Court of Common Pleas of Philadelphia County
Trial Division

Civil Cover Sheet

For Prothonotary Use Only (Docket Number)
OCTOBER 2013 000654
E-Filing Number: 1310018978

PLAINTIFF'S NAME	DEFENDANT'S NAME
INTERTRUST GCN, LP	INTERSTATE GENERAL MEDIA, LLC
PLAINTIFF'S ADDRESS 2711 CENTERVILLE ROAD -STE 400 WILMINGTON DE 19808	DEFENDANT'S ADDRESS 801 MARKET STREET 3RD FLOOR PHILADELPHIA PA 19107
PLAINTIFF'S NAME H. F.. LENFEST	DEFENDANT'S NAME ROBERT J. HALL
PLAINTIFF'S ADDRESS 300 BARR HARBOR DR. STE 460 WEST CONSHOHOCKEN PA 19428	DEFENDANT'S ADDRESS 801 MARKET STREET 3RD FLOOR PHILADELPHIA PA 19107
PLAINTIFF'S NAME	DEFENDANT'S NAME
PLAINTIFF'S ADDRESS	DEFENDANT'S ADDRESS

TOTAL NUMBER OF PLAINTIFFS	TOTAL NUMBER OF DEFENDANTS	COMMENCEMENT OF ACTION
2	2	☒ Complaint ☐ Petition Action ☐ Notice of Appeal ☐ Writ of Summons ☐ Transfer From Other Jurisdictions

AMOUNT IN CONTROVERSY
☐ $50,000.00 or less
☒ More than $50,000.00

COURT PROGRAMS
☐ Arbitration ☐ Mass Tort ☒ Commerce ☐ Settlement
☐ Jury ☐ Savings Action ☐ Minor Court Appeal ☐ Minors
☐ Non-Jury ☐ Petition ☐ Statutory Appeals ☐ W/D/Survival
☐ Other:

CASE TYPE AND CODE
1D - INSURANCE, DECLARATORY JUDGMNT

STATUTORY BASIS FOR CAUSE OF ACTION

RELATED PENDING CASES (LIST BY CASE CAPTION AND DOCKET NUMBER)

FILED
PRO PROTHY
OCT 10 2013
D. SAVAGE

IS CASE SUBJECT TO COORDINATION ORDER?
YES NO

TO THE PROTHONOTARY:

Kindly enter my appearance on behalf of Plaintiff/Petitioner/Appellant: INTERTRUST GCN, LP , H. F. LENFEST

Papers may be served at the address set forth below.

NAME OF PLAINTIFF'S/PETITIONER'S/APPELLANT'S ATTORNEY	ADDRESS
JOSEPH R. PODRAZA	WELLINGTON BLDG STE 400 135 S. 19TH ST PHILADELPHIA PA 19103
PHONE NUMBER: (215)561-7681	FAX NUMBER: (215)561-0174
SUPREME COURT IDENTIFICATION NO.: 53612	E-MAIL ADDRESS: jpodraza@spragueandsprague.com
SIGNATURE OF FILING ATTORNEY OR PARTY: *JOSEPH PODRAZA*	DATE SUBMITTED: Thursday, October 10, 2013, 12:04 pm

FINAL COPY (Approved by the Prothonotary Clerk)

COMMERCE PROGRAM ADDENDUM
TO CIVIL COVER SHEET

This case is subject to the Commerce Program because it is not an arbitration matter and it falls within one or more of the following types (check all applicable):

X 1. Actions relating to the internal affairs or governance, dissolution or liquidation, rights or obligations between or among owners (shareholders, partners, members), or liability or indemnity of managers (officers, directors, managers, trustees, or members or partners functioning as managers) of business corporations, partnerships, limited partnerships, limited liability companies or partnerships, professional associations, business trusts, joint ventures or other business enterprises, including but not limited to any actions involving interpretation of the rights or obligations under the organic law (e.g., Pa. Business Corporation Law), articles of incorporation, by-laws or agreements governing such enterprises;

X 2. Disputes between or among two or more business enterprises relating to transactions, business relationships or contracts between or among the business enterprises. Examples of such transactions, relationships and contracts include:

____ a. Uniform Commercial Code transactions;

____ b. Purchases or sales of business or the assets of businesses;

____ c. Sales of goods or services by or to business enterprises;

____ d. Non-consumer bank or brokerage accounts, including loan, deposit cash management and investment accounts;

____ e. Surety bonds;

____ f. Purchases or sales or leases of, or security interests in, commercial, real or personal property; and

____ g. Franchisor/franchisee relationships.

____ 3. Actions relating to trade secret or non-compete agreements;

____ 4. "Business torts," such as claims of unfair competition, or interference with contractual relations or prospective contractual relations;

____ 5. Actions relating to intellectual property disputes;

____ 6. Actions relating to securities, or relating to or arising under the Pennsylvania Securities Act;

____ 7. Derivative actions and class actions based on claims otherwise falling within these ten types, such as shareholder class actions, but not including consumer class actions, personal injury class actions, and products liability class actions;

____ 8. Actions relating to corporate trust affairs;

X 9. Declaratory judgment actions brought by insurers, and coverage dispute and bad faith claims brought by insureds, where the dispute arises from a business or commercial insurance policy, such as a Comprehensive General Liability policy;

____ 10. Third-party indemnification claims against insurance companies where the subject insurance policy is a business or commercial policy and where the underlying dispute would otherwise be subject to the Commerce Program, not including claims where the underlying dispute is principally a personal injury claim.

SPRAGUE & SPRAGUE

Richard A. Sprague, Esquire (ID #04266)
Joseph R. Podraza, Jr., Esquire (ID #53612)
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Counsel for Plaintiffs,
Intertrust GCN, LP, Intertrust GCN GP, LLC, general partner, and H.F. Lenfest

INTERTRUST GCN, LP, Intertrust GCN GP, LLC, general partner, **2711 Centerville Road – Suite 400 Wilmington, DE 19808,**	:	**COURT OF COMMON PLEAS PHILADELPHIA COUNTY**
and	:	**October Term, 2013**
H.F. LENFEST, THE LENFEST GROUP Five Tower Bridge 300 Barr Harbor Drive, Suite 460 West Conshohocken, PA 19428,	:	**No.**
Plaintiffs,	:	
v.	:	
INTERSTATE GENERAL MEDIA, LLC, 801 Market Street – 3rd Floor Philadelphia, PA 19107,	:	
and	:	
ROBERT J. HALL, 801 Market Street – 3rd Floor Philadelphia, PA 19107,	:	
Defendants.	:	

COMPLAINT – COMMERCE COURT
ACTION FOR DECLARATORY JUDGMENT AND INJUNCTIVE RELIEF

Case ID: 131000654

NOTICE

You have been sued in court. If you wish to defend against the claims set forth in the following pages, you must take action within twenty (20) days after this complaint and notice are served, by entering a written appearance personally or by attorney and filing in writing with the court your defenses or objections to the claims set forth against you. You are warned that if you fail to do so the case may proceed without you and a judgment may be entered against you by the court without further notice for any money claimed in the complaint or for any other claim or relief requested by the plaintiff. You may lose money or property or other rights important to you.

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER OR CANNOT AFFORD ONE, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW TO FIND OUT WHERE YOU CAN GET LEGAL HELP.

LAWYER REFERRAL AND INFORMATION SERVICE
PHILADELPHIA BAR ASSOCIATION
1101 MARKET STREET, 11th Fl.
PHILADELPHIA, PA 19107-2911
(215) 238-6333

AVISO

Le han demandado a usted en la corte. Si usted quiere defenderse de estas demandas expuestas en las paginas siguientes, usted tiene veinte (20) dias de plazo al partir de la fecha de la demanda y la notificació. Hace falta asentar una comparencia escrita o en persona o con un abogado y entregar a la corte en forma escrita sus defensas o sus objeciones a las demandas en contra de su persona. Sea avisado que si usted no se defiende, la corte tomará medidas y puede continuar la demanda en contra suya sin previo aviso o notificació. Ademá, la corte puede decidir a favor del demandante y requiere que usted cumpla con todas las provisiones de esta demanda. Usted puede perder dinero o sus propiedades u otros derechos importantes para usted.

LLEVE ESTA DEMANDA A UN ABOGADO INMEDIATAMENTE. SI NO TIENE ABOGADO O SI NO TIENE EL DINERO SUFICIENTE DE PAGAR TAL SERVICIO, VAYA EN PERSONA O LLAME POR TELEFONO A LA OFICINA CUYA DIRECCION SE ENCUENTRA ESCRITA ABAJO PARA AVERIGUAT DONDE SE PUEDE CONSEGUIR ASISTENCIA LEGAL.

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Counsel for Plaintiffs,
Intertrust GCN, LP, Intertrust GCN GP, LLC, general partner, and H.F. Lenfest

INTERTRUST GCN, LP, Intertrust GCN GP, LLC, general partner, **2711 Centerville Road – Suite 400** **Wilmington, DE 19808,**	:	**COURT OF COMMON PLEAS** **PHILADELPHIA COUNTY**
and	:	**October Term, 2013**
H.F. LENFEST, **THE LENFEST GROUP** **Five Tower Bridge** **300 Barr Harbor Drive, Suite 460** **West Conshohocken, PA 19428,**	:	**No.**
Plaintiffs,	:	
v.	:	
INTERSTATE GENERAL MEDIA, LLC, **801 Market Street – 3rd Floor** **Philadelphia, PA 19107,**	:	
and	:	
ROBERT J. HALL, **801 Market Street – 3rd Floor** **Philadelphia, PA 19107,**	:	
Defendants.	:	

COMPLAINT – COMMERCE COURT
ACTION FOR DECLARATORY JUDGMENT AND INJUNCTIVE RELIEF

Introduction

Plaintiffs, Intertrust GCN, LP (hereinafter referenced by its full name or as "Katz") and H.F. Lenfest ("Lenfest"), became purchasers of *The Philadelphia Inquirer*, *Daily News* and *Philly.com* in the Spring of 2012, as members of Interstate General Media, LLC ("IGM"). Katz and Lenfest have strongly believed that Philadelphia's journalism must be independent and free from interference by anyone, including members of IGM or any other outside influence. On October 7, 2013, without the knowledge of either Katz or Lenfest, and without the required approval of Management Committee member Katz, Publisher Robert J. Hall ("Hall")[1] of *The Philadelphia Inquirer* purported to unilaterally terminate the employment of William K. Marimow ("Marimow"), *The Inquirer*'s accomplished Editor and two-time Pulitzer Prize winner. This was solely a business decision and was made without the approval or authority of IGM's Management Committee, a mandatory requirement of IGM's governing Limited Liability Company Agreement before a decision of this magnitude could be implemented. Hall lacked the authority to fire the Editor of the newspaper, a major business decision that should not have been – and could not be – taken without the unanimous approval of the Management Committee (approval that was not secured here). Hall's unauthorized action had and promises to have a major injurious impact on IGM's day-to-day business and operations.

Katz and Lenfest now seek through equity and injunctive relief to have declared null and void Hall's *ultra vires* firing of Marimow, which was in direct violation of the explicit provisions of the agreement governing the operation of IGM, so that *The Inquirer* can remain an independent local, regional, and national force for journalistic excellence. Further, and relatedly,

[1] Hall's status as publisher is in question as explained at paragraph 13 of this pleading.

Plaintiffs request that the Court declare that the employment of Hall as Publisher of IGM ended effective September 1, 2013, when his employment contract was not renewed.

The Parties

1. Plaintiff Intertrust GCN, LP is a Delaware limited partnership located at 2711 Centerville Road, Suite 4000, Wilmington, DE 19808. Intertrust GCN GP, LLC, is a general partner of Intertrust GCN, LP.

2. Plaintiff Lenfest is an adult individual and Chairman of IGM who maintains an address at Five Tower Bridge, 300 Barr Harbor Drive, Suite 460, West Conshohocken, PA 19428.

3. Defendant IGM was formed in the Spring of 2012 for the purpose of acquiring all or substantially all of the capital stock of Philadelphia Media Network, Inc., and maintains a principal place of business at 801 Market Street, 3rd Floor, Philadelphia PA 19107. IGM owns *The Philadelphia Inquirer*, *Daily News* and *Philly.com*, among other assets. IGM has six Class A members, including Katz and Lenfest, and its business affairs and operations are controlled by a Limited Liability Company Agreement (dated March 30, 2012) ("Agreement"), a copy of which is attached hereto and incorporated herein as Exhibit "A."

4. Defendant Hall is an adult individual with a business address of 801 Market Street – 3rd Floor, Philadelphia, PA 19107.

Venue

5. Venue over Plaintiffs' cause of action properly lies in Philadelphia County under the Pennsylvania Rules of Civil Procedure, as Defendants' usual place of business is in Philadelphia County, and all of the transactions and events from which this cause of action arises took place in Philadelphia County.

Pertinent Background and History

6. In Spring 2012, IGM purchased all or substantially all of the capital stock of Philadelphia Media Network, Inc., the owner of *The Philadelphia Inquirer*, *Daily News* and *Philly.com*, among other assets.

7. Among the $61,111,000 of initial capital contributions made by the six Class A members of IGM, Katz contributed $16,000,000 for a 26.1819% interest. Lenfest contributed $10,000,000 for a 16.3637% interest.

8. The Agreement, which governs IGM's affairs, provides pertinently as follows:

> Section 5.2 Management Committee.
>
> (a) *The day-to-day business and operations of the Company* (which for purposes of ARTICLES 5 and 6 shall be deemed to include its Subsidiaries) *shall be managed by, or under the direction of, a Management Committee* (the "Management Committee"), which shall be appointed by the Managing Members or their Managing Member Designees as provided in Section 5.2(b). *The Management Committee shall have the right, power, and authority to make decisions with respect to all business and operational matters in the ordinary course of business and will oversee and advise the senior management of the Company regarding the performance and execution of the business and strategic plans*. ...
>
> (b) The Management Committee shall be composed of two (2) members. ...
>
> (d) ... *No action shall be taken by the Management Committee unless both members of the Management Committee approve such action*.

(Emphasis added).

9. The day-to-day business and operations of IGM are managed by and under the direction of a Management Committee as set forth under Section 5.2(a) of the Agreement. The Management Committee consists of two members, Lewis Katz and George Norcross, III. Lewis Katz is the representative of Plaintiff Intertrust GCN, LP. Significantly, the Agreement specifically and explicitly provides that "no action shall be taken by the Management Committee unless both members of the Management Committee approve such action." Agreement, Sec. 5.2(d).

10. On April 10, 2012, and after IGM purchased *The Philadelphia Inquirer* and the other assets, the Management Committee unanimously authorized the hiring by employment contract of Marimow for the position of Editor. A copy of the email that memorializes this contract is not attached hereto because it contains personal information not relevant to the disposition of this case and because Defendants possess a copy of it. Marimow is a former investigative journalist and two-time Pulitzer Prize winner who was the top editor at *The Inquirer* from 2006 to 2010. His hiring by the Management Committee was meant to bolster the newspaper staff's confidence after it had been drastically shaken by cost-cutting measures, a bankruptcy filing in 2009, and constant changes in management.

11. Within hours of Marimow's acceptance of the offer of employment to become Editor by the Management Committee, he received a telephone call from IGM's then-COO Hall. In that call, Hall was scathingly critical of Marimow and his re-hiring and indicated to Marimow that he (Hall) would be keeping "watch over him" throughout Marimow's tenure as Editor. Marimow nonetheless accepted the offer of employment by the Management Committee for the Editor position and relocated from Arizona, giving up a prestigious and secure position at the

Walter Cronkite School of Journalism and Mass Communication. Marimow accepted this offer of employment by the Management Committee, effective May 1, 2012, in material part because he was assured by the Committee that his employment relationship with IGM would solely be under their control – and not that of any employee (including Publisher Hall) or other committee of IGM.

12. When Marimow was Editor under previous owners in 2010, *The Inquirer* began work on an investigative series about violence in Philadelphia public schools, which won a 2012 Pulitzer Prize for Distinguished Public Service, journalism's highest honor. The series also was awarded a 2012 Casey Medal for Meritorious Journalism. Under Marimow's recent stewardship, it was just announced that *The Inquirer*'s article, titled "Policy Shift by D.A. Stirs Controversy," was a winner in the 34th annual William A. Schnader Print Media Awards competition.

13. After Marimow was hired per the direction of the Management Committee, Hall was hired, effective May 1, 2012, as IGM's new full-time Publisher for an eight-month term ending December 31, 2012, renewable by mutual agreement between Hall and IGM's board of directors. A copy of this contract is not attached hereto because it contains personal information not relevant to the disposition of this case and because Defendants possess a copy of this contract. Hall's contract was renewed for an additional eight (8) months ending August 31, 2013, with a modification that, during the renewal term, he was to be a part-time, rather than full-time, Publisher. There has never been mutual agreement to further renew his employment contract beyond August 31, 2013. Moreover, IGM could not agree to renew Hall's contract absent approval by IGM's board of directors which, under Section 5.3(c) of the Agreement, required "approv[al] by both of the Directors appointed by the Managing Members," one of whom was Lewis Katz. Lewis Katz did not approve, and under no circumstances would Lewis

Katz have approved, the renewal of Hall's contract of employment for any period of time after its expiration on September 1, 2013.

14. Notwithstanding the clear and unambiguous language of Section 5.2 of the Agreement, on October 7, 2013, Hall unilaterally and without the consent, approval, or authorization of the Management Committee required for such decisions, summarily fired Marimow prior to the expiration of Marimow's employment contract (expiring on April 30, 2014). In fact, shortly before October 7, 2013, Lewis Katz, one of the two members of the Management Committee, specifically told Hall that he (Lewis Katz) would *not* approve the firing of Marimow. Shockingly, neither prior to nor at the time of Hall's firing of Marimow did Hall advise Lewis Katz of the firing.

15. After the firing of Marimow, Hall represented that he had received the concurrence "of each and every director and shareholder but one" on his firing decision. Hall's representation was and is false. At least two directors (Katz and Lenfest), one of whom is also a member of the Management Committee (Katz), have in fact not concurred in Hall's firing of Marimow.

16. Marimow's unauthorized, unforeseen, and ill-advised firing on October 7, 2013, led to a firestorm of adverse reactions. Morale among *The Inquirer*'s staff has plummeted. The immediate reaction was one of shock and dismay to the extent that a supportive walk-out was contemplated by a significant portion of *The Inquirer*'s newsroom staff. Electronic communications from *Inquirer* newsroom staffers provide convincing evidence that they are distressed about and have been distracted from their journalistic duties because of the unauthorized firing of their Editor. The staff has been left with uncertainty about their own futures, as well as concern for the continued smooth operation of the newspaper.

17. In addition, as word spread from the newsroom floor about Marimow's firing, Twitter and blogs spawned speculation about whether the newspaper's owners had been aware of, and approved, Marimow's firing. In fact, Lenfest, one of *The Inquirer*'s owners, expressed dismay at Marimow's firing, chastised Hall for usurping the powers of the Management Committee in such matters, and opined that Hall's unauthorized conduct may well have serious and adverse repercussions for the newspaper.

18. Furthermore, reports by local and national news organizations, including *The Washington Post*, *The New York Times*, *ABC News*, *Politico*, *PhillyMag.com*, and *Associated Press*, served to amplify and publicize the aberrant circumstances of Marimow's firing to IGM's great detriment. In fact, former employees of *The Inquirer*, present subscribers, and citizens residing in places as far away as Encino, California, Roswell, Georgia, Austin, Texas, and Rutherford, California, have signed a petition to express their collective opposition to Hall's unauthorized firing of Marimow. The petition may be accessed at http://chn.ge/18P1LUX.

COUNT I
Declaratory Relief

19. The previous paragraphs of this Complaint are incorporated by reference in this Count as though set forth in their entirety.

20. Based on the foregoing, this Court should declare that the purported firing of Marimow on October 7, 2013, is null and void and without effect.

21. Marimow says that he is willing and able to return immediately to his position as Editor.

22. Based on the foregoing, this Court should declare that Hall's employment as IGM's Publisher ceased effective September 1, 2013.

WHEREFORE, Plaintiffs, Intertrust GCN, LP, Intertrust GCN GP, LLC, general partner, and H.F. Lenfest, respectfully request that this Court: (1) enter Judgment in plaintiff's favor and against the Defendants; (2) enter a preliminary and final injunction (i) declaring that the October 7, 2013 firing of William K. Marimow was without the required approval of the Management Committee and is therefore null and void, and (ii) reinstating William K. Marimow as Editor, (iii) declaring that Hall's employment as Publisher of IGM ceased effective September 1, 2013; and (3) grant such additional declaratory, equitable, or other relief as the Court deems just and proper.

Respectfully submitted,

SPRAGUE & SPRAGUE

By: /s/ Richard A. Sprague
Richard A. Sprague, Esquire
Joseph R. Podraza, Jr., Esquire
Charles J. Hardy, Esquire
Alan Starker, Esquire
Neal R. Troum, Esquire

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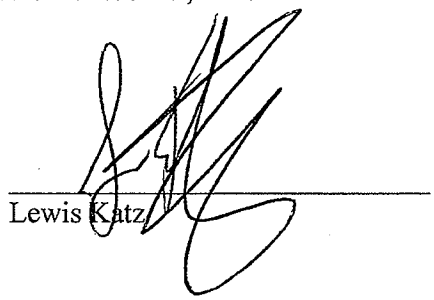
135 South 19th Street
Philadelphia, PA 19103
(215) 561-7681

Counsel for Plaintiff, Intertrust GCN, LP, Intertrust GCN GP, LLC, general partner, and H.F. Lenfest

VERIFICATION

I, Lewis Katz, hereby state that: I am a representative of a plaintiff; I am authorized to make this Verification on behalf of Plaintiff; I verify that the statements set forth in the foregoing Petition are true and correct to the best of my knowledge, information, and belief; I understand that these statements are made subject to the penalties of 18 Pa.C.S.A § 4909, relating to unsworn falsification to authorities. Executed on October 9, 2013



Lewis Katz

Dated: 10/9/13

Exhibit A

FINAL

LIMITED LIABILITY COMPANY AGREEMENT

OF

INTERSTATE GENERAL MEDIA, LLC

Dated as of March 30, 2012

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LIMITED LIABILITY COMPANY AGREEMENT

OF

INTERSTATE GENERAL MEDIA, LLC

This Limited Liability Company Agreement (this "**Agreement**") of Interstate General Media, LLC, a Delaware limited liability company (the "**Company**"), is entered into on this 30th day of March, 2012, by and among the Company and its Members (as defined below).

BACKGROUND

A. The Company was formed by the filing of a Certificate of Formation with the Secretary of State of the State of Delaware on March 26, 2012, under the name "Interstate General Media, LLC."

B. The Company has been formed for the purpose of acquiring all or substantially all of the capital stock of Philadelphia Media Network, Inc., a Delaware corporation ("**PMN**"), and engaging in the business and activities described herein and such other business and activities as the Board (as defined herein) may from time to time determine.

C. The Members desire to enter into this Agreement to provide for the governance and management of the Company and to establish certain rights and restrictions with respect to the transfer of their interests in the Company, all on the terms and conditions set forth herein.

AGREEMENT

NOW THEREFORE, in consideration of the agreements and obligations set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Members and the Company, intending to be legally bound, hereby agree as follows:

ARTICLE 1
DEFINED TERMS

Section 1.1 Definitions. Unless the context otherwise requires, the terms defined in this ARTICLE 1 shall, for the purposes of this Agreement, have the meanings herein specified.

"**Act**" means the Delaware Limited Liability Company Act, 6 Del. C. §18-101 et seq., as amended from time to time (or any corresponding provisions of any succeeding law).

"**Additional Member**" or "**Additional Members**" has the meaning set forth in Section 6.4.

"**Adjusted Capital Account Deficit**" means a deficit balance, if any, in the Member's Capital Account after giving effect to (i) any amounts the Member is obligated to contribute or restore to the Company, if any, or is deemed obligated to contribute pursuant to the penultimate sentences of Treasury Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5) and (ii). the items

described in Treasury Regulations Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5), and 1.704-1(b)(2)(ii)(d)(6). The foregoing definition of Adjusted Capital Account Deficit is intended to comply with the provisions of Treasury Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

"**Affiliate**" means with respect to a Person, any other Person that, directly or indirectly, controls, is controlled by, or is under common control with, the specified Person. As used in this definition, the term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity, whether through ownership of voting securities, by contract or otherwise. Ownership of more than 50% of the beneficial interests of an entity shall be conclusive evidence that control exists.

"**Agreement**" means this Limited Liability Company Agreement, as amended, modified, supplemented or restated from time to time.

"**Applicable Percentage**" shall mean the fraction (expressed as a percentage), the numerator of which is the aggregate number of Units owned by a Member, and the denominator of which is the aggregate number of Units owned by the Transferring Member, the other Members that elect to exercise their "co-sale" rights under Section 7.8 and all other Persons subject to an agreement that provides such Persons with rights with respect to the Units held by such Person comparable to the "co-sale" rights set forth in Section 7.8.

"**Bankruptcy**" of a Member or the Company means (a) the filing by such Person of a voluntary petition seeking liquidation, reorganization, arrangement or readjustment, in any form, of its debts under Title 11 of the United States Code or any other federal, state or other applicable insolvency law, or such Person's filing an answer consenting to or acquiescing in any such petition, (b) the making by such Person of any assignment for the benefit of its creditors, or (c) the expiration of 60 days following the filing of an involuntary petition under Title 11 of the United States Code or other applicable law, an application for the appointment of a receiver for the assets of such Person, or an involuntary petition seeking liquidation, reorganization, arrangement or readjustment of its debts under any other federal or state insolvency law, unless such action shall have been dismissed, vacated or set aside within such ninety day period; provided, however, that the running of such 60 day period shall be suspended during any period that a stay of such action is in effect.

"**Board**" or "**Board of Directors**" has the meaning set forth in Section 5.3(a).

"**Buyer**" has the meaning set forth in Section 7.9(a).

"**Capital Account**" means, with respect to any Member, the capital account maintained for such Member in accordance with the provisions of ARTICLE 4 hereof.

"**Capital Account Excess**" shall mean, with respect to each Member, the excess (if any) of such Member's Capital Account over such Member's Target Account.

"**Capital Account Shortfall**" shall mean, with respect to each Member, the excess (if any) of such Member's Target Account over such Member's Capital Account.

"**Capital Contribution**" means, with respect to any Member, the aggregate amount of money and the initial Gross Asset Value of any property (other than money) contributed to the capital of the Company pursuant to ARTICLE 4 hereof with respect to such Member's Units, including, without limitation, any contributions to the capital of the Company of any debt or other obligation owing by the Company.

"**Certificate**" means the Certificate of Formation of the Company filed with the Secretary of State of the State of Delaware pursuant to the Act on March 26, 2012, and any and all amendments thereto and restatements thereof.

"**Class A Member**" means a Member holding Class A Units of the Company.

"**Class A Units**" means the Company's Class A Units.

"**Class P Member**" means a Member holding Class P Units of the Company.

"**Class P Units**" means the Company's Class P Units.

"**Code**" means the Internal Revenue Code of 1986, as amended from time to time, or any corresponding federal tax statute enacted after the date of this Agreement.

"**Community Board**" has the meaning set forth in Section 5.4.

"**Company**" has the meaning set forth in the Preamble to this Agreement.

"**Company Election Period**" has the meaning set forth in Section 7.7(b).

"**Confidential Information**" means all data and information relating to the Company or any of its Subsidiaries or Affiliates, without regard to form or medium, which is not generally known to the general public, including, without limitation, technical or non-technical data, specifications, compilations, computer programs and software, products, devices, methods, concepts, know-how, techniques, strategies, designs, drawings, processes, financial data, marketing data, financial plans, product plans, service plans, marketing plans, surveys or lists of actual or potential customers or suppliers. Confidential Information does not include any data or information that has been voluntarily disclosed to the public by the Company or that has been independently developed and disclosed by others, or that otherwise enters the public domain through lawful means.

"**Co-Sale Notice**" has the meaning set forth in Section 7.8(a).

"**Covered Person**" means any of the following: (a) any Member or any of its Affiliates; (b) any Manager or any of its Affiliates, (c) any Liquidating Trustee or any of its Affiliates; (d) any Tax Matters Member or any of its Affiliates; and (e) any stockholder, partner, member, manager, officer, trustee, employee or agent of (i) the Company, (ii) any Member or its Affiliates, (iii) any Manager or any of its Affiliates, (iv) any Liquidating Trustee or any of its Affiliates, or (v) any Tax Matters Member or any of its Affiliates.

"**Current Operating Expenditures**" means the expenditures of the Company for each Fiscal Year, or part thereof, arising from the ordinary course of the Company's business, but not including any expenditures arising from Capital Contributions or loans, except to the extent included in Net Cash Flow, including, but not limited to, the following:

(i) general operating expenses including, but not limited to, management, legal, accounting and other professional fees, wages, salaries and other compensation in connection with its business operations, monies expended to comply with and perform contractual and other obligations, and any other expenses expended on behalf of the Company in relation to its general administrative and management needs;

(ii) payments of principal and interest upon any indebtedness of the Company, including, without limitation, the Subordinated Note (whether third-party indebtedness or loans made by Members to the Company pursuant to this Agreement);

(iii) capital expenditures;

(iv) any other cash expended by the Company for business operations; and

(v) the establishment of or increases in reserves for debt service or to provide for working capital or any other contingency of the Company as the Board may determine in its sole discretion.

"**Depreciation**" means, for each Fiscal Year or other period, an amount equal to the depreciation, amortization or other cost recovery deduction allowable with respect to an asset for such Fiscal Year or other period; provided, however, that if the Gross Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such Fiscal Year or other period, Depreciation shall be an amount that bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization or other cost recovery deduction with respect to such asset for such Fiscal Year or other period bears to such beginning adjusted tax basis; and provided further, that if the federal income tax depreciation, amortization or other cost recovery deduction for such Fiscal Year or other period is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the Board.

"**Directors**" has the meaning set forth in Section 5.3(b).

"**Drag-Along Notice**" has the meaning set forth in Section 7.9(b).

"**Dragging Members**" has the meaning set forth in Section 7.9(c).

"**Equity Securities**" means Units, any securities convertible into, or exercisable or exchangeable for, Units, and any warrants, options or other rights to purchase, subscribe for or otherwise acquire Units or any such convertible, exercisable or exchangeable securities.

"**Excluded Securities**" means any Equity Securities issued: (a) to employees, consultants or managers of the Company pursuant to any plan or arrangement approved by the Board; (b) upon exercise or conversion of any Equity Security issued pursuant to this Agreement; (c) in connection with any reorganization, split or subdivision of any securities of the Company; or (d) as a dividend, distribution, or return on any Unit in accordance with this Agreement.

"**Fair Market Value**" has the meaning set forth in Section 7.6(b).

"**Family Group**" means, with respect to any Member that is an individual, (a) such Member's spouse and/or natural or adoptive lineal ancestors or descendents, (b) such Member's estate, or (c) any trust solely for the benefit of such Member and/or such Member's spouse and/or natural or adoptive lineal ancestors or descendents and/or such Member's estate.

"**Final Distribution**" means the balance distributed to Members after payment of required expenses pursuant to Section 13.4(a)(ii).

"**Fiscal Year**" means the 52- or 53-week period, as the case may be, ending on the last Sunday of December of each year, unless otherwise required by law or otherwise determined by the Management Committee.

"**Full Amount**" has the meaning set forth in Section 6.6(c).

"**Gross Asset Value**" means, 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 gross fair market value of such asset, as agreed to by the contributing Member and the Board;

(b) the Gross Asset Value of all Company assets shall be adjusted to equal their respective gross fair market values, as determined by the Board, as of the following times: (i) except as provided in Section 4.3, immediately prior to the acquisition of an additional interest in the Company by any new or existing Member in exchange for more than a de minimis Capital Contribution or the provision of services; (ii) immediately prior to the distribution by the Company to a Member of more than a de minimis amount of Company assets as consideration for an interest in the Company; and (iii) immediately prior to the liquidation of the Company within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(g); provided, however, that adjustments pursuant to Clause (i) and Clause (ii) of this sentence 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 Company asset distributed to any Member shall be the gross fair market value of such asset on the date of distribution, as determined by the Board;

(d) the Gross Asset Values of Company assets shall be adjusted to reflect any adjustments to the adjusted basis of such assets pursuant to Code Section 734(b) or Code Section

743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m); and

(e) if the Gross Asset Value of an asset has been determined or adjusted pursuant to Paragraph (a), Paragraph (b) or Paragraph (d) above, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Profits and Losses.

"**Gross Receipts**" means the cash gross receipts of the Company for each Fiscal Year, or part thereof, arising from the ordinary course of the Company's business and from sales, lease, licensing or other disposition of Company assets (exclusive of Net Consideration and proceeds from asset sales which the Board has determined are to be held for reinvestment), plus reductions in reserves previously established by the Board. Gross receipts shall not include Capital Contributions or, unless otherwise agreed by the Board, any proceeds from financings or refinancings or any insurance or indemnity proceeds received by the Company.

"**Incorporation**" has the meaning set forth in Section 15.2(a).

"**Indemnitee**" has the meaning set forth in Section 12.6.

"**Indemnitor**" has the meaning set forth in Section 12.6.

"**Independent Third Party**" means any Person or group of Persons who, immediately prior to the occurrence of a Liquidity Event, is not an Affiliate of the Company.

"**Lenfest Put Agreement**" means the letter agreement of even date herewith between H.F. Lenfest, as seller, and George E. Norcross, III, Lewis Katz and Krishna P. Singh, as purchasers, pursuant to which H.F. Lenfest has the right to require such purchasers or affiliates thereof to purchase his Units on the first anniversary of the closing of the PMN acquisition or within thirty (30) days thereafter.

"**Liquidating Trustee**" has the meaning set forth in Section 13.4(a).

"**Liquidity Event**" means any of the following:

(a) the sale of all, or substantially all, of the Company's consolidated assets in any single transaction or series of related transactions to an Independent Third Party; or

(b) any merger or consolidation of the Company with or into another corporation or other business entity (regardless of which entity is the surviving or resulting corporation or business entity) that is an Independent Third Party if, after giving effect to such merger or consolidation, the holders of the Company's voting securities (on a fully diluted basis) immediately prior to the merger or consolidation own voting securities of the surviving or resulting corporation or other business entity representing less than a majority of the voting power to elect directors or managers of the surviving or resulting corporation or other business entity (on a fully-diluted basis) or if the securities of a different corporation or other business

entity are issued pursuant to such merger or consolidation, the corporation or other business entity whose securities were so issued.

"**Losses**" has the meaning set forth below under "Profits" or "Losses."

"**Management Committee**" has the meaning set forth in Section 5.2.

"**Managers**" has the meaning set forth in Section 5.1.

"**Managing Members**" means General American Holdings, Inc. and Intertrust GCN, LP.

"**Managing Member Designee**" has the meaning set forth in Section 5.2(b).

"**Member**" means a member of the Company who has executed this Agreement, and any Person admitted as an Additional Member or a Substitute Member pursuant to the provisions of this Agreement, in such Person's capacity as a member of the Company, and "**Members**" means two or more of such Persons when acting in their capacities as members of the Company.

"**Member Designee**" has the meaning set forth in Section 5.3(b).

"**Minimum Distributions**" has the meaning set forth in Section 8.1(a).

"**Net Cash Flow**" means, for each calendar month, Fiscal Year or other period of the Company for which it must be determined, the Gross Receipts of the Company less Current Operating Expenditures.

"**Net Consideration**" means, in the case of a Liquidity Event, the consideration or proceeds paid, or assets otherwise available for distribution, to the Members of the Company in respect thereof (after subtracting all indebtedness of the Company and accrued interest, premiums, fees and other amounts related thereto, any subsequent purchase price adjustments (whether to working capital or otherwise), transaction costs, reserves deemed necessary by the Board, professional fees, and payments pursuant to this Agreement).

"**New Securities**" has the meaning set forth in Section 6.6(b).

"**Non-Transferring Members**" has the meaning set forth in Section 7.7(b).

"**Notice Date**" has the meaning set forth in Section 6.6(c).

"**Offered Units**" has the meaning set forth in Section 7.6(a).

"**Offer Exercise Notice**" has the meaning set forth in Section 7.6(c).

"**Offering Price**" has the meaning set forth in Section 7.7(b).

"**Offer Notice**" has the meaning set forth in Section 7.6(a).

"**Original Members**" means the Members listed in Schedule A to this Agreement as of the date of execution of this Agreement.

"**Original Notice**" has the meaning set forth in Section 6.6(c).

"**Participating Member**" has the meaning set forth in Section 6.6(c).

"**Participating Units**" has the meaning set forth in Section 4.9(c).

"**Percentage Interest**" means, a Member's membership interest in the Company reflected as a percentage as described in Schedule A, as amended from time to time. A Member's Percentage Interest at any time of determination shall equal the number of Units held by such Member divided by the total number of Units then outstanding.

"**Permitted Transferee**" has the meaning set forth in Section 7.2(a).

"**Person**" includes any individual, corporation, association, partnership (general or limited), joint venture, trust, estate, limited liability company, or other legal entity or organization.

"**Profits**" or "**Losses**" means, for each Fiscal Year, an amount equal to the Company's taxable income or loss for such Fiscal Year, determined in accordance with Section 703(a) of the Code (but including in taxable income or loss, for this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Section 703(a)(1) of the Code), with the following adjustments:

(a) any income of the Company exempt from federal income tax and not otherwise taken into account in computing Profits or Losses pursuant to this definition shall be added to such taxable income or loss;

(b) any expenditures of the Company described in Section 705(a)(2)(B) of the Code (or treated as expenditures described in Section 705(a)(2)(B) of the Code pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(i)) and not otherwise taken into account in computing Profits or Losses pursuant to this definition shall be subtracted from such taxable income or loss;

(c) in the event the Gross Asset Value of any Company asset is adjusted in accordance with Paragraph (b) or Paragraph (c) of the definition of "Gross Asset Value" above, the amount of such adjustment shall be taken into account as gain or loss from the disposition of such asset for purposes of computing Profits or Losses;

(d) gain or loss resulting from any disposition of any asset of the Company 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 the asset disposed of, notwithstanding that the adjusted tax basis of such asset differs from its Gross Asset Value;

(e) in lieu of the depreciation, amortization and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account

Depreciation for such Fiscal Year or other period, computed in accordance with the definition of "Depreciation" above; and

(f) notwithstanding any other provisions of this definition, any items that are specially allocated pursuant to Section 9.2 hereof shall not be taken into account in computing Profits or Losses.

"**Regulatory Allocations**" has the meaning set forth in Section 9.2(i).

"**Rejection Notice**" has the meaning set forth in Section 7.6(c).

"**Remaining Members**" has the meaning set forth in Section 7.6(d).

"**Remaining Notice**" has the meaning set forth in Section 7.6(d).

"**Right of First Offer**" has the meaning set forth in Section 7.6(a).

"**Right of First Refusal**" has the meaning set forth in Section 7.7(a).

"**Safe Harbor Notice**" has the meaning set forth in Section 9.4(a).

"**Sale Notice**" has the meaning set forth in Section 7.7(b).

"**Securities Act**" means the Securities Act of 1933, as amended.

"**Selection Period**" has the meaning set forth in Section 7.6(b).

"**Service Member**" means any Member which renders services to the Company or any of its Subsidiaries, whether as a member of the Board, an Officer, an employee or consultant.

"**Subchapter C Corporation**" has the meaning set forth in Section 15.2(a).

"**Subsidiary**" means, when used with respect to any Person, any other Person, whether incorporated or unincorporated, of which (a) more than 50% of the securities or other ownership interests or (b) securities or other interests having by their terms ordinary voting power to elect more than 50% of the board of directors or managers or others performing similar functions with respect to such corporation or other organization, is, in either such case, directly or indirectly owned or controlled by such Person or by any one or more of its Affiliates.

"**Substitute Member**" means a Person who is admitted to the Company as a Member pursuant to Section 7.1, and then is named as a "Member" on an amended Schedule A to this Agreement.

"**Target Account**" shall mean, with respect to any Member for any Fiscal Year or period, an amount equal to the hypothetical distribution such Member would receive if all assets of the Company, including cash, were sold for cash equal to their then Gross Asset Value (taking into account any adjustments to Gross Asset Value for such Fiscal Year or period), all liabilities allocable to such assets were then due and were satisfied according to their terms, all Minimum

Gain Chargebacks required by this Agreement were made, and all obligations of Members, if any, to contribute additional capital to the Company were satisfied, and all remaining proceeds from such sale were distributed pursuant to Section 8.1(c) (except that amounts deemed constructively distributed pursuant to the computation of prior Target Account balances shall not be treated as having been actually distributed for the computation of such given Target Account balance).

"**Tax Matters Member**" has the meaning set forth in ARTICLE 11 hereof.

"**Threshold Amount**" means, with respect to an issuance of Class P Units, the dollar amount corresponding to such Class P Unit as determined by the Board and set forth in the applicable Unit Award Agreement.

"**Transfer**" means any transfer, assignment, sale, conveyance, gift, hypothecation, license, lease, partition, pledge or grant of a security interest in a Member's Units in the Company, and includes any "involuntary transfer" such as a sale of any part of any Units therein in connection with any Bankruptcy or similar insolvency proceedings, or a divorce or other marital settlement involving any Member, or any other disposition or encumbrance of a Member's Units. For purposes of this Agreement, any transfer, exchange or series of transfers (or exchanges) of the stock, partnership, member or other ownership interests of any Member that is a business organization or an entity (or any combination of such transfers or exchanges, whether direct or in connection with a merger, acquisition, sale, or similar reorganization or transaction, including by issuance of new stock or other ownership interests, or the exercise of options, warrants, debentures or other convertible instruments, or a redemption of other interests in the Member, and any similar transactions involving the stock or other ownership interests of such Member) or of any business organization or entity that has an ownership interest in the Member the effect of which is that the Persons who owned, directly or indirectly, more than 50% of the outstanding stock or other ownership interests in such Member at the time such Member initially became a party to or bound by this Agreement, no longer own more than 50% of such stock or other ownership interests, directly or indirectly, shall also be deemed a Transfer with regard to the Units owned by such Member; provided, however that a merger or a sale or transfer of all of the stock, partnership, member or other ownership interests of a Member that is a business organization in which the Member is the surviving entity, regardless of any change in the ownership of the stock or other ownership interests of the Member, shall not be deemed to be a Transfer.

"**Transferee**" has the meaning set forth in Section 7.7(b).

"**Transferring Member**" has the meaning set forth in Section 7.6(a).

"**Treasury Regulations**" means the income tax regulations, including temporary regulations, promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

"**Unit Award Agreement**" means any agreement pursuant to which Class P Units are issued.

"**Units**" means a membership and ownership interest in the Company, consisting of (a) an interest in allocable items and distributions pursuant to ARTICLE 8 and ARTICLE 9 of this Agreement and (b) as and to the extent provided in this Agreement, the right to vote or grant or withhold consents with respect to Company matters, in any of the foregoing cases, depending upon the class or series of the specific unit.

"**Unvested Class P Units**" means Class P Units which have not become nonforfeitable in accordance with the applicable Unit Award Agreement.

"**Vested Class P Units**" means Class P Units which have become nonforfeitable in accordance with the applicable Unit Award Agreement..

Section 1.2 Terms Generally. Unless the context of this Agreement requires otherwise, words importing the singular number shall include the plural and vice-versa. Words importing the masculine gender shall include the feminine gender and words importing individuals include Persons. In this Agreement, references to (a) any statutory or regulatory provisions shall include such provisions as from time to time amended, whether before or after the date hereof, and shall further include all statutory or regulatory instruments or orders from time to time made pursuant thereto and (b) any document or agreement shall include such document or agreement as from time to time amended, supplemented or replaced, whether before or after the date hereof. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation." Unless otherwise specified, all of the terms herein that relate to accounting matters shall be interpreted in accordance with generally accepted accounting principles in effect in the United States of America at the time of such interpretation.

Section 1.3 Headings and References. Section and other headings are for reference only and shall not affect the interpretation or meaning of any provision of this Agreement. Unless otherwise provided, references to Articles, Exhibits, Sections and Schedules shall be deemed references to Articles, Exhibits, Sections and Schedules of this Agreement. References to this Agreement include this Agreement as it may be modified, amended, restated or supplemented from time to time pursuant to the provisions hereof.

ARTICLE 2
CONTINUATION AND TERM

Section 2.1 Organization.

(a) The Company was formed upon the filing of the Certificate with the Secretary of State of the State of Delaware. The Members hereby agree to operate the Company as a limited liability company pursuant to the provisions of the Act, and agree that the rights, duties and liabilities of the Members shall be as provided in the Act, except as otherwise provided herein.

(b) The name of each Member and each Member's Percentage Interest as of the date of this Agreement are listed on Schedule A, attached hereto. The Board shall update Schedule A, from time to time, as may be necessary to accurately reflect the information therein. Any revision to Schedule A made in accordance with this Agreement shall not be deemed an

amendment to this Agreement, and shall not require further consent of any Members. Any reference in this Agreement to Schedule A shall be deemed to be a reference to Schedule A, as amended and in effect from time to time.

Section 2.2 Name. The business and affairs of the Company shall be conducted under the name "Interstate General Media, LLC." Such name shall be used at all times in connection with the Company's business and affairs, except to the extent the Board agrees to the use by the Company of assumed names or other trade names or fictitious names. The Company's officers shall be authorized to execute such assumed or fictitious name certificates as may be desirable or required by law to be filed in connection with the formation of the Company or the use of any such assumed or fictitious names and cause such certificates to be filed in all appropriate public records.

Section 2.3 Term. The term of the Company shall continue perpetually, unless the Company is dissolved in accordance with the provisions of this Agreement.

Section 2.4 Registered Agent and Office. The Company's registered agent and office in the State of Delaware shall be the Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801. The Board may designate another registered agent and/or registered office at any time. The Company's principal place of business shall be located at such place as the Board may, from time to time, determine.

Section 2.5 Qualification in Other Jurisdictions. The Company is authorized to be qualified, formed or registered under assumed or fictitious name statutes or similar laws in any jurisdiction in which the Company transacts business. The officers of the Company shall execute, deliver and file any certificates (and any amendments and/or restatements thereof) necessary for the Company to qualify to do business in any jurisdiction in which the Company may wish to conduct business.

ARTICLE 3
PURPOSE AND POWERS OF THE COMPANY

Section 3.1 Purpose.

(a) The purposes of the Company shall be (i) to acquire, own and dispose of the stock of PMN, (ii) through its ownership and control of PMN and its Subsidiaries, to engage, directly or indirectly through one or more Subsidiaries, in the business of publishing (through print, video, digital and other media), printing, reporting, advertising, and other activities of a multimedia news and information company, and (iii) to conduct such other activities as may be necessary or incidental to the foregoing. The Company shall possess and may exercise all the powers and privileges granted by the Act or by any other law or by this Agreement, together with any powers incident thereto, as far as such powers and privileges are necessary or convenient to the conduct, promotion or attainment of the business, purpose or activities of the Company.

(b) In no event shall this Agreement be held or construed to imply the existence of a general partnership or joint venture among the Members with regard to matters, trades or businesses or enterprises outside the scope of this Agreement, and no Member shall

have any power or authority under this Agreement to act as the agent or representative of the Company or any other Member with regard to any matter beyond the scope of this Agreement.

Section 3.2 Title to Company Property. Except as otherwise set forth herein, legal title to the Company's property and assets shall be taken and at all times held in the name of the Company.

ARTICLE 4
CAPITAL CONTRIBUTIONS, MEMBER UNITS, CAPITAL ACCOUNTS AND FUTURE CAPITAL REQUIREMENTS

Section 4.1 Capital Contributions. On or prior to the date hereof, each Member has made a Capital Contribution in the amount set forth opposite such Member's name on Schedule A hereto. Each Member shall have the Percentage Interest and the number of Units set forth opposite such Member's name on Schedule A hereto.

Section 4.2 Member's Units.

(a) A Member's Units shall for all purposes be personal property. A Member has no interest in specific Company property, unless and until distributed to such Member. Unless otherwise determined by the Board, the Units shall not be certificated.

(b) The Units may be divided into two or more classes and series, each of which may carry different rights, powers and duties, as provided for in this Agreement. As of the date hereof, the Company is authorized to issue two classes of Units: Class A Units and Class P Units.

(c) Subject to any approval of the Members required under Section 6.2, the Board may, from time to time and without any further action or authorization of any Member, cause the Company to: (i) authorize, create and/or issue additional Units (including, without limitation, Class A Units and Class P Units) and any series thereof, or any other Equity Securities, with such voting powers, designations, preferences, limitations, restrictions, and relative rights as the Board may determine; (ii) increase or decrease to the total number of authorized Units or any class or series thereof (but, in the case of any decrease, not below the number of such Units or class or series thereof then outstanding) and (iii) notwithstanding Section 15.13, effect any amendment to this Agreement to effect the actions contemplated in clauses (i) and (ii). There shall be no limit on the number, class or series of Equity Securities that may be so issued by the Board.

Section 4.3 Exercise of Warrant or Non-compensatory Option.

In the event that a Class A Unit or Class P Unit is acquired in connection with the exercise of a warrant or non-compensatory option (as described in Treasury Regulation Section 1.721-2), the Capital Accounts of the Members shall be adjusted pursuant to Proposed Treasury Regulation Section 1.704-2(b)(2)(iv)(s) and shall not be adjusted in accordance with the definition of Gross Asset Value.

Section 4.4 Status of Capital Contributions/Loans to Company.

(a) Except as otherwise provided in this Agreement, no Member, nor any successor or assign of a Member, may demand a return of its or his Capital Contributions, in whole or in part.

(b) No Member or Affiliate thereof shall receive any interest, return, compensation or drawing with respect to its Capital Contributions or its Capital Account or for services rendered or resources provided on behalf of the Company, except as otherwise specifically provided in this Agreement or except as otherwise determined by the Board in the case of compensation or reimbursements for services performed for the Company.

(c) Except for the initial Capital Contributions referred to in Section 4.1 and any payment required under Section 4.9(e), no Member, Manager, Director, or any other Person on the Management Committee or Board (including any alternate or replacement for or successor to any such Person) shall be required to make any additional Capital Contributions to or purchase any other Equity Securities of the Company or lend any funds to, guaranty or otherwise extend any credit to or incur any indebtedness or other financial obligation or liability for anything arising out of, concerning or related to the Company, its Subsidiaries and any Affiliate thereof and their debts or obligations, including but not limited to any line of credit, lending facility, loan, letter of credit, lease or other financial commitment, extension of credit or obligation, whether to institutional or private lenders, trade, material, service or other providers, employees, contractors, pension or other plans, or any other creditors or otherwise. No Member shall have any personal liability for the repayment of any other Member's Capital Contribution.

(d) Any Member or Affiliate of a Member may, with the approval of the Board, lend or advance money to the Company. If any Member, with the approval of the Board, shall make any loan or loans to the Company or advance money on its behalf, the amount of such loan or advance shall not be treated as a Capital Contribution and shall not increase such Member's Capital Account but shall instead be treated as a debt due from the Company to a creditor as to all parties and as for all purposes to the fullest extent permitted by law. Any such loan shall be a debt of the Company to such Member and shall be payable or collectible only out of the Company's property in accordance with the terms and conditions upon which such loan was made and shall bear interest at a rate at least equal to the applicable federal rate as defined in Section 1274(d) of the Code.

Section 4.5 Capital Accounts.

(a) A separate Capital Account shall be established and maintained for each Member. The Capital Accounts of the Members on the date hereof are set forth opposite such Member's name on Schedule A hereto.

(b) The Capital Account of each Member shall be maintained in accordance with the Treasury Regulations issued under Section 704(b) of the Code (each such account, a "**Capital Account**").

(i) To such Member's Capital Account there shall be credited such Member's Capital Contributions, such Member's distributive share of Profits, special allocations of income and gain, and the net amount of any Company liabilities that are assumed by such Member or that are secured by any Company assets distributed to such Member.

(ii) To such Member's Capital Account there shall be debited the amount of cash and the Gross Asset Value of any Company assets distributed to such Member pursuant to any provision of this Agreement, such Member's distributive share of Losses, special allocations of loss and deduction, and the net amount of any liabilities of such Member that are assumed by the Company or that are secured by any property contributed by such Member to the Company.

(iii) In the event Units are Transferred in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the Transferred Units.

(iv) In determining the amount of any liability for purposes of this Section 4.5(b), there shall be taken into account Section 752(c) of the Code and any other applicable provisions of the Code and the Treasury Regulations.

Section 4.6 Capital Accounts Generally.

(a) Except as otherwise provided in this Agreement, whenever it is necessary to determine the Capital Account of any Member for any purpose hereunder, the Capital Account of such Member shall be determined after giving effect to all adjustments provided for in Section 4.3 and Section 4.5 hereof for the current Fiscal Year in respect of transactions effected prior to the date such determination is to be made.

(b) No Member shall be entitled to withdraw any part of its Capital Account, or to receive any distribution from the Company except as specifically provided in this Agreement.

Section 4.7 Voting Rights. Unless otherwise expressly provided in this Agreement, all voting by the Class A Members shall be determined in accordance with their Percentage Interests. The Class A Units shall be voting units entitled to one vote per Class A Unit on such matters relating to the affairs of Company as to which the Members are granted approval rights as provided herein, as well as with respect to any matters which all members of a limited liability company are required to be afforded a vote under the Act. The Class P Units shall be non-voting Units.

Section 4.8 No Right to Continued Employment or Service with the Company. The issuance of any Unit to any Member (including, without limitation, any Service Member) shall not confer upon such Member any right to employment with or to be a service provider to the Company or any Affiliate of the Company or limit, in any respect, the right of the Company or any Affiliate to discharge such Member as an employee or service provider of the Company or any Affiliate of the Company, at any time, with or without cause and with or without notice.

Section 4.9 Profits Interests.

(a) Unless otherwise decided by the Board, all Class P Units are intended to constitute "profits interests," as such term is used by Rev. Proc. 93-27 and Rev. Proc. 2001-43. None of the Company, the Members, the members of the Board or any of the Company's officers make any representation or warranty as to whether any of the Class P Units constitute "profits interests" or as to any of the tax consequences of the issuance of any of the Class P Units or the receipt of any distribution or other amounts on account of any of the Class P Units.

(b) Each Class P Unit that is a profits interest shall entitle its record owners to share in the appreciation in the fair market value of Company from the date of issuance, and not in any fair market value of Company accrued prior to the issuance of the Class P Unit. Immediately prior to the issuance of each Class P Unit, the Capital Accounts of the Members shall be adjusted and the Company property shall be revalued pursuant to the definition of Gross Asset Value. To the extent consistent with Section 706(d) of the Code and Treasury Regulations promulgated thereunder, the Company's books may be closed at the time Class P Members are admitted (as though the Company's tax year had ended) or the Company may credit to the Class P Members pro rata allocations of the Company's income, gains, losses, deductions, credits and items for that portion of the Company's Fiscal Year after the effective date of the admission of the Class P Members.

(c) For each Class P Unit issued as a profits interest, the Board shall establish a Threshold Amount as the minimum aggregate distribution amount (including by way of a redemption of a Unit) that must be made after the date of such issuance with respect to the Class A Units, and Class P Units with a lesser Threshold Amount, issued and outstanding as of the date of such issuance (collectively, the "**Participating Units**") before such Class P Units shall share in their Percentage Interest of distributions pursuant to Section 8.1(b) or Section 8.1(c); provided, however, distributions made with respect to Participating Units pursuant to Section 8.1(b) shall not reduce the Threshold Amount to the extent distributions are made with respect to (or set aside pursuant to Section 8.5 for the benefit of) such Class P Unit. The Threshold Amount with respect to each Class P Unit shall be not less than the quotient obtained by dividing (i) the Gross Asset Value of all of the Company's assets less the total indebtedness and other liabilities of the Company determined above in computing the fair market value of the Company, by (ii) the number of Participating Units. The distributions to holders of Class P Units shall be in accordance with this Agreement and on the terms set forth in the applicable Unit Award Agreement, including the Threshold Amount as reflected on Schedule A to this Agreement.

(d) Class P Units shall be subject to the provisions of this Section 4.9 and other restrictions as provided in the applicable Unit Award Agreement. Within 30 days from the date of issuance, a Member receiving Unvested Class P Units shall make an election under Section 83(b) of the Code with respect to such Class P Units, in a manner reasonably prescribed by the Company and, unless otherwise determined by the Board, the fair market value of Class P Units for purposes of such election shall be reported as zero.

(e) The Company reserves the right to withhold, if required by any applicable laws, from any consideration payable or property transferable to any Member to the extent of any

Class P Units held by such Member, any taxes required to be withheld by federal, state or local law as a result of receiving a Class P Unit or the receipt of cash or property upon a Liquidity Event. If the amount of any consideration payable to a Member is insufficient to pay such taxes, or if no cash consideration is payable to the Member, upon the request of the Company, the Member shall pay to the Company an amount sufficient for the Company to satisfy any federal, state or local tax withholding requirements it may incur as a result of the issuance of the Class P Units or the receipt of cash or property upon a Liquidity Event.

ARTICLE 5
MANAGEMENT AND GOVERNANCE

Section 5.1 Manager Management. The Company shall be managed by the Management Committee and the Board of Directors, subject to the rights of the Members as set forth in this Agreement. The members of the Management Committee and the Board of Directors (collectively, the "**Managers**") shall be considered to be managers for purposes of the Act and shall have the rights, powers, authority, privileges and immunities set forth in this Agreement.

Section 5.2 Management Committee.

(a) The day-to-day business and operations of the Company (which for purposes of ARTICLES 5 and 6 shall be deemed to include its Subsidiaries) shall be managed by, or under the direction of, a Management Committee (the "Management Committee"), which shall be appointed by the Managing Members or their Managing Member Designees as provided in Section 5.2(b). The Management Committee shall have the right, power and authority to make decisions with respect to all business and operational matters in the ordinary course of business and will oversee and advise the senior management of the Company regarding the performance and execution of the business and strategic plans. The authority of the Management Committee shall be confined to the business and operational aspects of the Company, and the members of the Management Committee shall have no authority with respect to editorial or journalistic policies and decisions of the Company and will not attempt to control or influence such policies and decisions.

(b) The Management Committee shall be comprised of two (2) members, each of which shall be appointed by a Managing Member or by a Permitted Transferee thereof (the "**Managing Member Designee**") to whom such Managing Member has conferred its power of appointment by a written instrument, a copy of which shall be delivered to all other members of the Management Committee and the Board. Such power of appointment shall continue so long as the Managing Member, together with its Permitted Transferees, continues to have an aggregate Percentage Interest of not less than ten percent (10%) or, if less, the largest Percentage Interest held by any other Member together with its Permitted Transferees. The members of the Management Committee need not be Members, but must be natural Persons of full age. The initial members of the Management Committee appointed by the Managing Members are listed on Schedule B to this Agreement. In the event that either such committee member is unable to serve on the Management Committee for any reason, they shall be replaced by the individuals listed on Schedule B to this Agreement.

(c) Any member of the Management Committee may be removed at any time with or without cause exclusively by the Managing Member (or the Managing Member Designee) that has the right to appoint such member as set forth is Section 5.2(b). Any such removal shall be effective at the time specified by the Member taking such action. Vacancies on the Management Committee may be filled at any time exclusively by the Managing Member (or the Managing Member Designee) that has the right to appoint such members pursuant to Section 5.2(b). The appointment to fill a vacancy shall be effective immediately upon written notice to the Company.

(d) The Management Committee shall meet at such times and locations as shall be determined by the Management Committee in its sole discretion. The Management Committee may, by resolution, prescribe the time and place for the holding of regular meetings of the Management Committee and may provide that the adoption of any such resolution shall constitute notice of such regular meetings. A member of the Management Committee may vote by proxy by executing an appointment instrument. The presence (in person or by proxy) of both members of the Management Committee shall be required for a quorum for the transaction of business and no action shall be taken by the Management Committee unless both members of the Management Committee approve such action.

(e) Meetings of the Management Committee may be held by means of conference telephone or other communications equipment whereby each of the members participating can hear each of the other members. Action by the Management Committee may also be taken and represented by written consent executed by both members of the Management Committee.

(f) The Management Committee shall report to the Board of Directors not less often than quarterly or as otherwise agreed with the Board of Directors.

Section 5.3 Board of Directors.

(a) The business and affairs of the Company shall be governed by, or under the direction of, a Board of Directors (the "**Board of Directors**" or the "**Board**"), which shall be appointed by the Original Members or their Member Designees as provided in Section 5.3(b).

(b) The Board shall be comprised of six (6) members ("**Directors**"), each of which shall be appointed by an Original Member or by a Permitted Transferee thereof (the "**Member Designee**") to whom such Member has conferred its power of appointment by a written instrument, a copy of which shall be delivered to all other members of the Board and the Management Committee. The Directors need not be Members, but must be natural Persons of full age. Each Original Member or its Member Designee shall have the right at any time to appoint an alternate Director to attend meetings, vote and otherwise act in place of its regular Director. The alternate Director may also attend meetings at which the regular Director is present; provided that if both the regular Director and the alternate Director are present, only the regular Director shall have the right to vote and otherwise act as a member of the Board at such meetings. The initial Directors and the alternate Directors, if any, appointed by the Original Members are listed on Schedule B to this Agreement.

(c) Any Director may be removed at any time with or without cause exclusively by the Original Member (or its Member Designee) that has the right to appoint such Director as set forth is Section 5.3(b). Any such removal shall be effective at the time specified by the Original Member taking such action. Vacancies on the Board may be filled at any time exclusively by the vote of the Original Member (or its Member Designee) that has the right to appoint such Directors pursuant to Section 5.3(b). The appointment to fill a vacancy shall be effective immediately upon written notice to the Company.

(d) Action by the Board shall require the approval of Directors appointed by Members or their Member Designees who (together with their Permitted Transferees) hold a majority of the Percentage Interests, and must be approved by both of the Directors appointed by the Managing Members or their Managing Member Designees.

(e) Except for the rights, powers and authority vested in the Management Committee under Section 5.2 or as otherwise provided in this Agreement, the Board shall have the right, power, and authority to make all decisions affecting the business and affairs of the Company, including, but not limited to, the following actions:

(i) adoption of a strategic plan;

(ii) adoption of an annual budget or any material revision thereto;

(iii) appointment of the successor to H. F. Lenfest as Chairman of the Board of Directors and Chairman of the Community Board;

(iv) appointment of any other senior officers of the Company;

(v) hiring or termination of the Publisher;

(vi) appointment of members of the Community Board and the determination of the role and function of the Community Board;

(vii) admission of new members or issuance of additional Units or other equity interests of the Company;

(viii) repurchase or redemption of any Units;

(ix) transfer of any Units to anyone other than a Permitted Transferee (as defined below) or otherwise in compliance with the Operating Agreement;

(x) any Liquidity Event;

(xi) any sale or other disposition or the closure of any material business unit of the Company;

(xii) issuance of any debt security by the Company or any borrowings by the Company in excess of $1,000,000;

(xiii) acquisitions and investments by the Company in excess of $1,000,000 (other than as contemplated by investment policy approved by the Board);

(xiv) distributions other than Minimum Distributions;

(xv) purchase, lease, expense, or other commitment or expenditure in excess of $1,000,000;

(xvi) equity compensation plan or bonus plan for management;

(xvii) selection of the auditor for the Company;

(xviii) approval of any collective bargaining agreement or other labor agreement; or

(xix) related party transactions with any Member or Manager or its affiliates, unless on arms-length terms.

(f) The Board shall meet at such times and locations as shall be determined by the Board in its sole discretion. The Board may, by resolution, prescribe the time and place for the holding of regular meetings of the Board and may provide that the adoption of any such resolution shall constitute notice of such regular meetings. A Director of the Board may vote by proxy by executing an appointment instrument. The presence (in person or by proxy) of Directors appointed by Members or their Member Designees who (together with their Permitted Transferees) hold a majority of the Percentage Interests shall constitute a quorum for the transaction of business; provided that no quorum shall exist and no action can be taken or business conducted by the Board unless both of the Directors appointed by the Managing Members or their Managing Member Designees are present (in person or by proxy).

(g) Meetings of the Board may be held by means of conference telephone or other communications equipment whereby each of the Directors participating can hear each of the other Directors. Action by the Board may also be taken and represented by written consent executed by the Directors appointed by Members or their Member Designees who (together with their Permitted Transferees) hold a majority of the Percentage Interests, including the written consent of the Directors appointed by the Managing Members or their Managing Member Designees, provided that the other Directors shall thereafter be given notice of the written consent.

(h) Except as otherwise provided herein, written or telephonic notice of each meeting of the Board shall be given to each Director no less than 24 hours prior to the date of the meeting. Such notice shall state the place, date, and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called. When all of the Directors are present at any meeting with respect to which such notice has not been given, or if some, but not all, of such Directors are present at such meeting and those not present sign in writing a waiver of notice of such meeting, or subsequently ratify all of the proceedings thereof, the transactions of such meeting are as valid as if the meeting were formally called and notice had been given.

(i) H. F. Lenfest shall serve as Chairman of the Board of Directors for so long as he is a Member of the Company. At such time as H. F. Lenfest is no longer serving as Chairman of the Board, his successor shall be elected by the Board of Directors.

Section 5.4 Community Board of Trustees.

(a) The Company shall also have a Community Board of Trustees (the "**Community Board**"), which shall consist of community leaders and such other persons as the Board of Directors may appoint. All of the Directors (or their designees) shall have the right to serve on the Community Board.

(b) The Community Board shall provide advice and guidance on such matters that may be referred to it by the Board of Directors and to serve such role and perform such functions and responsibilities as the Board of Directors may determine from time to time.

(c) H. F. Lenfest shall serve as Chairman of the Community Board for so long as he is a Member of the Company. At such time as H. F. Lenfest is no longer serving as Chairman of the Community Board, his successor shall be elected by the Board of Directors.

Section 5.5 Officers of the Company.

(a) The Board may appoint individuals as officers of the Company ("**Officers**"), having such titles as it may select, including the titles of Chairman, Chief Executive Officer, President, Vice President, Treasurer and Secretary to act on behalf of the Company, with such power and authority as the Board may delegate to any such individual.

(b) Any Officer may resign at any time by giving written notice to the Board, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Company under any contract by which such Officer is a party. Any Officer may be removed at any time by the Board (other than the vote of the subject Officer, if such Officer is a member of the Board), with or without cause. Any such removal shall be without prejudice to the rights, if any, under any contract of employment between the Company and such Officer. A vacancy in any office may be filled for the unexpired portion of the term by the Board.

(c) The salaries or other compensation of the Officers of the Company shall be fixed from time to time by the Board and no Officer shall be prevented from receiving such salary by reason of the fact that he is also a Member of the Company.

Section 5.6 Non-Interference Policy. Neither the Management Committee, the Board of Directors, the Community Board nor any Member, Manager or Officer shall attempt to directly or indirectly control or influence any of the editorial or journalistic policies and decisions of the Company.

ARTICLE 6
RIGHTS AND POWERS OF MEMBERS

Section 6.1 Powers of Members.

The rights and powers of the Members shall be limited to the rights and powers granted to the Members pursuant to the express terms of this Agreement.

Section 6.2 Member Approvals. Notwithstanding the powers and authority conferred upon the Management Committee or the Board of Directors by this Agreement, the following actions with respect to the Company or any of its Subsidiaries shall require (a) the prior written approval of the Managing Members or their Managing Member Designees, and (b) the prior written approval of the Class A Members holding sixty-six and two-thirds percent (66 2/3%) of the Percentage Interests (including the Percentage Interests held by the Managing Members and their Permitted Transferees):

(i) amendment of the Certificate of the Company or this Agreement so as to adversely affect the powers, preferences or rights of the Units held by the Members;

(ii) increase or decrease in the number of Directors comprising the voting members of the Board of Directors, other than a reduction in the number of Directors as a result of an Original Member ceasing to be a Member;

(iii) authorization, creation or issuance of any additional Units or any other Equity Securities or increase or decrease to the total number of authorized Units;

(iv) redemption, repurchase, retirement or other acquisition of any Units or other Equity Securities;

(v) acquisition of any other Person or all, or substantially all of the assets of another Person (whether by merger, equity purchase, license, lease or otherwise), in which the consideration paid by the Company for such Person or assets exceeds $5,000,000 in the aggregate;

(vi) any Liquidity Event;

(vii) any sale or other disposition or the closure of any material business unit of the Company;

(viii) entering into any new line of business that is outside of the purposes for which the Company was formed as set forth in Section 3.1; or

(ix) dissolution, liquidation or winding up of the Company's affairs.

Section 6.3 Post-Closing Transactions with PMN. Promptly following the closing of the acquisition of PMN, the Company plans to acquire the remaining shares of PMN that were not purchased by the Company at closing, either by means of a direct stock purchase or a clean-up merger with PMN. In addition, the Company plans to convert PMN from a Delaware

corporation to a Delaware limited liability company, either by way of direct conversion or merger, based on the advice of the Company's tax advisers, in order to achieve flow-through treatment of the income and losses of the business. These transactions (the "**Post-Closing Transactions**") are hereby approved by the Members and shall not require the further approval of the Board or the Members, notwithstanding any other provision of this Agreement. The Managing Members shall keep the Members advised of the progress of the Company in carrying out the Post-Closing Transactions.

Section 6.4 Additional Members. Subject to any approval of the Board, the Company may admit any Person as an additional member of the Company (each, an "**Additional Member**" and collectively, the "**Additional Members**") on the terms and conditions approved by the Board. Each such Person shall be admitted as an Additional Member at the time such Person (i) executes a joinder to this Agreement (which may include specific provisions relating to such Additional Member and any Units issued to or acquired by such Additional Member as the Board may designate) and (ii) is designated as a Member (with a corresponding Percentage Interest, if any) on an amended or supplemental Schedule A hereto. Subject to the foregoing, the Company may issue Units to such Additional Members in exchange for cash, property or services rendered, or a promissory note or other obligation to contribute cash or property or to perform services or any combination thereof.

Section 6.5 Resignation. Except as provided in this Agreement, a Member may not withdraw from the Company prior to the dissolution and winding up of the Company. If a Member withdraws in violation of the foregoing prohibition, such Member shall not be entitled to receive any compensation or distributions and shall not otherwise be entitled to receive the fair market value of its Units except as otherwise expressly provided for in this Agreement or separate written compensation plan for such Member.

Section 6.6 Preemptive Rights.

(a) Each Class A Member shall have a right of first refusal to purchase a proportionate number of any New Securities (as defined below) that the Company, or any of its Subsidiaries may, from time to time, propose to issue and sell after the date hereof, together with a right of overallotment such that, if any Class A Member fails to exercise its right hereunder to purchase its proportionate number of New Securities to the fullest extent permitted hereby, the other Class A Members may purchase their proportionate number (determined with reference only to those Class A Members exercising overallotment rights), or any lesser number, of New Securities that the Class A Members have elected not to purchase. For purposes of this Section 6.6, each Class A Member's "proportionate number" shall mean the ratio of (a) the total number of Class A Units held by such Class A Member (including the total number of Class A Units that could then be acquired by such Class A Member upon exercise or conversion of all Equity Securities held by such Class A Member) immediately prior to such issuance of New Securities, to (b) the total number of the Units issued and outstanding immediately prior to such issuance of New Securities.

(b) As used in this Section 6.6, the term "**New Securities**" shall mean (a) any membership interests in the Company, including, without limitation, Units, and (b) any Equity Securities; *provided, however*, that New Securities shall not include any Excluded Securities and

the preemptive rights established in this Section 6.6 expressly shall not apply to the issuance of any Excluded Securities.

(c) In the event the Company proposes to issue New Securities, it shall give each Class A Member written notice of its intention to do so at least thirty (30) days prior to such issuance, which notice shall describe the New Securities and the price and terms upon which the Company proposes to issue such New Securities (the "**Original Notice**"). Each Class A Member may purchase up to such Class A Member's proportionate number of such New Securities (the "**Full Amount**") for the price and upon the terms specified in the Original Notice by giving written notice to the Company no later than thirty (30) days after having received the Original Notice (the "**Notice Date**"), which notice shall identify the number of New Securities (up to the Full Amount) to be purchased by such Class A Member. If any Class A Member fails to deliver a written notice electing to purchase such Class A Member's Full Amount by the Notice Date, the Company shall give each Class A Member that delivered a written notice electing to purchase New Securities (each a "**Participating Member**") a written notice identifying such additional New Securities as are available for purchase, and the right of overallotment (as described above) may be exercised by such Participating Members within fifteen (15) days after receipt of such notice.

(d) In the event the Class A Members fail to exercise their preemptive rights in full within the 30-day period or 15-day period, as the case may be, the Company shall have 90 days thereafter to sell the New Securities as to which the Class A Members' rights were not exercised, at a price and upon terms specified in the Original Notice. In the event the Company has not sold such New Securities within said 90-day period, the Company shall not thereafter issue or sell any New Securities without first offering such New Securities to the Class A Member in the manner provided above.

(e) Notwithstanding anything in this Agreement to the contrary, any Class A Member may assign such Class A Member's preemptive rights to purchase New Securities, whether in whole or in part, to any Affiliate of such Class A Member (whether now existing or hereafter formed). The preemptive rights established by this Section 6.6 shall not apply to, and with respect to issuances by the Company shall terminate upon, the consummation of an initial public offering of the Company's Equity Securities.

Section 6.7 Financial Reporting.

The Company will deliver to each Member the following:

(a) as soon as available, but in any event within forty-five (45) days after the end of each of the first three (3) quarters of each fiscal year of the Company, an unaudited, consolidated balance sheet of the Company and its Subsidiaries, together with the related statement of operations, retained earnings and cash flow statements for such quarter (provided, however, that such statements need not include footnotes, but otherwise shall comply with generally accepted accounting principles (subject to normal year-end adjustments), which financial statements shall compare the financial information contained therein with the Company's operating plan and budget for such period;

(b) as soon as available, but in any event within ninety (90) days after the end of each fiscal year, a consolidated balance sheet of the Company and its Subsidiaries, as of the end of such fiscal year, together with the related, consolidated statement of operations, retained earnings and cash flow statements for such fiscal year, all in reasonable detail and duly certified by the Company's certified public accountants, who shall have given the Company an opinion, unqualified as to the scope of the audit, regarding such statements, and which financial statements shall be accompanied by the Company's comparison of the financial information contained therein with the Company's operating plan and budget for such period; and

(c) at least thirty (30) days before the beginning of each fiscal year, the operating plan and budget of the Company and its Subsidiaries for the upcoming year.

Section 6.8 Confidentiality Obligations. Each Member expressly covenants and agrees that neither such Member nor any of its Affiliates (to the extent any such Affiliate has received Confidential Information) will disclose, divulge, furnish or make accessible to anyone (other than the Company or any of its Affiliates or representatives) any Confidential Information, or in any way use any Confidential Information in the conduct of any business; provided, however, that nothing in this Section 6.8 will prohibit the disclosure of any Confidential Information (a) which is required to be disclosed by the Member or any such Affiliate in connection with any court action or any proceeding before any governmental or regulatory authority; (b) which is required to be disclosed by applicable law or regulation; (c) in connection with the enforcement of any of the rights of the Member hereunder; or (d) in connection with the defense by the Member of any claim asserted against it hereunder, provided, however, that in the case of a disclosure contemplated by clause (a), no disclosure shall be made until the Member shall give prior written notice to the Company of the intention to disclose such Confidential Information so that the Company may contest the need for disclosure, and the Member, at the Company's expense, will cooperate (and will cause its Affiliates and their respective representatives to cooperate) with the Company in connection with any such proceeding.

ARTICLE 7
ASSIGNMENT; TRANSFER OF UNITS

Section 7.1 Assignment of Units. No Member shall be permitted to Transfer all or any part of such Member's Units or any fractional or beneficial interest therein, except in compliance with this ARTICLE 7. If a Member Transfers Units in accordance with this ARTICLE 7, such Transfer shall, nevertheless, not entitle the assignee to become a Substitute Member or to be entitled to exercise or receive any of the rights, powers or benefits of a Member other than the right to receive distributions to which the assigning Member would be entitled, unless the assigning Member requests, in a written instrument delivered to the Board, that its assignee become a Substitute Member and the Board consents in writing to the admission of such assignee as a Member; and provided further, that such assignee shall not become a Substitute Member without having first executed an instrument reasonably satisfactory to the Board which shall at a minimum include an acceptance and agreement by the Substitute Member to abide by all the terms and conditions of this Agreement including, without limitation, those specifically applicable to the transferring Member or a previous transferor of such Units. If a Member assigns all or a portion of his Units in the Company and the assignee thereof is entitled to become a Substitute Member in accordance with this ARTICLE 7, then such assignee shall be

admitted to the Company effective immediately prior to the effective date of the assignment (as set forth in Section 7.4), and, immediately following such admission, the assigning Member shall cease to be a Member of the Company to the extent of the portion of the Units assigned hereunder.

Section 7.2 Permitted Transfers.

(a) Notwithstanding anything contained herein to the contrary, a Member shall be permitted to assign, at any time and from time to time, all or any part of its Units to a Permitted Transferee. For this purpose "**Permitted Transferee**" means with respect to a particular Member: (A) in the case of Member that is an individual, a Person that is (i) a member of such Member's Family Group, or (ii) an entity under the control of such Member and one or more other Permitted Transferees of such Member; and (B) in the case of a Member that is not an individual (other than a trust, estate or other fiduciary relationship comprising a part of any individual Member's Family Group), a Person that is (i) an entity under the control of such Member and one or more other Permitted Transferees of such Member; (ii) any Affiliate of such Member; (iii) any member or partner of such Member as a distribution in the case of a Member organized as a limited liability company, limited partnership or general partnership, or any member of such member's or partner's Family Group; or (iv) another Member or a Permitted Transferee of such other Member. In addition, the transfer by H.F. Lenfest of his Units pursuant to the terms of the Lenfest Put Agreement shall be a permitted transfer and the purchasers of such Units thereunder shall be Permitted Transferees, and such transfer shall not be subject to the restrictions contained in this ARTICLE 7.

(b) The subsequent Transfer of any Units by a Permitted Transferee shall be subject to the same restrictions of this ARTICLE 7, in the same manner as if the Units to be transferred were still owned by the Member from whom such Permitted Transferee acquired such Units; and for this purpose references herein to a Transfer by a Member (or a specific Member), shall include any Transfer by the Permitted Transferee(s) that acquired such Member's Units, and references to a specific Member by name shall include its Permitted Transferees.

Section 7.3 Recognition of Assignment by Company or Other Members. No assignment, or any part thereof, that is in violation of this ARTICLE 7 shall be valid or effective, and neither the Company nor the Board or any Member shall recognize the same for any purpose of this Agreement, including the purpose of making distributions of Net Cash Flow pursuant to this Agreement with respect to such Units or part thereof. Neither the Company nor the Board shall incur any liability as a result of refusing to make any such distributions to the assignee of any such invalid assignment.

Section 7.4 Effective Date of Assignment. Any valid assignment of a Member's Units, or part thereof, pursuant to the provisions of this ARTICLE 7 shall be effective as of the close of business on the last day of the month in which such assignment occurs. The Company shall, from the effective date of such assignment, thereafter pay all further distributions on account of the Units (or part thereof), so assigned, to the assignee of such Units, or part thereof. As between any Member and its assignee, Profits and Losses for the Fiscal Year of the Company in which such assignment occurs shall be apportioned for federal income tax purposes in

accordance with any convention permitted under Section 706(d) of the Code and selected by the Board.

Section 7.5 Restrictions on Transfer.

(a) Prior to April 1, 2016, other than a Transfer to a Permitted Transferee, no Member may Transfer any of its Units without the prior written approval of the Management Committee and the Board.

(b) From and after April 1, 2016, a Member's voluntary Transfer of all or any portion of its Units to another Person, other than to a Permitted Transferee or with the prior written approval of the Management Committee and the Board, may be effected only in accordance with the provisions of this ARTICLE 7, including Section 7.6, Section 7.7, Section 7.8 and Section 7.9.

(c) In addition, no Transfer of Units may be effected unless the transferor of such Units shall deliver to Company an opinion of such transferor's counsel (which opinion and counsel shall be reasonably satisfactory to the Board) to the effect that such Transfer (a) is exempt from registration under the Securities Act, (b) will not violate any applicable laws relating to the transfer of securities and (c) would not result in the close of the Company's tax year or the termination of the Company within the meaning of Section 708(b) of the Code, or that such transfer would not have an adverse tax impact on the Company or the Members.

Section 7.6 Rights of First Offer.

(a) Any Member (the "**Transferring Member**") proposing to Transfer any of its Units (the "**Offered Units**") to any Person (other than a Permitted Transferee or with the prior written approval of the Management Committee and the Board) shall first offer to sell the Offered Units to the Company and other Members at a price equal to the Fair Market Value of such Offered Units, as provided in this Section 7.6 (the "**Right of First Offer**"). The Transferring Member shall make such offer by giving written notice (the "**Offer Notice**") to the Board and each of the other Members, which shall state the number of Offered Units that the Transferring Member is offering to sell.

(b) For purposes of this Section 7.6, the "**Fair Market Value**" of the Offered Units shall mean the fair market value of such Offered Units as determined by a valuation firm (which shall be an Independent Third Party) mutually selected by the Transferring Member and the Board (without the participation of the Director appointed by such Transferring Member); provided that if such parties fail to agree on a valuation firm within ten (10) days following the date of the Offer Notice (the "**Selection Period**"), then such parties each shall select their own valuation firm within five (5) business days after the expiration of the Selection Period, which firms shall then select within five (5) business days after their selection a valuation firm to finally determine such fair market value. If either such party fails to select a valuation firm within the Selection Period, then the valuation firm selected by the other shall finally determine such fair market value. The Company shall engage the valuation firm selected in accordance with the foregoing procedures to finally determine the fair market value. If the valuation firm is mutually

selected by the parties, the Company shall bear all fees and expenses of such valuation firm in connection with such engagement. If the parties cannot mutually agree on the selection of the valuation firm and the valuation firm is selected by the other valuation firms as provided above, then Transferring Member and the Company shall each be responsible for one-half of all fees and expenses of such valuation firm in connection with such engagement.

(c) For a period of thirty (30) days following receipt of the Offer Notice by the Board and the determination of the Fair Market Value of the Offered Units, the Company shall have the option to accept the offer contained in the Offer Notice. Such option shall be exercised in writing by the Company by notice to the Transferring Member with copies to the other Members (the "**Offer Exercise Notice**") stating the number of Offered Units that the Company elects to purchase. If the Company elects not to purchase any of the Offered Units, the Board shall give written notice to that effect to the Transferring Member with copies to the other Members (the "**Rejection Notice**") not later than thirty (30) days following the Board's receipt of the Offer Notice and the determination of the Fair Market Value of the Offered Units.

(d) If the Company does not exercise its option to purchase all the Offered Units under Section 7.6(c), the Members of the Company (the "**Remaining Members**") shall have the option to purchase any of the Offered Units that the Company does not elect to purchase. Within thirty (30) days after the receipt of a copy of the Offer Exercise Notice or the Rejection Notice, as the case may be, any Remaining Member desiring to acquire any part or all of the Offered Units not purchased by the Company shall deliver to the Board a written election to purchase the Units or a specified number of them (a "**Remaining Notice**"). If the total number of Units specified in the Remaining Notice exceeds the number of available Offered Units, each Remaining Member shall have priority, up to the number of Units specified in the Remaining Member's Remaining Notice, to purchase such portion of the available Units as the number of the Units that the Remaining Member holds bears to the total number of Units held by all Remaining Members electing to purchase. The Units not purchased on such a priority basis shall be allocated in one or more successive allocations to those Remaining Members electing to purchase more than the number of Units in which they have a priority right, up to the number of Units specified in their respective Remaining Notices, in the proportion that the number of Units (without counting Offered Units) held by each Remaining Member bears to the number of Units (without counting Offered Units) held by all Remaining Members. Within thirty (30) days after receipt of the Remaining Notices from all Remaining Members or, if some Remaining Members make no election, within thirty (30) days after the expiration of the 30-day period provided by this Section for the making of an election, whichever is earlier, the Board shall notify the Transferring Member and each Remaining Member electing to purchase of the number of Units to which such election was effective.

(e) A closing for the sale and purchase of the Offered Units that the Company and/or the Remaining Members have elected to purchase pursuant to the Right of First Offer contained in this Section 7.6 shall be held not more than 120 days after receipt by the Board of the Offer Notice from the Transferring Member pursuant to Section 7.6(a). At the closing, the Transferring Member shall deliver an instrument or instruments, properly executed and with all required transfer stamps, if any, representing good, marketable and indefeasible legal and beneficial title to the Offered Units being sold by the Transferring Member to the Company

and/or such Remaining Members, as applicable, free and clear of all pledges, liens, security interests, mortgages, encumbrances, and arrangements (other than those expressly provided for in this Agreement) with respect to all or any part of the rights of the Transferring Member with respect to such Offered Units, against delivery of the applicable consideration for such Offered Units, which shall be payable in immediately available funds by the Company and/or such Remaining Members, as applicable.

(f) If the Company and/or the Remaining Members do not purchase all the Offered Units pursuant to the Right of First Offer contained in this Section 7.6, the unpurchased Offered Units may be offered for sale by the Transferring Member to any third party at any time on or before the expiration of 180 days from the date of receipt by the Board of the Offer Notice, after first complying with the Right of First Refusal provisions set forth in Section 7.7. The Offered Units shall not be offered for sale to a third party after the end of the 180-day period, without a new offer to the Company and the Remaining Members by the Transferring Member in compliance with the requirements of this Section.

(g) At any time before the Company and/or the Remaining Members have notified the Transferring Member that they have elected to purchase all of the Offered Units pursuant to the Right of First Offer, the Transferring Member may terminate the rights of the Company and the Remaining Members to purchase the Offered Units under this Section by delivering to the Board and the Remaining Members a notice stating that the Transferring Member has abandoned the Transfer that was the subject of the Offer Notice. A subsequent Transfer of Units by the Transferring Member shall not be made without a new offer to the Company and the Remaining Members by the Transferring Member in compliance with the requirements of this Section.

Section 7.7 Rights of First Refusal.

(a) If the Company and/or the Remaining Members do not purchase all the Offered Units pursuant to the Right of First Offer contained in Section 7.6, the Transferring Member may offer the unpurchased Offered Units to any other Person at any time on or before the expiration of 180 days from the date of receipt by the Board of the Offer Notice, subject to the rights contained in this Section 7.7 (the "**Right of First Refusal**"). The Right of First Refusal shall not apply to any Transfer to a Permitted Transferee or a Transfer with the prior written approval of the Management Committee and the Board.

(b) The Transferring Member shall give prior written notice (the "**Sale Notice**") to the Company and the Members of such Transferring Member's intent to Transfer its Units, specifying the name of the intended transferee (the "**Transferee**"), the date of the proposed Transfer, the purchase price or other consideration to be received upon such Transfer (the "**Offering Price**") and all of the other terms and conditions of the proposed Transfer. The Sale Notice shall constitute an offer to sell all or any portion of the Offered Units to the Company and the other Members as hereinafter provided. For a period of fifteen (15) days after receipt of the Sale Notice (the "**Company Election Period**"), the Company will have the right to elect to purchase the Offered Units at the Offering Price and on the terms and conditions specified in the Sale Notice. If the Company does not elect to purchase the Units, for a period of

thirty (30) days after the expiration of the Company Election Period, each of the Members other than the Transferring Member, as applicable, (the "**Non-Transferring Members**") shall have the right to elect to purchase the Offered Units at the Offering Price and on the terms and conditions specified in such Sale Notice, in an amount equal to a fraction the numerator of which shall be equal to the Percentage Interest of such Non-Transferring Member and the denominator of which shall be equal to the aggregate of all Percentage Interests of all Non-Transferring Members. If any Non-Transferring Member does not elect to purchase its portion of the Offered Units within the thirty (30) day period, each Non-Transferring Member who does elect to purchase its portion shall have the right for an additional period of ten (10) days to elect to purchase that portion of the unsubscribed for remaining Offered Units equal to a fraction the numerator of which shall be equal to the Percentage Interest of such Non-Transferring Member and the denominator of which shall be equal to the aggregate Percentage Interests of all Non-Transferring Members who desire to purchase a portion of the unsubscribed for remaining Offered Units.

(c) The purchase rights set forth in this Right of First Refusal contained in this Section 7.7 shall be exercisable by delivering a written notice to the Transferring Member and to the Company, signifying such exercise by the Non-Transferring Member(s) and that portion of the Transferring Member's Units to be purchased.

(d) If the Non-Transferring Members have elected to purchase any portion of the Offered Units, then the closing of the sale of the Offered Units to be so purchased shall occur on a date that is no later than the later of (i) the date of the proposed Transfer set forth in the Sale Notice or (ii) the date that is sixty (60) days after the expiration of the period during which the Non-Transferring Members have the right to accept or reject their respective rights of first refusal under this Section 7.7.

(e) At the closing of the sale of Offered Units to the Non-Transferring Members who have elected to purchase any portion of the Offered Units, the Transferring Member shall deliver an instrument or instruments, properly executed and with all required transfer stamps, if any, representing good, marketable and indefeasible legal and beneficial title to the Offered Units being sold by the Transferring Member to the Non-Transferring Members as applicable, free and clear of all pledges, liens, security interests, mortgages, encumbrances, and arrangements (other than those expressly provided for in this Agreement) with respect to all or any part of the rights of the Transferring Member with respect to such Offered Units, against delivery of the applicable consideration by the Non-Transferring Members, as applicable.

(f) If the Non-Transferring Members do not exercise their purchase rights with respect to any portion of the Offered Units, then the Transferring Member shall be free, for a period of sixty (60) days thereafter, to sell or assign the portion of the Offered Units not purchased by a Non-Transferring Member to the Transferee (but not to any assignee or designee of such Transferee) at the Offering Price and on the terms and conditions set forth in the Sale Notice; provided, however, the Transferee shall not be admitted as a Member of the Company unless and until the Transferee has complied with the requirements of Section 7.1 hereof, requiring notice to and approval by the Company to become a Substitute Member. If the Offered Units are not so sold or assigned by the Transferring Member within such sixty (60) day period,

the provisions of Section 7.6 and this Section 7.7 shall again apply to any proposed sale or assignment of such interest in the Company.

Section 7.8 Co-Sale Provisions.

(a) If a Transferring Member still has any remaining Units available for sale to the Transferee at the end of the Member's option period described in Section 7.7(b), and if such Transferring Member's remaining Units constitute fifty percent (50%) or more of all of the outstanding Units of the Company, then the Transferring Member shall, within ten (10) days after the end of such option period, submit a written notice (the "**Co-Sale Notice**") to the Non-Transferring Members disclosing the amount of the remaining Units proposed to be sold and the total amount of the Units owned by the Transferring Member, including those, if any, designated for sale to the Non-Transferring Members pursuant to Section 7.7 hereof. For purposes of this Section 7.8, a "Transferring Member shall include any other Transferring Members that are acting in concert with such Transferring Member in offering to sell their Units in a single transaction or a series of related transactions to the Transferee and/or any Affiliates thereof and/or any other Persons acting in concert with such Transferee. The co-sale provisions in this Section 7.8 shall not apply to any Transfer to a Permitted Transferee but shall apply to a Transfer to a Transferee that is not a Permitted Transferee notwithstanding the prior written approval of such Transfer by the Management Committee or the Board.

(b) Upon receipt of a Co-Sale Notice from the Transferring Member, each Non-Transferring Member shall have the right to sell to the Transferee, at the same price per Unit and on the same terms and conditions set forth in the Offer, up to that portion of its Units in the Company as the percentage of the Transferring Member's interest in the Company that the Transferring Member proposes to sell. For example, if the Transferring Member proposes to sell twenty-five percent (25%) of its Units in the Company, the Non-Transferring Member may sell up to twenty-five percent (25%) of its Units in the Company.

(c) If a Non-Transferring Member wishes to participate in any sale under Section 7.8(a) hereof, such Non-Transferring Member shall notify the Transferring Member in writing of such intention as soon as practicable after such Non-Transferring Member's receipt of the Co-Sale Notice made pursuant to Section 7.8(a) hereof, and in any event within 20 days after the date such Co-Sale Notice has been delivered. Such notification shall state the number of Units that such Non-Transferring Member proposes to sell pursuant to Section 7.8(a) hereof and shall be delivered in person or by facsimile to the Transferring Member.

(d) The Transferring Member and each participating Non-Transferring Member shall sell to the Transferee all, or, at the option of the Transferee, any part, of the Units proposed to be sold by them at not less than the price and upon other terms and conditions, if any, not more favorable to the Transferee than those in the Co-Sale Notice provided by the Transferring Member under Section 7.8(a) hereof; provided, however, that any purchase of less than all of such Units by the Transferee shall be made from the Transferring Member and each participating Non-Transferring Member pro rata based upon the relative amount of the Units that the Transferring Member and each of such participating Non-Transferring Member has proposed to sell pursuant to this Section 7.8.

(e) Subject to the consummation of the sale contemplated by the Co-Sale Notice and subject to compliance with the other applicable terms of this Agreement, a Member exercising its "co-sale" rights under this Section 7.8 shall take such actions and shall execute such documents and instruments as shall be reasonably necessary (and not adverse in any material respect to its interests) to consummate the proposed sale as expeditiously as is reasonably prudent.

(f) At the closing of any such sale, the Members exercising their "co-sale" rights under this Section 7.8 shall deliver a certificate or certificates, registered in such Members' respective names, properly endorsed and with all required transfer stamps, if any, representing the securities being sold by such Member against delivery of the applicable consideration by the proposed transferee.

(g) Notwithstanding anything to the contrary contained in this Section 7.8, no Member shall have any rights pursuant to this Section 7.8 to participate in any Transfer by any Transferring Member to the public pursuant to a registration statement or Rule 144 of the Securities Act (or any similar or successor rule).

Section 7.9 Drag Along Rights.

(a) If (i) the Company shall, with the approval of the Members holding not less than sixty-six and two-thirds percent (66 2/3%) of the Percentage Interests (and the approval of the Managing Members or their Managing Member Designees), enter into an agreement with respect to a Liquidity Event, or (ii) Members holding not less than sixty-six and two-thirds percent (66 2/3%) of the Percentage Interests shall, with the approval of the Managing Members or their Managing Member Designees, enter into an agreement to sell, in a single transaction or a series of transactions, all or substantially all of the Units at that time owned by such selling Class A Members to any Independent Third Party (the "**Buyer**"), then the Company or such selling Class A Members, as applicable, may require each other Member to vote in favor of such agreement and/or sell all of the Units owned by such other Members to the Buyer contemporaneously with the sale by the selling Members for the same form and amount of consideration per Unit as is applicable to the Units to be sold by the selling Class A Members. Without limiting the foregoing, the Members shall consent to and raise no objections against such a transaction.

(b) If the Company or the Class A Members, as applicable, wish to exercise the "drag along" right granted pursuant to this Section 7.9, then the Company or the Class A Members, as applicable, must give written notice to such effect to each other Member (a "**Drag-Along Notice**") not less than ten (10) nor more than sixty (60) days prior to the date upon which the applicable transaction is scheduled to close. Each Drag-Along Notice shall (i) specify in reasonable detail all of the terms and conditions upon which such transaction is to occur (including a description of all consideration payable in connection with the sale) and (ii) make explicit reference to this Section 7.9 and state that each Unit holder is obligated to vote in favor of and/or sell its, his or her Units pursuant to such transaction. Upon request by any Member, the selling Class A Members and the Company shall provide to such Member copies of all

material documentation relating to the proposed transaction as such Member may from time to time reasonably request.

(c) If the Company or the Class A Members exercise their "drag-along" right granted pursuant to this Section 7.9, subject to compliance with the other applicable terms of this Agreement, each other Member shall promptly take such actions and shall promptly execute such documents and instruments as shall be necessary and desirable to consummate the proposed transaction; provided, that, notwithstanding anything to the contrary contained herein, (i) if any indemnification is required, then each such other Member shall be only obligated to indemnify the Buyer or any other indemnitee if the Members comprising a part of the majority of the Class A Units who approved or agreed to such proposed transaction (the "**Dragging Members**") are required to so indemnify and any such indemnification by the such other Members shall be upon the same terms and conditions as are applicable to the indemnifications given by the Dragging Members so long as (A) all indemnification obligations of the indemnifying parties are several, and not joint and several, among all transferors in proportion to the consideration paid to each transferor and (B) the maximum indemnification obligation of each other Member shall not exceed the net cash proceeds actually received by it as a result of such transfer, and (ii) any representations or warranties on the part of each such other Member shall be limited to such other Member's organization, authority, capacity and title to its Units being transferred.

(d) If applicable, at the closing of any such transaction, each Member shall deliver a certificate or certificates, registered in such Member's, properly endorsed and with all required transfer stamps, if any, representing the Units being sold by such Member against delivery of the applicable consideration from the Buyer.

(e) Each Member will bear its, his or her pro rata share (based upon the number of Units sold) of the costs of any sale of Units or other transaction pursuant to this Section 7.9, to the extent that such costs are incurred for the benefit of substantially all Members and are not otherwise paid by the Company or the acquiring party.

(f) The provisions of this Section 7.9 shall terminate upon, the consummation of an initial public offering of the Company's Equity Securities.

ARTICLE 8
DISTRIBUTIONS TO MEMBERS

Section 8.1 Distributions.

(a) Minimum Distributions. For each Fiscal Year the Board shall, not later than ninety (90) days following the end of such Fiscal Year, use its best efforts to make distributions of Net Cash Flow, if available and the Company is not otherwise restricted from making distributions ("**Minimum Distributions**"), to each Member equal to the product of (x) the Company's net taxable income (not including any taxable income arising under Section 704(c) of the Code) allocated to such Member for such Fiscal Year and all prior Fiscal Years for federal income tax purposes multiplied by (y) the highest federal and state individual marginal tax rate pertaining to the type of income being taxed (such rate and type of income to be

determined by the Board in its sole discretion, but including any taxes imposed under the Code on the Member's share of the taxable income of the Company, including under Code Sections 1401 and 1411 and any other similar provision of the Code) on any Member (i.e., the same rate shall be applied to each Member for each type of income being taxed), reduced by all prior distributions pursuant to this Section 8.1(a). Each Minimum Distribution, if any, made to a Member pursuant to this Section 8.1(a) shall be treated as an advance of the amounts to which they are otherwise entitled under Section 8.1(b) or Section 8.1(c), as applicable.

(b) Operating Distributions. Net Cash Flow, if any, remaining after distributions under Section 8.1(a) shall be distributed at such times, if any, as determined by the Board in its sole discretion, to the Members in accordance with their respective Percentage Interests; provided, however, that Class P Members holding Class P Units that are profits interests shall only be entitled to distributions as to the excess (if any) of Net Consideration remaining after the Members holding Participating Units have received, with respect to such Participating Units, the respective Threshold Amount associated with each such Class P Unit that may be issued from time to time hereunder.

(c) Liquidating Distributions. Subject to Section 13.4(a), upon the occurrence of a Liquidity Event of the kind described in clause (a) of the definition of "Liquidity Event" contained in Section 1.1 hereof, Net Consideration shall be distributed as soon as practicable following the Liquidity Event to which such Net Consideration relates to the Members in accordance with their Percentage Interests; provided, however, that Class P Members holding Class P Units that are profits interests shall only be entitled to distributions as to the excess (if any) of Net Consideration remaining after the Members holding Participating Units have received, with respect to such Participating Units, the respective Threshold Amount associated with each such Class P Unit that may be issued from time to time hereunder.

Section 8.2 Sharing of Net Consideration Proceeds. The Members agree to share Net Consideration received from any Liquidity Event of the kind described in clause (b) of the definition of "Liquidity Event" contained in Section 1.1 hereof in the same manner as such Net Consideration would have been distributed under Section 8.1(c) hereof if such funds were available for distribution by the Company as a result of a Liquidity Event of the kind described in clause (a) of the definition of "Liquidity Event" contained in Section 1.1 hereof.

Section 8.3 Withholding. All amounts withheld pursuant to the Code or any provision of any foreign, state or local tax law or treaty with respect to any payment, distribution or allocation to the Company or the Members shall be treated as amounts distributed to the Members pursuant to this ARTICLE 8 for all purposes of this Agreement. The Board is authorized to withhold from distributions, or with respect to allocations, to the Members and to pay over to any federal, foreign, state or local government any amounts required to be so withheld pursuant to the Code or any provision of any other federal, foreign, state or local law or treaty and shall allocate such amounts to those Members with respect to which such amounts were withheld.

Section 8.4 Limitations on Distribution. Except as provided in this Agreement, no Member shall be entitled to any distribution of cash or other property from the Company.

Notwithstanding any provision to the contrary contained in this Agreement, the Company shall not make a distribution to any Member on account of its Units in the Company if such distribution would violate the Act or other applicable law or cause such Member to have an Adjusted Capital Account Deficit.

Section 8.5 Distributions with Respect to Unvested Units

(a) Notwithstanding any provision of this Agreement to the contrary, if the Company makes a distribution pursuant to Section 8.1(b), then any cash or property that is otherwise distributable pursuant to such section with respect to an Unvested Class P Unit shall instead be set aside by the Company for the benefit of the holder of such Unvested Class P Unit until such time as the holder's Unvested Class P Unit become a Vested Class P Unit, if ever, in accordance with the respective Unit Award Agreement.

(b) As a holder's Unvested Class P Units become Vested Class P Units, the Company shall promptly distribute to the holder the amount of cash or other property set aside pursuant to the Unit Award Agreement that is attributable to the newly Vested Class P Units. If any such Unvested Class P Units fail to become Vested Class P Units and are forfeited to or acquired by the Company pursuant to the Unit Award Agreement, then the cash or other property that had been set aside by the Company with respect to the Unvested Class P Units pursuant to Section 8.5(a) shall revert to the Company and shall become available for distribution to all of the other Members in accordance with this ARTICLE 8.

ARTICLE 9
ALLOCATIONS

Section 9.1 Profits and Losses. After giving effect to the special allocations set forth in Section 9.2, and subject to Section 9.3 hereof, Profits and Losses for any Fiscal Year shall be allocated to the Members as follows:

(a) Profits. The Company's Profits for any Fiscal Year shall be allocated to the Members having Capital Account Shortfalls for such Fiscal Year (as determined after taking account of all contributions, distributions, and special allocations during such Fiscal Year, but before taking account of allocations of Profit or Loss for such Fiscal Year) to the extent of, and in proportion to, such Capital Account Shortfalls.

(b) Losses. The Company's Losses for any Fiscal Year shall be allocated to the Members having Capital Account Excesses for such Fiscal Year (as determined after taking account of all contributions, distributions, and special allocations during such Fiscal Year, but before taking account of allocations of Profit or Loss for such Fiscal Year) to the extent of, and in proportion to, such Capital Account Excesses.

(c) No Losses shall be allocated to any Member to the extent that such allocation would result in an Adjusted Capital Account Deficit. Any Losses disallowed under the foregoing sentence shall be reallocated among the remaining Members.

Section 9.2 Special Allocations. The following special allocations shall be made in the following order:

(a) Company Minimum Gain Chargeback. If there is a net decrease in Company Minimum Gain during a Company Fiscal Year so that an allocation is required by Treasury Regulations Section 1.704-2(f), then each Member shall be specially allocated items of income and gain for such year (and, if necessary, subsequent years) equal to such Member's share of the net decrease in Company Minimum Gain as determined by Treasury Regulations Section 1.704-2(g). Such allocations shall be made in a manner and at a time which will satisfy the minimum gain chargeback requirements of Treasury Regulations Section 1.704-2(f) and this Section shall be interpreted consistently therewith. "Company Minimum Gain" shall have the meaning set forth in Treasury Regulations Sections 1.704-2(b)(2) and 1.704-2(d).

(b) Member Nonrecourse Minimum Gain Chargeback. If there is a net decrease in the Member Nonrecourse Debt Minimum Gain during any Company Fiscal Year so that an allocation is required by Treasury Regulations Section 1.704-2(i), any Member who has a share of such Member Nonrecourse Debt Minimum Gain (as determined in the same manner as partner nonrecourse debt minimum gain under Treasury Regulations Section 1.704-2(i)(5)) shall be specially allocated items of income or gain for such year (and, if necessary, subsequent years) equal to such Member's share of the net decrease in the Member Nonrecourse Debt Minimum Gain in the manner and to the extent required by Treasury Regulations Sections 1.704-2(i)(4) and 1.704-2(j)(2). This Section shall be interpreted in a manner consistent with such Treasury Regulations. "Member Nonrecourse Debt Minimum Gain" shall have the meaning set forth in Treasury Regulation Section 1.704-2(i)(3).

(c) Qualified Income Offset. If a Member unexpectedly receives an adjustment, allocation, or distribution described in Treasury Regulations Sections 1.704-1(b)(2)(ii)(d)(4), (5) or (6), any of which causes or increases an Adjusted Capital Account Deficit in such Member's Capital Account, then such Member will be specially allocated items of income and gain in an amount and manner sufficient to eliminate such deficit balance created or increased by such adjustment, allocation, or distribution as quickly as possible; provided, however, an allocation pursuant to this Section 9.2(c) will be made if and only to the extent that such Member would have an Adjusted Capital Account Deficit after all other allocations provided for in this ARTICLE 9 have been tentatively made as if this Section 9.2(c) were not in the Agreement.

(d) Allocation of Nonrecourse Liability Deductions. Deductions attributable to any Company Nonrecourse Liability shall be allocated among the Members in proportion to their respective Percentage Interests. "Company Nonrecourse Liability" has the meaning set forth in Treasury Regulations Section 1.704-2(b)(3)

(e) Member Nonrecourse Debt Deductions. Deductions attributable to any Member Nonrecourse Debt shall be allocated to the Member who bears the economic risk of loss with respect to the Member Nonrecourse Debt to which such Member Nonrecourse Deductions are attributable in accordance with Treasury Regulations Section 1.704-2(i)(1). "Member Nonrecourse Debt" has the meaning set forth in Treasury Regulations Section 1.704-2(b)(4).

(f) Section 754 Election. To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Code Section 734(b) or Code Section 743(b) is required, pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if such adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be specially allocated to the Members in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to such Section of the Treasury Regulations.

(g) Imputed Interest. If any Member makes a loan to the Company, or the Company makes a loan to any Member, and interest in excess of the amount actually payable is imputed under Code Sections 7872, 483, or 1271 through 1288 or corresponding provisions of subsequent Federal income tax law, then any item of income or expense attributable to any such imputed interest shall be allocated solely to the Member who made or received the loan and shall be credited or charged to its Capital Account, as appropriate.

(h) Share of Excess Nonrecourse Liabilities. For purposes of calculating a Member's share of "excess nonrecourse liabilities" of the Company (within the meaning of Treasury Regulation Section 1.752-3(a)(3)), the Members intend that they be considered as sharing profits of the Company in proportion to their respective Percentage Interests.

(i) Curative Allocations. The allocations set forth in the preceding Paragraphs of this Section 9.2 (collectively the "**Regulatory Allocations**") are intended to comply with certain requirements of Treasury Regulations Section 1.704-1 and Section 1.704-2. Notwithstanding any other provisions of this ARTICLE 9 (other than the Regulatory Allocations), the Board shall, with the advice and assistance of the Company's tax accountants, take the Regulatory Allocations into account in allocating other Profits, Losses, and items of income, gain, loss, deduction and Code Section 705(a)(2)(B) expenditures among the Members so that, to the extent possible, the net amount of such allocations of other Profits, Losses, and other items and the Regulatory Allocations to each Member shall be equal to the net amount that would have been allocated to each such Member if the Regulatory Allocations had not occurred.

Section 9.3 Allocation and Other Rules.

(a) In the event Members are admitted to the Company pursuant to this Agreement on different dates, the Profits (or Losses) allocated to the Members for each Fiscal Year during which Members are so admitted shall be allocated among the Members in proportion to their respective Percentage Interests during such Fiscal Year in accordance with Section 706 of the Code, using any method permitted by law and selected by the Board.

(b) For purposes of determining the Profits, Losses or any other items allocable to any period, Profits, Losses and any such other items shall be determined on a daily, monthly or other basis, as determined by the Board using any method that is permissible under Section 706 of the Code and the Treasury Regulations thereunder.

(c) Except as otherwise provided in this Agreement, all items of Company income, gain, loss, deduction and any other allocations not otherwise provided for shall be divided among the Members in the same proportions as they share Profits and Losses for the Fiscal Year in question.

(d) The Members are aware of the income tax consequences of the allocations made by this ARTICLE 9 and hereby agree to be bound by the provisions of this ARTICLE 9 in reporting their shares of Company income and loss for income tax purposes.

Section 9.4 Safe Harbor Election

(a) By executing this Agreement, each Member authorizes and directs the Company to elect to have the "safe harbor" described in the proposed Revenue Procedure set forth in Internal Revenue Service Notice 2005-43 (the "**Safe Harbor Notice**") apply to any Units issued to a Service Member that are issued or outstanding on or after the effective date of such Revenue Procedure in connection with services provided to the Company. For purposes of making such safe harbor election, the Tax Matters Member is hereby designated as the "partner who has responsibility for federal income tax reporting" by the Company and, accordingly, for execution of a "safe harbor election" in accordance with Section 4.03(1) of the Safe Harbor Notice. The Company and each Member hereby agree to comply with all requirements of the safe harbor described in the Safe Harbor Notice, including the requirement that each Member shall prepare and file all federal income tax returns reporting the income tax effects of each safe harbor Class P Unit issued by the Company in a manner consistent with the requirements of the Safe Harbor Notice.

(b) Each Member authorizes the Tax Matters Member to amend this Agreement to the extent necessary to achieve substantially the same tax treatment with respect to any Units that are issued to a Service Member as set forth in Section 4 of the Safe Harbor Notice (e.g., to reflect changes from the rules set forth in the Safe Harbor Notice in subsequent Internal Revenue Service or Treasury Department guidance), in a manner that, to the extent practicable, minimizes the materially adverse consequences to any Member.

Section 9.5 Allocations in the Event of Forfeiture

If, pursuant to the terms of the Unit Award Agreement, an Unvested Class P Unit is forfeited to or acquired by the Company, then, for the Fiscal Year in which such forfeiture or repurchase occurs:

(a) Except as otherwise provided in Section 9.5(b), with respect to such Unvested Class P Unit such Member's allocable portion of all items of income, gain, loss or deduction for the Fiscal Year in which the forfeiture or repurchase occurs shall be zero; and

(b) The Company shall make such allocations with respect to the forfeited or repurchased Unvested Class P Unit as the Board may deem necessary to ensure that the Company's allocations under this ARTICLE 9 are in accordance with Section 704 of the Code.

Section 9.6 Tax Allocations.

Except as otherwise provided in this Section 9.6, each item of income, gain, loss and deduction of the Company for federal income tax purposes shall be allocated among the Members in the same manner as such items are allocated for book purposes under this Section 9.6. In accordance with Section 704(c) of the Code and the Treasury Regulations thereunder, income, gain, loss, and deduction with respect to any property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and its initial Gross Asset Value (computed in accordance with the definition of Gross Asset Value) using any method permitted by the Treasury Regulations and selected by the Board. In the event the Gross Asset Value of any Company asset is adjusted pursuant to subparagraph (b) of the definition of Gross Asset Value, subsequent allocations of income, gain, loss, and deduction with respect to such asset shall take account of any variation between the adjusted basis of such asset for federal income tax purposes and its Gross Asset Value in the same manner as under Section 704(c) of the Code and the Treasury Regulations thereunder. Any elections or other decisions relating to such allocations shall be made by the Board. Allocations pursuant to this Section 9.6 are solely for purposes of federal, state, and local taxes and shall not affect, or in any way be taken into account in computing, any Member's Capital Account or share of Profits, Losses, other items, or distributions pursuant to any provision of this Agreement.

ARTICLE 10
BOOKS AND RECORDS

Section 10.1 Generally. The Company shall have obligations to the Members as set forth in this ARTICLE 10 respecting books, records and financial statements of the Company.

Section 10.2 Books and Records.

(a) At all times during the continuance of the Company, the Company shall maintain at its registered office and principal place of business all records and materials the Company is required to maintain at such location under the Act. Unless otherwise permitted by the Board in its sole discretion, each Class A Member shall have the right, for any purpose reasonably related to such Class A Member's interest as a Class A Member, upon not less than ten (10) days' prior written notice to the Company, to obtain, review and inspect during the Company's normal business hours and at such Class A Member's expense, the books of account and records of the Company and to discuss the Company's affairs, finances and accounts with the officers of the Company; provided, however, that the Company shall not be obligated pursuant to this Section 10.2 to provide access to any information that it reasonably considers to be a trade secret or similar confidential information.

(b) Each Class P Member and each Member holding any class of Units other than Class A Units, shall have the right, for any purpose reasonably related to such Member's interest as a Member, upon not less than 10 days' prior written notice to the Company, to obtain, review and inspect during the Company's normal business hours and at such Member's expense, not more than once per Fiscal Year, only the following documents and information:

(i) a current list of the name and last known business, residence or mailing address of each Member or member of the Board; and

(ii) a copy of any written limited liability company agreement and certificate of organization for the Company and all amendments thereto, together with copies of any written powers of attorney pursuant to which the limited liability company agreement and any certificate of organization and any amendments thereto have been executed.

The rights of the Members under this Section 10.2 are in lieu of any rights of the Members under the Act to obtain, review and inspect document and information relating to the Company.

Section 10.3 Accounting Method. For both financial and tax reporting purposes and for purposes of determining Profits and Losses, the books and records of the Company shall be kept on such method of accounting as determined by the Board and shall reflect all Company transactions and be appropriate and adequate for the Company's business.

ARTICLE 11
TAX MATTERS

Section 11.1 Taxation as Partnership. The Company shall be treated as a partnership for U.S. federal income tax purposes.

Section 11.2 Federal Tax Returns. The Company shall prepare or cause to be prepared at the expense of the Company, for each Fiscal Year (or part thereof), Federal tax returns in compliance with the provisions of the Code and any required state and local tax returns.

Section 11.3 Member Tax Return Information. The Company, at its expense, shall cause to be delivered to each Member such information as shall be necessary (including a statement for that year of each Member's share of net income, net losses and other items of the Company) for the preparation by the Members of their Federal, state and local income and other tax returns.

Section 11.4 Tax Matters Member.

(a) The "**Tax Matters Member**" of the Company for purposes of Section 6231(a)(7) of the Code shall be one of the Managing Members, as determined by the Management Committee, and shall have the power to manage and control, on behalf of the Company, any administrative proceeding at the Company level with the Internal Revenue Service relating to the determination of any item of Company income, gain, loss, deduction or credit for federal Income tax purposes.

(b) The Tax Matters Member shall, within five (5) business days of the receipt of any notice from the Internal Revenue Service in any administrative proceeding at the Company level relating to the determination of any Company item of income, gain, loss, deduction or credit, mail a copy of such notice to each Member.

(c) The Tax Matters Member shall use reasonable efforts to keep each Member informed of any tax proceeding by providing copies of all material notices and correspondence with the tax authority. The Tax Matters Member shall inform each Member in a timely fashion of any meetings with the tax authority and afford each Member the opportunity to attend such meetings, with a tax professional selected by the Member (at the Member's sole cost and expense).

Section 11.5 Right to Make Section 754 Election. The Board in its reasonable discretion may make or revoke, on behalf of the Company, an election in accordance with Section 754 of the Code, so as to adjust the basis of Company property in the case of a distribution of property within the meaning of Section 734 of the Code, and in the case of a transfer of a Company Unit within the meaning of Section 743 of the Code.

ARTICLE 12
LIABILITY, EXCULPATION AND INDEMNIFICATION

Section 12.1 Liability.

(a) Except as otherwise provided by 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, and no Covered Person shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a Covered Person.

(b) Except as otherwise expressly required by law, a Member, in its capacity as Member, shall have no liability in excess of (i) the amount of its Capital Contributions; (ii) its obligation to make other payments expressly provided for in this Agreement; and (iii) the amount of any distributions wrongfully distributed to such Member under the Act.

Section 12.2 Exculpation.

(a) No Covered Person shall be liable to the Company or any other Person for any loss, damage or claim incurred by reason of any act or omission performed or omitted by such Covered Person on behalf of the Company, provided that such actions or omissions were in good faith and reasonably believed to be within the scope of authority conferred on such Covered Person by this Agreement, except that a Covered Person shall be liable for any such loss, damage or claim incurred by reason of such Covered Person's fraud, gross negligence or willful misconduct.

(b) A Covered Person shall be fully protected in relying in good faith upon the records of the Company and upon such information, opinions, reports or statements presented to the Company by any Person as to matters the Covered Person reasonably believes are within such other Person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Company, including information, opinions, reports or statements as to the value and amount of the assets, liabilities, Profits, Losses or Net Cash Flow or any other facts pertinent to the existence and amount of assets from which distributions to Members might properly be paid.

Section 12.3 Indemnification. To the fullest extent permitted by applicable law, a Covered Person shall be entitled to indemnification from the Company for any loss, damage or claim incurred by such Covered Person by reason of any act or omission performed or omitted by such Covered Person on behalf of the Company provided that: (i) any such action was undertaken in good faith on behalf of the Company and in a manner reasonably believed to be in, or not opposed to, the best interests of the Company; (ii) any such action was reasonably believed to be within the scope of authority conferred on such Covered Person by this Agreement; and (iii) with respect to any criminal action or proceeding, such Covered Person had no reasonable cause to believe his action or omission was unlawful, except that no Covered Person shall be entitled to be indemnified in respect of any loss, damage or claim incurred by such Covered Person by reason of gross negligence or willful misconduct with respect to such acts or omissions; provided, however, that any indemnity under this Section 12.3 shall be provided out of and to the extent of Company assets only (including the proceeds of any insurance policy obtained pursuant to Section 12.5 hereof), and no Covered Person shall have any personal liability on account thereof. Indemnification under this Section 12.3 (unless ordered by a court) shall be made by the Company only as authorized in the specific case upon a determination by the Board that indemnification of the Covered Person is proper under the circumstances because such Covered Person has met the applicable standard of conduct set forth in this Section 12.3. Such determination shall be made with respect to any member of the Board or any Officer of the Company at the time of such determination, (a) by the holders of a majority of the votes then entitled to be cast by the members of the Board who are not parties to any action, suit or proceeding with respect to which the indemnification under question relates even though less than a quorum, or (b) by a committee of such members of the Board designated by the holders of a majority of the votes entitled to be vast by such members of the Board even though less than a quorum, or (c) if there are no such members of the Board, or if the members of the Board so direct, by independent legal counsel in a written opinion, or (d) by the Members holding at least a majority of the Class A Units then-outstanding.

Section 12.4 Expenses. To the fullest extent permitted by applicable law, expenses (including legal fees) incurred by a Covered Person in defending any action, suit or proceeding may be advanced by the Company prior to the final disposition of such claim, demand, action, suit or proceeding upon authorization therefor by the Board and receipt by the Company of an undertaking by or on behalf of the Covered Person to repay such amount if it shall be determined that the Covered Person is not entitled to be indemnified as authorized in Section 12.3 hereof and upon such other terms and conditions as the Board may determine appropriate. To the extent that a Covered Person has been successful on the merits or otherwise in the defense of any claim, action, suit or proceeding, the Company shall indemnify such Covered Person against expenses (including legal fees) actually and reasonably incurred by such Covered Person in connection therewith.

Section 12.5 Insurance. The Company shall purchase and maintain directors and officers liability insurance and such other insurance coverages as the Management Committee shall, in its sole discretion, determine, in such amount and with such insurance carriers as the Management Committee shall, in its sole discretion, deem reasonable, on behalf of Covered Persons and such other Persons as the Board shall determine, against any liability that may be asserted against or expenses that may be incurred by any such Person in connection with the

activities of the Company or such indemnities, regardless of whether the Company would have the power to indemnify such Person against such liability under the provisions of this Agreement. The Board and the Company also may enter into indemnity contracts with Covered Persons and such other Persons as the Board shall determine and adopt written procedures pursuant to which arrangements are made for the advancement of expenses and the funding of obligations under Section 12.4 hereof and containing such other procedures regarding indemnification as are appropriate.

Section 12.6 Acts Performed Outside the Scope of the Company. Each Member (the "**Indemnitor**") shall indemnify, defend, save and hold harmless the Company and the other Members (each, an "**Indemnitee**") from any and all claims, liabilities, demands, actions and rights of action that shall or may arise by virtue of any act or thing done or omitted to be done by the Indemnitor (directly or through agents or employees) outside the scope of, or in breach of, the terms of this Agreement; provided, however, that the Indemnitor shall be properly notified of the existence of the claim, demand, action or right of action, and shall be given reasonable opportunity to cure any act or omission causing liability, and participate in the defense thereof. The Indemnitee's failure to give such notice shall not affect the Indemnitor's obligations hereunder, except to the extent of any actual prejudice arising therefrom.

Section 12.7 Liability of Members to Company. Unless otherwise provided in this Agreement, any agreement entered into between the Company and any other Member, or any other agreement, instrument or document related thereto, no Member shall be liable to any other Member or to the Company by reason of such Member's actions relating to the Company, except in the event of (a) a violation of any provision of this Agreement, or any agreement entered into between the Company and any other Member, or any other agreement, instrument or document related thereto, or (b) such Member's fraud, gross negligence or willful misconduct.

Section 12.8 Attorneys' Fees.

(a) All of the indemnities provided in this Agreement shall include reasonable attorneys' fees, including appellate attorneys' fees and court costs.

(b) To the extent a Member of the Company brings an action against another Member in such Member's capacity as Member or as a member of the Board, the prevailing party in such action shall be entitled to reasonable attorneys' fees, including appellate attorneys' fees and court costs.

Section 12.9 Subordination of Other Rights to Indemnity. The interests of the Members in any proceeds of the Company by way of repayment of loans, return of any Capital Contributions, or any distributions from the Company, shall be subordinated to the right of Covered Persons and Indemnitees to the indemnities provided by this ARTICLE 12.

Section 12.10 Survival of Indemnity Provisions. Except as otherwise specifically provided herein, all of the indemnity provisions contained in this Agreement shall survive a Member's ceasing to be a Member hereunder.

ARTICLE 13
DISSOLUTION, LIQUIDATION AND TERMINATION

Section 13.1 No Dissolution. The Company shall not be dissolved by the admission of Additional Members or Substitute Members in accordance with the terms of this Agreement, or the withdrawal of a Member.

Section 13.2 Events Causing Dissolution. The Company shall be dissolved and its affairs shall be wound up upon the occurrence of any of the following events:

(a) the determination of holders of at least a majority of the Class A Units then-outstanding, subject to any approval of the Members required under Section 6.2;

(b) at such time as there are no Members;

(c) the entry of a decree of judicial dissolution under the Act; or

(d) the sale or disposition of all or substantially all of the assets of the Company.

Section 13.3 Notice of Dissolution. Upon the dissolution of the Company, the Board shall promptly notify the Members of such dissolution.

Section 13.4 Liquidation.

(a) Upon dissolution of the Company, the Board shall appoint one or more persons (who need not be Members) to act as liquidating trustee (in such capacity, the "**Liquidating Trustee**") shall carry out the winding up of the Company and shall immediately commence to wind up the Company's affairs; provided, however, that a reasonable time shall be allowed for the orderly liquidation of the assets of the Company and the satisfaction of liabilities to creditors so as to enable the Company to minimize the normal losses attendant upon a liquidation. The proceeds of liquidation shall be distributed in the following order and priority:

(i) first, to payment of all expenses and debts of the Company and setting up of such reserves as the Liquidating Trustee reasonably deems necessary to wind up the Company's affairs and to provide for any contingent liabilities or obligations of the Company; provided that the unpaid principal of and interest on any loans made to the Company by Members (and their Affiliates), shall be distributed pro rata to the Members (and their Affiliates) who made such loans, in proportion to the total amount of principal and interest payable on such loans, such distributions being treated first as a payment of accrued interest on such loans and next as in payment of principal on such loans, except to the extent otherwise provided in the loan; and

(ii) second, to the Members in accordance with their positive Capital Account balances (the "**Final Distribution**"). Immediately prior to the Final Distribution, the Capital Account balances of the Members shall be adjusted, taking into account all items of Profit and Loss (including any special allocations of income and loss made pursuant to this

Agreement) for the taxable year of the Company in which such liquidation occurs and in which the Final Distribution is made, such that the Capital Account of each Member prior to the Final Distribution equals (to the fullest extent possible) the distribution each Member would receive if the proceeds comprising the Final Distribution were distributed to such Member pursuant to Section 8.1(c). The Company may specially allocate items otherwise included in the computation of Profit and Loss in making such adjustments to the Capital Accounts of the Members.

(b) Profits and Losses of the Company following the date of dissolution shall be determined in accordance with the provisions of this Agreement and shall be credited or charged to the Capital Accounts of the Members pursuant to ARTICLE 9 in the same manner as Profits and Losses of the Company would have been credited or charged if there were no termination, dissolution and liquidation (but giving effect to Section 13.4(a)(ii)). Any taxable gain or any loss upon the sale, transfer, or other disposition of Company assets following the date of dissolution shall also be allocated to the Members in accordance with the allocation of Profits and Losses set forth in ARTICLE 9 in the same manner as Profits and Losses of the Company would have been credited or charged if there were no termination, dissolution and liquidation (but giving effect to Section 13.4(a)(ii)).

Section 13.5 Termination. The Company shall terminate when all of the assets of the Company, after payment of or due provision for all debts, liabilities and obligations of the Company, shall have been distributed to the Members in the manner provided for in this ARTICLE 13 and the Certificate shall have been canceled in the manner required by the Act.

Section 13.6 Claims of the Members or Third Parties. The Members and former Members shall look solely to the Company's assets for the return of their Capital Contributions, and if the assets of the Company remaining after payment of or due provision for all debts, liabilities and obligations of the Company are insufficient to return such Capital Contributions, the Members and former Members shall have no recourse against the Company or any other Member; provided, however, that nothing contained herein shall be deemed to limit the rights of a Member under applicable law. In the event any Member has a deficit balance in its Capital Account at the time of the Company's dissolution, it shall not be required to restore such account to a positive balance or otherwise make any payments to the Company or its creditors or other third parties in respect of such deficiency.

Section 13.7 Distributions In-Kind. If any assets of the Company shall be distributed in kind, such assets shall be distributed to the Member(s) entitled thereto as tenants-in-common in the same proportions as such Member(s) would have been entitled to cash distributions if (i) such assets had been sold for cash by the Company at the fair market value of such property (taking the Gross Asset Value definition herein and Code Section 7701(g) into account) on the date of distribution; (ii) any unrealized income, gain, loss and deduction inherent in such property (that has not been reflected in the Capital Accounts previously) that would be realized by the Company from such sale were allocated among the Member(s) as Profits or Losses in accordance with this Agreement; and (iii) the cash proceeds were distributed to the Member(s) in accordance this ARTICLE 13. The Capital Accounts of the Member(s) shall be increased by the amount of any unrealized income or gain inherent in such property or decreased by the amount of any loss

or deduction inherent in such property that would be allocable to them, and shall be reduced by the fair market value of the assets distributed to them under the preceding sentence.

ARTICLE 14
REPRESENTATIONS AND WARRANTIES OF THE MEMBERS

Section 14.1 Member Representations and Warranties. Each Member hereby represents and warrants to the Company and to each other Member that:

(a) such Member has the, capacity, power and authority to execute, deliver and perform its, his or her respective obligations under this Agreement;

(b) the execution, delivery and performance by such Member of this Agreement, have been duly authorized by all necessary action of such Member; and

(c) the Members' authorization, execution, delivery and performance of this Agreement do not conflict with any other agreement or arrangement to which such Member is a party or by which such Member is bound including, without limitation, any restriction, agreement or understanding to which such Member is a party or bound which would prevent, limit or impair the right of the Member to enter into this Agreement, to become a Member, or, if such Member is or will provide services to the Company, to serve accordingly and perform its, his or her obligations or duties to the Company as such.

ARTICLE 15
MISCELLANEOUS

Section 15.1 Notices. All notices provided for in this Agreement shall be in writing, duly signed by the party giving such notice, and shall be delivered, telecopied or mailed by registered or certified mail or by recognized overnight delivery or courier service (e.g., Federal Express), as follows:

(a) if given to the Company, in care of the Board at the principal place of business of the Company set forth in Section 2.4 hereof; and

(b) if given to any Member, at the address as such Member designates by written notice to the Company.

Section 15.2 Conversion to a Corporation.

(a) Except as otherwise provided in this Section 15.2, the Board shall have the right at any time, with the consent of at least two-thirds of the Units then-outstanding, to cause the Company to be incorporated as a corporation taxable under Subchapter C of the Code (the "**Subchapter C Corporation**"), through a merger, reorganization, or other transaction (the "**Incorporation**"). In such event, each Member shall, and shall (to the extent it has the power to) cause its Affiliates and equity holders to, take such actions as may be reasonably requested by the Board to effect such Incorporation, including, without limitation, to contribute to the

Subchapter C Corporation their Units or approve any merger between the Company and the Subchapter C Corporation.

(b) The Board may make such provision as shall be reasonably necessary to ensure compliance with the Securities Act and other securities laws in connection with the Incorporation, including, without limitation, to limit the issuance of shares to Persons who are "accredited investors" as such term is defined in Regulation D under the Securities Act.

(c) With respect to the management of the Subchapter C Corporation after the Incorporation, the Members shall have voting rights commensurate with their voting rights hereunder. Upon such Incorporation, the Board of the resulting Subchapter C Corporation shall be composed in accordance with and shall be subject to the terms and conditions (including with respect to required approvals and consents) contained in this Agreement.

(d) It is the intent of the Members that the conversion of the Company into corporate form and the conversion or reorganization of any of the Company's operating divisions, whether currently existing or existing in the future, into corporate form are part of the Members' investment decision with respect to the Units of the Members.

Section 15.3 Failure to Pursue Remedies. The failure of any party to seek redress for violation of, or to insist upon the strict performance of, any provision of this Agreement shall not prevent a subsequent act, which would have originally constituted a violation, from having the effect of an original violation.

Section 15.4 Cumulative Remedies. 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.

Section 15.5 Binding Effect. This Agreement shall be binding upon and inure to the benefit of all of the parties and, to the extent permitted by this Agreement, their successors, legal representatives and assigns.

Section 15.6 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, with any stricken provision or part thereof replaced and enforced by a court of competent jurisdiction with a valid provision that comes as close as possible to expressing the intention of the stricken provision.

Section 15.7 Counterparts; Execution by Facsimile. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. A signed copy of this Agreement delivered by facsimile, e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

Section 15.8 Integration. This Agreement and the Lenfest Put Agreement constitute the entire agreement among the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements and understandings pertaining thereto.

Section 15.9 Governing Law. This Agreement and the rights of the parties hereunder shall be interpreted in accordance with the laws of the State of Delaware, and all rights and remedies shall be governed by such laws without regard to principles of conflict of laws.

Section 15.10 Partition of the Property. Each Member agrees that it shall have no right to partition the property of the Company, or any portion thereof, and each Member agrees that it shall not make application to any court or authority having jurisdiction in the matter to commence or prosecute any action or proceeding for partition of the property of the Company, or any portion thereof. Upon the breach of this Section by any Member, the Company, in addition to all other rights and remedies in law and equity, shall be entitled to a decree or order dismissing application, action or proceeding.

Section 15.11 Third Party Beneficiaries. Nothing expressed or implied in this Agreement is intended or shall be construed, to confer upon or give any person, firm or corporation other than the parties hereto and, for purposes of ARTICLE 12, Covered Persons and Indemnitees, any rights, remedies, obligations or liabilities under or by reason of this Agreement, or result in their being deemed a third party beneficiary of this Agreement.

Section 15.12 Independent Legal Advice. Each undersigned Member confirms that it, he or she, as the case may be, has executed this agreement voluntarily after having had the opportunity to seek independent legal advice and that it, he or she, as the case may be, fully appreciates the nature, extent and consequences of this Agreement.

Section 15.13 Amendments and Waivers. Subject to amendments effected pursuant to Section 4.2(c), this Agreement or the Certificate may be amended, or any provision hereof or thereof waived, only with the prior written approval of (a) the Management Committee, (b) the Board, and (c) the Class A Members holding at least a majority of the then-outstanding Class A Units. Notwithstanding the foregoing, (i) no amendment to or waiver of this Agreement or the Certificate may impose any obligation on any Member, Manager, Director or any other Person on the Management Committee or Board (including any alternate or replacement for or successor to any such Person) to make any additional Capital Contributions to or purchase any other Equity Securities of the Company or lend any funds to, guaranty or otherwise extend any credit to or incur any indebtedness or other financial obligation or liability for anything arising out of, concerning or related to the Company, its Subsidiaries and any Affiliate thereof and their debts or obligations, including but not limited to any line of credit, lending facility, loan, letter of credit, lease or other financial commitment, extension of credit or obligation, whether to institutional or private lenders, trade, material, service or other providers, employees, contractors, pension or other plans, or any other creditors or otherwise, and (ii) no amendment to or waiver of this Agreement or the Certificate may materially, adversely and disproportionately affect any Member with respect to any class or series of Units held by such Member in a manner differently than such amendment or waiver affects all Units of such class or series, as applicable, without the written approval of such Member. All such amendments and waivers made in

accordance with this Section 15.13 shall be binding upon the Company and each of the Members irrespective of whether a particular Member consented to such amendment or waiver.

* * * * *

IN WITNESS WHEREOF, the parties hereto have executed this Limited Liability Company Agreement as of the date first above written.

COMPANY:

INTERSTATE GENERAL MEDIA, LLC

By: _____
Name: George E. Norcross III
Title: Authorized Officer

CLASS A MEMBERS:

_____
H.F. Lenfest

INTERTRUST GCN, LP

By: Intertrust GCN GP, LLC,
its general partner

By: _____
Name:
Title:

GENERAL AMERICAN HOLDINGS, INC.

By: _____
Name:
Title:

TEQUESTA INVESTMENTS, LLC

By: _____
Name:
Title:

[Signature Page to Limited Liability Company Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this Limited Liability Company Agreement as of the date first above written.

COMPANY:

INTERSTATE GENERAL MEDIA, LLC

By:_____
Name:
Title: Authorized Officer

CLASS A MEMBERS:

H.F. Lenfest

INTERTRUST GCN, LP

By: Intertrust GCN GP, LLC,
its general partner

By:_____
Name:
Title:

GENERAL AMERICAN HOLDINGS, INC.

By:_____
Name:
Title:

TEQUESTA INVESTMENTS, LLC

By:_____
Name:
Title:

[Signature Page to Limited Liability Company Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this Limited Liability Company Agreement as of the date first above written.

COMPANY:

INTERSTATE GENERAL MEDIA, LLC

By:_____
Name:
Title: Authorized Officer

CLASS A MEMBERS:

_____
H.F. Lenfest

INTERTRUST GCN, LP

By: Intertrust GCN GP, LLC,
its general partner

By: _____
Name: Martin S. Ellin
Title: Manager

GENERAL AMERICAN HOLDINGS, INC.

By:_____
Name:
Title:

TEQUESTA INVESTMENTS, LLC

By:_____
Name:
Title:

IN WITNESS WHEREOF, the parties hereto have executed this Limited Liability Company Agreement as of the date first above written.

COMPANY:

INTERSTATE GENERAL MEDIA, LLC

By:_____
Name:
Title: Authorized Officer

CLASS A MEMBERS:

_____
H.F. Lenfest

INTERTRUST GCN, LP

By: Intertrust GCN GP, LLC,
its general partner

By:_____
Name:
Title:

GENERAL AMERICAN HOLDINGS, INC.

By: Susan D. Hudson
Name: Susan D. Hudson
Title: President

TEQUESTA INVESTMENTS, LLC

By:_____
Name:
Title:

IN WITNESS WHEREOF, the parties hereto have executed this Limited Liability Company Agreement as of the date first above written.

COMPANY:

INTERSTATE GENERAL MEDIA, LLC

By:_____
Name:
Title: Authorized Officer

CLASS A MEMBERS:

_____
H.F. Lenfest

INTERTRUST GCN, LP

By: Intertrust GCN GP, LLC,
its general partner

By:_____
Name:
Title:

GENERAL AMERICAN HOLDINGS, INC.

By:_____
Name:
Title:

TEQUESTA INVESTMENTS, LLC

By:_____
Name: Krissingh, II.
Title: President

[Signature Page to Limited Liability Company Agreement]

WAYNE AVENUE INVESTMENTS LLC

By: _____
Name: William P. Hankowsky
Title: Sole Member

BUCKELEW INQ LLC

By: _____
Name:
Title:

[Signature Page to Limited Liability Company Agreement]

WAYNE AVENUE INVESTMENTS LLC

By:_____
Name:
Title:

BUCKELEW INQ LLC

By: Joseph E. Buckelew
Name: JOSEPH E. BUCKELEW
Title: MEMBER

[Signature Page to Limited Liability Company Agreement]

SCHEDULE A

CAPITALIZATION TABLE

Member	Capital Contribution	Capital Accounts	Class A Units	Percentage Interest
H. F. Lenfest	$10,000,000	$10,000,000	10,000	16.3637%
Intertrust GCN, LP	$16,000,000	$16,000,000	16,000	26.1819%
General American Holdings, Inc.	$16,000,000	$16,000,000	16,000	26.1819%
Tequesta Investments, LLC	$16,000,000	$16,000,000	16,000	26.1819%
Buckelew Inq LLC	$2,500,000	$2,500,000	2,500	4.0909%
Wayne Avenue Investments LLC	$611,000	$611,000	611	0.9998%
TOTAL	$61,111,000	$61,111,000	61,111	100.0000%

SCHEDULE B

INTERSTATE GENERAL MEDIA, LLC

INITIAL MANAGEMENT COMMITTEE

AND BOARD OF DIRECTORS

MANAGEMENT COMMITTEE

Member	Committee Member	Replacement Member
Intertrust GCN, LP	Lewis Katz	Drew Katz
General American Holdings, Inc.	George E. Norcross, III	Alessandra T. Norcross

BOARD OF DIRECTORS

Member	Director	Alternate Director
H. F. Lenfest	H. F. Lenfest	Joy Tartar
Intertrust GCN, LP	Lewis Katz	Drew Katz
General American Holdings, Inc.	George E. Norcross, III	Alessandra T. Norcross
Tequesta Investments, LLC	Krishna P. Singh, II	Nick Abraczinskas
Buckelew Inq LLC	Brian Buckelew	Kevin Buckelew
Wayne Avenue Investments LLC	William P. Hankowsky	Rosemary Hankowsky