of which is Bell. Radio One of Detroit is the licensee of the following stations:

WCHB-AM	WDMK-FM	WHTD-FM

Radio One of Atlanta, LLC ("ROA"), a Delaware limited liability company, is a restricted subsidiary of Radio One, Inc. ROA Licenses, LLC ("ROA Licenses") is a Delaware limited liability company, the sole member of which is ROA. ROA Licenses is the licensee of the following stations:

WAMJ-FM
WUMJ-FM

Radio One of Charlotte, LLC ("Radio One of Charlotte"), a Delaware limited liability company, the sole member of which is Radio One, Inc., is a restricted subsidiary of Radio One, Inc.

Charlotte Broadcasting, LLC ("Charlotte Broadcasting") is a Delaware limited liability company, the sole member of which is Radio One of Charlotte. Radio One of North Carolina, LLC ("Radio One of North Carolina") is a Delaware limited liability company, the sole member of which is Charlotte Broadcasting. Radio One of North Carolina is the licensee of the following stations:

WPZS-FM
WQNC-FM

Radio One of Boston, Inc. ("Radio One of Boston"), a Delaware corporation, is a wholly owned restricted subsidiary of Radio One, Inc. Radio One of Boston Licenses, LLC ("Boston Licenses") is a Delaware limited liability company, the sole member of which is Radio One of Boston. Boston Licenses is the licensee of the following station:

WILD-AM

Blue Chip Broadcasting, Ltd. ("BCB Ltd."), an Ohio limited liability company, the sole member of which is Radio One, Inc., and which is a restricted subsidiary of Radio One, Inc. Blue Chip Broadcasting Licenses, Ltd. (BC Licenses") is an Ohio limited liability company, the sole member of which is BCB Ltd. BC Licenses is the licensee of the following stations:

WIZF-FM	WMOJ-FM	WDBZ-AM
WJYD-FM	WCKX-FM	WXMG-FM
WERE-AM	WJMO-AM	WZAK-FM
WENZ-FM		

Hawes-Saunders Broadcast Properties, Inc. ("HSBP") is a wholly owned restricted subsidiary of Blue Chip Broadcasting, Ltd.

Radio One of Texas II, LLC, a Delaware limited liability company, the sole member of which is Radio One, Inc., and it is a restricted subsidiary of Radio One, Inc.

Radio One of Indiana, L.P. is a Delaware limited partnership. Radio One, Inc. is the general partner and 99% owner of Radio One of Indiana, L.P. Radio One of Texas II, LLC is the limited partner and 1% owner of Radio One of Indiana, L.P. Radio One of Indiana, LLC is a Delaware limited liability company, the sole member of which is Radio One of Indiana, L.P. Radio One of Indiana, LLC is the licensee of the following stations:

WDNI-CD	WHHH-FM	WTLC-AM
WTLC-FM	WNOU-FM	

Satellite One, LLC is a Delaware limited liability company, the sole member of which is Radio One, Inc.

New Mableton Broadcasting Corporation, a Delaware corporation, is a wholly owned subsidiary of Radio One, Inc. and is the licensee of the following station:

WPZE-FM

Radio One Cable Holdings, Inc., a Delaware corporation, is a wholly owned subsidiary of Radio One, Inc. Radio One Cable Holdings, Inc. holds a 36% interest in TV One, LLC, a Delaware limited liability company.

Radio One Media Holdings, LLC is a Delaware limited liability company, the sole member of which is Radio One, Inc.

Reach Media, Inc. is a Texas corporation. Radio One, Inc. owns 53% of the common stock of Reach Media, Inc.

Radio One Distribution Holdings, LLC is a Delaware limited liability company, the sole member of which is Radio One, Inc.

Distribution One, LLC is a Delaware limited liability company, the sole member of which is. Radio One Distribution Holdings, LLC.

Interactive One, Inc., a Delaware corporation, is a wholly owned subsidiary of Radio One, Inc. and the sole member of Interactive One, LLC.

Interactive One, LLC, is a Delaware limited liability company, the sole member of which is Interactive One, Inc.

Community Connect Inc., a Delaware corporation, is a wholly owned subsidiary of Radio One, Inc. and the sole member of Community Connect, LLC.

Community Connect, LLC, is a Delaware limited liability company, the sole member of which is Community Connect Inc.

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the reference to our firm under the caption "Experts" and to the use of our report dated March 31, 2010 (except Notes 1(t), 1(v), 1(x), 2, 10 and 20, as to which the date is August 23, 2010) in the Registration Statement (Form S-4) and the related Prospectus of Radio One, Inc. for the registration of $286,794,302 of 12.5%/15.0% Senior Subordinated Notes and $40,241,304 Senior Subordinated Notes Paid-in-Kind due 2016.

/s/ ERNST & YOUNG LLP

Baltimore, Maryland
February 8, 2011

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939
OF A CORPORATION DESIGNATED TO ACT AS TRUSTEE

Check if an Application to Determine Eligibility of a Trustee Pursuant to Section 305(b)(2) ☐

WILMINGTON TRUST COMPANY

(Exact name of Trustee as specified in its charter)

Delaware	**51-0055023**
(Jurisdiction of incorporation of organization if not a U.S. national bank)	(I.R.S. Employer Identification No.)

1100 North Market Street
Wilmington, Delaware 19890-0001
(302) 651-1000
(Address of principal executive offices, including zip code)

Michael A. DiGregorio
Senior Vice President and General Counsel
Wilmington Trust Company
1100 North Market Street
Wilmington, Delaware 19890-0001
(302) 651-8793

(Name, address, including zip code, and telephone number, including area code, of agent of service)

RADIO ONE, INC.*

(Exact name of obligor as specified in its charter)

Delaware	**52-1166660**
(State or other jurisdiction or incorporation or organization)	(I.R.S. Employer Identification No.)

5900 Princess Garden Parkway,
7th Floor
Lanham, Maryland 20706
(301) 306-1111
(Address of principal executive offices, including zip code)

12.5%/15.0% Senior Subordinated Notes due 2016
(Title of the indenture securities)

TABLE OF CONTENTS

ITEM 1. GENERAL INFORMATION
ITEM 2. AFFILIATIONS WITH THE OBLIGOR
ITEM 16. LIST OF EXHIBITS

Table of Additional Obligors

Exact Name of Additional Obligors*	Jurisdiction of Formation	I.R.S. Employer Identification No.
Bell Broadcasting Company	Michigan	38-1537987
Blue Chip Broadcasting Licenses, Ltd.	Ohio	31-1402186
Blue Chip Broadcasting, Ltd.	Ohio	31-1459349
Charlotte Broadcasting, LLC	Delaware	52-1166660
Community Connect Inc.	Delaware	13-3923078
Community Connect, LLC	Delaware	52-1166660
Distribution One, LLC	Delaware	52-1166660
Hawes-Saunders Broadcast Properties, Inc.	Delaware	31-1313021
Interactive One, Inc.	Delaware	30-0223248
Interactive One, LLC	Delaware	30-0451522
New Mableton Broadcasting Corporation	Delaware	58-2455006
Radio One Cable Holdings, Inc.	Delaware	20-0966592
Radio One Distribution Holdings, LLC	Delaware	52-1166660
Radio One Licenses, LLC	Delaware	52-1166660
Radio One Media Holdings, LLC	Delaware	20-2180640
Radio One of Atlanta, LLC	Delaware	52-1166660
Radio One of Boston Licenses, LLC	Delaware	52-2297366
Radio One of Boston, Inc.	Delaware	52-2297366
Radio One of Charlotte, LLC	Delaware	57-1103928
Radio One of Detroit, LLC	Delaware	38-1537987
Radio One of Indiana, L.P.	Delaware	52-2359338
Radio One of Indiana, LLC	Delaware	52-1166660
Radio One of North Carolina, LLC	Delaware	52-1166660
Radio One of Texas II, LLC	Delaware	52-2359333
ROA Licenses, LLC	Delaware	52-1166660
Satellite One, L.L.C.	Delaware	52-1166660

* The address for each of the additional Obligors is c/o Radio One, Inc., 5900 Princess Garden Parkway, 7th Floor, Lanham, Maryland 20706, (301) 306-1111.

ITEM 1. GENERAL INFORMATION.

Furnish the following information as to the trustee:

(a)Name and address of each examining or supervising authority to which it is subject.

Federal Reserve Bank of Philadelphia Ten Independence Mall Philadelphia, PA 19106-1574	State Bank Commissioner 555 East Lockerman Street, Suite 210 Dover, Delaware 19901

(b) Whether it is authorized to exercise corporate trust powers.

The trustee is authorized to exercise corporate trust powers.

ITEM 2. AFFILIATIONS WITH THE OBLIGOR.

If the obligor is an affiliate of the trustee, describe each affiliation:

Based upon an examination of the books and records of the trustee and information available to the trustee, the obligor is not an affiliate of the trustee.

ITEM 16. LIST OF EXHIBITS.

Listed below are all exhibits filed as part of this Statement of Eligibility and Qualification.

Exhibit 1. Copy of the Charter of Wilmington Trust Company:

Exhibit 2 — Certificate of Authority of Wilmington Trust Company to commence business — included in Exhibit 1 above.

Exhibit 3 — Authorization of Wilmington Trust Company to exercise corporate trust powers — included in Exhibit 1 above.

Exhibit 4. Copy of By-Laws of Wilmington Trust Company.

Exhibit 5. Not applicable

Exhibit 6. Consent of Wilmington Trust Company required by Section 321(b) of the Trust Indenture Act.

Exhibit 7. Copy of most recent Report of Condition of Wilmington Trust Company.

Exhibit 8. Not applicable.

Exhibit 9. Not applicable.

Pursuant to the requirements of the Trust Indenture Act of 1939, as amended, the trustee, Wilmington Trust Company, a corporation organized and existing under the laws of Delaware, has duly caused this Statement of Eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of Wilmington and State of Delaware on the 2nd day of February, 2011.

[SEAL]	**WILMINGTON TRUST COMPANY**
Attest: /s/ Joseph B. Feil Assistant Secretary	By: /s/ Patrick J. Healy Name: Patrick J. Healy Title: Vice President

EXHIBIT 1*

AMENDED CHARTER

Wilmington Trust Company

Wilmington, Delaware

As existing on May 9, 1987

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* Exhibit 1 also constitutes Exhibits 2 and 3.

Amended Charter
or
Act of Incorporation
of
Wilmington Trust Company

Wilmington Trust Company, originally incorporated by an Act of the General Assembly of the State of Delaware, entitled "An Act to Incorporate the Delaware Guarantee and Trust Company", approved March 2, A.D. 1901, and the name of which company was changed to "**Wilmington Trust Company**" by an amendment filed in the Office of the Secretary of State on March 18, A.D. 1903, and the Charter or Act of Incorporation of which company has been from time to time amended and changed by merger agreements pursuant to the corporation law for state banks and trust companies of the State of Delaware, does hereby alter and amend its Charter or Act of Incorporation so that the same as so altered and amended shall in its entirety read as follows:

First: - The name of this corporation is **Wilmington Trust Company**.

Second: - The location of its principal office in the State of Delaware is at Rodney Square North, in the City of Wilmington, County of New Castle; the name of its resident agent is **Wilmington Trust Company** whose address is Rodney Square North, in said City. In addition to such principal office, the said corporation maintains and operates branch offices in the City of Newark, New Castle County, Delaware, the Town of Newport, New Castle County, Delaware, at Claymont, New Castle County, Delaware, at Greenville, New Castle County Delaware, and at Milford Cross Roads, New Castle County, Delaware, and shall be empowered to open, maintain and operate branch offices at Ninth and Shipley Streets, 418 Delaware Avenue, 2120 Market Street, and 3605 Market Street, all in the City of Wilmington, New Castle County, Delaware, and such other branch offices or places of business as may be authorized from time to time by the agency or agencies of the government of the State of Delaware empowered to confer such authority.

Third: - (a) The nature of the business and the objects and purposes proposed to be transacted, promoted or carried on by this Corporation are to do any or all of the things herein mentioned as fully and to the same extent as natural persons might or could do and in any part of the world, viz.:

(1) To sue and be sued, complain and defend in any Court of law or equity and to make and use a common seal, and alter the seal at pleasure, to hold, purchase, convey, mortgage or otherwise deal in real and personal estate and property, and to appoint such officers and agents as the business of the Corporation shall require, to make by-laws not inconsistent with the Constitution or laws of the United States or of this State, to discount bills, notes or other evidences of debt, to receive deposits of money, or securities for money, to buy gold and silver bullion and foreign coins, to buy and sell bills of exchange, and generally to use, exercise and enjoy all the powers, rights, privileges and franchises incident to a corporation which are proper or necessary for the transaction of the business of the Corporation hereby created.

(2) To insure titles to real and personal property, or any estate or interests therein, and to guarantee the holder of such property, real or personal, against any claim

or claims, adverse to his interest therein, and to prepare and give certificates of title for any lands or premises in the State of Delaware, or elsewhere.

(3) To act as factor, agent, broker or attorney in the receipt, collection, custody, investment and management of funds, and the purchase, sale, management and disposal of property of all descriptions, and to prepare and execute all papers which may be necessary or proper in such business.

(4) To prepare and draw agreements, contracts, deeds, leases, conveyances, mortgages, bonds and legal papers of every description, and to carry on the business of conveyance in all its branches.

(5) To receive upon deposit for safekeeping money, jewelry, plate, deeds, bonds and any and all other personal property of every sort and kind, from executors, administrators, guardians, public officers, courts, receivers, assignees, trustees, and from all fiduciaries, and from all other persons and individuals, and from all corporations whether state, municipal, corporate or private, and to rent boxes, safes, vaults and other receptacles for such property.

(6) To act as agent or otherwise for the purpose of registering, issuing, certificating, countersigning, transferring or underwriting the stock, bonds or other obligations of any corporation, association, state or municipality, and may receive and manage any sinking fund therefore on such terms as may be agreed upon between the two parties, and in like manner may act as Treasurer of any corporation or municipality.

(7) To act as Trustee under any deed of trust, mortgage, bond or other instrument issued by any state, municipality, body politic, corporation, association or person, either alone or in conjunction with any other person or persons, corporation or corporations.

(8) To guarantee the validity, performance or effect of any contract or agreement, and the fidelity of persons holding places of responsibility or trust; to become surety for any person, or persons, for the faithful performance of any trust, office, duty, contract or agreement, either by itself or in conjunction with any other person, or persons, corporation, or corporations, or in like manner become surety upon any bond, recognizance, obligation, judgment, suit, order, or decree to be entered in any court of record within the State of Delaware or elsewhere, or which may now or hereafter be required by any law, judge, officer or court in the State of Delaware or elsewhere.

(9) To act by any and every method of appointment as trustee, trustee in bankruptcy, receiver, assignee, assignee in bankruptcy, executor, administrator, guardian, bailee, or in any other trust capacity in the receiving, holding, managing, and disposing of any and all estates and property, real, personal or mixed, and to be appointed as such trustee, trustee in bankruptcy, receiver, assignee, assignee in bankruptcy, executor, administrator, guardian or bailee by any persons, corporations, court, officer, or authority, in the State of Delaware or elsewhere; and whenever this Corporation is so appointed by any person, corporation, court,

officer or authority such trustee, trustee in bankruptcy, receiver, assignee, assignee in bankruptcy, executor, administrator, guardian, bailee, or in any other trust capacity, it shall not be required to give bond with surety, but its capital stock shall be taken and held as security for the performance of the duties devolving upon it by such appointment.

(10) And for its care, management and trouble, and the exercise of any of its powers hereby given, or for the performance of any of the duties which it may undertake or be called upon to perform, or for the assumption of any responsibility the said Corporation may be entitled to receive a proper compensation.

(11) To purchase, receive, hold and own bonds, mortgages, debentures, shares of capital stock, and other securities, obligations, contracts and evidences of indebtedness, of any private, public or municipal corporation within and without the State of Delaware, or of the Government of the United States, or of any state, territory, colony, or possession thereof, or of any foreign government or country; to receive, collect, receipt for, and dispose of interest, dividends and income upon and from any of the bonds, mortgages, debentures, notes, shares of capital stock, securities, obligations, contracts, evidences of indebtedness and other property held and owned by it, and to exercise in respect of all such bonds, mortgages, debentures, notes, shares of capital stock, securities, obligations, contracts, evidences of indebtedness and other property, any and all the rights, powers and privileges of individual owners thereof, including the right to vote thereon; to invest and deal in and with any of the moneys of the Corporation upon such securities and in such manner as it may think fit and proper, and from time to time to vary or realize such investments; to issue bonds and secure the same by pledges or deeds of trust or mortgages of or upon the whole or any part of the property held or owned by the Corporation, and to sell and pledge such bonds, as and when the Board of Directors shall determine, and in the promotion of its said corporate business of investment and to the extent authorized by law, to lease, purchase, hold, sell, assign, transfer, pledge, mortgage and convey real and personal property of any name and nature and any estate or interest therein.

(b) In furtherance of, and not in limitation, of the powers conferred by the laws of the State of Delaware, it is hereby expressly provided that the said Corporation shall also have the following powers:

(1) To do any or all of the things herein set forth, to the same extent as natural persons might or could do, and in any part of the world.

(2) To acquire the good will, rights, property and franchises and to undertake the whole or any part of the assets and liabilities of any person, firm, association or corporation, and to pay for the same in cash, stock of this Corporation, bonds or otherwise; to hold or in any manner to dispose of the whole or any part of the property so purchased; to conduct in any lawful manner the whole or any part of any business so acquired, and to exercise all the powers necessary or convenient in and about the conduct and management of such business.

(3) To take, hold, own, deal in, mortgage or otherwise lien, and to lease, sell,

exchange, transfer, or in any manner whatever dispose of property, real, personal or mixed, wherever situated.

(4) To enter into, make, perform and carry out contracts of every kind with any person, firm, association or corporation, and, without limit as to amount, to draw, make, accept, endorse, discount, execute and issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures, and other negotiable or transferable instruments.

(5) To have one or more offices, to carry on all or any of its operations and businesses, without restriction to the same extent as natural persons might or could do, to purchase or otherwise acquire, to hold, own, to mortgage, sell, convey or otherwise dispose of, real and personal property, of every class and description, in any State, District, Territory or Colony of the United States, and in any foreign country or place.

(6) It is the intention that the objects, purposes and powers specified and clauses contained in this paragraph shall (except where otherwise expressed in said paragraph) be nowise limited or restricted by reference to or inference from the terms of any other clause of this or any other paragraph in this charter, but that the objects, purposes and powers specified in each of the clauses of this paragraph shall be regarded as independent objects, purposes and powers.

Fourth: - (a) The total number of shares of all classes of stock which the Corporation shall have authority to issue is forty-one million (41,000,000) shares, consisting of:

(1) One million (1,000,000) shares of Preferred stock, par value $10.00 per share (hereinafter referred to as “Preferred Stock”); and

(2) Forty million (40,000,000) shares of Common Stock, par value $1.00 per share (hereinafter referred to as “Common Stock”).

(b) Shares of Preferred Stock may be issued from time to time in one or more series as may from time to time be determined by the Board of Directors each of said series to be distinctly designated. All shares of any one series of Preferred Stock shall be alike in every particular, except that there may be different dates from which dividends, if any, thereon shall be cumulative, if made cumulative. The voting powers and the preferences and relative, participating, optional and other special rights of each such series, and the qualifications, limitations or restrictions thereof, if any, may differ from those of any and all other series at any time outstanding; and, subject to the provisions of subparagraph 1 of Paragraph (c) of this Article **Fourth**, the Board of Directors of the Corporation is hereby expressly granted authority to fix by resolution or resolutions adopted prior to the issuance of any shares of a particular series of Preferred Stock, the voting powers and the designations, preferences and relative, optional and other special rights, and the qualifications, limitations and restrictions of such series, including, but without limiting the generality of the foregoing, the following:

(1) The distinctive designation of, and the number of shares of Preferred Stock which shall constitute such series, which number may be increased (except where otherwise provided by the Board of Directors) or decreased (but not below the

number of shares thereof then outstanding) from time to time by like action of the Board of Directors;

(2) The rate and times at which, and the terms and conditions on which, dividends, if any, on Preferred Stock of such series shall be paid, the extent of the preference or relation, if any, of such dividends to the dividends payable on any other class or classes, or series of the same or other class of stock and whether such dividends shall be cumulative or non-cumulative;

(3) The right, if any, of the holders of Preferred Stock of such series to convert the same into or exchange the same for, shares of any other class or classes or of any series of the same or any other class or classes of stock of the Corporation and the terms and conditions of such conversion or exchange;

(4) Whether or not Preferred Stock of such series shall be subject to redemption, and the redemption price or prices and the time or times at which, and the terms and conditions on which, Preferred Stock of such series may be redeemed.

(5) The rights, if any, of the holders of Preferred Stock of such series upon the voluntary or involuntary liquidation, merger, consolidation, distribution or sale of assets, dissolution or winding-up, of the Corporation.

(6) The terms of the sinking fund or redemption or purchase account, if any, to be provided for the Preferred Stock of such series; and

(7) The voting powers, if any, of the holders of such series of Preferred Stock which may, without limiting the generality of the foregoing include the right, voting as a series or by itself or together with other series of Preferred Stock or all series of Preferred Stock as a class, to elect one or more directors of the Corporation if there shall have been a default in the payment of dividends on any one or more series of Preferred Stock or under such circumstances and on such conditions as the Board of Directors may determine.

(c) (1) After the requirements with respect to preferential dividends on the Preferred Stock (fixed in accordance with the provisions of section (b) of this Article **Fourth**), if any, shall have been met and after the Corporation shall have complied with all the requirements, if any, with respect to the setting aside of sums as sinking funds or redemption or purchase accounts (fixed in accordance with the provisions of section (b) of this Article **Fourth**), and subject further to any conditions which may be fixed in accordance with the provisions of section (b) of this Article **Fourth**, then and not otherwise the holders of Common Stock shall be entitled to receive such dividends as may be declared from time to time by the Board of Directors.

(2) After distribution in full of the preferential amount, if any, (fixed in accordance with the provisions of section (b) of this Article **Fourth**), to be distributed to the holders of Preferred Stock in the event of voluntary or involuntary liquidation, distribution or sale of assets, dissolution or winding-up, of the Corporation, the holders of the Common Stock shall be entitled to receive all of the remaining

assets of the Corporation, tangible and intangible, of whatever kind available for distribution to stockholders ratably in proportion to the number of shares of Common Stock held by them respectively.

(3) Except as may otherwise be required by law or by the provisions of such resolution or resolutions as may be adopted by the Board of Directors pursuant to section (b) of this Article **Fourth**, each holder of Common Stock shall have one vote in respect of each share of Common Stock held on all matters voted upon by the stockholders.

(d) No holder of any of the shares of any class or series of stock or of options, warrants or other rights to purchase shares of any class or series of stock or of other securities of the Corporation shall have any preemptive right to purchase or subscribe for any unissued stock of any class or series or any additional shares of any class or series to be issued by reason of any increase of the authorized capital stock of the Corporation of any class or series, or bonds, certificates of indebtedness, debentures or other securities convertible into or exchangeable for stock of the Corporation of any class or series, or carrying any right to purchase stock of any class or series, but any such unissued stock, additional authorized issue of shares of any class or series of stock or securities convertible into or exchangeable for stock, or carrying any right to purchase stock, may be issued and disposed of pursuant to resolution of the Board of Directors to such persons, firms, corporations or associations, whether such holders or others, and upon such terms as may be deemed advisable by the Board of Directors in the exercise of its sole discretion.

(e) The relative powers, preferences and rights of each series of Preferred Stock in relation to the relative powers, preferences and rights of each other series of Preferred Stock shall, in each case, be as fixed from time to time by the Board of Directors in the resolution or resolutions adopted pursuant to authority granted in section (b) of this Article **Fourth** and the consent, by class or series vote or otherwise, of the holders of such of the series of Preferred Stock as are from time to time outstanding shall not be required for the issuance by the Board of Directors of any other series of Preferred Stock whether or not the powers, preferences and rights of such other series shall be fixed by the Board of Directors as senior to, or on a parity with, the powers, preferences and rights of such outstanding series, or any of them; provided, however, that the Board of Directors may provide in the resolution or resolutions as to any series of Preferred Stock adopted pursuant to section (b) of this Article **Fourth** that the consent of the holders of a majority (or such greater proportion as shall be therein fixed) of the outstanding shares of such series voting thereon shall be required for the issuance of any or all other series of Preferred Stock.

(f) Subject to the provisions of section (e), shares of any series of Preferred Stock may be issued from time to time as the Board of Directors of the Corporation shall determine and on such terms and for such consideration as shall be fixed by the Board of Directors.

(g) Shares of Common Stock may be issued from time to time as the Board of Directors of the Corporation shall determine and on such terms and for such consideration as shall be fixed by the Board of Directors.

(h) The authorized amount of shares of Common Stock and of Preferred Stock may, without a class or series vote, be increased or decreased from time to time by the affirmative vote of the holders of a majority of the stock of the Corporation entitled to vote thereon.

Fifth: - (a) The business and affairs of the Corporation shall be conducted and managed by a Board of Directors. The number of directors constituting the entire Board shall be not less than five nor more than twenty-five as fixed from time to time by vote of a majority of the whole Board, provided, however, that the number of directors shall not be reduced so as to shorten the term of any director at the time in office, and provided further, that the number of directors constituting the whole Board shall be twenty-four until otherwise fixed by a majority of the whole Board.

(b) The Board of Directors shall be divided into three classes, as nearly equal in number as the then total number of directors constituting the whole Board permits, with the term of office of one class expiring each year. At the annual meeting of stockholders in 1982, directors of the first class shall be elected to hold office for a term expiring at the next succeeding annual meeting, directors of the second class shall be elected to hold office for a term expiring at the second succeeding annual meeting and directors of the third class shall be elected to hold office for a term expiring at the third succeeding annual meeting. Any vacancies in the Board of Directors for any reason, and any newly created directorships resulting from any increase in the directors, may be filled by the Board of Directors, acting by a majority of the directors then in office, although less than a quorum, and any directors so chosen shall hold office until the next annual election of directors. At such election, the stockholders shall elect a successor to such director to hold office until the next election of the class for which such director shall have been chosen and until his successor shall be elected and qualified. No decrease in the number of directors shall shorten the term of any incumbent director.

(c) Notwithstanding any other provisions of this Charter or Act of Incorporation or the By-Laws of the Corporation (and notwithstanding the fact that some lesser percentage may be specified by law, this Charter or Act of Incorporation or the By-Laws of the Corporation), any director or the entire Board of Directors of the Corporation may be removed at any time without cause, but only by the affirmative vote of the holders of two-thirds or more of the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors (considered for this purpose as one class) cast at a meeting of the stockholders called for that purpose.

(d) Nominations for the election of directors may be made by the Board of Directors or by any stockholder entitled to vote for the election of directors. Such nominations shall be made by notice in writing, delivered or mailed by first class United States mail, postage prepaid, to the Secretary of the Corporation not less than 14 days nor more than 50 days prior to any meeting of the stockholders called for the election of directors; provided, however, that if less than 21 days' notice of the meeting is given to stockholders, such written notice shall be delivered or mailed, as prescribed, to the Secretary of the Corporation not later than the close of the seventh day following the day on which notice of the meeting was mailed to stockholders. Notice of nominations which are proposed by the Board of Directors shall be given by the Chairman on behalf of the Board.

(e) Each notice under subsection (d) shall set forth (i) the name, age, business address and, if known, residence address of each nominee proposed in such notice, (ii) the principal occupation or employment of such nominee and (iii) the number of shares of stock of the Corporation which are beneficially owned by each such nominee.

(f) The Chairman of the meeting may, if the facts warrant, determine and declare to the meeting that a nomination was not made in accordance with the foregoing procedure, and if he should so determine, he shall so declare to the meeting and the defective nomination shall be disregarded.

(g) No action required to be taken or which may be taken at any annual or special meeting of stockholders of the Corporation may be taken without a meeting, and the power of stockholders to consent in writing, without a meeting, to the taking of any action is specifically denied.

Sixth: - The Directors shall choose such officers, agents and servants as may be provided in the By-Laws as they may from time to time find necessary or proper.

Seventh: - The Corporation hereby created is hereby given the same powers, rights and privileges as may be conferred upon corporations organized under the Act entitled “An Act Providing a General Corporation Law”, approved March 10, 1899, as from time to time amended.

Eighth: - This Act shall be deemed and taken to be a private Act.

Ninth: - This Corporation is to have perpetual existence.

Tenth: - The Board of Directors, by resolution passed by a majority of the whole Board, may designate any of their number to constitute an Executive Committee, which Committee, to the extent provided in said resolution, or in the By-Laws of the Company, shall have and may exercise all of the powers of the Board of Directors in the management of the business and affairs of the Corporation, and shall have power to authorize the seal of the Corporation to be affixed to all papers which may require it.

Eleventh: - The private property of the stockholders shall not be liable for the payment of corporate debts to any extent whatever.

Twelfth: - The Corporation may transact business in any part of the world.

Thirteenth: - The Board of Directors of the Corporation is expressly authorized to make, alter or repeal the By-Laws of the Corporation by a vote of the majority of the entire Board. The stockholders may make, alter or repeal any By-Law whether or not adopted by them, provided however, that any such additional By-Laws, alterations or repeal may be adopted only by the affirmative vote of the holders of two-thirds or more of the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors (considered for this purpose as one class).

Fourteenth: - Meetings of the Directors may be held outside of the State of Delaware at such places as may be from time to time designated by the Board, and the Directors may keep the books of the Company outside of the State of Delaware at such places as may be from time to time designated by them.

Fifteenth: - (a) (1) In addition to any affirmative vote required by law, and except as otherwise expressly provided in sections (b) and (c) of this Article **Fifteenth:**

(A) any merger or consolidation of the Corporation or any Subsidiary (as hereinafter defined) with or into (i) any Interested Stockholder (as hereinafter defined) or (ii) any other corporation (whether or not itself an Interested Stockholder), which, after such merger or consolidation, would be an Affiliate (as hereinafter defined) of an Interested Stockholder, or

(B) any sale, lease, exchange, mortgage, pledge, transfer or other disposition (in one transaction or a series of related transactions) to or with any Interested Stockholder or any Affiliate of any Interested Stockholder of any assets of the Corporation or any Subsidiary having an aggregate fair market value of $1,000,000 or more, or

(C) the issuance or transfer by the Corporation or any Subsidiary (in one transaction or a series of related transactions) of any securities of the Corporation or any Subsidiary to any Interested Stockholder or any Affiliate of any Interested Stockholder in exchange for cash, securities or other property (or a combination thereof) having an aggregate fair market value of $1,000,000 or more, or

(D) the adoption of any plan or proposal for the liquidation or dissolution of the Corporation, or

(E) any reclassification of securities (including any reverse stock split), or recapitalization of the Corporation, or any merger or consolidation of the Corporation with any of its Subsidiaries or any similar transaction (whether or not with or into or otherwise involving an Interested Stockholder) which has the effect, directly or indirectly, of increasing the proportionate share of the outstanding shares of any class of equity or convertible securities of the Corporation or any Subsidiary which is directly or indirectly owned by any Interested Stockholder, or any Affiliate of any Interested Stockholder,

shall require the affirmative vote of the holders of at least two-thirds of the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors, considered for the purpose of this Article **Fifteenth** as one class ("Voting Shares"). Such affirmative vote shall be required notwithstanding the fact that no vote may be required, or that some lesser percentage may be specified, by law or in any agreement with any national securities exchange or otherwise.

(2) The term "business combination" as used in this Article **Fifteenth** shall mean any transaction which is referred to in any one or more of clauses (A) through (E) of paragraph 1 of the section (a).

(b) The provisions of section (a) of this Article **Fifteenth** shall not be applicable to any particular business combination and such business combination shall require only such affirmative vote as is required by law and any other provisions of the Charter or Act of Incorporation or By-Laws if such business combination has been approved by a majority of the whole Board.

(c) For the purposes of this Article **Fifteenth**:

(1) A “person” shall mean any individual, firm, corporation or other entity.

(2) “Interested Stockholder” shall mean, in respect of any business combination, any person (other than the Corporation or any Subsidiary) who or which as of the record date for the determination of stockholders entitled to notice of and to vote on such business combination, or immediately prior to the consummation of any such transaction:

(A) is the beneficial owner, directly or indirectly, of more than 10% of the Voting Shares, or

(B) is an Affiliate of the Corporation and at any time within two years prior thereto was the beneficial owner, directly or indirectly, of not less than 10% of the then outstanding voting Shares, or

(C) is an assignee of or has otherwise succeeded in any share of capital stock of the Corporation which were at any time within two years prior thereto beneficially owned by any Interested Stockholder, and such assignment or succession shall have occurred in the course of a transaction or series of transactions not involving a public offering within the meaning of the Securities Act of 1933.

(3) A person shall be the “beneficial owner” of any Voting Shares:

(A) which such person or any of its Affiliates and Associates (as hereafter defined) beneficially own, directly or indirectly, or

(B) which such person or any of its Affiliates or Associates has (i) the right to acquire (whether such right is exercisable immediately or only after the passage of time), pursuant to any agreement, arrangement or understanding or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise, or (ii) the right to vote pursuant to any agreement, arrangement or understanding, or

(C) which are beneficially owned, directly or indirectly, by any other person with which such first mentioned person or any of its Affiliates or Associates has any agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of any shares of capital stock of the Corporation.

(4) The outstanding Voting Shares shall include shares deemed owned through application of paragraph (3) above but shall not include any other Voting Shares which may be issuable pursuant to any agreement, or upon exercise of conversion rights, warrants or options or otherwise.

(5) “Affiliate” and “Associate” shall have the respective meanings given those terms in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as in effect on December 31, 1981.

(6) “Subsidiary” shall mean any corporation of which a majority of any class of equity security (as defined in Rule 3a11-1 of the General Rules and Regulations under the Securities Exchange Act of 1934, as in effect on December 31, 1981) is owned, directly or indirectly, by the Corporation; provided, however, that for the purposes of the definition of Investment Stockholder set forth in paragraph (2) of this section (c), the term “Subsidiary” shall mean only a corporation of which a majority of each class of equity security is owned, directly or indirectly, by the Corporation.

(d) majority of the directors shall have the power and duty to determine for the purposes of this Article **Fifteenth** on the basis of information known to them, (1) the number of Voting Shares beneficially owned by any person (2) whether a person is an Affiliate or Associate of another, (3) whether a person has an agreement, arrangement or understanding with another as to the matters referred to in paragraph (3) of section (c), or (4) whether the assets subject to any business combination or the consideration received for the issuance or transfer of securities by the Corporation, or any Subsidiary has an aggregate fair market value of $1,000,000 or more.

(e) Nothing contained in this Article **Fifteenth** shall be construed to relieve any Interested Stockholder from any fiduciary obligation imposed by law.

Sixteenth: Notwithstanding any other provision of this Charter or Act of Incorporation or the By-Laws of the Corporation (and in addition to any other vote that may be required by law, this Charter or Act of Incorporation by the By-Laws), the affirmative vote of the holders of at least two-thirds of the outstanding shares of the capital stock of the Corporation entitled to vote generally in the election of directors (considered for this purpose as one class) shall be required to amend, alter or repeal any provision of Articles **Fifth, Thirteenth, Fifteenth** or **Sixteenth** of this Charter or Act of Incorporation.

Seventeenth:

(a) a Director of this Corporation shall not be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a Director, except to the extent such exemption from liability or limitation thereof is not permitted under the Delaware General Corporation Laws as the same exists or may hereafter be amended.

(b) Any repeal or modification of the foregoing paragraph shall not adversely affect any right or protection of a Director of the Corporation existing hereunder with respect to any act or omission occurring prior to the time of such repeal or modification.”

ADOPTED: January 21, 2009

EXHIBIT 4

BY-LAWS

WILMINGTON TRUST COMPANY

WILMINGTON, DELAWARE

ARTICLE 1
Stockholders' Meetings

Section 1. Annual Meeting. The annual meeting of stockholders shall be held on the third Thursday in April each year at the principal office at the Company or at such other date, time or place as may be designated by resolution by the Board of Directors.

Section 2. Special Meetings. Special meetings of stockholders may be called at any time by the Board of Directors, the Chairman of the Board, the Chief Executive Officer or the President.

Section 3. Notice. Notice of all meetings of the stockholders shall be given by mailing to each stockholder at least ten (10) days before said meeting, at his last known address, a written or printed notice fixing the time and place of such meeting.

Section 4. Quorum. A majority in the amount of the capital stock of the Company issued and outstanding on the record date, as herein determined, shall constitute a quorum at all meetings of stockholders for the transaction of any business, but the holders of a smaller number of shares may adjourn from time to time, without further notice, until a quorum is secured. At each annual or special meeting of stockholders, each stockholder shall be entitled to one vote, either in person or by proxy, for each share of stock registered in the stockholder's name on the books of the Company on the record date for any such meeting as determined herein.

ARTICLE 2
Directors

Section 1. Management. The affairs and business of the Company shall be managed by or under the direction of the Board of Directors.

Section 2. Number. The authorized number of directors that shall constitute the Board of Directors shall be fixed from time to time by or pursuant to a resolution passed by a majority of

the Board of Directors within the parameters set by the Charter of the Company. No more than two directors may also be employees of the Company or any affiliate thereof.

Section 3. Qualification. In addition to any other provisions of these Bylaws, to be qualified for nomination for election or appointment to the Board of Directors, a person must have not attained the age of sixty-nine years at the time of such election or appointment, provided however, the Nominating and Corporate Governance Committee may waive such qualification as to a particular candidate otherwise qualified to serve as a director upon a good faith determination by such committee that such a waiver is in the best interests of the Company and its stockholders. The Chairman of the Board and the Chief Executive Officer shall not be qualified to continue to serve as directors upon the termination of their service in those offices for any reason.

Section 4. Meetings. The Board of Directors shall meet at the principal office of the Company or elsewhere in its discretion at such times to be determined by a majority of its members, or at the call of the Chairman of the Board of Directors, the Chief Executive Officer or the President.

Section 5. Special Meetings. Special meetings of the Board of Directors may be called at any time by the Chairman of the Board, the Chief Executive Officer or the President, and shall be called upon the written request of a majority of the directors.

Section 6. Quorum. A majority of the directors elected and qualified shall be necessary to constitute a quorum for the transaction of business at any meeting of the Board of Directors.

Section 7. Notice. Written notice shall be sent by mail to each director of any special meeting of the Board of Directors, and of any change in the time or place of any regular meeting, stating the time and place of such meeting, which shall be mailed not less than two days before the time of holding such meeting.

Section 8. Vacancies. In the event of the death, resignation, removal, inability to act or disqualification of any director, the Board of Directors, although less than a quorum, shall have the right to elect the successor who shall hold office for the remainder of the full term of the class of directors in which the vacancy occurred, and until such director’s successor shall have been duly elected and qualified.

Section 9. Organization Meeting. The Board of Directors at its first meeting after its election by the stockholders shall appoint an Audit Committee, a Compensation Committee and a Nominating and Corporate Governance Committee, and shall elect from its own members a Chairman of the Board, a Chief Executive Officer and a President, who may be the same person. The Board of Directors shall also elect at such meeting a Secretary and a Chief Financial Officer, who may be the same person, and may appoint at any time such committees as it may deem advisable. The Board of Directors may also elect at such meeting one or more Associate

Directors. The Board of Directors, or a committee designated by the Board of Directors may elect or appoint such other officers as they may deem advisable.

Section 10. Removal. The Board of Directors may at any time remove, with or without cause, any member of any committee appointed by it or any associate director or officer elected by it and may appoint or elect his successor.

Section 11. Responsibility of Officers. The Board of Directors may designate an officer to be in charge of such departments or divisions of the Company as it may deem advisable.

Section 12. Participation in Meetings. The Board of Directors or any committee of the Board of Directors may participate in a meeting of the Board of Directors or such committee, as the case may be, by conference telephone, video facilities or other communications equipment. Any action required or permitted to be taken at any meeting of the Board of Directors or any committee thereof may be taken without a meeting if all of the members of the Board of Directors or the committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of the Board of Directors or such committee.

ARTICLE 3
Committees of the Board of Directors

Section 1. Audit Committee.

(A) The Audit Committee shall be composed of not less than three (3) members, who shall be selected by the Board of Directors from its own members, none of whom shall be an officer or employee of the Company, and shall hold office at the pleasure of the Board.

(B) The Audit Committee shall have general supervision over the Audit Services Division in all matters however subject to the approval of the Board of Directors; it shall consider all matters brought to its attention by the officer in charge of the Audit Services Division, review all reports of examination of the Company made by any governmental agency or such independent auditor employed for that purpose, and make such recommendations to the Board of Directors with respect thereto or with respect to any other matters pertaining to auditing the Company as it shall deem desirable.

(C) The Audit Committee shall meet whenever and wherever its Chairperson, the Chairman of the Board, the Chief Executive Officer, the President or a majority of the Committee’s members shall deem it to be proper for the transaction of its business. A majority of the Committee’s members shall constitute a quorum for the transaction of business. The acts of the majority at a meeting at which a quorum is present shall constitute action by the Committee.

Section 2. Compensation Committee.

(A) The Compensation Committee shall be composed of not less than three (3) members, who shall be selected by the Board of Directors from its own members, none of whom shall be an officer or employee of the Company, and shall hold office at the pleasure of the Board of Directors.

(B) The Compensation Committee shall in general advise upon all matters of policy concerning compensation, including salaries and employee benefits.

(C) The Compensation Committee shall meet whenever and wherever its Chairperson, the Chairman of the Board, the Chief Executive Officer, the President or a majority of the Committee's members shall deem it to be proper for the transaction of its business. A majority of the Committee's members shall constitute a quorum for the transaction of business. The acts of the majority at a meeting at which a quorum is present shall constitute action by the Committee.

Section 3. Nominating and Corporate Governance Committee.

(A) The Nominating and Corporate Governance Committee shall be composed of not less than three (3) members, who shall be selected by the Board of Directors from its own members, none of whom shall be an officer or employee of the Company, and shall hold office at the pleasure of the Board of Directors.

(B) The Nominating and Corporate Governance Committee shall provide counsel and make recommendations to the Chairman of the Board and the full Board with respect to the performance of the Chairman of the Board and the Chief Executive Officer, candidates for membership on the Board of Directors and its committees, matters of corporate governance, succession planning for the Company's executive management and significant shareholder relations issues.

(C) The Nominating and Corporate Governance Committee shall meet whenever and wherever its Chairperson, the Chairman of the Board, the Chief Executive Officer, the President, or a majority of the Committee's members shall deem it to be proper for the transaction of its business. A majority of the Committee's members shall constitute a quorum for the transaction of business. The acts of the majority at a meeting at which a quorum is present shall constitute action by the Committee.

Section 4. Other Committees. The Company may have such other committees with such powers as the Board may designate from time to time by resolution or by an amendment to these Bylaws.

Section 5. Associate Directors.

(A) Any person who has served as a director may be elected by the Board of Directors as an associate director, to serve at the pleasure of the Board of Directors.

(B) Associate directors shall be entitled to attend all meetings of directors and participate in the discussion of all matters brought to the Board of Directors, but will not have a right to vote.

Section 6. Absence or Disqualification of Any Member of a Committee. In the absence or disqualification of any member of any committee created under Article III of these Bylaws, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member.

ARTICLE 4
Officers

Section 1. Chairman of the Board. The Chairman of the Board shall preside at all meetings of the Board of Directors and shall have such further authority and powers and shall perform such duties the Board of Directors may assign to him from time to time.

Section 2. Chief Executive Officer. The Chief Executive Officer shall have the powers and duties pertaining to the office of Chief Executive Officer conferred or imposed upon him by statute, incident to his office or as the Board of Directors may assign to him from time to time. In the absence of the Chairman of the Board, the Chief Executive Officer shall have the powers and duties of the Chairman of the Board.

Section 3. President. The President shall have the powers and duties pertaining to the office of the President conferred or imposed upon him by statute, incident to his office or as the Board of Directors may assign to him from time to time. In the absence of the Chairman of the Board and the Chief Executive Officer, the President shall have the powers and duties of the Chairman of the Board.

Section 4. Duties. The Chairman of the Board, the Chief Executive Officer or the President, as designated by the Board of Directors, shall carry into effect all legal directions of the Board of Directors and shall at all times exercise general supervision over the interest, affairs and operations of the Company and perform all duties incident to his office.

Section 5. Vice Presidents. There may be one or more Vice Presidents, however denominated by the Board of Directors, who may at any time perform all of the duties of the Chairman of the Board, the Chief Executive Officer and/or the President and such other powers and duties incident to their respective offices or as the Board of Directors, the Chairman of the

Board, the Chief Executive Officer or the President or the officer in charge of the department or division to which they are assigned may assign to them from time to time.

Section 6. Secretary. The Secretary shall attend to the giving of notice of meetings of the stockholders and the Board of Directors, as well as the committees thereof, to the keeping of accurate minutes of all such meetings, recording the same in the minute books of the Company and in general notifying the Board of Directors of material matters affecting the Company on a timely basis. In addition to the other notice requirements of these Bylaws and as may be practicable under the circumstances, all such notices shall be in writing and mailed well in advance of the scheduled date of any such meeting. He shall have custody of the corporate seal, affix the same to any documents requiring such corporate seal, attest the same and perform other duties incident to his office.

Section 7. Chief Financial Officer. The Chief Financial Officer shall have general supervision over all assets and liabilities of the Company. He shall be custodian of and responsible for all monies, funds and valuables of the Company and for the keeping of proper records of the evidence of property or indebtedness and of all transactions of the Company. He shall have general supervision of the expenditures of the Company and periodically shall report to the Board of Directors the condition of the Company, and perform such other duties incident to his office or as the Board of Directors, the Chairman of the Board, the Chief Executive Officer or the President may assign to him from time to time.

Section 8. Controller. There may be a Controller who shall exercise general supervision over the internal operations of the Company, including accounting, and shall render to the Board of Directors or the Audit Committee at appropriate times a report relating to the general condition and internal operations of the Company and perform other duties incident to his office.

There may be one or more subordinate accounting or controller officers however denominated, who may perform the duties of the Controller and such duties as may be prescribed by the Controller.

Section 9. Audit Officers. The officer designated by the Board of Directors to be in charge of the Audit Services Division of the Company, with such title as the Board of Directors shall prescribe, shall report to and be directly responsible to the Audit Committee and the Board of Directors.

There shall be an Auditor and there may be one or more Audit Officers, however denominated, who may perform all the duties of the Auditor and such duties as may be prescribed by the officer in charge of the Audit Services Division.

Section 10. Other Officers. There may be one or more officers, subordinate in rank to all Vice Presidents with such functional titles as shall be determined from time to time by the Board of Directors, who shall ex officio hold the office of Assistant Secretary of the Company and who

may perform such duties as may be prescribed by the officer in charge of the department or division to which they are assigned.

Section 11. Powers and Duties of Other Officers. The powers and duties of all other officers of the Company shall be those usually pertaining to their respective offices, subject to the direction of the Board of Directors, the Chairman of the Board, the Chief Executive Officer or the President and the officer in charge of the department or division to which they are assigned.

Section 12. Number of Offices. Any one or more offices of the Company may be held by the same person, except that (A) no individual may hold more than one of the offices of Chief Financial Officer, Controller or Audit Officer and (B) none of the Chairman of the Board, the Chief Executive Officer or the President may hold any office mentioned in Section 12(A).

ARTICLE 5
Stock and Stock Certificates

Section 1. Transfer. Shares of stock shall be transferable on the books of the Company and a transfer book shall be kept in which all transfers of stock shall be recorded.

Section 2. Certificates. Every holder of stock shall be entitled to have a certificate signed by or in the name of the Company by the Chairman of the Board, the Chief Executive Officer or the President or a Vice President, and by the Secretary or an Assistant Secretary, of the Company, certifying the number of shares owned by him in the Company. The corporate seal affixed thereto, and any of or all the signatures on the certificate, may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Company with the same effect as if he were such officer, transfer agent or registrar at the date of issue. Duplicate certificates of stock shall be issued only upon giving such security as may be satisfactory to the Board of Directors.

Section 3. Record Date. The Board of Directors is authorized to fix in advance a record date for the determination of the stockholders entitled to notice of, and to vote at, any meeting of stockholders and any adjournment thereof, or entitled to receive payment of any dividend, or to any allotment of rights, or to exercise any rights in respect of any change, conversion or exchange of capital stock, or in connection with obtaining the consent of stockholders for any purpose, which record date shall not be more than 60 nor less than 10 days preceding the date of any meeting of stockholders or the date for the payment of any dividend, or the date for the allotment of rights, or the date when any change or conversion or exchange of capital stock shall go into effect, or a date in connection with obtaining such consent.

ARTICLE 6
Seal

The corporate seal of the Company shall be in the following form:

Between two concentric circles the words "Wilmington Trust Company" within the inner circle the words "Wilmington, Delaware."

ARTICLE 7
Fiscal Year

The fiscal year of the Company shall be the calendar year.

ARTICLE 8
Execution of Instruments of the Company

The Chairman of the Board, the Chief Executive Officer, the President or any Vice President, however denominated by the Board of Directors, shall have full power and authority to enter into, make, sign, execute, acknowledge and/or deliver and the Secretary or any Assistant Secretary shall have full power and authority to attest and affix the corporate seal of the Company to any and all deeds, conveyances, assignments, releases, contracts, agreements, bonds, notes, mortgages and all other instruments incident to the business of this Company or in acting as executor, administrator, guardian, trustee, agent or in any other fiduciary or representative capacity by any and every method of appointment or by whatever person, corporation, court officer or authority in the State of Delaware, or elsewhere, without any specific authority, ratification, approval or confirmation by the Board of Directors, and any and all such instruments shall have the same force and validity as though expressly authorized by the Board of Directors.

ARTICLE 9
Compensation of Directors and Members of Committees

Directors and associate directors of the Company, other than salaried officers of the Company, shall be paid such reasonable honoraria or fees for attending meetings of the Board of Directors as the Board of Directors may from time to time determine. Directors and associate directors who serve as members of committees, other than salaried employees of the Company, shall be paid such reasonable honoraria or fees for services as members of committees as the Board of Directors shall from time to time determine and directors and associate directors may be authorized by the Company to perform such special services as the Board of Directors may from time to time determine in accordance with any guidelines the Board of Directors may adopt for such services, and shall be paid for such special services so performed reasonable compensation as may be determined by the Board of Directors.

ARTICLE 10
Indemnification

Section 1. Persons Covered. The Company shall indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "proceeding") by reason of the fact that he, or a person for whom he is the legal representative, is or was a director or associate director of the Company, a member of an advisory board the Board of Directors of the Company or any of its subsidiaries may appoint from time to time or is or was serving at the request of the Company as a director, officer, employee, fiduciary or agent of another corporation, partnership, limited liability company, joint venture, trust, enterprise or non-profit entity that is not a subsidiary or affiliate of the Company, including service with respect to employee benefit plans, against all liability and loss suffered and expenses reasonably incurred by such person. The Company shall be required to indemnify such a person in connection with a proceeding initiated by such person only if the proceeding was authorized by the Board of Directors.

The Company may indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person who was or is made or threatened to be made a party or is otherwise involved in any proceeding by reason of the fact that he, or a person for whom he is the legal representative, is or was an officer, employee or agent of the Company or a director, officer, employee or agent of a subsidiary or affiliate of the Company, against all liability and loss suffered and expenses reasonably incurred by such person. The Company may indemnify any such person in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the Board of Directors.

Section 2. Advance of Expenses. The Company shall pay the expenses incurred in defending any proceeding involving a person who is or may be indemnified pursuant to Section 1 in advance of its final disposition, provided, however, that the payment of expenses incurred by such a person in advance of the final disposition of the proceeding shall be made only upon receipt of an undertaking by that person to repay all amounts advanced if it should be ultimately determined that the person is not entitled to be indemnified under this Article 10 or otherwise.

Section 3. Certain Rights. If a claim under this Article 10 for (A) payment of expenses or (B) indemnification by a director, associate director, member of an advisory board the Board of Directors of the Company or any of its subsidiaries may appoint from time to time or a person who is or was serving at the request of the Company as a director, officer, employee, fiduciary or agent of another corporation, partnership, limited liability company, joint venture, trust, enterprise or nonprofit entity that is not a subsidiary or affiliate of the Company, including service with respect to employee benefit plans, is not paid in full within sixty days after a written claim therefor has been received by the Company, the claimant may file suit to recover the

unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim. In any such action, the Company shall have the burden of proving that the claimant was not entitled to the requested indemnification or payment of expenses under applicable law.

Section 4. Non-Exclusive. The rights conferred on any person by this Article 10 shall not be exclusive of any other rights which such person may have or hereafter acquire under any statute, provision of the Charter or Act of Incorporation, these Bylaws, agreement, vote of stockholders or disinterested directors or otherwise.

Section 5. Reduction of Amount. The Company's obligation, if any, to indemnify any person who was or is serving at its request as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, enterprise or nonprofit entity shall be reduced by any amount such person may collect as indemnification from such other corporation, partnership, joint venture, trust, enterprise or nonprofit entity.

Section 6. Effect of Modification. Any amendment, repeal or modification of the foregoing provisions of this Article 10 shall not adversely affect any right or protection hereunder of any person in respect of any act or omission occurring prior to the time of such amendment, repeal or modification.

ARTICLE 11
Amendments to the Bylaws

These Bylaws may be altered, amended or repealed, in whole or in part, and any new Bylaw or Bylaws adopted at any regular or special meeting of the Board of Directors by a vote of a majority of all the members of the Board of Directors then in office.

ARTICLE 12
Miscellaneous

Whenever used in these Bylaws, the singular shall include the plural, the plural shall include the singular unless the context requires otherwise and the use of either gender shall include both genders.

EXHIBIT 6

Section 321(b) Consent

Pursuant to Section 321(b) of the Trust Indenture Act of 1939, as amended, Wilmington Trust Company hereby consents that reports of examinations by Federal, State, Territorial or District authorities may be furnished by such authorities to the Securities and Exchange Commission upon request therefor.

WILMINGTON TRUST COMPANY

Dated: February 2, 2011

By: /s/ Patrick J. Healy
Name: Patrick J. Healy
Title: Vice President

EXHIBIT 7

This form is intended to assist state nonmember banks and savings banks with state publication requirements. It has not been approved by any state banking authorities. Refer to your appropriate state banking authorities for your state publication requirements.

REPORT OF CONDITION

WILMINGTON TRUST COMPANY	of	Wilmington
Name of Bank	City	

in the State of Delaware, at the close of business on September 30, 2010:

	Thousands of Dollars
ASSETS	
Cash and balances due from depository institutions:	815,920
Securities:	578,878
Federal funds sold and securities purchased under agreement to resell:	25,000
Loans and leases held for sale:	5,772
Loans and leases net of unearned income, allowance:	6,595,790
Premises and fixed assets:	116,882
Other real estate owned:	36,090
Investments in unconsolidated subsidiaries and associated companies:	1,206
Direct and indirect investments in real estate ventures:	5,553
Intangible assets:	6,239
Other assets:	513,451
Total Assets:	**8,700,781**

	Thousands of Dollars
LIABILITIES	
Deposits	7,066,266
Federal Funds Purchased and Securities Sold Under Agreements to Repurchase	314,979
Other borrowed money:	78,917
Other Liabilities:	428,918
Total Liabilities	**7,889,080**

	Thousands of Dollars
EQUITY CAPITAL	
Common Stock	500
Surplus	579,976
Retained Earnings	339,476
Accumulated other comprehensive income	(108,251)
Total Equity Capital	811,701
Total Liabilities and Equity Capital	**8,700,781**

Letter Of Transmittal

Offer to Exchange
12.5%/15.0% Senior Subordinated Notes due 2016, which have been registered under the Securities Act of 1933, as amended,
for any and all outstanding 12.5%/15.0% Senior Subordinated Notes due 2016
144A Notes (CUSIP 75040P AK4 and ISIN US75040PAK49)
Regulation S Notes (CUSIP U74935 AC8 and ISIN USU74935AC87)
Institutional Accredited Investor Notes (75040P AM0 and ISIN US75040PAM05)
of
Radio One, Inc.

THE EXCHANGE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON , 2011 (THE "*EXPIRATION DATE*"), UNLESS EXTENDED BY RADIO ONE, INC., IN ITS SOLE DISCRETION.

The Exchange Agent for the Exchange Offer is:

Wilmington Trust Company

By Registered Mail or Overnight Carrier:	*Facsimile Transmission:*	*By Hand Delivery*:
Wilmington Trust Company Rodney Square North 1100 North Market Street Wilmington, DE 19890-1600 Attention: Patrick Healy	(for eligible institutions only) (302) 636-4149 Confirm by Telephone: (302) 636-6391	Wilmington Trust Company Rodney Square North 1100 North Market Street Wilmington, DE 19890-1605 Attention: Patrick Healy

Delivery of this Letter of Transmittal to an address other than as set forth above or transmission of this Letter of Transmittal via a facsimile transmission to a number other than as set forth above will not constitute a valid delivery.

The undersigned acknowledges receipt of the prospectus, dated , 2011 (the "Prospectus"), of Radio One, Inc., and this Letter of Transmittal (the "Letter of Transmittal"), which together describe Radio One, Inc.'s offer (the "Exchange Offer") to exchange up to $286,794,302 aggregate principal amount of 12.5%/15.0% Senior Subordinated Notes due 2016 (together with the guarantees thereof, the "Exchange Notes"), which have been registered under the Securities Act of 1933, as amended (the "Securities Act"), of Radio One, Inc., for a like aggregate principal amount of 12.5%/15.0% Senior Subordinated Notes due 2016 (together with the guarantees thereof, the "Outstanding Notes") of Radio One, Inc.

The terms of the Exchange Notes and the Outstanding Notes are identical in all respects, except that, because the offer of the Exchange Notes will have been registered under the Securities Act, the Exchange Notes will not be subject to transfer restrictions, registration rights or the related provisions for increased interest if we default under the registration rights agreement applicable to the Outstanding Notes.

Capitalized terms used but not defined herein shall have the same meaning given them in the Prospectus.

Your bank or broker can assist you in completing this form. The instructions included with this Letter of Transmittal must be followed. Questions and requests for assistance or for additional copies of the prospectus and this Letter of Transmittal may be directed to the Exchange Agent.

The undersigned has checked the appropriate boxes below and signed this Letter of Transmittal to indicate the action the undersigned desires to take with respect to the Exchange Offer.

Please read the entire Letter of Transmittal and the prospectus carefully before checking any box below.

List below the Outstanding Notes to which this Letter of Transmittal relates. If the space provided below is inadequate, the certificate numbers and aggregate principal amounts should be listed on a separate signed schedule affixed hereto.

DESCRIPTION OF OUTSTANDING NOTES			
Name(s) And Address(es) of Registered Holder(s) (Please Fill In)	**Certificate Number(s)***	**Aggregate Principal Amount Represented****	**Principal Amount Tendered****
Total principal amount of Outstanding Notes			

* Need not be completed by holders delivering by book-entry transfer (see below).
** Outstanding Notes may be tendered in whole or in part in minimum denominations of U.S.$1 and integral multiples of U.S.$1 in excess thereof. All Outstanding Notes held shall be deemed tendered unless a lesser number is specified in this column. See Instruction 4.

Unless the context otherwise requires, the term "holder" for purposes of this Letter of Transmittal means any person in whose name Outstanding Notes are registered or any other person who has obtained a properly completed bond power from the registered holder or any person whose Outstanding Notes are held of record by The Depository Trust Company ("DTC").

Please read this entire Letter of Transmittal carefully before completing the boxes below.

- ☐ **Check here if certificates for tendered Outstanding Notes are enclosed herewith.**

- ☐ **Check here if tendered Outstanding Notes are being delivered by book-entry transfer made to the account maintained by the Exchange Agent with the DTC and complete the following:**

  Name of Tendering Institution: ______________________________

  Account Number with DTC: ______________________________

  Transaction Code Number: ______________________________

- ☐ **Check here if you tendered by book-entry transfer and desire any non-exchanged notes to be returned to you by crediting the book-entry transfer facility account number set forth above.**

Broker-Dealer Status

☐ Check here if you are a broker-dealer that acquired your tendered notes for your own account as a result of market-making or other trading activities and wish to receive 10 additional copies of the Prospectus and any amendments or supplements thereto.

Name: ______________________________

Address: ______________________________

Note: signatures must be provided below

PLEASE READ THE ACCOMPANYING INSTRUCTIONS CAREFULLY

Ladies and Gentlemen:

Upon the terms and subject to the conditions of the Exchange Offer, the undersigned hereby tenders to Radio One, Inc. the principal amount of the Outstanding Notes indicated above. Subject to, and effective upon, the acceptance for exchange of all or any portion of the Outstanding Notes tendered herewith in accordance with the terms and conditions of the Exchange Offer (including, if the Exchange Offer is extended or amended, the terms and conditions of any such extension or amendment), the undersigned hereby exchanges, assigns and transfers to, or upon the order of, Radio One, Inc. all right, title and interest in and to such Outstanding Notes as are being tendered herewith. The undersigned hereby irrevocably constitutes and appoints the Exchange Agent as its true and lawful agent and attorney-in-fact of the undersigned to cause the Outstanding Notes to be assigned, transferred and exchanged.

The undersigned represents and warrants that it has full power and authority to tender, exchange, assign and transfer the Outstanding Notes and to acquire Exchange Notes issuable upon the exchange of such tendered Outstanding Notes, and that, when the same are accepted for exchange, Radio One, Inc. will acquire good and unencumbered title to the tendered Outstanding Notes, free and clear of all liens, restrictions, charges and encumbrances and not subject to any adverse claim. The undersigned also warrants that it will, upon request, execute and deliver any additional documents deemed by the Exchange Agent or Radio One, Inc. to be necessary or desirable to complete the exchange, assignment and transfer of the tendered Outstanding Notes or transfer ownership of such Outstanding Notes on the account books maintained by the book-entry transfer facility. The undersigned further agrees that acceptance of any and all validly tendered Outstanding Notes by Radio One, Inc. and the issuance of Exchange Notes in exchange therefor shall constitute performance in full by Radio One, Inc. of its obligations under the Registration Rights Agreement, dated as of November 24, 2010, among Radio One, Inc., the note guarantors named therein and initial holders of the Outstanding Notes (the “Registration Rights Agreement”), and that Radio One, Inc. shall have no further obligations or liabilities thereunder. The undersigned will comply with its obligations under the Registration Rights Agreement.

The Exchange Offer is subject to certain conditions as set forth in the Prospectus under the caption “Exchange Offer — Conditions to the Exchange Offer.” As a result of these conditions (which may be waived, in whole or in part, by Radio One, Inc.), as more particularly set forth in the Prospectus, Radio One, Inc. may not be required to exchange any of the Outstanding Notes tendered hereby and, in such event, the Outstanding Notes not exchanged will be returned to the undersigned at the address shown above, promptly following the expiration or termination of the Exchange Offer. In addition, Radio One, Inc. may amend the Exchange Offer at any time prior to the Expiration Date if any of the conditions set forth under “Exchange Offer — Conditions to the Exchange Offer” occur.

Tenders of Outstanding Notes pursuant to any one of the procedures described in the Prospectus and in the instructions attached hereto will, upon Radio One, Inc.’s acceptance for exchange of such tendered Outstanding Notes, constitute a binding agreement between the undersigned and Radio One, Inc. upon the terms and subject to the conditions of the Exchange Offer. Under circumstances set forth in the Prospectus, Radio One, Inc. may not be required to accept for exchange any of the Outstanding Notes.

By tendering Outstanding Notes and executing this Letter of Transmittal, the undersigned represents that (1) the Exchange Notes acquired pursuant to the Exchange Offer are being acquired in the ordinary course of business of the undersigned, (2) the undersigned is not engaging in and does not intend to engage in a distribution of such Exchange Notes, (3) the undersigned does not have an arrangement or understanding with any person to participate in the distribution of such Exchange Notes, (4) the undersigned is not an “affiliate” of Radio One, Inc. within the meaning of Rule 405 under the Securities Act, (5) the undersigned is not a broker-dealer tendering Outstanding Notes directly acquired from Radio One, Inc. for its own account, and (6) the undersigned is not acting on behalf of any person who could not truthfully make the foregoing representations.

The undersigned also acknowledges that this Exchange Offer is being made by Radio One, Inc. based upon Radio One, Inc.’s understanding of an interpretation by the staff of the Securities and Exchange Commission (the “Commission”) as set forth in no-action letters issued to third parties, that the Exchange Notes issued in exchange for the Outstanding Notes pursuant to the Exchange Offer may be offered for resale, resold and otherwise transferred by holders thereof (other than any such holder that is an affiliate of Radio One, Inc. within the meaning of Rule 405 under the Securities Act), without compliance with the registration and prospectus delivery provisions of the Securities Act, provided that such

Exchange Notes are acquired in the ordinary course of such holders' business, and such holders are not engaged in, and do not intend to engage in, a distribution of such Exchange Notes and have no arrangement or understanding with any person to participate in the distribution of such Exchange Notes. However, the staff of the Commission has not considered this Exchange Offer in the context of a no-action letter, and there can be no assurance that the staff of the Commission would make a similar determination with respect to this Exchange Offer as in other circumstances. If a holder of Outstanding Notes is an affiliate of Radio One, Inc., or is engaged in or intends to engage in a distribution of the Exchange Notes or has any arrangement or understanding with respect to the distribution of the Exchange Notes to be acquired pursuant to the Exchange Offer, such holder could not rely on the applicable interpretations of the staff of the Commission and must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any secondary resale transaction. If the undersigned is a broker-dealer it: (1) represents that the Outstanding Notes to be exchanged for Exchange Notes were acquired by it as a result of market-making or other trading activities, (2) confirms that it has not entered into any arrangement or understanding with the issuer or an affiliate of the issuer to distribute the Exchange Notes and (3) acknowledges that it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of such Exchange Notes. By acknowledging that it will deliver and by delivering a prospectus meeting the requirements of the Securities Act in connection with any resale of such Exchange Notes, the undersigned is not deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

All authority herein conferred or agreed to be conferred shall survive the death or incapacity of the undersigned and every obligation of the undersigned hereunder shall be binding upon the heirs, personal representatives, successors and assigns of the undersigned. Tendered Outstanding Notes may be withdrawn at any time prior to the Expiration Date in accordance with the terms of this Letter of Transmittal. Except as stated in the Prospectus, this tender is irrevocable.

Certificates for all Exchange Notes delivered in exchange for tendered Outstanding Notes and any Outstanding Notes delivered herewith but not exchanged, and registered in the name of the undersigned, shall be delivered to the undersigned at the address shown below the signature of the undersigned.

The undersigned, by completing the box entitled "Description of Outstanding Notes" above and signing this letter, will be deemed to have tendered the Outstanding Notes as set forth in such box.

PLEASE SIGN HERE

(To Be Completed By All Tendering Holders of Outstanding Notes Regardless of
Whether Outstanding Notes Are Being Physically Delivered Herewith, unless an Agent's Message
Is Delivered in Connection with a Book-Entry Transfer of Such Outstanding Notes)

This Letter of Transmittal must be signed by the registered holder(s) of Outstanding Notes exactly as their name(s) appear(s) on certificate(s) for Outstanding Notes or on a security position listing, or by person(s) authorized to become registered holder(s) by endorsements and documents transmitted with this Letter of Transmittal. If the signature is by a trustee, executor, administrator, guardian, attorney-in-fact, officer or other person acting in a fiduciary or representative capacity, such person must set forth his or her full title below under "Capacity" and submit evidence satisfactory to the Exchange Agent of such person's authority to so act. See Instruction 5 below.

If the signature appearing below is not of the registered holder(s) of the Outstanding Notes, then the registered holder(s) must sign a valid power of attorney.

X ____

X ____

Signature(s) of Holder(s) or Authorized Signatory

Dated ______________________

Name(s) ____

____

Capacity ____

Address ____

Including Zip Code

____

Area Code and Telephone No. ____

Please Complete Substitute Form W-9 Herein

SIGNATURE GUARANTEE (If required — see Instructions 2 and 5 below)

Certain Signatures Must be Guaranteed by a Signature Guarantor

____

(Name of Signature Guarantor Guaranteeing Signatures)

____

(Address (including zip code) and Telephone Number (including area code) of Firm)

____

(Authorized Signature)

____

(Printed Name)

____

(Title)

Dated ______________________

SPECIAL ISSUANCE INSTRUCTIONS
(See Instructions 4 through 7)

To be completed ONLY if certificates for Outstanding Notes in a principal amount not tendered are to be issued in the name of, or Exchange Notes issued pursuant to the Exchange Offer are to be issued in the name of, someone other than the person or persons whose name(s) appear(s) within this Letter of Transmittal or issued to an address different from that shown in the box entitled "Description of Outstanding Notes" within this Letter of Transmittal.

Issue: ☐ Exchange Notes ☐ Outstanding Notes
(Complete as applicable)

Name ______________________________
(Please Print)

Address ______________________________
(Please Print)

____
(Zip Code)

____
Tax Identification or Social Security Number
(See Substitute Form W-9 Herein)

Credit Outstanding Notes not tendered, but represented by certificates tendered by this Letter of Transmittal, by book-entry transfer to:

☐ The Depository Trust Company

☐ ______________________________

☐ Account Number ______________________________

Credit Exchange Notes issued pursuant to the Exchange Offer by book-entry transfer to:

☐ The Depository Trust Company

☐ ______________________________

☐ Account Number ______________________________

SPECIAL ISSUANCE INSTRUCTIONS
(See Instructions 4 through 7)

To be completed ONLY if certificates for Outstanding Notes in a principal amount not tendered, or Exchange Notes, are to be sent to someone other than the person or persons whose name(s) appear(s) within this Letter of Transmittal to an address different from that shown in the box entitled "Description of Outstanding Notes" within this Letter of Transmittal.

Deliver: ☐ Exchange Notes ☐ Outstanding Notes
(Complete as applicable)

Name ______________________________
(Please Print)

Address ______________________________
(Please Print)

____
(Zip Code)

____

Is this a permanent address change:

☐ Yes ☐ No (check one box)

INSTRUCTIONS TO LETTER OF TRANSMITTAL
Forming Part Of The Terms And Conditions
Of The Exchange Offer

1. *Delivery of this Letter of Transmittal and Outstanding Notes.* This Letter of Transmittal is to be completed by holders of Outstanding Notes if certificates representing such Outstanding Notes are to be forwarded herewith, or, unless an agent's message is utilized, if delivery of such certificates is to be made by book-entry transfer to the account maintained by DTC, pursuant to the procedures set forth in the Prospectus under "Exchange Offer — Procedures for Tendering." For a holder to properly tender Outstanding Notes pursuant to the Exchange Offer, a properly completed and duly executed Letter of Transmittal (or a manually signed facsimile thereof), together with any signature guarantees and any other documents required by these Instructions, or a properly transmitted agent's message in the case of a book entry transfer, must be received by the Exchange Agent at its address set forth herein on or prior to the expiration date, and either (1) certificates representing such Outstanding Notes must be received by the Exchange Agent at its address, or (2) such Outstanding Notes must be transferred pursuant to the procedures for book-entry transfer described in the Prospectus under "Exchange Offer — Procedures for Tendering" and a book-entry confirmation must be received by the Exchange Agent on or prior to the expiration date.

The method of delivery of this Letter of Transmittal, the Outstanding Notes and all other required documents to the Exchange Agent is at the election and sole risk of the holder. Instead of delivery by mail, holders should use an overnight or hand delivery service. In all cases, holders should allow for sufficient time to ensure delivery to the Exchange Agent prior to the expiration of the Exchange Offer. Holders may request their broker, dealer, commercial bank, trust company or nominee to effect these transactions for such holder. Holders should not send any Outstanding Note, Letter of Transmittal or other required documents to Radio One, Inc.

2. *Guarantee of Signatures.* Signatures on this Letter of Transmittal or a notice of withdrawal must be guaranteed by a member firm of a registered national securities exchange or of the National Association of Securities Dealers, Inc., a commercial bank or trust company having an office or correspondent in the United States or by an "eligible guarantor institution" within the meaning of Rule 17Ad-15 promulgated under the Securities Exchange Act of 1934, as amended (banks; brokers and dealers; credit unions; national securities exchanges; registered securities associations; learning agencies; and savings associations) unless the Outstanding Notes tendered hereby are tendered (1) by a registered holder of Outstanding Notes (or by a participant in DTC whose name appears on a security position listing as the owner of such Outstanding Notes) who has not completed any of the boxes entitled "Special Issuance Instructions" or "Special Delivery Instructions," on the Letter of Transmittal, or (2) for the account of an "eligible guarantor institution." If the Outstanding Notes are registered in the name of a person other than the person who signed the Letter of Transmittal or if Outstanding Notes not tendered are to be returned to, or are to be issued to the order of, a person other than the registered holder or if Outstanding Notes not tendered are to be sent to someone other than the registered holder, then the signature on this Letter of Transmittal accompanying the tendered Outstanding Notes must be guaranteed as described above. Beneficial owners whose Outstanding Notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee must contact such broker, dealer, commercial bank, trust company or other nominee if they desire to tender Outstanding Notes. See "Exchange Offer — Procedures for Tendering" in the Prospectus.

3. *Withdrawal of Tenders.* Except as otherwise provided in the Prospectus, tenders of Outstanding Notes may be withdrawn at any time on or prior to the expiration date. For a withdrawal of tendered Outstanding Notes to be effective, a written or facsimile transmission notice of withdrawal must be received by the Exchange Agent on or prior to the expiration date at its address set forth on the cover of this Letter of Transmittal. Any such notice of withdrawal must (1) specify the name of the person who tendered the Outstanding Notes to be withdrawn, (2) identify the Outstanding Notes to be withdrawn, including the certificate number or numbers shown on the particular certificates evidencing such Outstanding Notes (unless such Outstanding Notes were tendered by book-entry transfer) and the aggregate principal amount represented by such Outstanding Notes, and (3) be signed by the holder of such Outstanding Notes in the same manner as the original signature on the Letter of Transmittal by which such Outstanding Notes were tendered (including any required signature guarantees), or be accompanied by (i) documents of transfer sufficient to have the trustee register the transfer of the Outstanding Notes into the name of the person withdrawing such Outstanding Notes, and (ii) a properly completed irrevocable proxy authorizing such person to effect such withdrawal on behalf of such holder. If the Outstanding Notes to be withdrawn have been delivered or otherwise identified to the Exchange Agent, a signed notice of

withdrawal is effective immediately upon written or facsimile notice of such withdrawal even if physical release is not yet effected.

Any permitted withdrawal of Outstanding Notes may not be rescinded. Any Outstanding Notes properly withdrawn will thereafter be deemed not validly tendered for purposes of the Exchange Offer. However, properly withdrawn Outstanding Notes may be retendered by following one of the procedures described in the Prospectus under the caption “Exchange Offer — Procedures for Tendering” at any time prior to the expiration date.

4. *Partial Tenders*. Tenders of Outstanding Notes pursuant to the Exchange Offer will be accepted only in principal amounts of at least U.S.$1 and in integral multiples of U.S.$1 in excess thereof. If less than the entire principal amount of any Outstanding Notes evidenced by a submitted certificate is tendered, the tendering holder must fill in the principal amount tendered in the last column of the box entitled “Description of Outstanding Notes” herein. The entire principal amount represented by the certificates for all Outstanding Notes delivered to the Exchange Agent will be deemed to have been tendered unless otherwise indicated. If the entire principal amount of all Outstanding Notes held by the holder is not tendered, certificates for the principal amount of Outstanding Notes not tendered and Exchange Notes issued in exchange for any Outstanding Notes tendered and accepted will be sent (or, if tendered by book-entry transfer, returned by credit to the account at DTC designated herein) to the holder unless otherwise provided in the appropriate box on this Letter of Transmittal (see Instruction 6), promptly after the expiration date.

5. *Signature on this Letter of Transmittal; Bond Powers and Endorsements; Guarantee of Signatures*. If this Letter of Transmittal is signed by the registered holder(s) of the Outstanding Notes tendered hereby, the signature must correspond with the name(s) as written on the face of certificates without alteration, enlargement or change whatsoever. If this Letter of Transmittal is signed by a participant in DTC whose name is shown as the owner of the Outstanding Notes tendered hereby, the signature must correspond with the name shown on the security position listing the owner of the Outstanding Notes.

If any of the Outstanding Notes tendered hereby are owned of record by two or more joint owners, all such owners must sign this Letter of Transmittal. If any tendered Outstanding Notes are registered in different names on several certificates, it will be necessary to complete, sign and submit as many copies of this Letter of Transmittal and any necessary accompanying documents as there are different names in which certificates are held.

If this Letter of Transmittal is signed by the holder, and the certificates for any principal amount of Outstanding Notes not tendered are to be issued (or if any principal amount of Outstanding Notes that is not tendered is to be reissued or returned) to or, if tendered by book-entry transfer, credited to the account of DTC of the registered holder, and Exchange Notes exchanged for Outstanding Notes in connection with the Exchange Offer are to be issued to the order of the registered holder, then the registered holder need not endorse any certificates for tendered Outstanding Notes nor provide a separate bond power. In any other case (including if this Letter of Transmittal is not signed by the registered holder), the registered holder must either properly endorse the certificates for Outstanding Notes tendered or transmit a separate properly completed bond power with this Letter of Transmittal (in either case, executed exactly as the name(s) of the registered holder(s) appear(s) on such Outstanding Notes, and, with respect to a participant in DTC whose name appears on a security position listing as the owner of Outstanding Notes, exactly as the name(s) of the participant(s) appear(s) on such security position listing), with the signature on the endorsement or bond power guaranteed by a signature guarantor or an eligible guarantor institution, unless such certificates or bond powers are executed by an eligible guarantor institution. See Instruction 2.

Endorsements on certificates for Outstanding Notes and signatures on bond powers provided in accordance with this Instruction 5 by registered holders not executing this Letter of Transmittal must be guaranteed by an eligible institution. See Instruction 2.

If this Letter of Transmittal or any certificates representing Outstanding Notes or bond powers are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and proper evidence satisfactory to the Exchange Agent of their authority so to act must be submitted with this Letter of Transmittal.

6. *Special Issuance and Special Delivery Instructions*. Tendering holders should indicate in the applicable box or boxes the name and address to which Outstanding Notes for principal amounts not tendered or Exchange Notes exchanged for Outstanding Notes in connection with the Exchange Offer are to be issued or sent, if different from the name and

address of the holder signing this Letter of Transmittal. In the case of issuance in a different name, the taxpayer-identification number of the person named must also be indicated. If no instructions are given, Outstanding Notes not tendered will be returned to the registered holder of the Outstanding Notes tendered. For holders of Outstanding Notes tendered by book-entry transfer, Outstanding Notes not tendered will be returned by crediting the account at DTC designated above.

7. *Taxpayer Identification Number and Substitute Form W-9.* Each tendering holder is required to provide the Exchange Agent with its correct taxpayer identification number, which, in the case of a holder who is an individual, is his or her social security number. If the Exchange Agent is not provided with the correct taxpayer identification number, the holder may be subject to backup withholding and a U.S.$50 penalty imposed by the Internal Revenue Service. If withholding results in an over-payment of taxes, a refund may be obtained. Certain holders (including, among others, all corporations and certain foreign individuals) are not subject to these backup withholding and reporting requirements. See the enclosed "Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9" for additional instructions.

To prevent backup withholding, each holder tendering Outstanding Notes must provide such holder's correct taxpayer identification number by completing the Substitute Form W-9, certifying that the taxpayer identification number provided is correct (or that such holder is awaiting a taxpayer identification number), and that (i) the holder has not been notified by the Internal Revenue Service that such holder is subject to backup withholding as a result of failure to report all interest or dividends or (ii) the Internal Revenue Service has notified the holder that such holder is no longer subject to backup withholding. If the Outstanding Notes are registered in more than one name or are not in the name of the actual owner, consult the "Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9" for information on which tax payer identification number to report.

Radio One, Inc. reserves the right in its sole discretion to take whatever steps are necessary to comply with its obligation regarding backup withholding.

8. *Transfer Taxes.* Radio One, Inc. will pay all transfer taxes, if any, required to be paid by Radio One, Inc. in connection with the exchange of the Outstanding Notes for the Exchange Notes. If, however, Exchange Notes, or Outstanding Notes for principal amounts not tendered or accepted for exchange, are to be delivered to, or are to be issued in the name of, any person other than the registered holder of the Outstanding Notes tendered, or if a transfer tax is imposed for any reason other than the exchange of the Outstanding Notes in connection with the Exchange Offer, then the amount of any transfer tax (whether imposed on the registered holder or any other persons) will be payable by the tendering holder. If satisfactory evidence of payment of the transfer taxes or exemption therefrom is not submitted with the Letter of Transmittal, the amount of such transfer taxes will be billed directly to the tendering holder.

9. *Mutilated, Lost, Stolen or Destroyed Outstanding Notes.* Any holder whose Exchange Notes have been mutilated, lost, stolen or destroyed should contact the Exchange Agent at the address indicated above for further instructions.

10. *Irregularities.* All questions as to the validity, form, eligibility, time of receipt, acceptance and withdrawal of any tenders of Outstanding Notes pursuant to the procedures described in the Prospectus and the form and validity of all documents will be determined by Radio One, Inc., in its sole discretion, which determination shall be final and binding on all parties. Radio One, Inc. reserves the absolute right, in its sole discretion, to reject any or all tenders of any Outstanding Notes determined by it not to be in proper form or the acceptance of which may, in the opinion of Radio One, Inc.'s counsel, be unlawful. Radio One, Inc. also reserves the absolute right, in its sole discretion, to waive or amend any of the conditions of the Exchange Offer or to waive any defect or irregularity in the tender of any particular Outstanding Notes, whether or not similar defects or irregularities are waived in the case of other tenders. Radio One, Inc.'s interpretations of the terms and conditions of the Exchange Offer (including, without limitation, the instructions in this Letter of Transmittal) shall be final and binding. No alternative, conditional or contingent tenders will be accepted. Unless waived, any irregularities in connection with tenders must be cured within such time as Radio One, Inc. shall determine. None of Radio One, Inc., the Exchange Agent or any other person will be under any duty to give notification of any defects or irregularities in such tenders or will incur any liability to holders for failure to give such notification. Tenders of such Outstanding Notes shall not be deemed to have been made until such irregularities have been cured or waived. Any Outstanding Notes received by the Exchange Agent that are not properly tendered and as to which the irregularities have

not been cured or waived will be returned by the Exchange Agent to the tendering holders, unless such holders have otherwise provided herein, promptly following the expiration date.

11. *Requests for Assistance or Additional Copies.* Questions relating to the procedure for tendering, as well as requests for assistance or additional copies of the Prospectus and this Letter of Transmittal, may be directed to the Exchange Agent at the address and telephone number set forth above. Holders may also contact their broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Exchange Offer.

IMPORTANT: This Letter of Transmittal or a facsimile thereof (together with certificates for Outstanding Notes and all other required documents) must be received by the Exchange Agent on or prior to 5:00 p.m., New York City time, on the expiration date.

<table>
<tr><td colspan="3">PAYER'S NAME: Wilmington Trust Company</td></tr>
<tr><td rowspan="2">SUBSTITUTE
FORM W-9

Department of the Treasury Internal Revenue Service

Payer's Request For Taxpayer Identification Number ("TIN")</td><td>Part 1 — PLEASE PROVIDE YOUR TIN IN THE BOX AT RIGHT AND CERTIFY OR BY SIGNING AND DATING BELOW</td><td>________
Social Security Number(s)
OR
Employer Identification Number(s)</td></tr>
<tr><td>PART 2 — CERTIFICATION — Under Penalties of Perjury, I certify that

(1) The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
(2) I am not subject to backup withholding because: (a) I am exempt from backup withholding, (b) I have not been notified by the Internal Revenue Service (the "IRS") that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding.</td><td>Part 3 —

Awaiting TIN ☐</td></tr>
<tr><td colspan="3">CERTIFICATION INSTRUCTIONS — You must cross out item (2) above if you have been notified by the IRS that you are subject to backup withholding because of underreporting interest or dividends on your tax return. However, if after being notified by the IRS that you are subject to backup withholding you receive another notification from the IRS stating that you are no longer subject to backup withholding, do not cross out item (2).
SIGNATURE DATE
NAME
(please print)</td></tr>
</table>

YOU MUST COMPLETE THE FOLLOWING CERTIFICATE IF YOU CHECKED THE BOX IN PART 3 OF THE SUBSTITUTE FORM W-9.

CERTIFICATION OF AWAITING TAXPAYER IDENTIFICATION NUMBER

I certify under penalties of perjury that a taxpayer identification number has not been issued to me, and either (1) I have mailed or delivered an application to receive a taxpayer identification number to the appropriate Internal Revenue Service Center or Social Security Administration office, or (2) I intend to mail or deliver an application in the near future. I understand that if I do not provide a taxpayer identification number by the time of payment, 28% of all reportable cash payments made to me thereafter will be withheld until I provide a taxpayer identification number to the payer and that, if I do not provide my taxpayer identification number within sixty days, such retained amounts shall be remitted to the IRS as backup withholding.

SIGNATURE **DATE**

NAME (please print)

NOTE: FAILURE TO COMPLETE AND RETURN THIS FORM W-9 MAY RESULT IN BACKUP WITHHOLDING AND A U.S.$50 PENALTY IMPOSED BY THE INTERNAL REVENUE SERVICE. PLEASE REVIEW THE ENCLOSED GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9 FOR ADDITIONAL DETAILS.

GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9

GUIDELINES FOR DETERMINING THE PROPER IDENTIFICATION NUMBER FOR THE PAYEE (YOU) TO GIVE THE PAYER. —

Social security numbers have nine digits separated by two hyphens: i.e., 000-00-0000. Employee identification numbers have nine digits separated by only one hyphen: i.e., 00-0000000. The table below will help determine the number to give the payer. All "Section" references are to the Internal Revenue Code of 1986, as amended. "IRS" is the Internal Revenue Service.

Security for this Type of Account:		Give the Social Number of
1.	Individual	The individual
2.	Two or more individuals (joint account)	The actual owner of the combined account or, if individual funds, the first on the account(1)
3.	Custodian account of a minor (Uniform Gift to Minors Act)	The minor(2)
4.	a. The usual revocable savings trust account trustee(1)	The grantor (grantor is also trustee)
	b. So-called trust account that is not a legal owner(1)	The actual or valid trust under state law
5.	Sole proprietorship	The owner(1)

Employer for this type of account:		Give the Identification Number of
6.	Sole proprietorship	The owner(1)
7.	A valid trust, estate or pension trust	The legal entity(4)
8.	Corporate	The corporation
9.	Association, club, religious, charitable, educational, or other tax-exempt organization account	The organization
10.	Partnership	The partnership
11.	A broker or registered nominee	The broker or nominee
12.	Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

(1) List first and circle the name of the person whose number you furnish. If only one person on a joint account has a social security number, that person's number must be furnished.

(2) Circle the minor's name and furnish the minor's social security number.

(3) You must show your individual name, but you may also enter your business or "doing business as" name. You may use either your social security number or your employer identification number (if you have one).

(4) List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the taxpayer identification number of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

NOTE: If no name is circled when there is more than one name, the number will be considered to be that of the first name listed.

Obtaining A Number

If you don't have a taxpayer identification number or you don't know your number, obtain Form SS-5, Application for a Social Security Card, at the local Social Administration office, or Form SS-4, Application for Employer Identification Number, by calling 1 (800) TAX-FORM, and apply for a number.

Payees Exempt From Backup Withholding

Payees specifically exempted from withholding include:

- An organization exempt from tax under Section 501(a), an individual retirement account (IRA), or a custodial account under Section 403(b)(7), if the account satisfies the requirements of Section 401(f)(2).
- The United States or a state thereof, the District of Columbia, a possession of the United States, or a political subdivision or wholly-owned agency or instrumentality of any one or more of the foregoing.
- An international organization or any agency or instrumentality thereof.
- A foreign government and any political subdivision, agency or instrumentality thereof.

Payees that may be exempt from backup withholding include:

- A corporation.
- A financial institution.
- A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States.
- A real estate investment trust.
- A common trust fund operated by a bank under Section 584(a).
- An entity registered at all times during the tax year under the Investment Company Act of 1940.
- A middleman known in the investment community as a nominee or who is listed in the most recent publication of the American Society of Corporate Secretaries, Inc., Nominee List.
- A futures commission merchant registered with the Commodity Futures Trading Commission.
- A foreign central bank of issue.

Payments of dividends and patronage dividends generally exempt from backup withholding include:

- Payments to nonresident aliens subject to withholding under Section 1441.
- Payments to partnerships not engaged in a trade or business in the United States and that have at least one nonresident alien partner.
- Payments of patronage dividends not paid in money.
- Payments made by certain foreign organizations.
- Section 404(k) payments made by an ESOP.

Payments of interest generally exempt from backup withholding include:

- Payments of interest on obligations issued by individuals. Note: You may be subject to backup withholding if this interest is $600 or more and you have not provided your correct taxpayer identification number to the payer.
- Payments of tax-exempt interest (including exempt-interest dividends under Section 852).
- Payments described in Section 6049(b)(5) to nonresident aliens.
- Payments on tax-free covenant bonds under Section 1451.
- Payments made by certain foreign organizations.
- Mortgage interest paid to you.

Certain payments, other than payments of interest, dividends, and patronage dividends, that are exempt from information reporting are also exempt from backup withholding. For details, see the regulations under sections 6041, 6041A, 6042, 6044, 6045, 6049, 6050A and 6050N.

EXEMPT PAYEES DESCRIBED ABOVE MUST FILE FORM W-9 OR A SUBSTITUTE FORM W-9 TO AVOID POSSIBLE ERRONEOUS BACKUP WITHHOLDING. FILE THIS FORM WITH THE PAYER, FURNISH YOUR TAXPAYER IDENTIFICATION NUMBER, WRITE “EXEMPT” IN PART II OF THE FORM, AND RETURN IT TO THE PAYER. IF THE PAYMENTS ARE OF INTEREST, DIVIDENDS, OR PATRONAGE DIVIDENDS, ALSO SIGN AND DATE THE FORM.

PRIVACY ACT NOTICE — Section 6109 requires you to provide your correct taxpayer identification number to payers, who must report the payments to the IRS. The IRS uses the number for identification purposes and may also provide this information to various government agencies for tax enforcement or litigation purposes. Payers must be given the numbers whether or not recipients are required to file tax returns. Payers must generally withhold up to 28% of taxable interest, dividends, and certain other payments to a payee who does not furnish a taxpayer identification number to payer. Certain penalties may also apply.

Penalties

(1) FAILURE TO FURNISH TAXPAYER IDENTIFICATION NUMBER. — If you fail to furnish your taxpayer identification number to a payer, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

(2) CIVIL PENALTY FOR FALSE INFORMATION WITH RESPECT TO WITHHOLDING. — If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

(3) CRIMINAL PENALTY FOR FALSIFYING INFORMATION. — Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

FOR ADDITIONAL INFORMATION CONTACT YOUR TAX CONSULTANT OR THE INTERNAL REVENUE SERVICE.