

ASSET SALE AGREEMENT

Entered into Between

MAVERICK MEDIA HOLDINGS LLC,
MAVERICK MEDIA OF HAWAII LLC
MAVERICK MEDIA OF HAWAII LICENSE LLC
TORNADO TELECOMMUNICATIONS LLC

[*SELLERS*]]

and

PACIFIC RADIO GROUP, INC.

[*BUYER*]]

*FOR THE PURCHASE AND SALE OF ASSETS
PERTAINING TO*

RADIO STATIONS
KKBG(FM), HILO, HAWAII
KKOA(FM), VOLCANO, HAWAII
KLEO(FM), KAHALU'U, HAWAII
KLEO-FM1, HONOKAA, HAWAII
KKOA-FM1, HILO, HAWAII
AND
KHLO(AM), HILO, HAWAII

April 21, 2003

ASSET SALE AGREEMENT

THIS ASSET SALE AGREEMENT, is made and entered into as of this 21st day of April, 2003 (this "Agreement") by and among Maverick Media Holdings LLC, a Delaware limited liability company ("MM Holdings"), Maverick Media of Hawaii LLC, a Delaware limited liability company ("MM Hawaii"), Maverick Media of Hawaii License LLC, a Delaware limited liability company ("MM License"), and Tornado Telecommunications LLC, a Delaware limited liability company ("Tornado") and, together with MM Holdings, MM Hawaii and MM License, the "Sellers", and Pacific Radio Group, Inc., a Hawaii corporation (the "Buyer") and, together with the Seller, the "Parties"):

WHEREAS, MM Hawaii, MM License and Tornado (the "Operating Sellers") own and operate, and MM License is the licensee of, radio stations KKBG(FM), FCC Facility No. 52468, Hilo, Hawaii; KKO(AFM), FCC Facility No. 37211, Volcano, Hawaii; KLEO(FM), FCC Facility No. 52443, Kahalul'u, Hawaii; KLEO-FM1, FCC Facility No. 127963; KKO(AFM)-FM1, FCC Facility No. 83331, Hilo, Hawaii; and KHLO(AM), FCC Facility No. 37210, Hilo, Hawaii (collectively, the "Stations"), pursuant to licenses issued by the FCC.

WHEREAS, MM Holdings does not own any assets relating to the Stations or conduct any of their operations.

WHEREAS, the Buyer desires to (i) acquire the property, assets and rights used, or held for use, by the Operating Sellers primarily in connection with the business and operation of the Stations, (ii) acquire certain other rights, privileges and immunities, (iii) secure an assignment of the licenses and other authorizations issued by the FCC for the operation of the Stations, and (iv) assume certain liabilities of the Operating Sellers and MM Holdings, and the Operating Sellers desire to sell, assign, transfer and convey the same to the Buyer, in each case as more specifically set forth in this Agreement.

WHEREAS, the Sellers and the Buyer will not be able to consummate the transactions contemplated by this Agreement, and the licenses and other authorizations issued by the FCC for the operation of the Stations may not be assigned, until the FCC has granted its approval of the transactions contemplated by this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual agreements, promises, covenants and warranties set forth below, the Parties, intending to be legally bound, agree as follows:

ARTICLE I. DEFINITIONS

As used in this Agreement, the following terms will have the following meanings:

“Applications” refers to the applications that the Parties will join in and file with the FCC requesting its approval of the transactions contemplated by this Agreement, including consent to the assignment of the FCC Licenses by MM License to the Buyer.

“Assumed Contracts” means those contracts, leases and agreements of the Sellers to be assumed by the Buyer, as further described in Article II.

“Assumed Liabilities” has the meaning set forth in Section 3.1.

“Brewer Note” means the Amended Purchase Money Note issued by MM Holdings (formerly known as Ruby Radio LLC) payable to Li Hing Mui, Inc. and Brewer Broadcasting Corp. dated December 6, 2002, in the principal amount of \$1,000,000, as amended to permit assumption of the Sellers’ obligations by the Buyer.

“Business Day” means any calendar day (other than a Saturday or a Sunday) on which federally chartered banks in the city of New York, New York are regularly open for business.

“Buyer” has the meaning set forth in the introductory paragraph of this Agreement.

“Buyer-Rep Damages” has the meaning set forth in Section 13.3.1.

“Closing” means the purchase and sale of the Station Assets and related transactions contemplated by this Agreement, which will occur at the Closing Place, at 10:00 a.m., local time, on the Closing Date.

“Closing Date” means (a) in the event no petition to deny or informal objection is filed opposing the grant of the Applications, or if the Buyer waives finality of such grant as a condition to the Closing, then the first day of the Sellers’ first broadcast month that begins after the Grant Date; provided that the Buyer and the Sellers will execute a rescission and unwind agreement containing terms mutually satisfactory to the Parties; or (b) in any other event, the first day of the Sellers’ first broadcast month that begins after the Finality Date.

“Closing Place” means the offices of the Sellers’ legal counsel set forth in Section 16.6, or such other place as the Parties may agree.

“Collection Period” has the meaning set forth in Section 4.2.3.

“Communications Act” means the Communications Act of 1934, as amended.

“Damages” has the meaning set forth in Section 13.2.

“Effective Time” means 12:01 a.m., Hawaii time, on the Closing Date.

“Environmental Condition,” “Environmental Law,” “Environmental Lien” and **“Environmental Noncompliance”** have the meanings set forth in Section 8.10.1.

“Escrow Agreement” means the Escrow Agreement entered into as of the date of this Agreement among the Sellers, the Buyer and Dan J. Alpert (the **“Escrow Agent”**), as in effect from time to time.

“Escrow Deposit” has the meaning set forth in Section 4.3.

“Excluded Assets” means all assets of MM Holdings, and the following assets of the Operating Sellers, each of which will not be acquired by the Buyer pursuant to this Agreement: (a) cash on hand or in bank accounts, (b) contracts, agreements or leases other than the Assumed Contracts, (c) contracts of insurance relating to the Stations or the Station Assets, (d) employee pension, profit sharing, savings plans, trusts and 401(k) plans and the like, together with the assets of such plans or trusts, (e) MM Hawaii’s interest in MM License, (f) the Operating Sellers’ internal books and records (provided that the Operating Sellers will provide the Buyer with copies of any financial records that the Buyer may require in making federal, state, or local tax filings, FCC filings or other filings or correspondence required by federal, state or local governmental authorities), and (g) the Old Receivables.

“Excluded Liabilities” has the meaning set forth in Section 3.2.

“FCC” means the Federal Communications Commission.

“FCC Licenses” means all licenses, construction permits, renewals, extensions, modifications, additions and other authorizations from the FCC issued to or held by the Operating Sellers for the operation of Stations, including any auxiliary broadcast licenses or permits.

“Final Order” means an order of the FCC, or its staff pursuant to delegated authority, granting approval of the assignment of the FCC Licenses to the Buyer, which order is no longer subject to rehearing, reconsideration or review by the FCC, or to a request for stay, an appeal or review by any court under the Communications Act or the rules and regulations of the FCC.

“Finality Date” means the date upon which the FCC’s approval of each Application has become a Final Order.

“GAAP” means United States generally accepted accounting principles.

“Grant Date” means first day as of which the FCC has released public notice of the approval of each Application.

“Hazardous Materials” has the meaning set forth in Section 8.10.1.

“Immaterial Contracts” has the meaning set forth in Section 2.5.

“Immediately Available Funds” means a wire transfer in the valid currency and legal tender of the United States.

“Indemnified Party” and **“Indemnifying Party”** have the meanings set forth in Section 13.4.1.

“Intangible Assets” means the intangible property used or held for use by the Operating Sellers primarily for the operation of the Stations, including the call letters “KKBG,” “KKOA,” “KLEO” and “KHLO” and the Intellectual Property.

“Intellectual Property” means any copyrights, program rights (including programs and programming materials and elements of whatever form or nature used or held for use by the Operating Sellers primarily in connection with the operation of the Stations, whether recorded on tape or other substance or intended for live performance, and whether completed or in production, and all related common-law and statutory copyrights owned by or licensed to the Operating Sellers, in connection with the operation of the Stations) service marks, trademarks, tradenames, logos, promotions, jingles, slogans, original copy, trade secrets and proprietary technical information, computer programs and software (to the extent transferable), in each case together with all related goodwill.

“Interim Statement” has the meaning set forth in Section 10.1.9.

“Leases” has the meaning set forth in Section 8.9.3.

“Lien” means any lien at common law, or any statutory or judgment lien, including any tax lien or mechanic’s lien, claim, charge, attachment, garnishment, security interest, encroachment, prescriptive easement or other encumbrance.

“New Receivables” and **“New Receivables Price”** have the meanings set forth in Section 4.2.

“Old Receivables” has the meaning set forth in Section 4.2.

“Operating Sellers” has the meaning set forth in the introductory paragraphs of this Agreement.

“Parties” has the meaning set forth in the introductory paragraphs of this Agreement.

“Permitted Lien” means (i) any Lien that secures the payment of taxes that are not yet due and payable, (ii) any right of a utility company to lay pipes, lines, etc., (iii) any easement, right-of-way or similar imperfection in any Operating Seller’s title to any of its properties that is not material in character and does not in any material respect detract from, impair or interfere with the present use or the marketability of such property, (iv) a mechanics lien or other Lien arising by operation of law between the date hereof and the Closing Date, provided that the obligations underlying such Liens will be paid or bonded by the Operating Sellers at or before the Closing, (v) any Lien that at the time of the Closing will secure only Assumed Liabilities, (vi) a Lien on property leased by an Operating Seller as lessee that arises by reason of the related lease, (vii) any item that an accurate survey would disclose, or any zoning regulation or ordinance, so long as such item does not in any material respect detract from, impair or interfere with the present use or the marketability of the property in question, (viii) any restriction on transfer pursuant to the Communications Act or the rules, regulations or policies of the FCC, (ix) any Lien in favor of the Buyer, (x) any Lien that will be discharged by the Sellers at the Closing, or (xi) any other Lien described in the attached **Appendix A**.

“Person” means a natural person, corporation, limited partnership, general partnership, limited liability company, joint stock company, joint venture, association, company, trust, bank, trust company, land trust, business trust or other organization, whether or not a legal entity, or a government or agency or political subdivision thereof.

“Real Property” means the land, leasehold and other interests of every kind and description in real property, buildings, structures, towers and improvements, including all easements, rights of way, permits and consents, if any, used, or held for use, by the Operating Sellers primarily in the operation of the Stations.

“Seller Receivables” means the accounts receivable of the Sellers relating to the Stations as of the Effective Time (including amounts receivable for advertising time that has been broadcast but not yet invoiced at that time).

“Sellers” has the meaning set forth in the introductory paragraph of this Agreement.

“Seller-Rep Damages” has the meaning set forth in Section 13.2.1.

“Stations” has the meaning set forth in the introductory paragraphs of this Agreement.

“Station Assets” has the meaning set forth in Article II.

“Tangible Personal Property” means the tangible personal property, physical assets, fixtures, leasehold improvements, furniture and equipment, including transmitting and studio equipment, tubes, remote equipment, supplies, record, compact disk and tape libraries, computers and software and data files, vehicles, tools and spare parts, whether now owned or subsequently acquired by the Operating Sellers, used or held for use by the Operating Sellers primarily in the operation of the Stations, wherever situated, including but not limited to the items described in the inventory of assets set forth in the attached **Appendix B**, in each case to the extent held by the Operating Sellers on the Closing Date.

ARTICLE II. PURCHASE AND SALE OF STATION ASSETS.

At the Closing, the Operating Sellers will sell, assign, transfer, convey, and deliver to the Buyer the Operating Sellers’ right, title and interest in, to and under the assets and properties (real and personal, tangible and intangible) used, or held for use, by the Operating Sellers primarily in the operation of the Stations, including related goodwill, but in each case excluding the Excluded Assets (the **“Station Assets”**). The Station Assets will include the following items to the extent they are not part of the Excluded Assets:

2.1 Licenses. The FCC Licenses and related applications, and other licenses, permits and authorizations issued or granted to the Operating Sellers by any other governmental or regulatory agency or authority and relating to the Stations.

2.2 New Receivables. The New Receivables.

2.3 Tangible Personal Property. The Operating Sellers’ right, title and interest in, to and under the Tangible Personal Property.

2.4 Advertising Contracts. The Operating Sellers’ rights under all contracts and agreements for the sale of time on the Stations entered into prior to the Closing Date in the ordinary course of business, to the extent unperformed as of the Closing Date.

2.5 Other Assumed Contracts. The Operating Sellers' rights under each lease, contract, franchise or agreement (a) described on the attached **Appendix C**, (b) that does not require aggregate payments by the Operating Sellers in excess of \$25,000 during any 12-month period or that is terminable by the Operating Sellers without notice or on notice of 30 or fewer days (collectively, "**Immaterial Contracts**"), or (c) entered into by the Operating Sellers after the date of this Agreement in the ordinary course of business and not in violation of this Agreement, in each case giving effect to renewals, amendments and modifications thereof after the date of this Agreement made in the ordinary course of business and not in violation of this Agreement.

2.6 Intangible Assets. The Operating Sellers' rights in, to and under the Intellectual Property and the other Intangible Assets.

2.7 Public Inspection Files. The documents maintained in each Station's public inspection file pursuant to the rules of the FCC.

2.8 Prepaid Items. Subject to Buyer's obligation to reimburse Seller as specified in Section 5.1 herein, all prepaid expenses and prepaid ad valorem taxes (which shall be prorated, if applicable, as provided in Section 5.1) and rent, utility and other deposits held by third parties.

2.9 Station Logs and Business Records. The program, operating and maintenance logs of the Stations, together with the other files and records pertaining to the operation of the Stations, including advertiser lists, advertising studies, sales correspondence, analyses, reports and studies by consultants, promotional materials, credit and sales reports, and copies of the Assumed Contracts, programming information and studies, engineering studies or reports, technical information, engineering data and proofs of performance.

2.10 Goodwill. All of the Operating Sellers' goodwill in, and going concern value of, the Stations.

ARTICLE III. LIABILITIES OF THE SELLER.

3.1 Assumed Liabilities. The Station Assets will be sold and conveyed to the Buyer free and clear of all Liens (other than Permitted Liens) and other liabilities, except that, as partial consideration for the Station Assets, on the Closing Date the Buyer will assume and agree to pay and perform those obligations of Sellers (the “**Assumed Liabilities**”): (a) that arise on or after the Closing Date under the Assumed Contracts or otherwise in connection with the operation of the Stations or the ownership of the Station Assets, (b) in respect of which a proration is made in favor of the Buyer pursuant to Section 5.1, or (c) that arise or accrue on or after the Closing Date under the Brewer Note; provided that, if any Assumed Contract is not validly assigned to the Buyer at the Closing and the Buyer is prevented from receiving the benefit of the Sellers’ rights under such Assumed Contract after the Closing, then the Buyer will assume the Sellers’ liabilities under such Assumed Contract only to the extent the Buyer is not prevented from receiving such rights and benefits.

3.2 Excluded Liabilities. Except as set forth in this Agreement, the Buyer will not assume and will not be obligated to pay, perform or discharge any of the Sellers’ obligations, liabilities, agreements or commitments that are not Assumed Liabilities (the “**Excluded Liabilities**”). The Excluded Liabilities will include (except to the extent a proration is made in favor of Buyer pursuant to Section 5.1 or otherwise provided in this Agreement):

3.2.1 any liability, claim or obligation, contingent or otherwise, arising out of the business or operation of the Stations or the Station Assets prior to the Closing Date;

3.2.2 any liability or obligation under any contract (other than the Brewer Note) that is not an Assumed Contract, or relating to any breach occurring prior to the Closing Date under any Assumed Contract;

3.2.3 any liability or obligation for any federal, state or local income or other taxes;

3.2.4 any liability or obligation with respect to any Excluded Assets;

3.2.5 any duty, obligation or liability relating to any employee benefit, pension, 401(k) or other similar plan, agreement or arrangement provided to employees of any Seller,

3.2.6 any liability or obligation of any Seller arising out of any litigation, proceeding or claim by any Person, to the extent relating to the business or operations of the Stations prior to the Closing Date, whether or not such litigation, proceeding, or claim is pending, threatened or asserted before, on or after the Closing Date.

ARTICLE IV. CONSIDERATION.

4.1 Purchase Consideration. In consideration for the sale and assignment of the Station Assets, the Buyer will pay the Sellers cash consideration in the amount of \$1,200,000 plus the New Receivables Price described in Section 4.2 below.

4.2 Seller Receivables.

4.2.1 Old vs. New. At the Closing, the Buyer will acquire the Seller Receivables that on the Closing Date have been outstanding for 120 or fewer days (the “**New Receivables**”), for the purchase price payable described in Section 4.2.2. The Buyer will not acquire the Seller Receivables that on the Closing Date have been outstanding for more than 120 days (the “**Old Receivables**”) and instead will collect them on the Sellers’ behalf as provided in Section 4.2.3. For purposes of this Section 4.2, a Seller Receivable will be become “outstanding” on the last day of the broadcast month during which the related advertising time was broadcast, but a Seller Receivable arising out of advertising broadcast during the broadcast month in which the Closing Date occurs but prior to the Effective Time will be deemed to be “outstanding” for fewer than 30 days.

4.2.2 New Receivables Price. The purchase price payable for the New Receivables (the “**New Receivables Price**”) will be 98.95% of the sum of the following: (a) 97% of the amount of all Seller Receivables that on the Closing Date have been outstanding for 30 or fewer days, (b) 92.5% of the amount of all Seller Receivables that on the Closing Date have been outstanding for more than 30 days but fewer than 61 days, (c)

85% of the amount of all Seller Receivables that on the Closing Date have been outstanding for more than 60 days but fewer than 91 days, and (d) 70% of the amount of all Seller Receivables that on the Closing Date have been outstanding for more than 90 days but fewer than 121 days. For purposes of this Section 4.2.2, the “amount” of any New Receivable will be the amount payable under the invoice in question, without regard to any allowance or reserve for doubtful accounts or uncollectability. No later than ten business days prior to the Closing, the Sellers will provide the Buyer with a written estimate of the New Receivables Price in reasonable detail, and at the Closing the Buyer will pay the Sellers such estimated New Receivables Price as provided in Section 4.5. The final New Receivables Price will be determined in accordance with Section 5.2 and, when it has been determined, the Buyer will pay the Sellers, or the Sellers will pay the Buyer, the amount necessary so that the estimated New Receivables Price paid at the Closing, net of any such post-Closing payment by the Sellers or plus the amount of any such to post-Closing payment to the Sellers, equals to the final New Receivables Price.

4.2.3 Old Receivables. During the one hundred and twenty (120) days after the Closing Date (the “**Collection Period**”), the Buyer will use reasonable efforts to collect the Old Receivables on the Sellers’ behalf. The Sellers will furnish the Buyer with a complete list of the Old Receivables at or as soon as reasonably possible after the Closing Date. During the Collection Period, the Sellers will take no action with respect to the collection of the Old Receivables without the Buyer’s written consent. After the Collection Period, the Buyer will have no further responsibilities with respect to any uncollected Old Receivables (except to remit promptly to the Sellers any amount subsequently received by it on account of an Old Receivable), and the Sellers will be free to collect the Old Receivables in any manner they deem appropriate. Without the Sellers’ prior written consent, the Buyer will not compromise or settle for less than full value any Old Receivable. Any monies received by the Buyer in respect of any Station from any Person who is indebted under an Old Receivable will be applied first to the Old Receivables, except when (and to the extent) such account debtor otherwise specifies, and the Buyer will not request, instruct or encourage any such account debtor to so specify. The collection obligations of the Buyer under this Section 4.2.3 will be to use efforts to collect the Old Receivables in the ordinary and normal course of business that are the same as employed by the Buyer in the collection of its similar accounts receivable, but do not extend to the institution of litigation or the employment of counsel or a collection agency or any other extraordinary means of

collection. No later than the fifteenth (15) day of each calendar month during the Collection Period, the Buyer will remit to the Sellers all monies collected with respect to the Old Receivables during the preceding calendar month.

4.2.4 Commissions. In lieu of any further responsibility of Sellers for the payment of commissions on the Seller Receivables, Sellers shall credit Buyers \$10,000 toward the purchase of the New Receivables, and following Closing, Buyers shall be responsible for payment of all commissions that becomes due as the result of the collection of any Seller Receivable.

4.2.5 Representations Regarding Seller Receivables. The Sellers represent and affirm that, at the Effective Time, the New Receivables and Old Receivables will represent amounts due to the Sellers for the sale of broadcast time and that they will have been generated in the ordinary course of business. As of the Effective Time, all services that the Sellers were then required to provide to the account debtors under the New Receivables will have been provided in a proper and timely manner and the amounts then shown as due and owing in the Sellers' books and records in respect of the New Receivables and Old Receivables will represent outstanding obligations of each of the related account debtors. In the event proof is needed by the Buyer of the services that were provided to the account debtors under the New Receivables or Old Receivables, the Sellers shall use their best efforts to assist the Buyer in its effort to provide such proof, and will provide such documentation and information as the Buyer may request and that is available to the Sellers to assist the Buyer with the collection of the New Receivables or Old Receivables.

4.3 Allocation. No later than 15 days prior to the anticipated Closing Date, Buyer shall provide Sellers with a proposed allocation of purchase consideration described in Section 4.1. Thereafter, Sellers and Buyer shall negotiate in good faith, and shall determine, the allocation of the purchase consideration described in Section 4.1 among the various classes of property, assets and rights. The absence of such mutual determination will not prevent or delay the Closing and, if necessary, Buyer and the Sellers will continue their efforts to make that mutual determination after the Closing. The Buyer and the Sellers agree to be bound by such allocation for all purposes, including reporting and disclosure requirements of the Internal Revenue Service and other taxing authorities, and will file returns and reports (including income tax returns) on the basis of such allocation.

4.4 Escrow Deposit. On the date of this Agreement, the Buyer is paying the sum of \$200,000 (the "***Escrow Deposit***") to the Escrow Agent to be held and disbursed in accordance with this Agreement and the Escrow Agreement.

4.5 Funds Payable at Closing. On the Closing Date, the Sellers and the Buyer will direct the Escrow Agent to disburse to the Sellers the principal amount of the Escrow Deposit (*i.e.*, \$200,000), and disburse to the Buyer the amount of any interest or other earnings on the Escrow Deposit then held by the Escrow Agent. On the Closing Date, the Buyer will pay the Sellers the balance of the cash purchase price described in Section 4.1, including the estimated New Receivables Price described in Section 4.2.2, plus or minus the net of any prorations pursuant to Section 5.1, each as estimated by the Sellers in good faith, in Immediately Available Funds.

ARTICLE V. PRORATION OF INCOME, EXPENSES, ET AL.

5.1 Proration. Except as otherwise provided herein, all income and expenses arising from the conduct of the business and operation of the Stations will be prorated between the Buyer and the Sellers in accordance with GAAP (as applied by the Sellers) as of the Effective Time; provided that the New Receivables (being part of the Station Assets) will become the property of the Buyer. Such prorations will include *ad valorem*, real estate and other property taxes (other than taxes arising by reason of the transfer of the Station Assets pursuant to this Agreement, which will be paid as set forth in Section 15.2), business and license fees, annual regulatory fees, music and other license fees, utility expenses, rents and similar prepaid and deferred items attributable to the ownership and operation of the Stations. Revenues, receipts, expenses, taxes, costs and liabilities earned, received or incurred in connection with particular programs and announcements will be allocated to the time of performance of such programs and announcements without regard to the date of payment thereof. Sellers also will receive a credit for all prepaid expenses, and for deposits paid by Seller to landlords, utilities, or other similar vendors for contracts and services being assumed by Buyer.

5.2 Settlement. As provided in Section 4.5, the prorations and adjustments described in Section 5.1 will be settled and paid on a tentative basis at the Closing based on the Sellers' good-faith estimate thereof. To the extent not settled at the Closing based

on such estimate, such prorations and adjustments will be settled and paid sixty (60) days after the Closing. In the event of any dispute between the Parties as to such adjustments and prorations (including the determination of the actual amount of the New Receivables Price), the amount(s) not in dispute will nonetheless be paid as and when they are determined. Any such disputes will be resolved by an independent certified public accountant mutually acceptable to the Parties, and the fees and expenses of such accountant will be paid one-half by the Sellers, collectively, and one-half by the Buyer. The decision of such accountant will be conclusive and binding on the Parties.

ARTICLE VI. GOVERNMENTAL CONSENTS

6.1 *FCC Consent.* It is specifically understood and agreed that the consummation of the transactions contemplated by this Agreement will be subject to the prior approval of the FCC without conditions or qualifications materially adverse to the Buyer or the operation of the Stations after the Closing.

6.2 *Filing and Prosecution of the Applications.* Within five Business Days after the date of this Agreement, the Sellers and the Buyer will file with the FCC the Applications, together with such other necessary instruments and documents as may be required by the rules of the FCC. Any filing fee or processing fee charged by the FCC in connection with the Applications will be paid one-half by the Sellers, collectively, and one-half by the Buyer. The Parties agree to thereafter prosecute the Applications with diligence, to cooperate with each other in good faith, to use their best efforts to obtain the requisite approval of the FCC promptly and to carry out the provisions of this Agreement. Each Party will promptly provide the other with a copy of any pleading, order or other document served on it relating to any Application.

6.3 *Legal Notice of the Applications.* Upon the filing of the Applications, the Sellers will be responsible for providing any legal notice thereof that is required by the rules of the FCC.

6.4 *Possession and Control.* Between the date of this Agreement and the Closing Date, the Buyer will not control the operation of the Stations, and the Sellers will remain responsible for such control. Effective on the Closing Date and thereafter, the

Sellers will have no control over, nor right to intervene or participate in, the operation of the Stations.

ARTICLE VII. TERMINATION RIGHTS

7.1 Failure to Receive FCC Approval. If the FCC (including its staff, pursuant to delegated authority) denies its approval of any Application, then the Buyer (so long as the Buyer is not in breach of this Agreement in any material respect), or the Sellers (so long as no Seller is in breach of this Agreement in any material respect), may terminate this Agreement by notice to the other and, upon such termination, the Parties will have no further rights or obligations under this Agreement; provided that, subject to Section 7.7, such termination will not affect the liability of any Party for any breach of this Agreement by such Party, if any, that has caused such approval to be denied.

7.2 Termination on Designation for Hearing. If, for any reason, any Application is designated for hearing by the FCC, then the Buyer (so long as the Buyer is not in breach of this Agreement in any material respect), or the Sellers (so long as no Seller is in breach of this Agreement in any material respect), may terminate this Agreement by notice to the other within fifteen (15) days after release by the FCC of the related Hearing Designation Order, and, upon such termination, the Parties will have no further rights or obligations under this Agreement; provided that, subject to Section 7.7, such termination will not affect the liability of any Party for any breach of this Agreement by such Party, if any, that has caused any Application to be designated for a hearing by the FCC.

7.3 Failure of Broadcast Transmission of Stations Prior to Closing Date. If, prior to the Closing Date any event occurs that prevents the regular broadcast transmission of a Station in the manner in which such Station had been operating for a period of five (5) consecutive Business Days, then the Buyer will have the right to terminate this Agreement by notice to the Sellers unless and until such transmission is substantially resumed or restored, and, upon such termination, the Parties will have no further rights or obligations under this Agreement.

7.4 Buyer's Rights Upon Breach By Seller.

7.4.1 Right to Terminate. At any time when the Buyer is not in breach in any material respect of its obligations under this Agreement and any Seller is in breach in any material respect of its obligations under this Agreement, the Buyer may give the Sellers notice describing such breach and stating the Buyer's intention to terminate this Agreement based on such breach. Such termination will be effective on the thirtieth (30th) calendar day after such notice is given, unless prior to such thirtieth (30th) calendar day each breach described in such notice has been remedied or cured. Subject to Section 7.7, such termination will not relieve the Sellers of liability for any such breach that is not remedied or cured.

7.4.2 Specific Performance. In addition, the Parties mutually agree that the Station Assets are unique and cannot readily be purchased on the open market. For that reason, the Buyer will be irreparably damaged in the absence of the consummation of the transactions contemplated by this Agreement by reason of a material breach of this Agreement by the Sellers. In the event of a material breach by any Seller under this Agreement that is not remedied or cured, the Buyer's rights, and the Sellers' obligations, under this Agreement will, at Buyer's election, be enforceable by decree of specific performance, subject to FCC approval and the satisfaction of the other conditions set forth in Section 11.2.

7.5 Seller's Rights Upon Breach By Buyer.

7.5.1 Right to Terminate. At any time when no Seller is in breach in any material respect of its obligations under this Agreement and the Buyer is in breach in any material respect of its obligations under this Agreement, the Sellers may give the Buyer notice describing such breach and stating the Sellers' intention to terminate this Agreement based on such breach. Such termination will be effective on the thirtieth (30th) calendar day after such notice is given, unless each breach described in such notice has been remedied or cured; provided that the Buyer will have no right to attempt such remedy or cure, and such termination will be effective immediately, if the breach in question is the Buyer's failure to consummate the transactions contemplated by this Agreement on the Closing Date.

7.5.2 Sellers' Remedy. The Parties recognize that it would be extremely difficult and impractical to ascertain the actual damages sustained by the Sellers as a result of Buyer's breach of this Agreement. Accordingly, it has been mutually agreed that, in the event this Agreement is terminated pursuant to Section 7.5.1, Buyer will forfeit to the Sellers as liquidated damages, and not as a penalty, the principal amount of the Escrow Deposit, plus all interest or earnings thereon.

7.6 Termination After Nine Months. At any time after the two hundred seventieth (270th) day after the Applications are placed on Public Notice by the FCC and prior to the Closing, the Buyer (so long as the Buyer is not in breach of this Agreement in any material respect), or the Sellers (so long as no Seller is in breach of this Agreement in any material respect), may terminate this Agreement by written notice to the other, and, upon such termination, the Parties will have no further rights or obligations under this Agreement.

7.7 Other Disposition of Escrow Deposit and Post-Termination Liability. Upon any termination of this Agreement pursuant to Section 7.1, 7.2, 7.3, 7.4, or 7.6 and provided that the Buyer is not in breach of this Agreement in any material respect, the Escrow Deposit and all interest earned thereon will be returned to the Buyer and the Parties will be released and discharged from any further obligation, except as set forth in Section 7.1 or 7.2; provided that (a) in the case of a breach by the Buyer, in no event will the Buyer be liable for any amount in excess of the principal amount of the Escrow Deposit and interest or earnings thereon, and (b) in the case of a breach by any Seller, in no event will the Sellers be liable for any amount other than any reimbursement of out-of-pocket expenditures of the Buyer that may be recoverable as actual damages in the event of a willful breach of this Agreement, or actual fraud, by any Seller.

ARTICLE VIII. REPRESENTATIONS AND WARRANTIES OF THE SELLERS

The Sellers hereby represent and warrant to the Buyer as follows:

8.1 Organization and Standing. Each Seller is duly organized, validly existing, and in good standing under the laws of the State of Delaware and is duly qualified and

authorized to do business in all jurisdictions where the normal conduct of its business or ownership of its assets requires it to be so qualified.

8.2 Authority. Each Seller has full power and authority to enter into, and to consummate the transactions contemplated by, this Agreement, and this Agreement constitutes a valid and binding obligation of such Seller enforceable in accordance with its terms. The execution, delivery and performance of this Agreement has been duly and validly authorized by each Seller's managers and, if required, its sole member.

8.3 No Conflicts. Except as described in the attached **Appendix D**, neither the execution nor the delivery of this Agreement by any Seller, nor the performance by any Seller of its obligations under this Agreement, nor the consummation by any Seller of the transactions contemplated by this Agreement, either immediately or upon the giving of notice or the lapse of time or both:

(a) Violates, conflicts with, or constitutes a default or an event giving a right to terminate or to accelerate obligations under, the certificate of formation or operating agreement of any Seller, or any law, statute, rule, regulation, ordinance, judgment, decree, order, contract, lease, commitment, agreement, license, permit, franchise, or indenture to which any Seller is a party or by which any Seller or the Station Assets are bound; or

(b) Results in the creation or imposition of any Lien (other than in favor of the Buyer), or gives any other Person (other than the Buyer) any interest in, or rights to, the Station Assets.

8.4 FCC Licenses. MM License is the holder of the FCC Licenses listed in the attached **Appendix E**. The FCC Licenses listed in the attached **Appendix E** constitute all of the licenses and authorizations required for and/or presently used in the operation of the Stations as normally operated, and the FCC Licenses are in full force and effect unimpaired by any act or omission of any Seller, its officers, managers, members, employees or agents. Except as described in the attached **Appendix E**:

(a) There is not pending or threatened any action by the FCC to revoke, cancel, rescind, modify or refuse to renew in the ordinary course any of the FCC Licenses.

(b) There is not pending at the FCC any issued or outstanding, or to the knowledge of the Sellers threatened, complaint, notice of violation, notice of apparent liability or of forfeiture with respect to any of the Stations or the FCC Licenses.

(c) The Stations are operating in compliance with their respective FCC Licenses, the Communications Act, and the rules, regulations and policies of the FCC, and the Sellers have filed all reports, forms and statements required to be filed by the Sellers with the FCC.

(d) The operation and maintenance by the Sellers of the towers, antenna systems and other facilities relating to the Stations or used in connection with the transmission of their signals do not violate any regulation, law or rights of any Person in a manner that would have a materially adverse impact on the Stations, taken as a whole.

8.5 FCC Qualifications. The Sellers are qualified under the Communications Act to assign the FCC Licenses to the Buyer. The Sellers know of no facts, and with exercise of reasonable diligence could know of no facts, that would cause the FCC to withhold its approval of the assignment of the FCC Licenses to the Buyer. The public inspection files at the Stations have been maintained by the Sellers in material compliance with the FCC's rules and regulations.

8.6 Financial Statements.. Attached as **Appendix F** are copies of the unaudited income statements of MM Hawaii and MM License, on a consolidated basis, solely as they related to the Stations, for the nine-month period ending on December 31, 2001 and for the twelve-month period ending on December 31, 2002. Such financial statements set forth the results of operations of MM Hawaii and MM License with respect to the Stations the respective periods covered thereby in accordance with GAAP, consistently applied, except that they lack footnote disclosure and are subject to normal year-end audit adjustments. The Financial Statements fairly and accurately present the financial performance and results of the operations of the Stations for the periods indicated in accordance with GAAP, consistently applied. Since December 31, 2002, there have been no material adverse changes in the performance of the Stations or the value of the Station Assets. The Sellers understand that Buyer may supply the Financial Statements and the Interim Statements, and any other financial information that the Sellers have provided or

may hereafter provide to the Buyer, to lending institutions to be reviewed in connection with loan applications or financing arrangements of the Buyer.

8.6.2 Interim Statements. Each Interim Statement will set forth the results of operations of MM Hawaii and MM License on a consolidated basis for the month in question in accordance with GAAP, consistently applied, except that it will lack footnote disclosure and will be subject to normal year-end audit adjustments. Each Interim Statement will fairly and accurately present the financial performance and results of the operations of the Stations for the period indicated in accordance with GAAP, consistently applied.

8.7 Tangible Personal Property. The tangible personal property that is leased by any Seller as lessee is identified as such on the attached **Appendix G**. Each Seller (i) is the lawful owner of all of the Tangible Personal Property that it purports to own, (ii) has valid leasehold interests in the tangible personal property that it purports to lease as lessee, and (iii) has valid licensee rights in the tangible personal property it purports to license as licensee, in all cases free and clear of any Liens, except for Permitted Liens. Prior to or simultaneous with Closing, Sellers shall pay the remaining lease payments due for all such property that the Sellers lease under any lease that must be capitalized in accordance with generally accepted accounting principles, consistently applied, so that at Closing such leased property is transferred to Buyer without any obligation to make such lease payments and free and clear of all liens and encumbrances other than Permitted Liens.

8.8 Intangible Assets. The Intellectual Property and other Intangible Assets that are necessary for the operation of the Stations and that are owned by a Seller are free and clear of any Liens, except for Permitted Liens.

8.9 Real Property.

8.9.1 Leased Real Property. The attached **Appendix C** contains a description of all real property leases (the "**Leases**") to which any Seller is a party as a tenant as of the date of this Agreement. The Leases are valid, binding and enforceable in accordance with their terms. No Seller is the fee owner of any Real Property.

8.9.2 Related Contracts. Except as disclosed in the attached **Appendix C**, on the date of this Agreement, there are no leases, rental agreements, concession

contracts, or contracts for service or maintenance existing and relating to or connected with the occupancy or operation of the Real Property, other than Immaterial Contracts.

8.9.3 Zoning, Condemnation, etc. Except as described on the attached **Appendix C**, to the Sellers' knowledge, there are no variances or special use permits relating to the Real Property which are outstanding or which are required for the operation of the Sellers' business on the Real Property and which the Sellers have not obtained. To the Sellers' knowledge, no condemnation of any of the Real Property has occurred; there is no existing notice covering future condemnation; and the Sellers have no reason to believe that the Real Property will be condemned. The Sellers have no knowledge of any pending improvements or special assessments to be made against any of the Real Property by any governmental authority. To the Sellers' knowledge, the Sellers' use and occupancy the Real Property does not violate any provision of any applicable building code, fire regulation, zoning ordinance or regulation, building restriction, or other governmental ordinance, order or regulation, including, without limitation, all zoning, health, environmental protection and sanitary regulations and all occupational safety and health regulations, and the Sellers will convey the property free of any such violations. The zoning of the Real Property permits the present commercial uses of such property. To the Sellers' knowledge, there are no structural defects in the towers, buildings, structures and other improvements located on the Real Property. All utilities that are necessary for the present operation of the Stations have been connected to the Real Property and are in working order. To the Sellers' knowledge, no utility lines serving the Stations pass over the lands of others except where appropriate easements or licenses have been obtained. The transmitting facilities of the Stations, including the tower, guy wires and ground systems, are now and on the Closing Date will be located entirely on the confines of the Real Property leased or owned by the Seller. The Sellers have access to the Real Property.

8.10 Environmental Matters.

8.10.1 Definitions.

(a) **"Hazardous Materials"** means any substance, material, liquid or gas defined or designated as hazardous or toxic (or by any similar term) under any Environmental Law, including petroleum or petroleum products and friable materials containing more than one percent (1.0%) asbestos by weight.

“Environmental Law” means any federal, state, or local law, statute, ordinance, order, rule, or regulation relating to contamination, pollution, protection of workers, the public, or the environment, or relating to actual or threatened releases, discharges, or emissions into the environment, including the Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act, the Federal Water Pollution Act, the Clean Water Act, the Safe Drinking Water Act, the Toxic Substances Control Act, the Refuse Act, or the Emergency Planning and Community Right-to-Know Act (each as amended) or any other law, rule, or regulation of any federal, state or local government (or agency thereof) concerning release or threatened release of hazardous substances, public health and safety, or pollution or protection of the environment.

(b) **“Environmental Condition”** refers to any contamination or damage to the environment caused by or relating to the use, handling, storage, treatment, recycling, generation, transportation, release, spilling, leaking, pumping, pouring, emptying, discharging, injection, escaping, leaching, disposal, dumping or threatened release of Hazardous Materials by any Seller or its predecessors in interest. With respect to claims by employees, “Environmental Condition” also includes the exposure of persons to Hazardous Materials at a work place of any Seller.

(c) **“Environmental Lien”** means any Lien imposed on or attaching to any of the Station Assets by federal, state, or local court, agency or regulatory body pursuant to any Environmental Law.

(d) **“Environmental Noncompliance”** means any violation of any Environmental Law.

8.10.2 Compliance with Environmental Laws.

(a) To the Sellers’ knowledge, the Sellers and the Station Assets are in material compliance with Environmental Laws. Except for lubricants, cleaners or other products that are maintained for routine maintenance purposes, there are no Hazardous Materials located at or upon the Station Assets nor, to the Sellers’ knowledge have any such Hazardous Materials been stored, deposited, or otherwise released there at any time in the past. To the Sellers’ knowledge, there are no permits, licenses, and other

authorizations required to be obtained with respect to the Stations under the Environmental Laws.

(b) To the Sellers' knowledge, there is no civil, criminal, or administrative action, suit, order, demand, claim, hearing, notice or demand letter, notice of violation, investigation, or proceeding pending or threatened against any Seller with respect to the Stations under any Environmental Law or with respect to any Environmental Condition.

(c) No Environmental Lien has attached to any of the Station Assets.

(d) To the Sellers' knowledge, no storage tanks, including above ground and underground storage tanks and associated piping, are now or have ever been located on the Real Property.

(e) To the Sellers' knowledge, no asbestos or asbestos-containing-material is located on or has been located on the Real Property.

(f) To the Sellers' knowledge, no PCBs or PCB-containing equipment, including electrical transformers and capacitors, are located on or have been located on the Real Property.

(g) To the Sellers' knowledge, none of the Real Property is a wetlands under any Environmental Law.

(h) To Sellers' knowledge, the operations of the Stations and the Station Assets are in material compliance concerning radio frequency radiation exposure.

8.11 Adequacy, Condition and Maintenance of Equipment. Except as otherwise has been disclosed to the Buyer in writing, either by Seller or by Buyer's Consulting Engineer, the Tangible Property listed in the attached **Appendix B** (except as expressly noted therein) is in operating condition that is sufficient for the operation of the Stations as presently conducted, and shall be the same condition, reasonable wear and tear excepted, on the Closing Date as it was on the date of this Agreement, except as contemplated by Section 12.3. Except as has been disclosed to the Buyer in writing, either

by the Seller or the Buyer's Consulting Engineer, the Tangible Personal Property is operated in all material respects in compliance with the FCC's regulations and requirements and all FCC Authorizations and other Authorizations. As of the date of this Agreement, all of the Tangible Personal Property listed on the attached **Appendix B** is insured under the policies described on the attached **Appendix K**, all such policies are in full force and effect, and the Sellers have paid all premiums that are due and payable under all such policies.

8.12 Litigation. There are no judgments outstanding, nor any claim, litigation, proceeding or investigation pending, or to the knowledge of the Sellers, threatened that would result in any material adverse change in the business, condition or earnings of the Stations or the Station Assets, in each case taken as a whole, and the Sellers have no knowledge of any facts that would form the basis for such claim, litigation, proceeding or investigation. Except as expressly provided in this Agreement, to the Sellers' knowledge, there are no liabilities of any kind or nature whatsoever of the Sellers that attach or will, after the consummation of the transaction contemplated hereby, attach to Buyer as a result of the acquisition of the Station Assets, including, without limitation, any liability for or arising out of: (a) employee withholding, (b) worker's compensation, or (c) unemployment compensation, other than liabilities that will arise after the Effective Time as a result of the Buyer's ownership of the Station Assets or conduct of the business of the Stations.

8.13 Contracts and Agreements.

8.13.1 Assumed Contracts. No Seller is in material default under any of the Assumed Contracts, and all payments, services or other consideration due by or from any Seller thereunder have been made or provided. The attached **Appendix C** is a list of all of the Assumed Contracts in effect of the date of this Agreement, other than Immaterial Contracts, the Leases and contracts for the sale of time on the Stations entered into in the ordinary course of business. The Sellers have made available to the Buyer copies of the Leases and all the Assumed Contracts listed on the attached **Appendix C**.

8.13.2 ERISA Matters. The Sellers do not maintain any pension or profit-sharing plan covering the employees of the Stations and have never maintained a pension or profit-sharing plan for which any liability or obligation exists or may accrue in the future. No Seller is a party to any multi-employer plan covering the current or former employees of the Stations. The Sellers have not incurred any obligation to the current or former

employees of the Stations under, are not in violation of any of the provisions of, and are not subject to any assessment or imposition of any liability or penalty arising under, the Employment Retirement Income Security Act of 1974 or the related provisions of the Internal Revenue Code of 1986, as amended, and have not acted or failed to act in a manner that would give rise to any such liability or penalty. The Sellers have incurred no obligations or liability to the Pension Benefit Guaranty Corporation.

8.13.3 Union and Employee Agreements. No Seller has a written or oral contracts of employment with any employee, is a party to or subject to any collective bargaining agreement with respect to Stations, or has any other contract with any labor union or other labor organization. No Seller is a party to any pending or, to the Sellers' knowledge, threatened labor dispute affecting the Stations. The Sellers have complied in all material respects with all applicable federal, state, and local laws, ordinances, rules and regulations and requirements relating to the employment of labor, including provisions relative to wages, hours, collective bargaining and payment of Social Security, unemployment and withholding taxes and are not liable for any arrears in wages or any taxes or penalties for failure to comply with any of the foregoing. As of the date of this Agreement, except as set forth in the attached **Appendix H**, the Sellers have no written or oral retirement, pension, profit-sharing, bonus, hospitalization, vacation or other employee benefit plan relating to employees of the Stations, and no such plan is included in the Assumed Contracts.

8.13.4 Contracts for the Sale of Time. Except as set forth on the attached **Appendix C**, all of the contracts for the sale of time on Stations entered into prior to the date of this Agreement have been entered into in the normal course of business.

8.14 Insolvency. No insolvency proceedings of any character (including bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary, under Title 11 of the United States Code or any applicable bankruptcy, insolvency or other similar law) affecting any Seller or any of its assets or properties are pending. No Seller has made any assignment for the benefit of creditors, nor has any Seller taken any action with a view to, or which would constitute the basis for, the institution of any such insolvency proceedings. No consent to the appointment of or taking

possession by a receiver, trustee or other custodian for all or a material portion of any Seller's property has occurred.

8.15 Taxes. The Sellers have filed all federal, state and local tax returns and state franchise tax returns that are required to have been filed, and has paid in full when due all taxes, interest, penalties, assessments and deficiencies that have been assessed or levied against the Stations or any of the Station Assets based upon such returns. The Sellers have, or prior to the Closing Date will have, paid and discharged all taxes, assessments, excises and other levies relating to the Station Assets that, if due and not paid, would interfere with Buyer's use and employment of the Station Assets or subject them to any claim, assessment or liability, excepting such taxes, assessments, excises and other levies that will not be due until after the Closing Date and that are to be prorated between the Buyer and the Sellers.

8.16 No Untrue Statement or Omission. To the Sellers' knowledge, no representation or warranty made by Seller in this Agreement or any Appendix hereto nor any certificate or other document heretofore or hereafter furnished by a Seller, or on its behalf, to the Buyer pursuant to this Agreement or in connection with the transactions contemplated hereby contains any untrue statement or omits to state a material fact necessary to make the statements contained therein not misleading. All representations and warranties of Seller set forth in this Agreement shall be true, complete and accurate in all material respects as of the Closing Date as if made on that date.

ARTICLE IX. REPRESENTATIONS AND WARRANTIES OF BUYER

The Buyer represents and warrants to the Sellers as follows:

9.1 Organization and Standing. The Buyer is a corporation, existing and in good standing under the laws of the State of Hawaii and on the Closing Date will be entitled and qualified to do business in the State of Hawaii.

9.2 Authorization. The Buyer has full power and authority to enter into, and to consummate the transactions contemplated by, this Agreement, and this Agreement constitutes a valid and binding obligation of the Buyer enforceable in accordance with its terms. The execution, delivery, and performance of this Agreement has been duly and validly authorized by the Buyer's directors and, if required, its stockholders.

9.3 No Conflicts. The execution, delivery and performance of this Agreement by the Buyer does not violate any provision of the Buyer's charter or bylaws or other governing documents or agreements, or result in any breach of, or constitute a default under, the provisions of any agreement or other instrument to which the Buyer is a party or by which it or its property is bound or affected.

9.4 FCC Qualifications. The Buyer is qualified under the Communications Act to be and become the licensee of the Stations. The Buyer knows of no facts, and with exercise of reasonable diligence could know of no facts, that would cause the FCC to withhold its consent to the assignment of the FCC Licenses to the Buyer.

9.5 Litigation. There is not outstanding any judgment or any claim, litigation, proceeding or, to the knowledge of the Buyer, any investigation or claim threatened against the Buyer which might adversely affect the Buyer's ability to carry out fully the transactions contemplated by this Agreement, and the Buyer knows of no facts which would form the basis for such claim, litigation, proceeding or investigation.

9.6 Insolvency. No insolvency proceedings of any character (including without limitation, bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary, under Title 11 of the United States Code or any applicable bankruptcy, insolvency or other similar law) affecting the Buyer or any of its assets or properties are pending. The Buyer has not made any assignment for the benefit of creditors, nor has the Buyer taken any action with a view to, or which would constitute the basis for, the institution of any such insolvency proceedings. No consent to the appointment of or taking possession by a receiver, trustee or other custodian for all or a material portion of the Buyer's property has occurred.

9.7 Financing. The Buyer has, or has available to it without the satisfaction of any conditions other than those set forth in Section 11.1, sufficient funds to permit it to consummate the Closing on the date of this Agreement.

ARTICLE X. COVENANTS

10.1 Affirmative Covenants of the Sellers. Each Seller will, through the Closing Date:

10.1.1 Continued Operation. (a) Keep its books of account, records, and files in the ordinary and usual course of business, (b) keep and maintain the public inspection files of Stations in accordance with the FCC's rules and regulations, (c) operate the Stations in all material respects in accordance with the terms of their FCC Licenses and in compliance in all material respects with all applicable laws, the FCC's rules and regulations, the Communications Act and standards of good engineering practice, (d) take all reasonable steps necessary to ensure the continued operation of the Stations at their present transmission and studio locations, and (e) execute any necessary applications for renewal of the FCC Licenses.

10.1.2 Maintenance of Equipment. Maintain the Tangible Personal Property and the improvements on the Real Property that are used or occupied by such Seller in their present operating condition, ordinary wear and tear excepted.

10.1.3 Insurance. Maintain in full force and effect through the Closing Date adequate property damage, liability, and other insurance with respect to the Station Assets providing coverage against such risks in at least the amounts provided for by the insurance policies currently maintained by such Seller.

10.1.4 Notification. Notify the Buyer in writing upon becoming aware prior to the Closing Date of any order or decree or any complaint praying for an order or decree restraining or enjoining the consummation of the transactions contemplated by this Agreement, or upon receiving any notice from any governmental department, court, agency, or commission of its intention to institute an investigation into, or institute a suit or proceeding to restrain or enjoin the consummation of such transactions, or to nullify or render ineffective this Agreement or such transactions if consummated.

10.1.5 Fulfill Conditions. Use reasonable efforts to fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement and to cause the transactions contemplated by this Agreement to be fully carried out.

10.1.6 Provide Access. Allow the Buyer and representatives of the Buyer, upon reasonable notice and during normal business hours, to inspect the titles, contracts, books of account, records and affairs of the Stations, all as the Buyer may reasonably request. The Sellers also agree that prior to the Closing Date, the Buyer's engineer may

inspect the equipment of the Stations to insure that the equipment complies with all warranties and conditions set forth in Section 8.11. The Sellers agree to extend full cooperation to said engineer, including such access to the equipment and to logs pertaining thereto at such time or times as said engineer shall reasonably request, so long as such cooperation does not unreasonably interfere with the operations of the Stations or impose expense on the Sellers.

10.1.7 Removal of Liens. Take such steps as are necessary to ensure that any and all Liens against the Station Assets that are not Permitted Liens will be removed on or before the Closing Date, and that all documents required to be filed with governmental authorities to record such removal have been or will be filed on or before the Closing Date. Prior to the Closing Date, the Sellers shall provide the Buyer with a lien search prepared by a qualified firm any identifying Liens of record against the Station Assets and will demonstrate to the Buyer how any such Liens that are not Permitted Liens will be extinguished on or before the Closing Date.

10.1.8 Trade Balance. Sellers' current trade balances are listed in **Appendix C**. Following execution of this Agreement, Sellers shall not enter into any additional agreements for the broadcast of commercial time in exchange for goods or services (i.e., trade agreements) that will not be satisfied in full prior to Closing. Moreover, Sellers shall take such actions as may be required under trade and barter arrangements for the Stations so that the aggregate negative trade balance of the Sellers, if any, under such arrangements, does not exceed \$25,000. Pursuant to Section 5.1, the Buyer shall be entitled to a reduction of the purchase price described in Section 4.1 to the extent the negative trade balance exceeds \$25,000.

10.1.9 Interim Statements. Not later than the thirtieth (30th) day after the end of each month, deliver to the Buyer an unaudited income statement for MM Hawaii and MM License, on a consolidated basis, setting forth the results of operations of MM Hawaii and MM License with respect to the Stations during such month in accordance with GAAP, consistently applied, except for the lack of footnote disclosure and subject to normal year-end audit adjustments (an "**Interim Statement**").

10.2 Negative Covenants of the Sellers. Prior to the Closing Date, no Seller will, without the prior written consent of the Buyer:

10.2.1 No Alienation of Station Assets. Other than in the ordinary course of business, sell, lease, transfer, or agree to sell, lease, or transfer, any Station Asset without replacement of such asset with an asset of substantially equivalent or superior kind, condition and value.

10.2.2 No Labor and Employment Contracts. Other than in the ordinary course of business, enter into any contract of employment, permit any increases or changes in the compensation or benefits of any Station's employees or otherwise hire any managerial employee, except to replace any managerial employee whose employment terminates prior to the Closing Date, on terms that in the whole are not materially more favorable to such replacement employee than the terms upon which the replaced employee was employed.

10.2.3 No Adverse Permits. Apply to the FCC for any construction permit or modification of any FCC License that would materially restrict a Station's present operation.

10.2.4 No Negotiations for Sale. Hold out the Stations or the Station Assets for sale, entertain an offer to purchase the Stations or the Station Assets or the stock of any Seller, enter into any negotiations with any Person other than the Buyer for the assignment and transfer of the Station Assets, or give an option to any Person to acquire the Station Assets or the stock of any Seller.

10.2.5 No Inconsistent Actions or Omissions. Take any action or omit to take such action that would be inconsistent with the Sellers' obligations under this Agreement.

10.2.6 No Trade or Barter Agreements. Enter into any trade or barter agreements, or modify or amend any existing such agreements or understandings, except upon consultation with the Buyer.

10.2.7 No Omission of FCC Obligations. By any act or omission of it, its officers, members, managers, employees or agents, surrender, modify, forfeit or fail to seek timely renewal of the FCC Licenses or cause the FCC to institute any proceedings for revocation, cancellation or modification of the FCC Licenses, or fail to prosecute with due

diligence, or participate in the prosecution of, the Applications, including all amendments to it, as necessitated by the FCC's rules and regulations, or as requested by the FCC's staff.

10.2.8 No Breach of Assumed Contracts. Commit any act or omit to do any act that will cause a material breach of any of the Assumed Contracts.

10.2.9 No Violation of Law. Violate any law, statute, rule, governmental regulation or order of any court or governmental regulatory authority (whether federal, state or local) in any material respect.

10.2.10 Termination of Contracts. Terminate or cancel any of the Assumed Contracts, except in the normal course of business.

10.2.11 Tower Leases. Enter into any lease with any third party for the lease of space on any broadcast tower owned by Sellers.

10.3 Buyer's Covenants. Through the Closing Date, the Buyer will:

10.3.1 Fulfill Conditions. Use reasonable efforts to fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement and to cause the transactions contemplated by this Agreement to be fully carried out.

10.3.2 Notification. Notify the Sellers in writing upon becoming aware of any decree or any complaint praying for an order or decree restraining or enjoining the consummation of the transactions contemplated by this Agreement, or upon receiving any notice from any governmental department, court, agency, or commission of its intention to institute an investigation into, or institute a suit or proceeding to restrain or enjoin the consummation of such transactions, or to nullify or render ineffective this Agreement or such transactions if consummated.

10.3.3 FCC Approval. Prosecute with due diligence, or participate in the prosecution of, the Applications, including all amendments to it, as necessitated by the FCC's rules and regulations, or as requested by the FCC's staff.

ARTICLE XI. CONDITIONS

11.1 *Conditions Precedent to the Buyer's Obligations.* The obligation of the Buyer to consummate the transactions contemplated by this Agreement is subject to the fulfillment prior to or at the Closing Date of each of the following conditions:

11.1.1 *FCC Approval.* The FCC will have approved the Applications without any condition or qualification that is materially adverse to the Buyer or to the operation of Stations after the Closing Date and either (a) no petition to deny or in informal objection shall have been filed against the Applications, (b) such approval of each Application will have become a Final Order, or (c) Buyer will have waived such finality.

11.1.2 *Performance.* The Sellers will have performed and complied in all material respects with all covenants and agreements required by this Agreement to be performed or complied with by them prior to or at the Closing Date.

11.1.3 *Proceedings.* No action or proceeding will have been instituted and remain pending on the Closing Date before any court or governmental body to restrain or prohibit, or to obtain substantial damages in respect of, the consummation of the transactions contemplated by this Agreement, or that could reasonably be expected to result in an injunction against such consummation or, if such transactions are consummated, an order to nullify or render ineffective such consummation, or the recovery against the Buyer of substantial damages, and no such injunction or order will be in effect.

11.1.4 *Representations and Warranties.* The representations and warranties of the Sellers contained in this Agreement, taken as a whole, will be true and correct in all material respects as of the Closing Date as though such representations and warranties were made at and as of such time.

11.1.5 *Closing Deliveries.* The Sellers will have made all deliveries to the Buyer that are required under Section 14.1.

11.2 *Conditions Precedent to the Sellers' Obligations.* The obligations of the Sellers to consummate the transactions contemplated by this Agreement is subject to the fulfillment prior to or at the Closing Date of each of the following conditions:

11.2.1 FCC Approval. The FCC will have approved the Applications without any condition or qualification that is materially adverse to the Sellers.

11.2.2 Performance. The Buyer will have performed and complied in all material respects with all covenants and agreements required by this Agreement to be performed or complied with by it prior to or at the Closing Date.

11.2.3 Proceedings. No action or proceeding will have been instituted and remain pending on the Closing Date before any court or governmental body to restrain or prohibit, or to obtain substantial damages in respect of, the consummation of the transactions contemplated by this Agreement, or that could reasonably be expected to result in an injunction against such consummation or, if such transactions are consummated, an order to nullify or render ineffective such consummation, or the recovery against any Seller of substantial damages, and no such injunction or order will be in effect.

11.2.4 Representations and Warranties. The representations and warranties of the Buyer contained in this Agreement, taken as a whole, will be true and correct in all material respects as of the Closing Date as though such representations and warranties were made at and as of such time.

11.2.5 Closing Deliveries. The Buyer will have made all deliveries to the Seller that are required under Section 14.2.

ARTICLE XII. RISK OF LOSS

12.1. Risk of Loss Generally. The risk of loss, damage or destruction to the Station Assets from fire or other casualty or cause (other than by reason of any act or omission of the Buyer or any of its employees or other agents or representatives) will be borne by the Sellers at all times up to the Closing Date.

12.2 Efforts to Restore. In the event of any such loss, damage or destruction, the Sellers will (to the extent they are able to do so utilizing any insurance proceeds available for such use) promptly use reasonable efforts to make such replacement or repair as may be required into or restore the property to its condition prior to any such loss, damage, or destruction, at the Sellers' cost and expense.

12.3 Incomplete Restoration. In the event that Sellers do not so restore any such lost or damaged Station Asset(s) prior to the Grant Date and, but for such restoration being incomplete, each condition set forth in Article XI has been waived or is satisfied (or can be satisfied by deliveries under Article XIV at the Closing), then:

(a) If the aggregate cost then required to complete such restoration (the **“Completion Cost”**) is One Hundred Thousand Dollars (\$100,000) or less, the Parties will consummate the Closing on the Closing Date without such restoration being completed and the amount of the Completion Cost shall be credited against the purchase price described in Section 4.1.

(b) If the Completion Cost then exceeds One Hundred Thousand Dollars (\$100,000), either (i) the Buyer will terminate this Agreement by notice to the Sellers within five (5) Business Days after the Grant Date, or (ii) if the Buyer does not so terminate this Agreement, the Parties will consummate the Closing on the Closing Date without such restoration being completed and without any adjustment of the purchase price described in Section 4.1, and the Buyer will accept the Station Asset(s) in question in its or their then condition. If the Buyer does not terminate this Agreement as described in clause (i) above, then: (x) at the Closing, the Sellers will deliver all insurance proceeds relating to such loss, damage or destruction that have been paid to the Sellers prior to the Effective Time and that Sellers have not spent in their restoration efforts prior to the Closing, (y) upon receipt thereof, the Sellers will pay to the Buyer any such insurance proceeds received by the Sellers after the Effective Time, and (z) notwithstanding Article III, the Assumed Liabilities will include all unpaid liabilities incurred by the Sellers prior to the Effective Time in connection with the Sellers' restoration efforts.

If the Closing is consummated as described in clause (a) or (b)(ii) above, then the credit to the purchase price described in clause (a) above, or the right to receive insurance proceeds at and after the Closing described in clauses (b)(x) and (b)(y) above, will constitute the Buyer's sole and exclusive remedy in respect of such loss, damage or destruction or the fact that the Sellers did not complete such restoration prior to the Closing (including the inaccuracy of any related representation or certification of the Sellers or the Seller's inability to make any certification required by this Agreement). If the Buyer terminates this Agreement under this Section 12.3, then each Party shall bear its own expenses.

ARTICLE XIII. INDEMNIFICATION

13.1 *Survival of Representations and Warranties.* The representations, warranties and certifications made in this Agreement or in any certificate described in Section 14.1.1 or 14.2.1 will survive the Closing Date, until the first anniversary of the Closing Date.

13.2 *Indemnification of Buyer By Seller.* Subject to Section 13.5, from and after the Closing, the Sellers (jointly and severally) will indemnify and hold the Buyer harmless from and against any and all liabilities, losses, costs, expenses, judgments, orders, settlements, obligations, deficiencies, claims, suits, proceedings (whether formal or informal), investigations, Liens (other than Permitted Liens on the Station Assets) or other damages of any nature, absolute, contingent or otherwise, including costs of suit, attorney's fees and expenses (all of the foregoing items being "Damages"), resulting from, arising out of or incurred with respect to:

13.2.1 Any breach of any representation, warranty or certification of the Sellers contained in this Agreement or in the certificate described in Section 14.1.1, or any misrepresentation in, or omission from, any such representation, warranty or certificate, so long as the Buyer gives the Sellers notice of such breach, misrepresentation or omission prior to the expiration of any applicable period specified in Section 13.1 (any Damages resulting from, arising out of or incurred with respect to matters described in this Section 13.2.1 being "Seller-Rep Damages");

13.2.2 Any breach of any covenant, agreement or obligation of the Sellers contained in this Agreement;

13.2.3 The Excluded Liabilities; or

13.2.4 Any and all claims, liabilities or obligations of any nature, absolute, contingent, or otherwise relating to the business or operation of the Stations or ownership of the Station Assets (including any Damages arising from or obligations to be performed by the Sellers under any of the Assumed Contracts) prior to the Closing Date, except to the extent a proration is made in favor of the Buyer pursuant to Section 5.1.

The term “Damages” is not limited to matters asserted by third parties against a Party, and includes Damages incurred or sustained by a Party in the absence of third-party claims.

13.3 Indemnification of Seller By Buyer. Subject to Section 13.5, from and after the Closing, the Buyer will indemnify and hold the Sellers harmless from and against any Damages resulting from, arising out of, or incurred with respect to:

13.3.1 Any breach of any representation, warranty or certification of the Buyer contained in this Agreement or in the certificate described in Section 14.2.1, or any misrepresentation in, or omission from, any such representation, warranty or certificate, so long as the Sellers give the Buyer notice of such breach, misrepresentation or omission prior to the expiration of any applicable period specified in Section 13.1 (any Damages resulting from, arising out of or incurred with respect to matters described in this Section 13.1 being “**Buyer-Rep Damages**”);

13.3.2 Any breach of any covenant, agreement or obligation of the Buyer set forth in this Agreement;

13.3.3 The Assumed Liabilities; or

13.3.4 Any and all claims, liabilities or obligations of any nature, absolute, contingent, or otherwise relating to the business or operation of the Stations or ownership of the Station Assets (including any Damages arising from or obligations to be performed by the Sellers or the Buyer under any of the Assumed Contracts) on or after the Closing Date, except to the extent a proration is made in favor of the Sellers pursuant to Section 5.1

13.4 Procedures.

13.4.1 Notice and Right to Control. Promptly after the receipt by a Party (the “**Indemnified Party**”) of notice of any claim or the commencement of any action or other proceeding (including a proceeding relating to a claim of which notice was previously given) which may entitle the Indemnified Party to indemnification under this Article XIII, the Indemnified Party will give the other Party² (the “**Indemnifying Party**”) written notice of

² i.e., the Seller, if the Indemnified Party is the Buyer, or the Buyer, if the Indemnified Party is MM Holdings, MM Hawaii, MM License or Tornado.

such claim or commencement; provided that a failure to give the Indemnifying Party such notice in a timely manner will not preclude the Indemnified Party from seeking indemnification from the Indemnifying Party unless, and then only to the extent, that such failure materially prejudices the Indemnifying Party. Within thirty (30) days after its receipt of such notice, the Indemnifying Party may elect to conduct the defense and/or settlement of such claim or proceeding and, if the Indemnifying Party so elects, then it will be entitled to conduct such defense and/or settlement using legal counsel of its choice; provided that, at its expense, the Indemnified Party may participate in, but not control or direct, the defense and/or settlement of such claim or litigation, but may not take any action to interfere with or undermine the Indemnifying Party's conduct thereof. The Indemnified Party will cooperate with, and make available all books, records, personnel and information reasonably necessary and useful in connection with, the Indemnifying Party's defense and/or settlement efforts. Failure by the Indemnifying Party to notify the Indemnified Party of the Indemnifying Party's election to defend any such claim or proceeding within thirty (30) days after such notice is given will be deemed a waiver by the Indemnifying Party of its right to defend such claim or proceeding.

13.4.2 Settlement by Indemnifying Party. If the Indemnifying Party elects to conduct the defense and/or settlement of any such claim or other proceeding, then the Indemnifying Party will hold the Indemnified Party harmless from and against any Damages caused by or arising out of any settlement of such claim or proceeding made by the Indemnifying Party; provided that, except with the prior written consent of the Indemnified Party (which consent it will not unreasonably withhold or delay), the Indemnifying Party will not consent to the entry of any judgment (other than a judgment of dismissal without cost to the Indemnified Party) or enter into any settlement which does not include as an unconditional term thereof a release by the claimant or the plaintiff of the Indemnified Party of a release from all Damages in respect of such claim or proceeding (other than Damages for which the Indemnifying Party is responsible pursuant to Section 13.2 or 13.3).

13.4.3 If No Election to Control. If the Indemnifying Party does not assume the defense of any such claim or proceeding, then the Indemnified Party may, but will have no obligation to, defend against and/or settle such claim or proceeding in such manner as it may deem appropriate; provided that the result of any such defense or settlement will not be binding on the Indemnifying Party.

13.5 Indemnity Limitations.

13.5.1 Limit on Seller-Rep Damages. The Sellers will have no liability for Seller-Rep Damages unless the aggregate amount of Seller-Rep Damages exceeds \$13,000 (the "**Minimum Loss Amount**"), in which event the Sellers will be liable for all Seller-Rep Damages, including the Minimum Loss Amount; provided that the Sellers' aggregate liability for all Seller-Rep Damages will not exceed \$200,000.

13.5.2 Limit on Buyer-Rep Damages. The Buyer will have no liability for Buyer-Rep Damages unless the aggregate amount of such Damages exceeds the Minimum Loss Amount, in which event the Buyer will be liable for all Buyer-Rep Damages, including the Minimum Loss Amount.

13.5.3 General Limitations. From and after the Closing, no claim may be brought or maintained against the Buyer or any Seller, and no recourse may be sought or granted against any Person, by virtue of or based upon any alleged misstatement, omission, inaccuracy in or breach of any representation, warranty, covenant, agreement, obligation or certification of the Buyer or any Seller set forth in or made pursuant to this Agreement, other than as provided in this Article XIII, and in no event will the Buyer, after the Closing, be entitled to claim or seek any rescission of the purchase and sale of the Station Assets, (any right to such rescission that the Buyer might otherwise have being hereby expressly waived). The Buyer has conducted an independent investigation of the financial condition, results of operations, liabilities, properties and operations of the Sellers and the Stations. In determining to enter into this Agreement and in consummating the transactions contemplated by it, the Buyer has relied and will rely on the covenants, agreements, representations, warranties and certifications of the Sellers made in and pursuant to this Agreement, including the certifications to be made in any certificate to be delivered by the Sellers at the Closing. SUCH COVENANTS, REPRESENTATIONS, WARRANTIES AND CERTIFICATIONS CONSTITUTE THE SOLE AND EXCLUSIVE COVENANTS, AGREEMENTS, REPRESENTATIONS, WARRANTIES AND CERTIFICATIONS OF THE SELLERS TO THE BUYER IN CONNECTION WITH THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, AND THE BUYER UNDERSTANDS, ACKNOWLEDGES AND AGREES THAT ALL OTHER COVENANTS, AGREEMENTS, REPRESENTATIONS, WARRANTIES AND CERTIFICATIONS OF ANY

KIND OR NATURE AND WHETHER ORAL OR CONTAINED IN ANY WRITING OTHER THAN THIS AGREEMENT (INCLUDING THE APPENDICES HERETO) OR ANY SUCH CLOSING CERTIFICATE ARE SPECIFICALLY DISCLAIMED BY THE SELLERS. Furthermore, no Party will have a right to indemnification in respect of Seller-Rep Damages or Buyer-Rep Damages that result from, arise out of or are incurred with respect to any facts or circumstances of which such Party had knowledge at the time of the Closing. The Buyer and the Sellers waive compliance with, and agree that no attempt will be made to give notice under or otherwise comply with, the provisions of any bulk-sale or similar law.

13.6 Indemnity Payments. The Parties agree that any indemnity payments made pursuant to this Article XIII will be treated by the Parties on all applicable tax returns as an adjustment to the purchase price paid for the Station Assets.

ARTICLE XIV. CLOSING DELIVERIES

14.1 Sellers' Deliveries at Closing. On the Closing Date, at the Closing Place, the Sellers will duly execute and deliver the following:

14.1.1 A certificate of the Sellers to the effect that the representations and warranties of the Sellers contained in this Agreement are true and correct as of the Closing Date.

14.1.2 One or more bills of sale assigning, transferring and conveying to the Buyer free and clear title to all of the Tangible Personal Property.

14.1.3 An assignment and assumption agreement assigning to the Buyer the Assumed Contracts and such other leases necessary for the operation of the Stations.

14.1.4 An assignment to the Buyer of the FCC Licenses, together with any and all other related authorizations, including all of the Operating Sellers' right, title and interest in and to the call letters "KKBG," "KKOA," "KLEO" and "KHLO" and other governmental licenses and authorizations.

14.1.5 An assignment by the Operating Sellers of the Intangible Assets.

14.1.6 Instructions to the Escrow Agent to take the actions described in Section 4.5.

14.1.7 A certificate of good standing from each Seller's state of formation, as well as evidence of MM Hawaii's right to conduct business in the State of Hawaii.

14.1.8 A copy of a resolution of each Seller's sole member or manager(s) authorizing or ratifying the execution, delivery and performance of this Agreement.

14.1.9 Opinions of the Sellers' legal counsel in the form set forth in ***Appendix I***.

14.1.10 Consents to the assignment of the Leases listed on the attached ***Appendix C*** that require consent from the respective lessors thereunder.

14.1.11 Such other assignments, bills of sale or other instruments of transfer, assignment or conveyance as may be required to effectuate the assignment, transfer and conveyance of the Station Assets to the Buyer.

14.1.12 An estoppel agreement signed by Philip Brewer certifying that the all payments then due and payable under the Brewer Note have been made and he is not aware that the Sellers are in default of the Brewer Note.

14.2 *Buyer's Deliveries at Closing.* On the Closing Date, at the Closing Place, the Buyer will execute and deliver to the Sellers the following:

14.2.1 A certificate of the Buyer to the effect that the representations and warranties of the Buyer contained in this Agreement are true and correct as of the Closing Date.

14.2.2 An assignment and assumption agreement pursuant to which the Buyer assumes the Sellers' obligations under the Assumed Contracts and the other Assumed Liabilities.

14.2.3 Instructions to the Escrow Agent to take the actions described in Section 4.5.

14.2.4 The estimated cash portion of the purchase price for the Station Assets, including the estimated New Receivables Price, less the Escrow Deposit, in Immediately Available Funds, as provided in Section 4.5.

14.2.5 A certificate of good standing from the Buyer's state of formation, as well as evidence of the Buyer's right to conduct business in the State of Hawaii.

14.2.6 A copy of the Buyer's enabling resolutions authorizing or ratifying the execution, performance and delivery of this Agreement.

14.2.7 An opinion of the Buyer's legal counsel in the form set forth in *Appendix J*.

14.2.8 Such other instruments as may be required to effectuate the assumption by the Buyer of the Assumed Liabilities.

ARTICLE XV. TAXES, FEES AND EXPENSES

15.1 Expenses. Except as otherwise expressly set forth in this Agreement, each Party will be solely responsible for all costs and expense incurred by it in connection with the negotiation and preparation of this Agreement and the transactions contemplated hereby.

15.2 Transfer Taxes and Similar Charges. Recordation, transfer and documentary taxes and fees, and any excise, sales or use taxes imposed by reason of the transfer of the Station Assets in accordance with this Agreement, will be borne by the Buyer.

15.3 Governmental Filing or Grant Fees. Any other filing or grant fees imposed by any governmental authority the consent of which is required to the transactions contemplated hereby will be borne one-half by the Sellers, collectively, and one-half by the Buyer.

ARTICLE XVI. MISCELLANEOUS

16.1 Finders, Consultants and Brokers. Each Party represents and warrants as to itself that there are no finders, consultants or brokers involved in this transaction other

than Blackburn & Company, Inc. ("Blackburn"), and that it has not agreed to pay any other broker's commission or finder's fee in connection with the transactions contemplated by this Agreement, except to Blackburn, which commission will be payable solely by the Buyer.

16.2 Confidentiality. The Sellers and the Buyer each promise, represent and warrant that they will not reveal or disclose to any Unauthorized Person (a) any financial information, account lists, trade secrets, plans of operation (including those relating to format), or marketing or sales information relating to the Stations, or (b) any details of their negotiations or information regarding the agreements reached in connection with the proposed purchase and sale of Stations; provided that this Section 16.2: (x) will not prohibit the Buyer, after the Closing, from disclosing to any Person or using any of the information described in clause (a) above that relates solely to the period from and after the Closing Date, (y) will not prohibit the Sellers from disclosing to any Person or using any of the information described in clause (a) above that relates solely to the period prior to the Closing Date, and (z) will not prohibit any Party from complying with any requirement of law or any legal process. The term "Unauthorized Person" means any Person other than the Parties and their respective officers, directors, members, managers, stockholders, key employees, agents and representatives (including legal counsel, accountants, consultants and financiers) who require the information in question in connection with their employment or professional responsibilities and obligations.

16.3 Press Release. Except as may be required by law, neither the Sellers nor the Buyer will make any press release or announcement to the public relating to this Agreement or the proposed sale and purchase of the Stations unless it has been approved by all Parties.

16.4 Assignment.

16.4.1 By Sellers. Prior to the Closing, no Seller may assign its rights under this Agreement (other than to a Person that is controlled by, controls or is under common control with such Seller) without the express written consent of the Buyer.

16.4.2 By Buyer. This Agreement may be assigned by the Buyer (i) prior to the Closing, to a Person that is controlled by, controls or is under common control with the Buyer, so long as such Person is fully qualified to be a licensee of the FCC and such

assignment will not hinder or delay the approval of the FCC of the transactions contemplated by this Agreement or the finality of such approval, or (ii) after the Closing, to any Person. Buyer may not otherwise assign its rights under this Agreement without the express written consent of the Sellers.

16.5 No Third Party Beneficiaries. Nothing herein expressed or implied is intended or will be construed to confer upon or give to any Person other than the Parties and their permitted successors or assigns, any rights or remedies under or by reason of this Agreement.

16.6 Notices. Any notice required or permitted to be given under this Agreement by a Party to another may be effected by certified mail, postage prepaid with return receipt requested, or by USPS Express air service, overnight air courier service or same-day delivery service, and addressed as follows:

IF TO A SELLER:

c/o Maverick Media LLC
136 Main Street
Westport CT 06880
Attn.: Gary Rozynek, President & CEO

with copy to:

Putbrese Hunsaker & Trent, P.C.
100 Carpenter Drive, Suite 100
P.O. Box 217
Sterling VA 20167-0217
Attn: John C. Trent, Esq.

IF TO THE BUYER:

Pacific Radio Group, Inc.
311 Ano St.
Kahului, HI 96732-1304
Attn.: Richard Charles Bergson

with copy to:

Dan J. Alpert, Esq.
The Law Office of Dan J. Alpert
2120 N. 21st Road
Arlington, VA 22201

Notices will be addressed to the Parties at the respective addresses given above, but a Party may change its address for notice by written notice given in accordance with this Section 16.6. Notice will be deemed to have been given three (3) Business Days after mailing, if sent by registered or certified mail, or on the next Business Day, if sent by USPS express mail, overnight air courier or same-day delivery service. The provision of notice by telephone facsimile or to counsel alone will not constitute notice under this Agreement.

16.7 Benefit. This Agreement will be binding upon and inure to the benefit of the Parties and their permitted successors and assigns.

16.8 Further Assurances. The Parties will take such steps as are reasonably necessary, and will use their best efforts, in good faith, to carry out their obligations under this Agreement, in order that the transactions contemplated by this Agreement may be consummated in a complete and expeditious manner.

16.9 Separate Counsel. The Parties have retained separate legal counsel in connection with the negotiation and preparation of this Agreement, and have consulted with and sought advice from their respective legal counsel, prior to execution, concerning their respective rights and duties under this Agreement. Accordingly, in the interpretation of the provisions of this Agreement, no presumption will be applied in favor of, or against, any Party by reason of the fact that such provision was or was not drafted solely or principally by legal counsel to such Party.

16.10 Appendices. The Appendices attached to this Agreement will be deemed to be part of this Agreement and incorporated in it, where applicable, as if fully set forth in the body of this Agreement.

16.11 Counterparts. This Agreement may be signed by any number of counterparts with the same effect as if the signature of each such counterpart were upon the same instrument.

16.12 Headings. The headings of the Articles and Sections of this Agreement are inserted as a matter of convenience and for reference purposes only and in no way define, limit or describe the scope of this Agreement nor the intent of any Article or Section or paragraph.

16.13 Time of the Essence. Time is deemed to be of the essence with respect to this Agreement.

16.14 Entire Agreement. This Agreement, including the Appendices attached hereto and the ancillary documents provided for herein, and any nondisclosure agreement previously executed by the Parties and/or their affiliates, constitute the entire agreement and understanding of the Parties hereto relating to the matters provided for herein and supersede any and all prior agreements, arrangements, negotiations, discussions and understandings relating to the matters provided for herein.

16.15 Amendment. This Agreement may not be amended except by an instrument in writing signed on behalf of each of the Parties.

16.16 Waivers. No waiver of any right under this Agreement or waiver of a breach of it will be effective unless in writing and signed by the Party or Parties waiving such right or breach. No waiver of any right or waiver of any breach will constitute a waiver of any other or similar right or breach, and no failure to enforce any right under this Agreement will preclude or affect the later enforcement of such right.

16.17 Severability. If one or more of the provisions contained in this Agreement or in any other instrument referred to herein is, for any reason, held to be invalid, illegal or unenforceable in any respect, then to the maximum extent permitted by law such invalidity, illegality or unenforceability will not affect any other provision of this Agreement or any other such instrument, and this Agreement will be construed as if such invalid, illegal or unenforceable provision or provisions had not been contained herein or therein.

16.18 Certain Terms. Whenever required by the context, the singular number will include the plural and the masculine, feminine, or neuter gender will include all genders. The term “knowledge” refers to the actual knowledge of the Person in question. The term “including” (and derivative terms, such as “includes”) are used in an illustrative manner and are not intended to limit the generality of any other word or phrase.

16.19 Governing Law. This Agreement will be construed and enforced in accordance with the internal laws, and not the principles of conflicts or choice of laws, of the State of Hawaii.

16.20 Choice of Forum. Any action, suit or other proceeding with respect to this Agreement may be brought in the courts of the State of Hawaii or in the federal courts located in the State of Hawaii and each Party consents to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of these courts. Each Party irrevocably waives any objection, including, without limitation, any objection to the laying of venue or based on the grounds of forum non conveniens, which it may now or hereafter have to the bringing of any such action, suit or other proceeding in those jurisdictions.

16.21 Attorneys' Fees. Should any Party institute any action or proceeding at law or in equity to enforce any provision of this Agreement, including an action for declaratory relief, or for damages by reason of an alleged breach of any provision of this Agreement, or otherwise in connection with this Agreement, or any provision hereof, the prevailing Party or Parties will be entitled to recover from the non-prevailing Party or Parties its costs and expenses, including reasonable attorneys' fees and costs for services rendered to the prevailing Party in such action or proceeding.

[*THE NEXT PAGE IS THE SIGNATURE PAGE ONLY*]

[SIGNATURE PAGE]

IN WITNESS WHEREOF, the parties have duly executed this Asset Sale Agreement as of the date and year first above written.

SELLERS

MAVERICK MEDIA HOLDINGS LLC
MAVERICK MEDIA OF HAWAII LLC
MAVERICK MEDIA OF HAWAII LICENSE LLC
TORNADO TELECOMMUNICATIONS LLC

By: 
Gary Rozynek, President & CEO

BUYER:

PACIFIC RADIO GROUP, INC.

By: 
L.E. Johnson Jr. CFO
Board Chairman

APPENDICES

Appendix A	List of Other Permitted Encumbrances
Appendix B	Tangible Asset Inventory
Appendix C	Material Contracts, Leases, and Trade Agreements to be Assumed by Buyer, and Consents Needed to be Obtained by Sellers
Appendix D	Conflicts
Appendix E	FCC Licenses
Appendix F	2001 and 2002 Income Statements
Appendix G	Leased Tangible Personal Property
Appendix H	Sellers' Employee Benefits
Appendix I	Opinion of Sellers' Counsel
Appendix J	Opinion of Buyer's Counsel
Appendix K	Insurance Policies

Appendix A
Permitted Encumbrances

None

APPENDIX B

TANGIBLE ASSET INVENTORY

Music Room:

1. 2 – Desks/Chairs
2. Credenza Hutch
3. Hundreds of CD's
4. Wall Mounted CD Rack
5. Music CD's from BPI Lease Trade

Main Office (downstairs):

Traffic Area:

1. 2 – Desks/Chairs
2. 2 – Computer Stands
3. 2 – Okidata Printers
4. 2 - Computer/Monitor
5. Wall Air Conditioner
6. 2 – Credenza's

Store Room:

1. Records, Promotional Items, *etc.*
2. 4 Outdoor Speakers (some working-some not)
3. Misc., for setting up booths at fairs, Remotes, *etc.*
4. Parts, *etc.*

KKOA-FM:

Control Room:

1. Audio Arts Control Board
2. Speech rack
3. SM 7 Mic
4. EV Mic
5. Telos Hybrid
6. 2—computers
7. 1—Server
8. Out Board Drive
9. CD Machine
10. Lynksys Router for internet
11. EAS encoder/decoder
12. EAS switcher
13. EBS Encoder/decoder
14. RCA receiver

15. Marti STL
16. CRL limiter/generator
17. CRL processor
18. 2—voice processors
19. Symtric mic amp
20. okidata printer (eas)
21. MixMatch Box
22. 2—chairs
23. 2—speakers
24. 2—mic stands

Owner Office:

1. Wood File Cabinet
2. Table w/Light
3. Ceiling Fan/Lights
4. Desk Credenza
5. Computer

Telephone Pole 65':

1. 2 – STL Transmitting Antenna's KKOA/KHLO
2. 1 – RPU Receive Antenna
3. Monitor Antenna

KKBG:

Roof:

1. 1 – STL Antenna KKBG
2. TV Antenna
3. Broadband Internet Antenna

Outside Grounds:

1. 14' Satellite Receive Dish
2. 20 kw Onan Generator
3. 40' Tower (on the ground)
4. Power Switch Controller

Control Room:

1. 2—racks
2. Audio Arts Control Board
3. 2—servers
4. 2—out board drives

5. TFT monitor
6. DSP Decoders
7. Symetrix headphone amp
8. CRL processor
9. Burk Remote control
10. Radix Dist Amp
11. Moseley STL
12. Starguide 11
13. 2—speakers
14. Marti
15. Switcher (eas)
16. 2—mic processors
17. AV100
18. D-Link Switcher
19. Patch panel Ethernet
20. Teac CD
21. Optimus Cassette Machine
22. 2—EV mics
23. Telos telephone hybrid
24. 2—computers
25. 3—chairs
26. computer stand
27. 2—mic stands
28. TieLine receiver
29. 2—TieLine Transmitters

Phone:

Comdial DX Communications Center KKBG Office/KKOA Office

Sales Office #1:

1. Computer w/Monitor2 – Sales Desks w/Chairs
2. Computer Stand
3. 2 – Wax Boards

Sales Office # 2 & 3:

1. 2 – Desk w/Chair
2. 1 – Drawer File
3. 2 - Computer

Sales Mgr Office:

1. Desk/Chair
2. Computer w/Monitor

3. Bookcase
4. 2 - Chairs

Lounge – Downstairs:

1. 1 – 2 Drawer File
2. Conference Table and Chairs
3. Refrigerator
4. Microwave
5. Coffeepot, etc.
6. Conference Table Chairs

Office – Downstairs:

1. Photo Copy Machine (Cannon)
2. Plain Paper Fax Machine (Lobby)
3. 2 – Computers w/Monitors
4. 2 – Okidata Printers
5. Sec Data Printer
6. 2 – Desk Chairs
7. Computer w/Monitor
8. 3 – Large files
9. 2 – Adding Machines
10. Desk Top Files
11. Computer Desk

News Room:

1. News Computer w/Monitor
2. Fire Extinguisher
3. Be Control Board
4. Power Pole Machine
5. Mic w/Boom Shure SM 7
6. 1 – Cassette Machine Optimus
7. 1 – 2 Drawer Filing Cabine
8. Fan
9. 1 – Modem 33.6
10. 1 – Dyne-Mite Mic Processor
11. 2 – Speakers
12. Radix Dist.-Amp DAL 606
13. Lamp
14. 3 – Police Scanners
15. Okidata Printer
16. TV
17. Computer w/Monitor
18. Civil Defense Phone System
19. AP News Computer w/Monitor
20. BE 250a Series Control Board

21. Telephone Hybrd

KHLO:

Control Room:

1. Rack
2. TFT STL
3. EAS switcher
4. Belar Amp
5. CRL processor
6. Jones Sat Receiver
7. computer
8. CD machine
9. Apex mps/cd Not working
10. Howe Board
11. Sure Mixer
12. 2—speakers
13. 3—chairs
14. Small Tower

Production Room:

1. Otari reel to reel
2. computer
3. Audiotronics Control Board
4. Optimus Cassette Machine
5. 2-CD machines
6. Eventide Harmonizer
7. Tuner
8. Radix
9. Gentner Hybird
10. Mic Processor
11. Symetrix Voice processor
12. 2—cd racks
13. computer stand
14. 2—speakers
15. EV mic
16. Shure Mic
17. 2—mic stands

AM Transmitter Site:

1. BE 5000w Solid State Transmitter
2. Scala Receive Antenna
3. TFT STL Receiver
4. Diplexer
5. Equipment Rack

KKBG-FM Transmitter Site:

1. McMartin BF-5M Transmitter
2. Speech Rack
 - a. Mosley STL Receiver
 - b. Mosley Digital Decoder
 - c. CRL FM Limited Multiplex Generator
 - d. Burk Remote Control
 - e. BE FX 50 Exciter (at office – out of service)
 - f. BP/BR Filter
 - g. Remote Control Dist. Panel
 - h. 2 – Fans
 - i. Dehydrate
 - j. 1 – Large Storage Rack
3. 60' Tower
4. 4 – Antenna Bays
5. STL Receive Antenna
6. Coax From Transmitter to Bays
7. Two-Way Antenna w/Coax
8. 1000w Armstrong FM Amp
9. Broadcast Tower

KKOA-FM Transmitter Site (Booster):

1. Harris Quest 1kw FM Transmitter
2. Marti STL Receiver
3. Table
4. STL Receive Antenna plus Coax
5. 4 – Antenna Bays
6. Coax Transmitter to Bays
7. Broadcast Tower

KKOA-FM Main Transmitter Site:

1. 4 – Bay Antenna Jampro Custom
2. Scala STL Receive Antenna
3. Coax From Antenna to Transmitter

4. Air Conditioner
5. Misc. Wires, Cables, etc.
6. CCA Transmitter 10 kw
7. Speech Rack
 - a. Marti STL Receiver
 - b. Remote Control Sine Systems
 - c. CCA FM 60 Exciter
 - d. Nitrogen System
 - e. 10 x 40 Container Building
8. 300 Foot Rohn Tower

KLEO-FM Studio:

1. 1 – Mix Minus Plus Box w/Power Cord
2. 2 – Mic Booms
3. 1 – Dynamic Cardioid electro-Voice Mic
4. 1 – Best System Patriot Power System 850VA (In Storage)
8. 1 – Mosley PCL 6020 Aural STL Receiver
9. 1 – Mosley DSP 6000D Digital Decoder
10. 1 – CRL Systems SGC 800 Stereo Gain Control Box
11. 1 – CRL Systems SEC 800 Spectral Energy Compressor
12. 1 – CRL Systems SMP 850 FM Stereo Modulation Processor
13. 1 – CRL Systems SG 800 Stereo Generation

Equipment Rack:

1. 1 --SCA Receiver Frequency Agile Dayton Industry Corp
2. 1 – Mosley PCL 6010 Aural STL Transmitter
3. 1 – Mosley DSP 6000E Digital Encoder
4. 1 – Mosley DSP 6000E Digital Encoder
5. 1 – Mosley DSP 6000E Digital Encoder
6. 1 – Dyna-mic Mic Processor
7. 1 – Radix DA 1600 Distribution Amplifier
8. 1 –Box TI CSU/DSU Plus Power Cord
9. 1 --APS Power Supply Plus 2 Cords
10. 1 – TFT Model 844A FM Modulation and Stereo Monitor
11. 1 – RX Orban Adaptive Enhancement Processor 290-RX
12. 2 – KLM Speaker
13. 1 – JVC XL-V282 Compact Disc Player
14. 1 – Radix Phone Coupler
15. 1 – Computer

KLEO FM KONA Office Area:

1. 4 – 2 Drawer Desks
2. 6 – Chairs

3. 1 – 4 Drawer Metal Filing Cabinet
4. 1 ½ Rack Equipment Wood Rack
5. 1 – Whirlpool Mini Fridge
6. 1 – Fax Machine
7. 1 – Photo Copier and the Copier Stand w/1 Drawer
8. 3 – Dry Erase Boards
9. 2 – Bulletin Boards
10. 2 – Hewlett Packard Desk Jet Color Printers
11. 1 – Black Power Supply
12. 3 – Computers

KLEO Roof:

1. RPU Receive Antenna
2. Scala STL Transmit Antenna

KLEO-FM Transmitter Site:

1. 1 – Bottle of Nitrogen & 3 Valves
2. 1 – energy-Onix Transmitter
3. 1 – Burk Technology Remote Control Arc-16
4. 1 – BE FX 30 Exciter (at KBIG)
5. 1 – Marti Model SCG-10 Subcarrier Generator
6. Scala STL Receive Antenna
7. Electronic Research, Inc. EPX-3AE Antenna; 200 pounds, 1' Vertical Aperture at 285'
8. Andrew HU8050B, ½" Helix Transmit Coax
9. Exciter (Armstrong)
10. Moseley 6020 STL Receiver (Digital)
11. Marti Subcarrier Generator
12. Cables as required to interconnect equipment and all filters, isolators required for suitable operation of the transmitter
13. Broadcast Tower

KLEO 1 Booster Site:

1. 2 – 3 Element Yagi's
2. 100' Feed Line
3. 1 – 50 w Transmitter Superior Broadcast Products
4. Radio Shack Tuner

Vehicle:

1. 1989 Toyota Camry jt2vvzletk0043886

Appendix C

Material Contracts, Leases and Trade Agreements To be Assumed by Buyer and List of Necessary Consents to be Obtained by Sellers

See attached.

Schedule D

Conflicts

None

Appendix E

FCC Licenses

1. KKBG(FM), Hilo Hawaii (authorization attached)
2. KKOA(FM), Volcano, Hawaii (authorization attached)
3. KLEO(FM), Kahalu'u, Hawaii (authorization attached)
4. KLEO-FM1, Honokaa, Hawaii (authorization attached)
5. KKOA-FM1, Hilo, Hawaii (authorization attached)
6. KHLO(AM), Hilo, Hawaii (authorization attached)
7. WHE-901, Aux –RPU (authorization attached)
8. WHG-406, Aux – STL (authorization attached)
9. WMF-875, Aux – STL (authorization attached)
10. WLP-649, Aux – STL (authorization attached)
11. WPOQ-468, Aux - STL (authorization attached)

L I C E N S E R E N E W A L A U T H O R I Z A T I O N

ISSUE DATE: 03/09/98

THIS IS TO NOTIFY YOU THAT YOUR
APPLICATION FOR RENEWAL OF LICENSE
WAS GRANTED ON 03-09-1998 FOR A TERM
EXPIRING ON 02-01-2006

THIS IS YOUR LICENSE RENEWAL
AUTHORIZATION FOR STATION KKBG

LOCATION: HILO, HI

THIS ALSO IS THE RENEWAL CERTIFICATE
FOR YOUR CURRENTLY AUTHORIZED
AUXILIARY SERVICES.

THIS CARD MUST BE POSTED WITH THE
STATION'S LICENSE CERTIFICATE AND
ANY SUBSEQUENT MODIFICATIONS.

BREMER BROADCASTING CORPORATION
KKBG FM STATION
913 KANOHELEHUA
HILO, HI 96720



United States of America

332N

FEDERAL COMMUNICATIONS COMMISSION
FM BROADCAST STATION LICENSE

Official Mailing Address:

BREWER BROADCASTING CORPORATION
1070 LAULIA PLACE
HILO, HI 96720

Authorizing Official:

Dale E. Bickel 3/8/96

Dale E. Bickel
Supervisory Engineer
Audio Services Division
Mass Media Bureau

Grant Date: APR 6 1981

Call Sign: KKBC

This license expires 3:00 a.m.
local time, February 01, 1998

License File No.: BLH-800723AC

This license covers Permit No.: BPH-6669
This authorization re-issued to replace a missing license
and to reflect the new licensee.

Subject to the provisions of the Communications Act of 1934, subsequent acts and treaties, and all regulations heretofore or hereafter made by this Commission, and further subject to the conditions set forth in this license, the licensee is hereby authorized to use and operate the radio transmitting apparatus herein described.

This license is issued on the licensee's representation that the statements contained in licensee's application are true and that the undertakings therein contained so far as they are consistent herewith, will be carried out in good faith. The licensee shall, during the term of this license, render such broadcasting service as will serve the public interest, convenience, or necessity to the full extent of the privileges herein conferred.

This license shall not vest in the licensee any right to operate the station nor any right in the use of the frequency designated in the license beyond the term hereof, nor in any other manner than authorized herein. Neither the license nor the right granted hereunder shall be assigned or otherwise transferred in violation of the Communications Act of 1934. This license is subject to the right of use or control by the Government of the United States conferred by Section 606 of the Communications Act of 1934.

Name of Licensee:

BREWER BROADCASTING CORPORATION

Station Location:

HI-HILO

Frequency (MHz): 97.9

Channel: 250

Class: C2

Hours of Operation: Unlimited

Main Studio Address:

HI-1875 Kalaniana'ole Avenue, Hilo, Hawaii

Transmitter location (address or description):

1875 Kalaniana'ole, Avenue Hilo, Hawaii

Remote Control Point Address:

HI - NONE

Transmitter: Type Accepted. See Sections 73.1660, 73.1665 and 73.1670 of the Commission's Rules.

Transmitter output power: 5.1 kW

Antenna type: (directional or non-directional): Directional

Description: CETEC/JAMPRO, MHCP-4S (DA), FOUR SECTIONS, HORIZONTALLY AND VERTICALLY POLARIZED DIRECTIONAL ANTENNA, SIDE MOUNTED ON A SELF-SUPPORTING STEEL POLE ATOP OF A BUILDING.

Antenna Coordinates: North Latitude : 19 44 11
West Longitude : 155 1 48

	Horizontally Polarized Antenna	Vertically Polarized Antenna
Effective radiated power in the Horizontal Plane (kW).....:	35	29.5
Height of radiation center above ground (Meters).....:	40	40
Height of radiation center above mean sea level (Meters).....:	43	43
Height of radiation center above average terrain (Meters).....:	-73	-73

Overall height of antenna structure above ground (including obstruction lighting if any): 46 Meters

Obstruction marking and lighting specifications for antenna structure:

It is to be expressly understood that the issuance of these specifications is in no way to be considered as precluding additional or modified marking or lighting as may hereafter be required under the provisions of Section 303(q) of the Communications Act of 1934, as amended.

None Required

Special operating conditions or restrictions:

1. The permittee/licensee must reduce power or cease operation as necessary to protect persons having access to the site, tower or antenna from radiofrequency radiation in excess of FCC guidelines.

*** END OF AUTHORIZATION ***

FM BROADCAST STATION LICENSE

Subject to the provisions of the Communications Act of 1934, as amended, treaties, and Commission Rules, and further subject to conditions set forth in this license, the LICENSEE

MAUNA KEA BROADCASTING COMPANY

is hereby authorized to use and operate the radio transmitting apparatus hereinafter described for the purpose of broadcasting for the term ending 3 a.m. Local Time: FEBRUARY 1, 1984

The licensee shall use and operate said apparatus only in accordance with the following terms:

1. Frequency (MHz): 97.9MHz
2. Transmitter output power: 5.10 kW
3. Effective radiated power: 35.0kW(H), 29.5kW(V)
4. Antenna height above average terrain (feet): Minus 240 Feet (H&V)
5. Hours of operation: Unlimited
6. Station location: Hilo, Hawaii
7. Main studio location: 1875 Kalaniana'ole Avenue
Hilo, Hawaii
8. Remote Control point: --

9. Antenna & supporting structure: North Latitude: 19 ° 44 ' 11 "
- West Longitude: 155 ° 01 ' 48 "

CETEC/JAMPRO, MHCP-4S(DA), four sections, circularly polarized directional antenna, sidemounted on a self-supporting steel pole atop an 80 foot building. OVERALL HEIGHT ABOVE GROUND: 150 FEET.

10. Transmitter location: 1875 Kalaniana'ole Avenue
Hilo, Hawaii

11. Transmitter(s) (See Sections 73.1660, 73.1665 and 73.1670 of Commission's Rules): Type Accepted

12. Obstruction markings specifications in accordance with the following paragraphs of FCC Form 715: None Required.
13. Conditions: --

The Commission reserves the right during said license period of terminating this license or making effective any changes or modification of this license which may be necessary to comply with any decision of the Commission rendered as a result of any hearing held under the rules of the Commission prior to the commencement of this license period or any decision rendered as a result of any such hearing which has been designated by: not held, prior to the commencement of this license period.

This license is issued on the licensee's representation that the statements contained in licensee's application are true and that the undertakings therein contained so far as they are consistent herewith, will be carried out in good faith. The licensee shall, during the term of this license, render such broadcasting service as will serve public interest, convenience, or necessity to the full extent of the privileges hereof conferred.

This license shall not vest in the licensee any right to operate the station nor any right in the use of the frequency designated in the license beyond the term hereof, nor in any other manner than authorized herein. Neither the license nor the right granted hereunder shall be assigned or otherwise transferred in violation of the Communications Act of 1934. This license is subject to the right of use or control by the Government of the United States conferred by section 606 of the Communications Act of 1934.

✓ This license consists of this page and pages

FEDERAL
COMMUNICATIONS
COMMISSION





United States of America

FEDERAL COMMUNICATIONS COMMISSION
FM BROADCAST STATION LICENSE

239

Authorizing Official:

Official Mailing Address:

[Signature]

Daniel J Fontaine

LI HING MUI, INC.
913 KANOELEHUA
HILO, HI 96720

Supervisory Engineer
Audio Services Division
Mass Media Bureau

Grant Date: JAN 29 1998

Call Sign: KXOA

This license expires 3:00 a.m.
local time, February 01, 2006

License File No.: BLH-961001KF

This license covers Permit No.: BPH-900220MK
as last modified by Permit No.: BMPH-960304IF
as last extended by Permit No.: BMPH-940831JE

Subject to the provisions of the Communications Act of 1934, subsequent acts and treaties, and all regulations heretofore or hereafter made by this Commission, and further subject to the conditions set forth in this license, the licensee is hereby authorized to use and operate the radio transmitting apparatus herein described.

This license is issued on the licensee's representation that the statements contained in licensee's application are true and that the undertakings therein contained so far as they are consistent herewith, will be carried out in good faith. The licensee shall, during the term of this license, render such broadcasting service as will serve the public interest, convenience, or necessity to the full extent of the privileges herein conferred.

This license shall not vest in the licensee any right to operate the station nor any right in the use of the frequency designated in the license beyond the term hereof, nor in any other manner than authorized herein. Neither the license nor the right granted hereunder shall be assigned or otherwise transferred in violation of the Communications Act of 1934. This license is subject to the right of use or control by the Government of the United States conferred by Section 606 of the Communications Act of 1934.

Name of Licensee:

LI HING MUI, INC.

Station Location:

HI-VOLCANO

Frequency (MHz): 107.7

Channel: 299

Class: C3

Hours of Operation: Unlimited

Main Studio Address:

HI-913 KANOELEHUA AVENUE, HILO

Transmitter location (address or description):

HI-2.4 KILOMETERS NORTH OF HIGHWAY 11 ON NORTH GLENWOOD ROAD, GLENWOOD

Remote Control Point Address:

HI - 913 KANOELEHUA, HI

Transmitter: Type Accepted. See Sections 73.1660, 73.1665 and 73.1670 of the Commission's Rules.

Transmitter output power: 9.9 kW

Antenna type: (directional or non-directional): Non-Directional

Description: JAMPRO JMPC-4, FOUR SECTIONS, CIRCULARLY POLARIZED

Antenna Coordinates: North Latitude :	19	30	17
West Longitude :	155	10	40

	Horizontally Polarized Antenna	Vertically Polarized Antenna
Effective radiated power in the Horizontal Plane (kW).....:	18.0	18.0
Height of radiation center above ground (Meters).....:	84	84
Height of radiation center above mean sea level (Meters).....:	918	918
Height of radiation center above average terrain (Meters).....:	72	72

Antenna structure registration number: 1009097

Overall height of antenna structure above ground (including obstruction lighting if any) see the registration for this antenna structure.

Special operating conditions or restrictions:

1. The permittee/licensee in coordination with other users of the site must reduce power or cease operation as necessary to protect persons having access to the site, tower or antenna from radiofrequency radiation in excess of FCC guidelines.

*** END OF AUTHORIZATION ***



United States of America
FEDERAL COMMUNICATIONS COMMISSION
FM BROADCAST STATION LICENSE

Official Mailing Address:

ECRP HAWAII, LLC
 1090 VERMONT AVENUE, N.W.
 SUITE 800
 WASHINGTON DC 20005

Facility Id: 52443

Call Sign: KLEO

License File Number: BLH-20000731ABE

This License Covers Permit No.: BPH-20000112ABP

Authorizing Official:

for Penelope A. Dade

Brian J. Butler
 Supervisory Engineer
 Audio Services Division
 Mass Media Bureau

Grant Date: **OCT 06 2000**

This license expires 3:00 a.m.
 local time, February 01, 2006.

Subject to the provisions of the Communications Act of 1934, subsequent acts and treaties, and all regulations heretofore or hereafter made by this Commission, and further subject to the conditions set forth in this license, the licensee is hereby authorized to use and operate the radio transmitting apparatus herein described.

This license is issued on the licensee's representation that the statements contained in licensee's application are true and that the undertakings therein contained so far as they are consistent herewith, will be carried out in good faith. The licensee shall, during the term of this license, render such broadcasting service as will serve the public interest, convenience, or necessity to the full extent of the privileges herein conferred.

This license shall not vest in the licensee any right to operate the station nor any right in the use of the frequency designated in the license beyond the term hereof, nor in any other manner than authorized herein. Neither the license nor the right granted hereunder shall be assigned or otherwise transferred in violation of the Communications Act of 1934. This license is subject to the right of use or control by the Government of the United States conferred by Section 606 of the Communications Act of 1934.

Name of Licensee: ECRP HAWAII, LLC

Station Location: HI-KAHALUU

Frequency (MHz): 106.1

Channel: 291

Class: C

Hours of Operation: Unlimited

Call sign: KLEO

License No.: BLH-20000731ABE

Transmitter: Type Accepted. See Sections 73.1660, 73.1665 and 73.1670 of the Commission's Rules.

Transmitter output power: 5.3 kW

Antenna type: (directional or non-directional): Non-Directional

Description: ERI LPX-3AC, THREE SECTIONS

Antenna Coordinates: North Latitude: 19 deg 43 min 16 sec

West Longitude: 155 deg 55 min 15 sec

	Horizontally Polarized Antenna	Vertically Polarized Antenna
Effective radiated power in the Horizontal Plane (kW):	7.3	7.3
Height of radiation center above ground (Meters):	87	87
Height of radiation center above mean sea level (Meters):	1709	1709
Height of radiation center above average terrain (Meters):	913	913

Antenna structure registration number: 1211321

Overall height of antenna structure above ground (including obstruction lighting if any) see the registration for this antenna structure.

Special operating conditions or restrictions:

- 1 The permittee/licensee in coordination with other users of the site must reduce power or cease operation as necessary to protect persons having access to the site, tower or antenna from radiofrequency electromagnetic fields in excess of FCC guidelines.

*** END OF AUTHORIZATION ***

L I C E N S E R E N E W A L A U T H O R I Z A T I O N

RUN DATE: 06/01/98

THIS IS TO NOTIFY YOU THAT YOUR
APPLICATION FOR RENEWAL OF LICENSE
WAS GRANTED ON 02/23/98 FOR A TERM
EXPIRING ON 02-01-06

THIS IS YOUR LICENSE RENEWAL
AUTHORIZATION FOR STATION KLEO

LOCATION: KAHALUU, HI

THIS ALSO IS THE RENEWAL CERTIFICATE
FOR YOUR CURRENTLY AUTHORIZED
AUXILIARY SERVICES.

THIS CARD MUST BE POSTED WITH THE
STATION'S LICENSE CERTIFICATE AND
ANY SUBSEQUENT MODIFICATIONS.

BREWER BROADCASTING CORP.
KLEO FM STATION
913 KANOELEHUA AVENUE
HILO, HI 96720



United States of America
FEDERAL COMMUNICATIONS COMMISSION
FM BROADCAST TRANSLATOR/BOOSTER
STATION LICENSE

Authorizing Official:

Official Mailing Address:

ECRP HAWAII, LLC
1090 VERMONT AVENUE, N.W.
STE 800
WASHINGTON DC 20005

for Ann Hardy

Penelope A. Dade
Supervisory Analyst
Audio Services Division
Mass Media Bureau

Facility Id: 127963

Call Sign: KLEO-FM1

License File Number: BLFTB-20010130ABF

Grant Date: **APR 16 2001**

This license expires 3:00 a.m.
local time, February 01, 2006.

This License Covers Permit No.: BNPFTB-20000919ACC

Subject to the provisions of the Communications Act of 1934, subsequent acts and treaties, and all regulations heretofore or hereafter made by this Commission, and further subject to the conditions set forth in this license, the licensee is hereby authorized to use and operate the radio transmitting apparatus herein described.

This license is issued on the licensee's representation that the statements contained in licensee's application are true and that the undertakings therein contained so far as they are consistent herewith, will be carried out in good faith. The licensee shall, during the term of this license, render such broadcasting service as will serve the public interest, convenience, or necessity to the full extent of the privileges herein conferred.

This license shall not vest in the licensee any right to operate the station nor any right in the use of the frequency designated in the license beyond the term hereof, nor in any other manner than authorized herein. Neither the license nor the right granted hereunder shall be assigned or otherwise transferred in violation of the Communications Act of 1934. This license is subject to the right of use or control by the Government of the United States conferred by Section 606 of the Communications Act of 1934.

Callsign: KLEO-FM1

License No.: BLFTB-20010130ABF

Name of Licensee: ECRP HAWAII, LLC

Principal community to be served: HI-HONOKAA

Primary Station: KLEO (FM) , Channel 291, KAHALUU, HI

Via: Other

Frequency (MHz): 106.1

Channel: 291

Hours of Operation: Unlimited

Antenna Coordinates: North Latitude: 20 deg 4 min 30 sec

West Longitude: 155 deg 28 min 3 sec

Transmitter: Type Accepted. See Sections 73.1660, 74.1250 of the Commission's Ru

Transmitter output power: 0.039 kW

Antenna type: (directional or non-directional): Directional
Description: SCA CAS-FM/CP/RM

Major lobe directions (degrees true): Not Applicable

	Horizontally Polarized Antenna:	Vertically Polarized Antenna:
Effective radiated power in the Horizontal Plane (kw):	0.14	0.14
Height of radiation center above ground (Meters):	10.7	10.7
Height of radiation center above mean sea level (Meters):	416.1	416.1

Antenna structure registration number: Not Required

Overall height of antenna structure above ground: 10.7 Meters

Obstruction marking and lighting specifications for antenna structure:

It is to be expressly understood that the issuance of these specifications is in no way to be considered as precluding additional or modified marking or lighting as may hereafter be required under the provisions of Section 303(g) of the Communications Act of 1934, as amended.

None Required

Special operating conditions or restrictions:

- 1 The permittee/licensee must reduce power or cease operation as necessary to protect persons having access to the site, tower or antenna from radiofrequency electromagnetic fields in excess of FCC guidelines.

*** END OF AUTHORIZATION ***

United States of America
FEDERAL COMMUNICATIONS COMMISSION
FM BROADCAST TRANSLATOR/BOOSTER
STATION LICENSE

Authorizing Official:

Official Mailing Address:

ECRP HAWAII, LLC
1090 VERMONT AVENUE, N.W.
SUITE 800
WASHINGTON DC 20005

Dennis L. Williams
Assistant Chief
Audio Division
Media Bureau

Facility Id: 83331
Call Sign: KKOA-FM1
License File Number: BLFTB-19970401TB

Grant Date: February 24, 1998
This license expires 3:00 a.m.
local time, February 01, 2006.

This license covers Permit No.: BPFTB-960829TC

Subject to the provisions of the Communications Act of 1934, subsequent acts and treaties, and all regulations heretofore or hereafter made by this Commission, and further subject to the conditions set forth in this license, the licensee is hereby authorized to use and operate the radio transmitting apparatus herein described.

This license is issued on the licensee's representation that the statements contained in licensee's application are true and that the undertakings therein contained so far as they are consistent herewith, will be carried out in good faith. The licensee shall, during the term of this license, render such broadcasting service as will serve the public interest, convenience, or necessity to the full extent of the privileges herein conferred.

This license shall not vest in the licensee any right to operate the station nor any right in the use of the frequency designated in the license beyond the term hereof, nor in any other manner than authorized herein. Neither the license nor the right granted hereunder shall be assigned or otherwise transferred in violation of the Communications Act of 1934. This license is subject to the right of use or control by the Government of the United States conferred by Section 606 of the Communications Act of 1934.

Callsign: KKO A-FM1

License No.: BLFTB-19970401TB

Name of Licensee: ECRP HAWAII, LLC

Principal community to be served: HI-HILO

Primary Station: KKO A (FM) , Channel 299, VOLCANO, HI

Via: Direct - off-air

Frequency (MHz): 107.7

Channel: 299

Hours of Operation: Unlimited

Antenna Coordinates: North Latitude: 19 deg 35 min 33 sec

West Longitude: 155 deg 07 min 36 sec

Transmitter: Type Accepted. See Sections 73.1660, 74.1250 of the Commission's Rules.

Transmitter output power: kW

Antenna type: (directional or non-directional): Non-Directional
Description:

Major lobe directions (degrees true): Not Applicable

	Horizontally	Vertically
	Polarized	Polarized
	Antenna:	Antenna:

Effective radiated power in the Horizontal Plane (kw):	4
Height of radiation center above ground (Meters):	38
Height of radiation center above mean sea level (Meters):	531

Antenna structure registration number: Not Required

Overall height of antenna structure above ground: 60 Meters

Obstruction marking and lighting specifications for antenna structure:
It is to be expressly understood that the issuance of these specifications is in no way to be considered as precluding additional or modified marking or lighting as may hereafter be required under the provisions of Section 303(q) of the Communications Act of 1934, as amended.

None Required

Call sign: KKOA-FM1

License No.: BLFTB-19970401TB

Special operating conditions or restrictions:

- 1 The permittee/licensee in coordination with other users of the site must reduce power or cease operation as necessary to protect persons having access to the site, tower or antenna from radiofrequency electromagnetic fields in excess of FCC guidelines.

*** END OF AUTHORIZATION ***



United States of America
FEDERAL COMMUNICATIONS COMMISSION
AM BROADCAST STATION LICENSE

257
 FAC IDI
 37210

Authorizing Official

Official Mailing Address:

 LI HING MUI, INC.
 913 KANOBLEHUA AVENUE
 HILO, HI 96720

for Anna Hardy
 Brian J. Butler
 Supervisory Engineer
 Audio Services Division
 Mass Media Bureau

Call Sign: KHLO

Grant Date: **MAR 03 1999**

License File No.: BL-980911AE

This license expires 3:00 a.m.
 Local time, February 1, 2006

This license covers Permit No.: BP-980224AA

Subject to the provisions of the Communications Act of 1934, subsequent acts and treaties, and all regulations heretofore or hereafter made by this Commission, and further subject to the conditions set forth in this license, the licensee is hereby authorized to use and operate the radio transmitting apparatus herein described.

This license is issued on the licensee's representation that the statements contained in licensee's application are true and that the undertakings therein contained so far as they are consistent herewith, will be carried out in good faith. The licensee shall, during the term of this license, render such broadcasting service as will serve the public interest, convenience, or necessity to the full extent of the privileges herein conferred.

This license shall not vest in the licensee any right to operate the station nor any right in the use of the frequency designated in the license beyond the term hereof, nor in any other manner than authorized herein. Neither the license nor the right granted hereunder shall be assigned or otherwise transferred in violation of the Communications Act of 1934. This license is subject to the right of use or control by the Government of the United States conferred by Section 606 of the Communications Act of 1934.

Hours of Operation: Unlimited

Average hours of sunrise and sunset:
 Local Standard Time (Non-Advanced)

Jan.	7:00 a.m.	6:00 p.m.	Jul.	5:45 a.m.	7:00 p.m.
Feb.	6:45 a.m.	6:15 p.m.	Aug.	6:00 a.m.	6:45 p.m.
Mar.	6:30 a.m.	6:30 p.m.	Sep.	6:00 a.m.	6:30 p.m.
Apr.	6:00 a.m.	6:45 p.m.	Oct.	6:15 a.m.	6:00 p.m.
May	5:45 a.m.	6:45 p.m.	Nov.	6:30 a.m.	5:45 p.m.
Jun.	5:45 a.m.	7:00 p.m.	Dec.	6:45 a.m.	5:45 p.m.

Licensee: LI HING MUI, INC.

Station Location: HILO, HI

Frequency (kHz): 850

Station Class: B

Transmitter Location:

HI - NE CORNER OF KAHAOPEA STREET AND AUWEA ROAD, HILO

Latitude: N 19° 41' 48"

Longitude: W 155° 3' 5"

Main Studio Location: (See Section 73.1125)

HI - 913 KANOELEHUA AVENUE, HILO

Nominal Power (kW): Unlimited: 5.0

Antenna Input Power (kW): Unlimited: 5.0

Antenna Mode: Unlimited: ND

(DA=Directional Antenna; ND=Non-directional Antenna; CH=Critical Hours)

Current (amperes): Unlimited: 12.50

Resistance (ohms): Unlimited: 32.00

Antenna Description:

Non-Directional Antenna:

Radiator Height: 54.9 meters; 56.0°

Theoretical Efficiency: 282.10 mV/m/kW at 1 km

Vertical, guyed, series-excited steel radiator of uniform cross section, top loaded with the uppermost 17.1 m (17.4°) of guy wires to an apparent electrical height of 73.4°.

Ground System Description:

120 equally spaced, buried, copper radials 70.7 meters in length about the base of the tower.

Antenna Registration Number: 1011944

Special Operating Conditions or Restrictions:

1. The permittee/licensee in coordination with other users of the site must reduce power or cease operation as necessary to protect persons having access to the site, tower or antenna from radiofrequency electromagnetic fields in excess of FCC guidelines.

*** END OF AUTHORIZATION ***

RADIO STATION AUTHORIZATION

ECRP HAWAII, LLC

0001515071

WHE902

ECRP HAWAII, LLC
1090 VERMONT AVENUE, N.W. SUITE 800
WASHINGTON DC 20005

RF - Broadcast Auxiliary
Remote Pickup

FMRS

12-09-1982

12-09-1982

02-01-2006

02-07-2003

Loc. 1
Address
913 KANOELEHUA AVE
City HILO County HAWAII State HI
Hilo HILO
Lat (NAD83): 19-42-11.1 N Long (NAD83): 155-3-50.0 W ASR No.: Ground Elev:

18.0
Loc. 2
Area of Operation
Operating within a 121.0 km radius around fixed location number 1.

Antennas										
Loc. Construct No.	Ant. No.	Frequencies (MHz)	Sta. Cls.	No. Units	No. Pagers	Emission Designator	Output Power (watts)	ERP (watts)	Ant. Ht./Tp meters	Ant. AAT meters
Date										
1	1	450.45000	FB	1	0	50K0F3E	45.000	360.000	11.0	
1	1	450.55000	FB	1	0	50K0F3E	45.000	360.000	11.0	
1	1	455.45000	FB	1	0	50K0F3E	45.000	360.000	11.0	
1	1	455.55000	FB	1	0	50K0F3E	45.000	360.000	11.0	
2	1	450.45000	MO	12	0	50K0F3E	45.000			
2	1	450.55000	MO	12	0	50K0F3E	45.000			
2	1	455.45000	MO	12	0	50K0F3E	45.000			
2	1	455.55000	MO	12	0	50K0F3E	45.000			

Broadcast Auxiliary Parent Station Facility ID Number. 52468

Radio Station Authorization

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Page 1 of 1

ECRP HAWAII, LLC

0001515071

WHG406

ECRP HAWAII, LLC
 1090 VERMONT AVENUE, N.W. SUITE 800
 WASHINGTON DC 20005

AS - Aural Studio
 Transmitter Link

FXO

07-20-1982

07-20-1982

01-22-2003

02-01-2006

913 KANOLELEHUA AVE

HILO

HI

Antenna

Structure Loc No.	Location Name	Latitude	Longitude	Elevation	Registration
No.					
001		19-42-11.0 N	155-03-50.0 W	18.3	
002		19-44-00.0 N	155-01-38.0 W		

FREQUENCY PATRS

Frequency Rec (MHz) Call	Tot (%)	Emission Desig	EIRP (dBm)	Constr Date	Path No	Seg	Emit Loc	Ant No	Hgt (m)	Gain (dBi)	Beam (deg)	POL	AZIM (deg)	Rec Loc
951.0		500KPSW	50.8		001	1	001	6.1		14.0	45.0	H	50.0	002

Additional Waivers/Conditions: The Facility ID of the Associated Broadcast Parent Station for this license is 52468.

Radio Station Authorization

ECRP HAWAII, LLC

0001515071

WMF875

ECRP HAWAII, LLC
 1090 VERMONT AVENUE, N.W. SUITE 800
 WASHINGTON DC 20005

AS - Aural Studio
 Transmitter Link

FXC

04-09-1993 04-09-1993 01-22-2003 02-01-2006

75-5665 KAUAKINI HWY

KAILUA-KONA

HI

Antenna

Structure Loc No.	Location Name	Latitude	Longitude	Elevation	Registration
No. 001		19-38-31.0 N	155-59-43.9 W	12.2	
002		19-37-00.0 N	155-56-25.9 W		

FREQUENCY PATHS

Frequency Rec (MHz) Call	Tot (%)	Emission Desig	EIRP (dBm)	Constr Date	Path No	Seg No	Emit Loc	Ant Hgt (m)	Gain (dBi)	Beam (deg)	POL	AZIM (deg)	Rec Loc
951.0		500KF9W	52.1		001	1	001	5.8				116.0	002

Additional waivers/Conditions: The Facility ID of the Associated Broadcast Parent Station for this license is 52443.

Radio Station Authorization

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Page 1 of 1

ECRP HAWAII, LLC

WLP649

ECRP HAWAII, LLC
 1090 VERMONT AVENUE, N.W. SUITE 800
 WASHINGTON DC 20005

AS - Aural Studio
 Transmitter Link

FXO

01-30-1992

01-30-1992

01-22-2003

02-01-2006

913 KANOELEHUA AVE.

HILO

HI

Antenna

Structure Loc No. No.	Location Name	Latitude	Longitude	Elevation	Registration
001		19-42-11.0 N	155-03-50.0 W	10.3	

FREQUENCY PATHS

Frequency Rec (MHz) Call	To1 (#)	Emission Desig	EIRP (dBm)	Const Date	Path No	Seg No	Emit Loc	Ant No	Hgt (m)	Gain (dBi)	Beam (deg)	POL	AZIM (deg)	Rec Loc
946.0125		500KT9W	55.8		001	1	001	13.1				Ht (m)xWd(m) 22.0 H	44.0	001

Additional Waivers/Conditions: The Facility ID of the Associated Broadcast Parent Station for this license is 37210.

Radio Station Authorization

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Page 1 of 1

ECRP HAWAII, LLC

WPOQ468

ECRP HAWAII, LLC
 1090 VERMONT AVENUE, N.W. SUITE 200
 WASHINGTON DC 20005

AS - Aural Studio
 Transmitter Link

FXO

10-20-1998 10-20-1998 01-22-2003 02-01-2006

913 KANOELERUE AVE

Structure Loc No.	Location Name	Latitude	Longitude	Elevation	Registration
No.					
001		19-42-11.0 N	155-03-50.0 W	6.1	
002		19-30-06.1 N	155-10-30.0 W	846.1	

FREQUENCY PATHS

Frequency Rec (MHz) Call	Tel (%)	Emission Desig	EIRP (dBm)	Constr Date	Path No	Seg Loc	Emitt No	Ant Hgt (m)	Gain (dBi)	Beam (deg)	POL	AZIM (deg)	Rec Loc
947.5		500K25W	52.5		001	1	001	18.3	18.0	12.0	V	207.6	002

Additional Waivers/Conditions: The Facility ID of the Associated Broadcast Parent Station for this license is 37211.

Appendix F
2001 and 2002 Income Statements

See attached.

Appendix G

Leased Tangible Personal Property

Avalon Leasing

TieLine receiver (studio rack mount unit)

2 TieLine Transmitters (2-way coder-decoder high and modem units)

Appendix H
Employee Benefits

Health Insurance Carrier:

Kanoelehua Industrial Area Association, Inc. (KIAA) – Group #P75757

401(k) Carrier:

Hartford Life – Group Number 8564

Appendix I

Sellers' Communications Counsel Opinion Letter

I have acted as special communications counsel to Maverick Media of Hawaii License LLC, a Delaware limited liability company ("*MM License*"), licensee of radio stations KKBG(FM), FCC Facility No. 52468, Hilo, Hawaii; KKOA(FM), FCC Facility No. 37211, Volcano, Hawaii; KLEO(FM), FCC Facility No. 52443, Kahalul'u, Hawaii; KLEO-FM1, FCC Facility No. 127963; KKOA-FM1, FCC Facility No. 83331, Hilo, Hawaii; and KHLO(FM), FCC Facility No. 37210, Hilo, Hawaii (hereinafter referred to as the "Stations") and associated auxiliary licenses, in connection with the Asset Purchase Agreement (the "Purchase Agreement"), dated as of April __, 2003, between Maverick Media Holdings LLC, a Delaware limited liability company, Maverick Media of Hawaii LLC, a Delaware limited liability company, Maverick Media of Hawaii License LLC, a Delaware limited liability company, and Tornado Telecommunications LLC, a Delaware limited liability company ("Sellers") and Pacific Radio Group, Inc. ("Buyer"), and the transactions contemplated therein. This opinion is rendered to you pursuant to Section 14.1.9 of the Purchase Agreement. Capitalized terms defined in the Purchase Agreement and used herein without definition shall have the meanings given such terms in the Purchase Agreement.

As such counsel, I have examined such questions of law as I have considered appropriate for rendering the opinions expressed below. This opinion is limited to matters specifically discussed herein relating to the Communications Act of 1934, as amended, the rules and regulations of the Federal Communications Commission (the "FCC") and the written orders, policies and decisions of the FCC (herein defined as the "Communications Act"), and I express no opinion as to any other laws, statutes, rules or regulations. My opinion does not address the effect, if any, of pending legislation or of proceedings before the FCC or the courts to which MM License is not a party.

With respect to factual matters relating to this opinion, I have relied only upon (i) examination of the Station's records available for public inspection on _____, 2003, at the FCC (the "FCC Records"); (ii) statements of certain FCC staff on or before _____, 2003; (iii) examination of an executed copy of the Purchase Agreement; (iv) the representations and warranties of MM License contained in the Purchase Agreement; and (v) my own files. I have not made any other independent review or investigation of factual or other matters for purposes of rendering this opinion. In my examination, I have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals, and the conformity to authentic original documents of all documents submitted to us as copies. I have further assumed that each of the parties to the documents I have examined has duly and validly executed, delivered, and acknowledged each such instrument, document, and agreement to which such party is a signatory and such party's obligations set forth therein are its valid and legally binding obligations, enforceable in accordance with their respective terms. I have not examined the records of any governmental agency other than the FCC Records and have not performed a docket search of any judicial body.

Whenever a statement herein is qualified by “my knowledge” or a similar phrase, it is intended to indicate that those attorneys in this firm who have rendered legal services in connection with the transactions contemplated by the Purchase Agreement, or have otherwise been significantly involved in the representation of MM License with respect to the Station, do not have current actual knowledge of the inaccuracy of such statement. However, except as otherwise expressly indicated in this opinion, I have not undertaken any independent investigation to determine the accuracy of any such statement, and no inference that I have any knowledge of any matters pertaining to such statement should be drawn from my representation of MM License.

Subject to the foregoing and the other qualifications set forth herein, it is my opinion that, as of the date hereof:

1. MM License holds the FCC licenses, permits and authorizations listed on Exhibit A (the “FCC Licenses”).
2. The FCC Licenses are in full force and effect.
3. The FCC Licenses are not subject to any conditions outside the ordinary course, except as expressly set forth in the FCC Licenses.
4. The FCC Licenses include all FCC licenses, permits and authorizations necessary to operate the Station on the frequencies on which it is assigned in its community of license. Each tower required to be registered with the FCC has been registered at its proper height and location. The current licenses issued for each of the auxiliary frequencies utilized by Stations accurately reflect the frequencies, locations, and heights of the auxiliary operations currently utilized by the Stations.
5. The most recent renewals of the FCC Licenses have been granted by the Commission in the ordinary course.
6. The FCC has granted its consent to the assignment of the FCC Licenses from MM License to Buyer (the “FCC Consents”) without the imposition of conditions outside the ordinary course.
7. The FCC Consents are in full force and effect.
8. The FCC Consents constitute all necessary consents, approvals and authorizations required under the Communications Act for the assignment of the FCC Licenses from MM License to Buyer.
9. No investigation, notice of investigation, violation, judgment, decree, order, complaint, action or other proceeding or ruling is pending or, to the best of my knowledge, threatened before the FCC to revoke, refuse to renew or modify the FCC Licenses or which could in any material respect threaten or adversely affect the FCC Licenses.

10. The execution and delivery of the Purchase Agreement, and the performance by MM License of its obligations under the Purchase Agreement, will not violate the Communications Act.

This opinion has been prepared solely for your use and reliance in connection with the closing under the Purchase Agreement on the date of this letter and may not be relied on by another entity or person or for any other purpose, except that Buyer's lending institutions which are providing financing in connection with the transactions contemplated by the Agreement may rely upon this opinion as if such opinion were addressed to such institutions. I assume no obligation to advise you of any changes in the foregoing subsequent to the delivery of this opinion. The opinions expressed in this letter are limited to the matters set forth in this letter, and no other opinions should be inferred beyond the matters expressly stated.

Very truly yours,

Sellers' Corporate Opinion Letter

The undersigned has acted as counsel to Maverick Media Holdings LLC, a Delaware limited liability company, Maverick Media of Hawaii LLC, a Delaware limited liability company, Maverick Media of Hawaii License LLC, a Delaware limited liability company, and Tornado Telecommunications LLC, a Delaware limited liability company (the "Sellers"), in conjunction with the sale of the assets of Stations KKBG(FM), FCC Facility No. 52468, Hilo, Hawaii; KKOA(FM), FCC Facility No. 37211, Volcano, Hawaii; KLEO(FM), FCC Facility No. 52443, Kahalul'u, Hawaii; KLEO-FM1, FCC Facility No. 127963; KKOA-FM1, FCC Facility No. 83331, Hilo, Hawaii; and KHLO(FM), FCC Facility No. 37210, Hilo, Hawaii (hereinafter referred to as the "Station"), pursuant to the Asset Purchase Agreement (the "Purchase Agreement"), dated as of April __, 2003, between the Sellers and Pacific Radio Group, Inc. ("Buyer"), and the transactions contemplated therein.

This letter is furnished to you in connection with the Closing pursuant to Section 14.1.9 under the Agreement. Unless otherwise specified herein, all capitalized terms used in this letter shall have the same meaning ascribed to them in the Agreement.

In rendering this opinion, I have examined a copy of the executed Agreement and such records and other documents as I have deemed necessary and relevant for purposes of this opinion. In our examination, I have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals, and the conformity to authentic original documents of all documents submitted to us as certified or photostatic copies.

As to factual matters, I have relied solely upon the Agreement and the representations and warranties of the Sellers contained in the Agreement. I have not searched the docket files of any court, agency or governmental body.

Based on the foregoing, and subject to the qualifications set forth herein, I am of the following opinion:

1. Sellers are corporations validly existing and in good standing in the State of Hawaii, and has the power to enter into and consummate the transactions contemplated by the Agreement.
2. All actions and proceedings necessary to be taken by or on the part of Sellers in connection with the transactions contemplated by the Agreement and necessary to make the Agreement effective have been duly and validly taken. The Agreement has been duly and validly authorized, executed, and delivered by Buyer and constitutes the valid and binding agreement of Sellers, enforceable in accordance with and subject to its terms, except as enforceability may be limited by laws affecting the enforcement of creditors' rights or equitable principles generally.

3. Neither the execution and delivery by Sellers of the Agreement nor the consummation by Sellers of the transactions contemplated therein are events that, by themselves or with the giving of notice or the passage of time or both, constitute a material violation of or will conflict with or result in any material breach of or any default under the Sellers agreement or other organizational documents of Buyer.

The information set forth herein is as of the date hereof. I assume no obligation to advise you of changes which may hereafter be brought to our attention. This opinion is solely for the information of Pacific Radio Group, Inc. in connection with the transactions contemplated by the Agreement. The opinions expressed in this letter are limited to the matters set forth in this letter, and no other opinions should be inferred beyond the matters expressly stated. This letter may not be relied upon by any other person or for any other purposes.

Very truly yours,

Appendix J

Buyer's Opinion Letter

This firm has acted as counsel to Pacific Radio Group, Inc. (the "Company") in conjunction with that certain Asset Purchase Agreement, dated April __, 2003 (the "Agreement") by and between the Company and Maverick Media Holdings LLC, a Delaware limited liability company ("MM Holdings"), Maverick Media of Hawaii LLC, a Delaware limited liability company ("MM Hawaii"), Maverick Media of Hawaii License LLC, a Delaware limited liability company ("MM License"), and Tornado Telecommunications LLC, a Delaware limited liability company ("Sellers") providing for the purchase of certain assets, including authorizations from the Federal Communications Commission, used or useful in the operation of Stations KKBG(FM), FCC Facility No. 52468, Hilo, Hawaii; KKOA(FM), FCC Facility No. 37211, Volcano, Hawaii; KLEO(FM), FCC Facility No. 52443, Kahalul'u, Hawaii; KLEO-FM1, FCC Facility No. 127963; KKOA-FM1, FCC Facility No. 83331, Hilo, Hawaii; and KHLO(FM), FCC Facility No. 37210, Hilo, Hawaii (the "Stations").

This letter is furnished to you in connection with the Closing pursuant to Section 14.2.7 under the Agreement. Unless otherwise specified herein, all capitalized terms used in this letter shall have the same meaning ascribed to them in the Agreement.

In rendering this opinion, we have examined a copy of the executed Agreement and such records and other documents as we have deemed necessary and relevant for purposes of this opinion. In our examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals, and the conformity to authentic original documents of all documents submitted to us as certified or photostatic copies.

As to factual matters, we have relied solely upon the Agreement and the representations and warranties of the Company contained in the Agreement. We have not searched the docket files of any court, agency or governmental body.

Based on the foregoing, and subject to the qualifications set forth herein, we are of the following opinions:

1. Buyer is a limited liability company validly existing and in good standing in the State of Hawaii, and has the power to enter into and consummate the transactions contemplated by the Agreement.
2. All actions and proceedings necessary to be taken by or on the part of Buyer in connection with the transactions contemplated by the Agreement and necessary to make the Agreement effective have been duly and validly taken. The Agreement has been duly and validly authorized, executed, and delivered by Buyer and constitutes the valid and binding agreement of Buyer, enforceable in accordance with and

subject to its terms, except as enforceability may be limited by laws affecting the enforcement of creditors' rights or equitable principles generally.

3. Neither the execution and delivery by Buyer of the Agreement nor the consummation by Buyer of the transactions contemplated therein are events that, by themselves or with the giving of notice or the passage of time or both, constitute a material violation of or will conflict with or result in any material breach of or any default under the operating agreement or other organizational documents of Buyer.

The information set forth herein is as of the date hereof. We assume no obligation to advise you of changes which may hereafter be brought to our attention. This opinion is solely for the information of Sellers in connection with the transactions contemplated by the Agreement. This letter may not be relied upon by any other person or for any other purposes.

Very truly yours,

APPENDIX K

Insurance

General Liability Insurance. General Aggregate \$2,000,000.00. Maverick Media of Hawaii LLC and its affiliate Maverick Media of Honolulu have General Liability Insurance with First Fire & Casualty Ins., Co. (Joint Policy – CGL54869301)

Workman's Compensation. Joint Policy through National Interstate Ins., Co. (H000346500)

Equipment Floater. Joint Policy through Fireman's Fund (MZI98106975)

Auto. Liability \$1,000,000.00 Joint Policy through First Insurance Co., of HI, Ltd. (CBA6361718-01)

Flood Insurance. Joint Policy through Omaha Property & Casualty, Co. (3009766399)