

WEST STATE BROADCASTERS, INC. LIQUIDATION TRUST

This Trust Agreement is made in Holland, Michigan on the ____ day of _____, 19____, by and between WEST STATE BROADCASTERS, INC., hereinafter called the "Company", FMB - First Michigan Bank, of Zeeland, Michigan hereinafter referred to as "Trustee", Charles E. Rich, hereinafter referred to as "Rich", and Mary Ann Kroll, hereinafter referred to as "Kroll".

RECITALS OF FACT

This Trust Agreement is made with reference to the following facts:

- A. The Shareholders and Board of Directors of WEST STATE BROADCASTERS, INC. have voted to dissolve the Company, wind up its affairs and distribute its assets in accordance with its Articles of Incorporation and By-Laws.
- B. The liquidation of the Company is to take place within a twelve (12) month period of time.
- C. All of the assets of the Company will be sold and in return therefore the Corporation will receive certain cash and a Promissory Note secured by a Mortgage, a Security Agreement and, a Pledge of Stock.
- D. The assets of the Corporation will consist of cash and a Promissory Note and will not be capable of division amongst the Shareholders.
- E. The Shareholders and Board of Directors of the Company have voted to distribute the remaining assets to an independent Trustee for the benefit of the Shareholders.

F. The Shareholders and Old Kent Bank desire to provide Old Kent Bank with a method of receiving payment on a debt owed Old Kent by Charles E. Rich ("Rich").

G. The Shareholders desire to resolve a dispute regarding the number of shares held by "Kroll".

Now, therefore, in consideration of the above facts and the promises herein contained it is agreed by and among the parties as follows:

ARTICLE I.

TRANSFER TO THE TRUSTEE

1.1 The Company hereby transfers, conveys and delivers to the Trustee all of the Company's right, title and interest in and to the said Promissory Note and all other rights pursuant to an "Agreement for Purchase and Sale of a Business" dated the ____ day of _____, 19__, in trust, for the uses and purposes hereinafter stated, and the Trustee hereby accepts such property and such trust.

1.2 The Company and such persons as shall have the right and power after the dissolution of the Company will, upon reasonable request of the Trustee, execute, acknowledge and deliver such further instruments and do such further acts as may be necessary or proper to more effectively carry out the purposes of this agreement, to transfer any property intended to be covered hereby, and to vest in the Trustee, its Successors and Assigns, the estate, powers, instruments, or funds in the trust hereunder.

1.3 Should any liability be asserted against the Trustee as the transferee of the Trust Estate or on account of any claim of liability of or through the Company, the Trustee may use such part of the Trust Estate as may

be necessary in contesting any such liability, provided, however, the Trustee shall not be responsible for any sum over and above the Trust Estate.

ARTICLE II.

DEFINITIONS

2.1 For purposes of this instrument, unless the context otherwise requires:

- A. "Agreement" or "Agreement of Trust" shall mean this instrument as originally executed or as it may from time to time be amended pursuant to the terms hereof.
- B. "West State" refers to West State Broadcasters, Inc., a Corporation organized by the laws of the State of Michigan which is being dissolved pursuant to the action of the Shareholders and Board of Directors thereof.
- C. "Beacon" shall refer to Beacon Broadcasting Company of West Michigan.
- D. "Shareholders" shall mean the holders of record of the shares of the outstanding capital stock of West State.
- E. "Trust Estate" shall mean all the property held from time to time by the Trustee under this agreement.
- F. "Trustee" shall mean the original Trustee and its successor, if any.

ARTICLE III.

BENEFICIARIES OF THE TRUST

3.1 The parties to this agreement do hereby declare and affirm that the beneficiaries of this trust agreement are as follows:

A. Those individuals shown by the books and records of the Corporation to be the owners of the Common Stock of the Company to wit:

Charles E. Rich	8,167 shares
Charles L. Rich	1,667 shares
Jack Maciejewski	1,800 shares
Mary Ann Kroll	5,000 shares
Chester D. Koning	1,666 shares
The Living Trust of Harvey and Sarah Kouw	1,000 shares
John Zoet	1,000 shares

B. Those Stockholders to whom any sums of money are shown to be due and owing for Commissions on sales.

3.2 Beneficiaries of the Trust may assign their interests in the Trust and upon receipt of such assignment the Trustee shall pay the assignee directly.

ARTICLE IV

DISTRIBUTIONS AND DURATION OF THE TRUST

4.1 The Trustees shall protect and conserve all trust assets and shall collect the principal and interest upon the note given by Beacon which is described on Exhibit A attached hereto, and all sums collected by the Trustee whether on account or principal, interest, or otherwise, and such funds shall be paid and applied as follows:

A. The Trustee shall pay from the trust monies all expenses and obligations of the Trust Estate and

all liabilities and obligations which the Trustee has specifically assumed and agreed to pay pursuant to this Agreement and such transferee liabilities which the Trustee may be obliged to pay as transferee of the Trust Estate, including interest, taxes, assessments, and public charges of every kind and nature and the cost, charges, and expenses connected with or growing out of the execution or administration of this Trust and such other payments and disbursements as are provided in this agreement or which may be determined to be a proper charge against the Trust Estate by the Trustee.

- B. The Trustee shall pay in full all beneficiaries to whom there is due and owing monies by reason of Commissions on Sales.
- C. The Trustee shall give semi-annual accountings of principle and interest upon the trust assets to the beneficiaries and to Beacon Broadcasters of Western Michigan.

ARTICLE V.

PURPOSE OF TRUST AND LIMITATION ON TRUSTEE

5.1 The sole purpose of this Trust is to conserve and protect the Trust Estate while it is being distributed to the beneficiaries hereunder in distribution of the assets of West State.

ARTICLE VI.

POWERS OF THE TRUSTEE

6.1 The Trustee shall hold the legal and equitable title to all property at any time constituting a part of the Trust Estate. It shall hold such property in trust to be administered and disposed of by it pursuant to the terms of this agreement for the benefit of the beneficiaries hereunder.

6.2 The Trustee shall have the following specific powers:

- A. To Collect and receive any and all money and other property of whatsoever kind or nature due to or owing to the trust, to give receipts for payment, and, to give full discharge and acquittance therefore;
- B. To do and perform any acts or things and only those acts or things necessary are appropriate for the conservation and protection of the Trust Estate, and in connection therewith to employ such agents and to confer upon them such authority as a Trustee may deem expedient, and to pay reasonable compensation therefore.

ARTICLE VII.

COMPENSATION OF TRUSTEE

7.1 The Trustee shall receive as its compensation for services the usual and standard fee as published by the Trustee which may, from time to time, be changed by the Trustee.

7.2 The Trustee shall be reimbursed for all expenses reasonably incurred by the Trustee in the performance of its duties.

ARTICLE VIII.

TRUSTEE AND SUCCESSOR TRUSTEE

8.1 There shall always be one Trustee of this trust and no more.

8.2 Resignation and removal, any Trustee may resign and be discharged from the trust hereby created by giving written notice thereof to the Shareholders and their successors and assigns. Such resignation shall become effective on the day specified in such notice or upon the appointment of such Trustee's Successor and such Successor's acceptance of such appointment, whichever is earlier. Any Trustee may be removed at any time, with or without cause, by the Board of Directors of West State.

8.3 Should at any time a Trustee resign or be removed, a vacancy shall be deemed to exist in the office of such Trustee and a Successor shall be appointed by the Board of Directors of the Company.

ARTICLE IX.

MISCELLANEOUS PROVISIONS

9.1 This agreement is not intended to create and shall not be interpreted as creating an association, partnership, or joint venture of any kind. It is intended as a trust to be governed and construed in all respects as a trust.

ARTICLE X.

SHARES OWNED BY KROLL

10.1 West State, Rich and Kroll resolve all claims between and among themselves and agree that Kroll is the record owner of FIVE THOUSAND (5,000) shares of West State Common Stock free and clear from the claims of Rich and West State.

10.2 West State, Rich and Kroll agree that neither West State nor Rich have any obligations or monies owing to Kroll for any actions, contracts, notes or occurrences of any kind or nature occurring prior to the execution of this Agreement, other than Commissions on sales, and Kroll does hereby release West State and Rich from any claims or liabilities therefore.

ARTICLE XI.

PAYMENT OF DEBT BY RICH TO OLD KENT

11.1 Old Kent agrees to not pursue collection of the deficiency judgment entered in the matter of "OLD KENT BANK OF HOLLAND V. CHARLES E. RICH and GRACE RICH", Ottawa County Circuit Court File No. 86-8048-CK during the time that Old Kent receives the payments provided hereinafter.

11.2 Upon the time for disbursement of the net proceeds of the initial down payment by Beacon, Old Kent shall receive those proceeds which represent the interest of Rich as a Shareholder and may apply those proceeds to satisfaction of the aforesaid deficiency Judgment against Rich together with interest thereon. With respect to each monthly installment payment made after the initial down payment, Old Kent shall receive the sum of TWO THOUSAND (\$2,000.00) DOLLARS and Rich, or his assignees, shall receive the balance.

11.3 Old Kent and Rich agree that Rich shall have the option to purchase the property situated at 300 Wildwood Drive, Holland, Michigan from Old Kent by paying to Old Kent the sum of TWENTY-NINE THOUSAND (\$29,000.00) DOLLARS together with interest as provided in the Mortgage and Mortgage Note which was executed by Rich and which was foreclosed by Old Kent. Rich shall pay the sum of SEVEN HUNDRED (\$700.00) DOLLARS per month in advance for rent of the premises commencing October 10, 1986 and continuing until the deficiency Judgment is satisfied. After satisfaction of the Deficiency Judgment, Rich may, within 90 days of satisfaction, exercise the said option by paying the aforesaid price. Upon exercise of the option the rent payments made by Rich shall be treated as if they had been payments of principal and interest and shall be applied to the option price. Rich shall assume and pay all mortgage payments, maintenance expenses, taxes, utilities and, hazard and liability insurance. Hazard and liability insurance shall name Old Kent as a named insured.

11.4 Old Kent may include in the amount due by Rich any and all attorney fees incurred as the result of the subject matter of this Agreement.

ARTICLE XII

HOLDING OF EARNEST MONEY

12.1 Beacon has paid the sum of TEN THOUSAND (\$10,000.00) DOLLARS as earnest money. Said money shall be retained by Old Kent and shall be disbursed in accordance with the terms of the Agreement for Purchase and Sale of Business executed between Beacon and West State.