

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re NextMedia Group, Inc.
Debtor

Case No. 09-14463 (PJW)

INITIAL MONTHLY OPERATING REPORT

File report and attachments with Court and submit copy to United States Trustee within 15 days after order for relief.

Certificates of insurance must name United States Trustee as a party to be notified in the event of policy cancellation. Bank accounts and checks must bear the name of the debtor, the case number, and the designation "Debtor in Possession." Examples of acceptable evidence of Debtor in Possession Bank accounts include voided checks, copy of bank deposit agreement/certificate of authority, signature card, and/or corporate checking resolution.

REQUIRED DOCUMENTS	Document Attached	Explanation Attached
12-Month Cash Flow Projection (Form IR-1)	Projected DIP budget..pdf	
Certificates of Insurance:		
Workers Compensation	NM_Insurance_1.pdf	
Property	NM_Insurance_1.pdf	
General Liability	NM_Insurance_1.pdf	
Vehicle	NM_Insurance_1.pdf	
Other:	NM_Insurance_2.pdf	
Identify areas of self-insurance w/liability caps		
Evidence of Debtor in Possession Bank Accounts		
Tax Escrow Account	30-Order (I)... .pdf	
General Operating Account	30-Order (I)... .pdf	
Money Market Account pursuant to Local Rule 4001-3. Refer to http://www.deb.uscourts.gov/	30-Order (I)... .pdf	
Other:		
Retainers Paid (Form IR-2)	Retainers.pdf	

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the documents attached are true and correct to the best of my knowledge and belief.

Signature of Debtor

Date

Signature of Joint Debtor

Date


Signature of Authorized Individual*

1/5/10
Date

Eric W. Neumann

Printed Name of Authorized Individual

Vice-President & Chief Financial Officer

Title of Authorized Individual

*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

C. NextMedia Group DIP Budget - December 29, 2009

Week Ended	12/17/09	12/24/09	12/31/09	01/07/10	01/14/10	01/21/10	01/28/10	02/04/10	02/11/10	02/18/10	02/25/10	03/04/10	03/11/10	03/18/10	03/25/10	04/01/10	04/08/10
Cash Flows Actual/Forecast	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Inflows / (Outflows)																	
Cash Receipts																	
A/R - cash	1,477,029	1,607,090	1,189,394	1,494,550	1,494,550	1,494,550	1,469,550	1,262,269	1,084,184	1,084,184	1,084,184	1,268,837	1,371,598	1,371,598	1,346,598	1,327,984	1,056,321
Other	42	51	90	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts	1,477,071	1,607,141	1,189,484	1,494,550	1,494,550	1,494,550	1,469,550	1,262,269	1,084,184	1,084,184	1,084,184	1,268,837	1,371,598	1,371,598	1,346,598	1,327,984	1,056,321
Cash Disbursements																	
Payroll	(1,036,280)	(1,489)	(883,491)	-	(1,049,812)	-	(1,049,812)	-	-	(1,049,812)	-	(1,049,812)	-	(1,049,812)	-	(1,049,812)	-
Accounts Payable	(391,288)	(33,919)	(49,376)	(601,837)	(238,945)	(257,536)	(237,869)	(704,350)	(208,529)	(229,168)	(208,529)	(726,064)	(278,685)	(249,564)	(232,238)	(586,721)	(222,952)
Outdoor Lease Payments/% Rents	(51,764)	-	-	(685,844)	(50,431)	-	-	(685,844)	-	(41,705)	-	(685,844)	-	(47,603)	-	(685,844)	-
Total Op. Cash Disbursements	(1,479,332)	(35,408)	(932,867)	(1,287,681)	(1,339,188)	(257,536)	(1,287,681)	(1,390,194)	(208,529)	(1,320,685)	(208,529)	(2,461,720)	(278,685)	(1,346,979)	(232,238)	(2,322,377)	(222,952)
Net Operating Cash Flow																	
	(2,260)	1,571,733	256,618	206,870	155,362	1,237,014	181,870	(127,925)	875,655	(236,501)	875,655	(1,192,883)	1,092,913	24,619	1,114,360	(994,393)	833,369
Non-operating Payments																	
Taxes (cash)	-	-	-	-	-	(18,750)	-	-	-	(18,750)	-	-	-	(18,750)	-	-	-
Capex	(41,200)	(195,725)	-	(219,794)	(329,691)	-	(263,753)	(219,794)	(219,794)	(219,794)	(109,897)	(65,938)	(65,938)	(65,938)	(65,938)	(43,959)	(290,904)
Interest Expense / Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pre-petition revolver interest ¹	(892,578)	-	(131,897)	-	-	-	-	(317,051)	-	-	-	(286,369)	-	-	-	(317,051)	-
Pre-petition term loan interest ¹	(2,405,456)	-	(352,067)	-	-	-	-	(869,146)	-	-	-	(785,035)	-	-	-	(869,146)	-
DIP facility interest	-	-	(15,000)	-	-	-	(105,000)	-	-	-	(105,000)	-	-	-	-	(185,938)	-
SVP/AG Commitment Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SVP/AG DIP Fee	-	(600,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional Fees	(976,499)	(105,948)	-	-	(1,249,250)	-	-	-	(2,513,750)	-	-	-	(2,416,250)	-	-	-	-
Other	(20,175,388)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-Operating Payments	(24,491,121)	(901,673)	(498,964)	(219,794)	(1,578,941)	(348,441)	(368,753)	(1,405,991)	(2,733,544)	(238,544)	(214,897)	(1,137,342)	(2,482,188)	(84,688)	(65,938)	(1,416,094)	(290,904)
Total Cash Disbursements	(25,970,453)	(937,081)	(1,431,831)	(1,507,475)	(2,918,130)	(605,977)	(1,656,434)	(2,796,186)	(2,942,073)	(1,559,229)	(423,426)	(3,599,062)	(2,760,873)	(1,431,667)	(298,176)	(3,738,471)	(513,856)
Cash Balance																	
Beginning Cash Balance (per Book)	\$ 27,898,921	\$ 3,405,540	\$ 9,075,600	\$ 8,833,254	\$ 8,820,329	\$ 7,396,750	\$ 8,285,323	\$ 8,098,440	\$ 6,564,524	\$ 9,706,634	\$ 9,231,590	\$ 9,892,348	\$ 7,562,122	\$ 6,172,847	\$ 6,112,778	\$ 7,161,199	\$ 9,750,713
Net Case Inflow / (Outflow)	(24,493,381)	670,060	(242,346)	(12,925)	(1,423,579)	888,573	(186,883)	(1,533,916)	(1,857,889)	(475,045)	660,758	(2,330,225)	(1,389,276)	(60,069)	1,048,422	(2,410,487)	542,465
Draw/(Repayment)	-	5,000,000	-	-	-	-	-	-	5,000,000	-	-	-	-	-	-	5,000,000	-
Ending Cash Balance (per book)	3,405,540	9,075,600	8,833,254	8,820,329	7,396,750	8,285,323	8,098,440	6,564,524	9,706,634	9,231,590	9,892,348	7,562,122	6,172,847	6,112,778	7,161,199	9,750,713	10,293,178
DIP Loan:																	
Beginning Balance	\$ -	\$ -	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 15,000,000
Draw/(Repayment)	-	5,000,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,000,000
Ending Balance	-	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	15,000,000	15,000,000
Total DIP	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Available Under DIP	20,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	5,000,000	5,000,000
Compliance Summary:																	
Cumulative Receipts (Budgeted)	NA	1,668,304	2,475,872	3,970,422	5,464,973	6,959,523	8,429,074	9,691,343	10,775,527	11,859,711	12,943,895	14,212,732	15,584,330	16,955,927	18,302,525	19,630,510	20,686,631
Cumulative Receipts (Compliance @ 85.0%)	NA	1,418,059	2,104,491	3,374,859	4,645,227	5,915,595	7,164,713	8,237,642	9,159,198	10,080,754	11,002,311	12,080,822	13,246,680	14,412,538	15,557,147	16,685,933	17,583,806
Cumulative Receipts (Actual)	NA	1,607,141	2,796,625														
Cumulative Receipts (Actual % to Budget)	NA	96%	113%														
Cumulative Receipts Cushion (@ 85%)	NA	189,082	692,134														
Cumulative Disbursements (Budgeted)	NA	881,722	5,570,412	7,077,887	9,996,016	10,601,994	12,258,428	15,054,613	17,996,686	19,555,915	19,979,341	23,578,403	26,339,277	27,770,944	28,069,120	31,807,590	32,321,447
Cumulative Disbursements (Compliance @ 115.0%)	NA	1,013,980	6,405,974	8,139,570	11,495,419	12,192,293	14,097,192	17,312,805	20,696,189	22,489,302	22,976,242	27,115,164	30,290,168	31,936,585	32,279,488	36,578,729	37,169,664
Cumulative Disbursements (Actual)	NA	937,081	2,368,912														
Cumulative Disbursements (Actual % to Budget)	NA	106%	43%														
Cumulative Disbursements Cushion (@ 115%)	NA	76,899	4,037,062														

Notes

(1) Prime rate of 3.5% and 3.0% assumed for Q1-10 and Q2-10, respectively. Applicable margin includes 2.0% default rate

6.5

Notes
(1) Prime rate of 3.5% and 3.0% assumed for Q1-10 and



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

01/04/10

PRODUCER 1-303-773-9999

Arthur J. Gallagher Risk Management Services, Inc.

6399 S. Fiddlers Green Cir
Suite 200
Greenwood Village, CO 80111
Lori Smith (303) 889-2608INSURED
NextMedia Group, Inc.

6312 S Fiddlers Green Circle, Suite 205 E.

Greenwood Village, CO 80111

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE

NAIC #

INSURER A: TWIN CITY FIRE INS CO CO

29459

INSURER B: HARTFORD FIRE IN CO

19682

INSURER C: HARTFORD CAS INS CO

29424

INSURER D: EXECUTIVE RISK IND INC

35181

INSURER E:

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	34UENAK8485	10/01/09	10/01/10	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 1,000,000 \$ 1,000,000
					MED EXP (Any one person)	\$ 10,000
					PERSONAL & ADV INJURY	\$ 1,000,000
					GENERAL AGGREGATE	\$ 2,000,000
					PRODUCTS - COMP/OP AGG	\$ 2,000,000
B	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS <input checked="" type="checkbox"/> Comp Ded: \$1,000 <input checked="" type="checkbox"/> Coll Ded: \$1,000	34UENAK8485	10/01/09	10/01/10	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
					BODILY INJURY (Per person)	\$
					BODILY INJURY (Per accident)	\$
					PROPERTY DAMAGE (Per accident)	\$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT	\$
					OTHER THAN EA ACC	\$
					AUTO ONLY: AGG	\$
C	EXCESS / UMBRELLA LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$ 10,000	34RHUIQ6488	10/01/09	10/01/10	EACH OCCURRENCE	\$ 1,000,000
					AGGREGATE	\$ 1,000,000
						\$
						\$
						\$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under SPECIAL PROVISIONS below Y/N <input type="checkbox"/>	34WERE9295	10/01/09	10/01/10	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER	
					E.L. EACH ACCIDENT	\$ 1,000,000
					E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
					E.L. DISEASE - POLICY LIMIT	\$ 1,000,000
D	OTHER Media Liability: Occurrence Form	81676963	10/01/09	10/01/10	Limit: Deductible: See Below*	5,000,000 100,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

*Media Liability Limits: Covered Subpeona - \$500,000. Deductible \$3,000, each covered Subpeona.

United States Trustee District of Delaware is named as Trustee/Additional Insured as respects General Liability, Automobile Liability and Media/Professional Liability.

Should the policy cancel, a notice of cancellation will be sent to the Certificate Holder for all policies referenced above.

CERTIFICATE HOLDER

United States Trustee
District of Delaware844 King Street
Suite 2207, Lockbox 35
Wilmington, DE 19801

USA

CANCELLATION *10 Days for Non-Payment of Premium

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30* DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

This Certificate of Insurance does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

01/04/10

PRODUCER Arthur J. Gallagher Risk Management Services, Inc. 6399 S. Fiddlers Green Cir Suite 200 Greenwood Village, CO 80111 Lori Smith (303) 889-2608	1-303-773-9999	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.		
INSURED NextMedia Group, Inc. 6312 S Fiddlers Green Circle, Suite 205 E. Greenwood Village, CO 80111			INSURERS AFFORDING COVERAGE	NAIC #
			INSURER A: FEDERAL INS CO	20281
			INSURER B:	
			INSURER C:	
		INSURER D:		
		INSURER E:		

COVERAGES

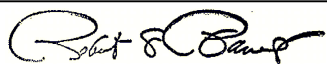
THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS	
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				EACH OCCURRENCE	\$
					DAMAGE TO RENTED PREMISES (Ea occurrence)	\$
					MED EXP (Any one person)	\$
					PERSONAL & ADV INJURY	\$
					GENERAL AGGREGATE	\$
					PRODUCTS - COMP/OP AGG	\$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident)	\$
					BODILY INJURY (Per person)	\$
					BODILY INJURY (Per accident)	\$
					PROPERTY DAMAGE (Per accident)	\$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT	\$
					OTHER THAN EA ACC	\$
					AUTO ONLY: AGG	\$
	EXCESS / UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input type="checkbox"/> RETENTION \$				EACH OCCURRENCE	\$
					AGGREGATE	\$
						\$
						\$
						\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under SPECIAL PROVISIONS below				WC STATUTORY LIMITS	OTH-ER
					E.L. EACH ACCIDENT	\$
					E.L. DISEASE - EA EMPLOYEE	\$
					E.L. DISEASE - POLICY LIMIT	\$
A	OTHER Fiduciary: Claims-Made po Claims Made Policy: Retro Retroactive Date: 6/1/00	8210-8087	10/01/09	10/01/10	Per Claim:	1,000,000
					VlntryCompliancloss	25,000
					Retention	5,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

United States Trustee District of Delaware is named as Trustee/Additional Insured.
Should the policy cancel, a notice of cancellation will be sent to the Certificate Holder.

CERTIFICATE HOLDER

United States Trustee District of Delaware 844 King Street Suite 2207, Lockbox 35 Wilmington, DE 19801	USA	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL <u>30</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE 
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IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

This Certificate of Insurance does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

ORIGINAL

In re:	§	Chapter 11
	§	
NEXTMEDIA GROUP, INC., <i>et al.</i> , ¹	§	Case No. 09-14463 (PJW)
	§	(Joint Administration Pending)
	§	
Debtors.	§	Re: Docket No. 9

**ORDER PURSUANT TO SECTIONS 345, 363, 1107 AND 1108 OF THE
BANKRUPTCY CODE (I) AUTHORIZING CONTINUED USE OF
EXISTING (A) CASH MANAGEMENT SYSTEM AND (B) BANK
ACCOUNTS, AND BUSINESS FORMS AND (II) WAIVING ON AN INTERIM
BASIS COMPLIANCE WITH DEPOSIT AND INVESTMENT GUIDELINES**

Upon the motion (the "Motion") of NextMedia Group, Inc., and its affiliated debtors in the above-captioned chapter 11 cases (collectively, the "Debtors"), for Order Pursuant to Sections 345, 363, 1107, and 1108 of the Bankruptcy Code (i) Authorizing Continued Use of Existing (A) Cash Management System and (B) Bank Accounts and Business Forms and (ii) Waiving on an Interim Basis Compliance with Deposit and Investment Guidelines; and this Court having jurisdiction over the Motion pursuant to 28 U.S.C. §§ 157 and 1334; and consideration of the Motion being a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that sufficient notice of the Motion has been given and that no other or further notice need be provided; and it appearing that the relief requested in the Motion is in the best interests of the Debtors and their estates; and after due deliberation and good cause appearing therefor, it is²

¹ The Debtors in these chapter 11 cases, along with the last four (4) digits of their taxpayer identification numbers, are: NextMedia Group, Inc. ("NM Group") (0791), NextMedia Investors LLC ("NM Investors") (9403), NextMedia Operating, Inc. ("NM OpCo") (5397), NM Licensing LLC (5396), NextMedia Outdoor, Inc. (5398), NM Texas, Inc. (4229), NextMedia Northern Colorado, Inc. (8422), NextMedia Franchising, Inc. (9913) and NextMedia Outdoor, LLC (9700). The Debtors' corporate headquarters are located at 6312 S. Fiddler's Green Circle, #205E, Greenwood Village, Colorado 80111.

² Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Motion.

ORDERED that the Motion be, and it hereby is, granted; and it is further

ORDERED that the Debtors are authorized to continue to manage their cash pursuant to the Cash Management System, and to collect, concentrate, and disburse cash in accordance with that Cash Management System; and it is further

ORDERED that the Debtors are authorized to (i) designate, maintain, and continue to use any or all of the Bank Accounts, (ii) deposit funds into and withdraw funds from such accounts by all usual means, including, without limitation, checks, wire transfers, automated transfers, and other debits, and (iii) treat their prepetition Bank Accounts for all purposes as debtor in possession accounts; and it is further

ORDERED that all Banks at which the Debtors maintained Bank Accounts as of the Petition Date are authorized and directed to continue to treat, service, and administer the Bank Accounts as accounts of the respective Debtor as a debtor in possession without interruption and in the usual and ordinary course, and to receive, process, honor and pay any and all checks, drafts, wires, or other transfers by the holders or makers thereof, as the case may be; provided however, that any check drawn or issued by the Debtors prior to the Petition Date may only be honored if specifically authorized by Order of this Court; and it is further

ORDERED that each Bank that maintains a Disbursement Account shall implement reasonable handling procedures designed to effectuate the terms of this Order, and no Bank that implements such handling procedures and then honors a prepetition check or other item drawn on any Bank Account that is the subject of this Order either (i) at the direction of the Debtors to honor such prepetition check or item, (ii) in good faith belief that the Court has authorized such prepetition check or item to be honored, or (iii) as a result of an innocent mistake made despite

implementation of such handling procedures, shall be deemed in violation of this Order; and it is further

ORDERED that nothing contained herein shall prevent the Debtors from closing any Bank Account(s) or opening any additional bank accounts, as they may deem necessary and appropriate, with notice to the U.S. Trustee, the Debtors' pre- and post-petition lenders and any official committee that may be appointed; provided however, that any new account shall be with a bank that is insured with the Federal Deposit Insurance Corporation and organized under the laws of the United States or any state; and it is further

ORDERED that the Debtors are authorized to use their existing checks and Business Forms and are not required to (i) obtain new stock reflecting their status as debtors in possession, including listing the chapter 11 case numbers under which these cases being jointly administered, or (ii) print "debtor in possession" on any of their checks or Business Forms or in wire transfer instructions unless and until the Debtors re-order new checks and Business Forms; and it is further

ORDERED that the requirement that the Debtors comply with section 345 of the Bankruptcy Code is hereby waived on an interim basis for a period of 60 days from the Petition Date. If the Debtors determine that they cannot comply with section 345 of the Bankruptcy Code within such 60 day period then they shall file a request for a permanent waiver of the section 345 requirements; and it is further

ORDERED that for banks at which the Debtors hold accounts that are party to a Uniform Depository agreement with the Office of the United States Trustee for the District of Delaware, within fifteen (15) days of the date of entry of this Order the Debtors shall (a) contact each bank, (b) provide each of the Debtors' employer identification numbers and (c) identify each of their

accounts held at such Banks as being held by a debtor in possession in a bankruptcy case; and it is further

ORDERED that for Banks at which the Debtors hold accounts that are not party to a Uniform Depository agreement with the Office of the United States Trustee for the District of Delaware, the Debtors shall use their good-faith efforts to cause the bank to execute a Uniform Depository agreement in a form prescribed by the Office of the United States Trustee within forty-five (45) days of the date of this Order. The U.S. Trustee's rights to seek further relief from this Court on notice in the event that the aforementioned Banks are unwilling to execute a Uniform Depository Agreement in a form prescribed by the U.S. Trustee are fully reserved. This paragraph and the preceding paragraph of this Order shall apply to any bank accounts opened by the Debtors subsequent to entry of this Order; provided, however, that the deadlines referenced in the paragraphs shall run from the respective dates on which the accounts are opened; and it is further

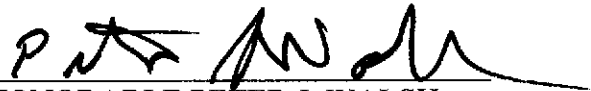
ORDERED that the Debtors are authorized to take all appropriate action to effectuate the relief granted herein; and it is further

ORDERED, that notwithstanding anything to the contrary contained herein, any payment to be made, or authorization contained, hereunder shall be subject to the requirements imposed on the Debtors under any approved debtor in possession financing facility, any budget in connection therewith and any order regarding the use of cash collateral; and it is further

ORDERED that Rule 6003(b) of the Federal Rules of Bankruptcy Procedure has been satisfied because the relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtors; and it is further

ORDERED that this Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation and/or enforcement of this Order.

Dated: December 22, 2009
Wilmington, Delaware

A handwritten signature in black ink, appearing to read "P. J. Walsh", written over a horizontal line.

THE HONORABLE PETER J. WALSH
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT A

BANK ACCOUNTS

NextMedia Bank and Investment Accounts

US Bank

Account Name	Account Numbers	Type	Description
NextMedia Group, Inc.	X-XXX-XXXXX-7649	Group	Interest Earning Acct
NextMedia Group, Inc.	X-XXX-XXXXX-9671	Group - Investment	Overnight Investment
NextMedia Operating, Inc.	X-XXX-XXXXX-7656	Radio - ZBA	Corporate Deposits
NextMedia Operating, Inc.	X-XXX-XXXXX-6004	Radio - Disbursement	Radio Controlled Disb
NextMedia Outdoor, Inc.	X-XXX-XXXXX-7631	Outdoor - ZBA	Outdoor Acct
NextMedia Outdoor, Inc.	X-XXX-XXXXX-6358	Outdoor - Disbursement	Outdoor Controlled Disb

Address:
DN-CO-BB4A
918 17TH Street, 4th Floor
Denver, CO 80202

NextMedia Mailing Addresses for Petty Cash Accounts

Radio	BANK NAME	BANK ADDRESS	PHONE NUMBER	ACCOUNT NUMBER	NAME ON ACCOUNT
MARKET					
10300 Texoma	Landmark Bank	2820 West F.M. Rd 120 Denison, TX 75020	800-618-5503	XXXXXXXX2902	NextMedia Group LLC
10700 Myrtle Beach	Bank of America	P.O. Box 25118 FL 33622-5118	800-765-8686	XXXX XXXX 0848	NextMedia Operating, Inc
10800 Kinston	Bank of America	P.O. Box 25118 FL 33622-5118	800-325-4296	XXXXXXXXXX7533	NextMedia Operating, Inc
11000 Canton	Unizan Bank	P.O. Box 4658 OH 43702-4658	330-438-1200	XXXXXXXXXX4936	NextMedia Operating, Inc / W H B C - AM/FM
11100 Waukegan/Kenosha	Southport Bank	7027 Green Bay Road, Kenosha, WI 53142	262-942-1111	XXXXXXXXXX0248	NextMedia / Kenosha - Petty Cash
11200 Joliet	First Midwest Bank	50 West Jefferson St., Joliet, IL 60432	815-774-2000	XXXXXXXXXX9351	NextMedia
11300 Crystal Lake	Home State Bank	40 Grant St., Crystal Lake, IL 60014-4314	815-459-2000	XXX1301	NextMedia Group Operating Inc / Petty Cash Account
11800 Saginaw	National City Bank	P.O. Box 8043 MI 48068-8043	989-797-9289	XXXXXXXX9050	NextMedia Operating, Inc

Outdoor	BANK NAME	BANK ADDRESS	PHONE NUMBER	ACCOUNT NUMBER	NAME ON ACCOUNT
MARKET					
88 Myrtle Beach	Bank of America	Bank of America, N.A. P.O. BOX 25118, Tampa, FL 33622-5118	888-287-4637	XXXX XXXX 8439	NextMedia Outdoor, Inc.
92 Green Bay	US Bank	DN-CO-BB4A, 918 17TH Street, 4th Floor Denver, CO 80202	866-853-2447	X-XXX-XXXX- 6314	NextMedia Outdoor, Inc.

In re _____NextMedia Group, Inc._____

Debtor

Case No. 09-14463 (PJW)_____

Reporting Period: INITIAL_____

SCHEDULE OF RETAINERS PAID TO PROFESSIONALS

(This schedule is to include each Professional paid a retainer ¹⁾)

[illegible]¹ Identify all Evergreen Retainers