

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is made as of August 11, 2004 (the "Effective Date"), by and among Point Broadcasting, a California general partnership ("Seller"), and Results Radio of the North State, LLC, a Delaware limited liability company ("Buyer").

RECITALS

A. Seller owns and operates, pursuant to certain licenses, authorizations and approvals issued by the Federal Communications Commission (the "FCC"), radio station KSRT(FM), Cloverdale, California (the "Station").

B. Seller and its partners are parties to a proceeding in the Superior Court of California, County of San Joaquin, Stockton Branch (the "Court"), case no. CV017379, captioned as Philip K. Moore, plaintiff, vs. Lori A. Moore, Glen A. Robinson, Jo Ann Robinson, Point Broadcasting, etc., et al., defendants, and related cross-action.

C. Pursuant to an order of the Court issued on June 17, 2004, an auction for the Station Assets (as defined below) was conducted by the Court on July 19, 2004, as a result of which Buyer was selected to purchase the Station Assets.

D. In order to effectuate the results of such auction, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, the Station Assets pursuant to the terms and subject to the considerations set forth in this Agreement.

E. Taking the foregoing into account, and in consideration of the mutual covenants and agreements set forth herein, the parties, intending to be legally bound, hereby agree as follows.

ARTICLE I.

PURCHASE AND SALE

Section 1.1. Station Assets. On the terms and subject to the conditions hereof, on the Closing Date (as defined below), Seller shall assign, transfer, convey and deliver to Buyer, and Buyer shall acquire from Seller, the following assets, properties, interests and rights of Seller, exclusive of the Excluded Assets (as defined below) (the "Station Assets"):

(a) Permits and Licenses. (i) All licenses, permits and other authorizations which are issued to Seller by the FCC with respect to the Station, together with any additions, renewals or modifications thereto between the date of this Agreement and the Closing Date, as set forth on *Schedule 1.1(a)* (collectively, the "FCC Licenses"), and (ii) all licenses, permits, approvals, concessions, franchises, certificates, consents, qualifications, registrations, privileges and other authorizations and other rights, other than the FCC Licenses, from any federal, state, local or foreign governmental or administrative agency or commission or court ("Governmental Authority") to Seller currently in effect and used in connection with the ownership and operation

of the Station (the “Station Business”), as set forth on *Schedule 1.1(a)* (collectively, the “Permits”);

(b) Tangible Personal Property. The fixed and tangible personal property owned, used or held for use by or on behalf of Seller in connection with the Station Business, including the physical assets and equipment, leasehold improvements, furniture, furnishings, fixtures, office equipment and supplies, computers, disc drives, data storage media, telecommunications equipment, electrical devices, receivers, programming, tapes, towers, transmitters, spare parts, switches and related equipment, and music libraries listed in *Schedule 1.1(b)*, together with replacements thereof, additions and alterations thereto, and substitutions therefor, made between the Effective Date and the Closing Date, and all warranties covering any of the foregoing to the extent transferable by Seller;

(c) Real Property. Seller’s leasehold or license interest in all of the real property leased or licensed by Seller that is occupied, used or held for use in connection with the Station Business and all improvements thereon, which property is described on *Schedule 1.1(c)* (the “Leased Real Property”);

(d) Station Contracts. All contracts, commitments, arrangements, agreements, leases, licenses, orders for the purchase or sale of goods or services, whether written or oral (“Contracts”), entered into in the ordinary course of the Station Business that are listed on *Schedule 1.1(d)* none of which are between Seller and any partner of Seller, any family member thereof, or any entity controlled by any one or more of the foregoing (the “Station Contracts”), including all rights to receive goods and services purchased pursuant to such Station Contracts, and to assert claims and take other actions in respect of breaches or other violations thereof;

(e) Intangible Property. All of Seller’s rights in and to the Station’s call letters and Seller’s rights in and to the trademarks, trade names, domain names, websites and website content, service marks, franchises, copyrights, computer software, programs and programming material, jingles, slogans, logos, and other intangible property which are owned, used or held for use by Seller in connection with the Station Business and listed on *Schedule 1.1(e)*, all registrations associated therewith and all goodwill associated therewith (the “Intangible Property”); and

(f) Records. Seller’s rights in and to all the files, documents, records, and books of account (or copies thereof) relating to the operation of the Station, including all information and data, all logs and other compliance records required by the FCC to be kept by the Station, the Station’s local public files, programming information and studies, blueprints, technical information and engineering data, advertising studies, marketing and demographic data, sales correspondence, lists of advertisers, credit and sales reports, and other logs, but excluding records relating to the Excluded Assets (defined below).

Section 1.2. Excluded Assets. The Station Assets shall not include the following assets along with all rights, title and interest therein (the “Excluded Assets”):

(a) all cash and cash equivalents of Seller, including certificates of deposit, commercial paper, treasury bills, marketable securities, asset or money market accounts and all such similar accounts or investments;

(b) all tangible and intangible personal property of Seller disposed of or consumed in the ordinary course of business of Seller between the date of this Agreement and the consummation of the conveyance of assets under this Agreement (the “Closing”);

(c) all Station Contracts that are terminated or expire prior to Closing in the ordinary course of business of Seller;

(d) Seller’s name, partnership minute books, charter documents, and such other books and records as pertain to the organization, existence or capitalization of Seller, any duplicate copies of the records of the Station, and all records not relating to the operation of the Station;

(e) Contracts of insurance, and all insurance proceeds or claims made thereunder;

(f) all pension, retirement, savings, deferred compensation, and profit-sharing plans and all stock option, stock appreciation, stock purchase, performance share, bonus or other incentive plans, severance plans, health, group insurance or other welfare plans, or other plans, agreements or policies applicable to persons employed by Seller (“Station Employees”) and any “employee benefit plans” within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), under which Seller has any current or future obligation or liability or under which any Station Employee or former employee (or any dependent, beneficiary or alternate payee of any Station Employee or former employee) of Seller has or may have any current or future right to benefits on account of employment with Seller (collectively, “Plans”) and the assets thereof, if any; and

(g) all accounts receivable of the Station existing as of the Effective Date (the “Receivables”).

Section 1.3. Assumed Obligations; Retained Liabilities. Subject to the terms and conditions hereof, on the Closing Date (defined below), Buyer shall assume the obligations of Seller arising and relating to the period after Closing under the Station Contracts (the “Assumed Obligations”). Buyer does not assume or agree to discharge or perform, and shall not be deemed by reason of the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby, to have assumed or to have agreed to discharge or perform, and Seller shall remain liable for, all liabilities, obligations or commitments of Seller, whether arising before or after Closing, other than the Assumed Obligations (the “Retained Liabilities”). Without limitation of the foregoing, any payment obligations (other than as set forth in this Agreement) to any partner of Seller, any family member thereof, or any entity controlled by any one or more of the foregoing and any indebtedness for borrowed money constitute “Retained Liabilities.” Seller shall pay, perform and discharge when due, all of the Retained Liabilities. To the extent that as of the Closing Date, Seller has prepaid any Assumed Obligations or Buyer pays or is obligated to pay any Retained Liabilities, Seller and Buyer shall, promptly after the Closing Date, arrange for an equitable net purchase price adjustment necessary to assure that Seller bears the cost of all Retained Liabilities and Buyer bears the cost of all Assumed Obligations.

Section 1.4. Purchase Price. In consideration for the Station Assets, at Closing Buyer shall pay to Seller the sum of Two Million Nine Hundred Thousand Dollars (\$2,900,000) (the

“Purchase Price”).

Section 1.5. Allocation.

(a) Purchaser and Seller shall use commercially reasonable efforts to agree upon an allocation of the Purchase Price (including the Assumed Obligations) among the Station Assets and such other of Seller’s obligations hereunder as may be deemed applicable (the “Purchase Price Allocation”).

(b) Seller and Buyer shall act in accordance with such allocation in any tax return, including any forms or reports required to be filed pursuant to Section 1060 of the Internal Revenue Code of 1986, as amended (the “Code”) or any provisions of any comparable laws, rules, regulations, orders, decrees and judgments (“Laws”), unless there has been a final “determination,” as defined in Section 1313(a) of the Code, in which the allocation is modified. Buyer and Seller shall cooperate in the preparation of such tax returns and file such forms as required by applicable Law. Neither Buyer nor Seller shall take a position inconsistent therewith upon examination of any tax return, in any refund claim, or in any litigation or investigation, without the prior written consent of the other party, except as required by applicable Law. In the event that the Purchase Price Allocation is disputed by any Governmental Authority, the party receiving notice of the dispute shall promptly notify the other party hereto in writing of such notice and resolution of the dispute.

Section 1.6. Closing. The Closing shall take place at the offices of Buyer at 1355 North Dutton Avenue, Suite 225, Santa Rosa, California, or at such other location as to which the parties may agree, at 10:00 a.m. local time, on the date five (5) business days after the date on which the condition set forth in Sections 6.2 and 7.2 have been satisfied, or such other date as to which the parties may agree (the “Closing Date”).

Section 1.7. FCC.

(a) As soon as possible, but in no event later than five (5) business days, after the date of this Agreement Buyer and Seller shall file an application with the FCC requesting the FCC’s consent (the “FCC Consent”) to the assignment of the FCC Licenses from Seller to Buyer pursuant to this Agreement (the “FCC Application”). In addition, each of Buyer and Seller shall (i) file any amendment or modification to the FCC Application; (ii) otherwise take any other action with respect to the FCC as may be reasonably necessary in connection with the transactions contemplated hereby; and (iii) cooperate in good faith with the other party hereto with respect to the foregoing, all as may be determined by Buyer to be necessary, appropriate or advisable in order to consummate the transactions contemplated by this Agreement. .

(b) Each party shall (i) upon filing, diligently prosecute the FCC Application and otherwise use commercially reasonable efforts to obtain the grant of the FCC Application as expeditiously as possible, (ii) promptly provide the others with a copy of any pleading, order or other document served on it relating to such FCC Application, shall furnish all information required by the FCC, and (iii) be represented at all meetings or hearings scheduled to consider such FCC Application.

(c) In the event that Closing shall not have occurred for any reason within the original effective period of any FCC Consent, and neither party shall have terminated this

Agreement pursuant to its right under Section 10.1(a), the parties shall jointly request an extension of the effective period of such FCC Consent. No extension of the effective period of any FCC Consent shall limit the exercise by either party of its right to terminate the Agreement under Section 10.1(a).

Section 1.8. Procedures for Certain Station Assets Not Freely Transferable.

(a) If any property or right (other than the Permits) included in the Station Assets is not assignable or transferable to Buyer either by virtue of the provisions thereof or under applicable Law without the consent of one or more third parties (each, a “Non-Assignable Right”), Seller shall use its reasonable best efforts, at Seller’s sole cost and expense, to obtain such consents. If any such consent in respect of a Non-Assignable Right cannot be obtained prior to the Closing Date and the Closing shall occur, (i) this Agreement and the related instruments of transfer shall not constitute an assignment or transfer thereof, but (A) Seller shall use their commercially reasonable efforts to obtain such consent as soon as possible after the Closing Date and (B) Buyer shall cooperate, to the extent commercially reasonable, with Seller in Seller’s efforts to obtain such consents; and (ii) at Buyer’s election, (A) the Non-Assignable Right shall be an Excluded Asset and Buyer shall have no obligation pursuant to Sections 1.1 or 1.3 or otherwise with respect to any such Non-Assignable Right or any liability with respect thereto or (B) Seller shall use commercially reasonable efforts to obtain for Buyer substantially all of the practical benefit and burden of such property or rights, including by (1) entering into appropriate and reasonable alternative arrangements on terms mutually agreeable to Buyer and Seller and (2) subject to the consent and control of Buyer, enforcement, at the cost and for the account of Buyer, of any and all rights of Seller against the other party thereto arising out of the breach or cancellation thereof by such other party or otherwise.

(b) If any of the Permits included in the Station Assets are not so assignable or transferable without obtaining a replacement license or permit, this Agreement and the related instruments of transfer shall not constitute an assignment or transfer thereof, and Seller shall cooperate with Buyer in its efforts to obtain replacement licenses or permits issued in Buyer’s name. If any replacement license or permit cannot be obtained prior to the Closing Date and the Closing occurs, Seller agrees to allow Buyer to operate under its Permits if permitted by applicable Laws or applicable Governmental Authorities for a period of up to ninety (90) days after the Closing (or such longer period as may be reasonably necessary for Buyer, using its commercially reasonable efforts, to obtain the replacement licenses or permits).

ARTICLE II.

REPRESENTATIONS AND WARRANTIES OF SELLER

The sale of the Station Assets is “as is,” and Seller makes no representation or warranty as to the condition, value or fitness for any purpose of the Station Assets. Seller represents and warrants to Buyer, as of the Effective Date and again at and as of the Closing Date, as follows:

Section 2.1. Enforceability. This Agreement is, and all of the other agreements, certificates and instruments to be executed and delivered by Seller in connection herewith are, or upon execution and delivery thereof will be, the valid and binding obligations of Seller, enforceable against Seller in accordance with their respective terms, except in each case as such

enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar Laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

Section 2.2. Court Order. The execution and delivery by Seller of this Agreement and the consummation by Seller of the transactions contemplated hereby have been authorized by all requisite approvals of the Court.

Section 2.3. No Finder. No broker, finder, agent, firm or other person or entity acting on behalf, or under the authority, of Seller is or will be entitled to any broker's or finder's fee or any other commission or similar fee directly or indirectly in connection with this Agreement or any of the transactions contemplated hereby.

ARTICLE III.

REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller, as of the Effective Date and again at and as of the Closing Date, as follows:

Section 3.1. Enforceability. This Agreement is, and the other agreements, certificates and instruments to be executed and delivered by Buyer in connection herewith are, or upon execution and delivery thereof will be, the valid and binding obligations of Buyer, enforceable against Buyer in accordance with their respective terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar Laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

Section 3.2. No Finder. No broker, finder, agent, firm or other person or entity acting on behalf, or under the authority, of Buyer is or will be entitled to any broker's or finder's fee or any other commission or similar fee directly or indirectly in connection with this Agreement or any of the transactions contemplated hereby.

Section 3.3. FCC Qualification. Buyer is legally, financially and otherwise qualified to be the licensee of, acquire, own and operate the Station under the Communications Act of 1933, as amended, and the rules, regulations and policies of the FCC.

ARTICLE IV.

SELLER'S COVENANTS

Section 4.1. Station Operations. Buyer and Seller are simultaneously entering into a Local Marketing Agreement with respect to the Station (the "LMA"). Between the Effective Date and Closing, except as otherwise provided by this Agreement or the LMA or with the prior written consent of Buyer, Seller shall:

(a) operate the Station in the ordinary course of business consistent with past practice in accordance with FCC's rules and regulations, the FCC Licenses, all applicable Permits, and all other applicable Laws;

(b) maintain and repair the Station's facilities and equipment; maintain the Station's inventory of supplies, parts and other materials; and keep books of account, records and files, in each case in the ordinary course of business consistent with past practices;

(c) keep in full force and effect insurance in respect of the Station Business comparable in amount and scope to that now maintained;

(d) use commercially reasonable efforts to preserve intact all goodwill of or relating to the Station and the Station Business;

(e) maintain the FCC Licenses in full force and effect and shall timely file and prosecute any necessary applications for renewal of the FCC Licenses;

(f) upon reasonable notice, give Buyer reasonable access during normal business hours to the Station Assets, and furnish Buyer with information relating to the Station Assets that Buyer may reasonably request; provided that such rights of Buyer shall be exercised at Buyer's sole expense and shall not be exercised in such a manner as to interfere unreasonably with the business of the Station;

(g) not sell, lease, dispose of or encumber any of the Station Assets;

(h) perform in all material respects all obligations under the Station Contracts and any other document relating to or affecting the Station Assets or the Station Business; and

(i) not renew, amend or terminate any Station Contract, or enter into any new contract with respect to the Station, in any manner that will be binding upon Buyer or the Station after Closing, except for renewals or replacements in the ordinary course of business on terms no less favorable than the existing Station Contracts;

provided, however, that Seller shall have no liability to Buyer under this Article IV for any matter that is the responsibility of Buyer under the LMA.

ARTICLE V.

JOINT COVENANTS

Buyer and Seller hereby covenant and agree that between the Effective Date and Closing:

Section 5.1. Confidentiality.

(a) Each of Buyer on the one hand and Seller on the other shall each keep confidential all information obtained by it with respect to the other parties hereto in connection with this Agreement and the negotiations preceding this Agreement, and in the case of Seller, its confidential business information with respect to the Station and the Station Business (collectively, "Confidential Information"); provided that each party hereto may furnish such

Confidential Information to its employees, agents and representatives who need to know such Confidential Information (including its financial and legal advisers, its banks and other lenders) (collectively, "Representatives"); provided further, however, that the disclosing party shall be responsible for all actions or omissions of such Representatives with regard to Representatives' breach of this Section 5.1. Each party hereto shall, and shall cause each of such party's Representatives to, use the Confidential Information solely in connection with the transactions contemplated by this Agreement, and not for any competitive purpose or advantage detrimental to the other party hereto or any of its affiliates. If the transactions contemplated hereby are not consummated for any reason, each party shall (i) return to such other party hereto, without retaining a copy thereof, any schedules, documents or other written information (and any derivative work product) obtained from such other party in connection with this Agreement and the transactions contemplated hereby, and (ii) provide, upon request, a written confirmation that all Confidential Information (and derivative work product) has been returned to the other party, and that the Confidential Information was used solely in connection with the transactions contemplated by this Agreement. The obligations of the parties under this Section 5.1(a) shall survive the Closing or the termination of this Agreement for a period of three (3) years after such Closing or termination, as applicable.

(b) No party shall be required to keep confidential or return any Confidential Information which: (a) is known or available through other lawful sources, not bound by a confidentiality agreement with the disclosing party; (b) is or becomes publicly known through no fault of the receiving party or its agents; or (c) is required to be disclosed pursuant to an order or request of a Governmental Authority (provided the disclosing party is given reasonable prior notice of the order or request and the purpose of the disclosure). Notwithstanding the foregoing, each party to the transaction (and each employee, representative, agent and advisor of each such party) may disclose to any and all persons, without limitations of any kind, the U.S. tax treatment and tax structure of the transaction and all materials of any kind (including opinions and other tax analysis) that are provided to the party relating to such U.S. tax treatment and tax structure. In addition, no party shall be subject to any restriction concerning its consulting with its tax advisor regarding the tax treatment or tax structure of the transaction at any time.

Section 5.2. Cooperation. No party shall take any action that conflicts with its obligations hereunder, and each party shall use commercially reasonable efforts (except as otherwise provided herein) to satisfy the other party's conditions to Closing set forth herein.

Section 5.3. Control of Station. Consistent with FCC rules, control, supervision and direction of Station operations prior to Closing shall remain the responsibility of Seller. Buyer shall not, directly or indirectly, control, supervise or direct the operation of the Station prior to Closing, other than pursuant to the terms of the LMA, which are consistent with FCC rules and pursuant to which Seller retains ultimate control over the operation of the Station.

Section 5.4. Public Announcements. Between the Effective Date and the Closing Date, the parties shall consult and cooperate with each other before issuing any press release or otherwise making any public statements with respect to this Agreement or the transactions contemplated hereby and shall not issue any such press release or make any such public statement without the consent of the other party, which consent shall not be unreasonably withheld.

Section 5.5. Notice of Proceedings. Each party shall promptly notify the other in writing

upon: (a) becoming aware of any order or decree or any complaint praying for an order or decree restraining or enjoining the consummation of this Agreement or the transactions contemplated hereby; or (b) receiving any notice from any Governmental Authority of its intention (i) to institute an investigation into, or institute a suit or proceeding to restrain or enjoin, the consummation of this Agreement or the transactions contemplated hereby, or (ii) to nullify or render ineffective this Agreement or the transactions contemplated hereby if consummated.

Section 5.6. Employee Matters.

(a) From and after the date hereof Buyer shall have the right, but not be required, to offer employment to any one or more Station Employees, upon such terms and conditions as Buyer may specify in its sole discretion. Seller shall not seek to discourage or prevent any Station Employee from accepting an offer of employment from Buyer. Seller shall be responsible for any compensation and benefits, including severance pay and insurance coverage in accordance with COBRA, to which any Station Employee is entitled if Buyer does not hire such Station Employee at Closing.

(b) With respect to Station Employees hired by Buyer, if any (collectively, the "Transferred Employees"), Seller shall be responsible for any compensation and benefits (including any accrued and unused vacation or sick leave) arising prior to their employment by Buyer (in accordance with Seller's employment terms) to which they are entitled and Buyer shall be responsible for all compensation and benefits arising after their employment by Buyer (in accordance with Buyer's employment terms).

(c) The terms of this Agreement are solely for the benefit of (and may be enforced only by) the parties hereto and their respective successors and permitted assigns. Without limiting the foregoing, nothing in this Agreement gives any rights to any Station Employee, and no Station Employee may enforce any provision of this Agreement against any of the parties hereto.

Section 5.7. Non-Solicitation of Offers. Between the date hereof and the Closing Date, Seller shall not make or solicit any offer for, negotiate, enter into any agreement, understanding or letter of intent with respect to, or provide any confidential information for the purpose of facilitating, the disposition of the Station, any of the Station Assets, or the equity interests of the owners of the Station, with any party other than Buyer. During this exclusivity period, Seller shall notify Buyer of any offers or inquiries with respect to such transaction that Seller receives.

ARTICLE VI.

SELLER'S CLOSING CONDITIONS

The obligations of Seller to complete the Closing are subject to satisfaction or waiver, at their option, at or prior to Closing, of each of the following conditions:

Section 6.1. Representations, Warranties and Covenants. Buyer shall have performed and complied in all material respects with the covenants and agreements required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

Section 6.2. FCC Consent. The FCC Consent shall have been granted and be in effect

without the imposition by the FCC of any condition or limitation thereon adverse to Seller.

Section 6.3. Deliveries. Buyer shall have made or simultaneously make the deliveries set forth in Section 8.2.

Section 6.4. Legal Proceedings. No injunction, restraining order or decree of any nature of any court or governmental authority of competent jurisdiction shall be in effect that restrains or prohibits the transactions contemplated by this Agreement; and no material adverse action or proceeding by any Governmental Authority shall be pending which would be reasonably likely to restrain, prohibit or invalidate the transactions contemplated by this Agreement.

ARTICLE VII.

BUYER'S CLOSING CONDITIONS

The obligations of Buyer to complete the Closing are subject to satisfaction or waiver, at its option, at or prior to Closing, of each of the following conditions:

Section 7.1. Representations, Warranties and Covenants. Seller shall have performed and complied in all material respects with the covenants and agreements required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

Section 7.2. FCC Consent. The FCC Consent shall have been granted and be in effect, without the imposition by the FCC of any condition or limitation thereon adverse to Buyer. No timely request for stay, motion or petition for reconsideration or rehearing, application or request for review or notice of appeal or other judicial petition for review of the FCC Consent shall be pending, and the time for filing any such request, motion, petition, application, appeal or notice and for the entry of orders staying, reconsidering or reviewing on the FCC's own motion shall have expired (at which time the FCC Consent shall be deemed to be a "Final Order").

Section 7.3. Title to Assets. The Station Assets are being transferred to Buyer free and clear of all liens (statutory or otherwise), claims, charges, options, security interests, pledges, mortgages, restrictions, financing statements or similar encumbrances of any kind or nature whatsoever (including any conditional sale or other title retention agreements and any leases having substantially the same effect as any of the foregoing and any assignments or deposit arrangements in the nature of a security device) (collectively, "Liens").

Section 7.4. Condition of Assets. There shall have been no material adverse change to the condition of the Station Assets relative to the date hereof, reasonable wear and tear excepted, and that on the Closing Date the Station is not experiencing a disruption in the ability of the Station to broadcast that has lasted longer than 24 consecutive hours.

Section 7.5. Court Orders. The Court shall have entered orders (i) authorizing Seller to complete the sale of the Station Assets to Buyer in accordance with the terms hereof and (ii) to the effect that the sale of the Station Assets is free and clear of any claims of the parties in the proceeding Moon Holdings, LLC v. Point Broadcasting, et al., San Joaquin County Superior Court Cast No. CV022782. No timely request for stay, motion, or petition for reconsideration or rehearing, application or request for review or notice of appeal or other judicial petition for

review of either such order shall be pending, and the time for filing any such request, motion, petition, application, appeal or notice and for the entry of orders staying, reconsidering or reviewing on the court's own motion shall have expired.

Section 7.6. Letter of Credit. The letter of credit previously deposited by Purchaser with the Court shall have been returned to Purchaser provided however the letter of credit will be released to the Purchaser at or prior to Closing only on payment of the Purchase Price, by order of the Court, or if the letter of credit is specifically drawn down to be used for payment of the Purchase Price.

Section 7.7. Deliveries. Seller shall have made or simultaneously make the deliveries set forth in Section 8.1.

Section 7.8. Legal Proceedings. No injunction, restraining order or decree of any nature of any court or governmental authority of competent jurisdiction shall be in effect that restrains or prohibits the transactions contemplated by this Agreement; and no material adverse action or proceeding by any Governmental Authority shall be pending which would be reasonably likely to restrain, prohibit or invalidate the transactions contemplated by this Agreement.

ARTICLE VIII.

CLOSING DELIVERIES

Section 8.1. Deliveries by Seller. At Closing, Seller shall deliver or cause to be delivered to Buyer such bills of sale, assignments, and other instruments of conveyance, assignment and transfer as may be necessary to convey, transfer and assign the Station Assets to Buyer, free and clear of Liens.

Section 8.2. Deliveries by Buyer. At Closing, Buyer shall deliver or cause to be delivered to Seller:

(a) such documents and instruments of assumption as may be necessary to assume the Assumed Obligations; and

(b) the Purchase Price, which shall be paid by wire transfer of immediately available of funds, to an account or accounts designed by Seller to Buyer not later than five business days prior to the Closing Date.

ARTICLE IX.

INDEMNIFICATION

Section 9.1. Indemnification.

(a) From and after Closing, Seller shall defend, indemnify and hold harmless Buyer and its members (whether direct or indirect), managers, directors, officers, employees and other agents and representatives from and against any and all liabilities, judgments, claims, settlements, losses, damages, fees, penalties, obligations and expenses (including reasonable attorney's fees and expenses and costs and expenses of investigation) (collectively, "Damages")

incurred or suffered by any such person or entity arising from, by reason of or in connection with: (i) any failure by Seller to comply with any of the covenants, obligations or agreements of Seller under this Agreement; (ii) any of the Retained Liabilities; (iii) the failure of Seller to comply with any Laws relating to bulk sales; or (iv) any liability or obligation for taxes due or owing with respect to the ownership or operation of the Station or the Station Assets or any other activity of Seller or its partners for the periods prior to the Closing Date.

(b) From and after Closing, Buyer shall defend, indemnify and hold harmless Seller and its partners, managers, directors, officers, employees and other agents and representatives from and against any and all Damages incurred by any such person or entity arising out of or resulting from: (i) any failure by Buyer to comply with the covenants, obligations and agreements of Buyer under this Agreement; (ii) the Assumed Obligations; or (iii) any liability or obligation for taxes due or owing with respect to the ownership or operation of the Station or the Station Assets for the periods on and after the Closing Date.

Section 9.2. Procedures. The indemnified party shall give prompt written notice to the indemnifying party of any demand, suit, claim or assertion of liability by third parties or other circumstances that could give rise to an indemnification obligation hereunder against the indemnifying party (a "Claim"), but a failure to give such notice or delaying such notice shall not affect the indemnified party's right to indemnification and the indemnifying party's obligation to indemnify as set forth in this Agreement, except to the extent the indemnifying party's ability to remedy, contest, defend or settle with respect to such Claim is thereby prejudiced. The obligations and liabilities of the parties with respect to any Claim shall be subject to the following additional terms and conditions:

(a) The indemnifying party shall have the right to undertake, by counsel of its own choosing, the defense or opposition to such Claim. If the indemnifying party does not elect to undertake such defense or opposition, or, within twenty (20) days after written notice (which shall include sufficient description of background information explaining the basis for such Claim) of any such Claim from the indemnified party, the indemnifying party shall fail to undertake to defend or oppose, the indemnified party (upon further written notice to the indemnifying party) shall have the right to undertake the defense, opposition, compromise or settlement of such Claim, by counsel or other representatives of its own choosing, on behalf of and for the account and risk of the indemnifying party (subject to the right of the indemnifying party to assume defense of such Claim at any time prior to settlement, compromise or final determination thereof).

(b) The indemnified party shall have the right, at its own cost and expense, to participate in the defense, opposition, compromise or settlement of the Claim. The indemnifying party shall not, without the indemnified party's written consent, settle or compromise any Claim or consent to entry of any judgment which does not include the giving by the claimant to the indemnified party of a release from all liability in respect of such Claim. In the event that the indemnifying party undertakes defense of or opposition to any Claim, the indemnified party, by counsel or other representative of its own choosing and at its sole cost and expense, shall have the right to consult with the indemnifying party and its counsel or other representatives concerning such Claim and the indemnifying party and the indemnified party and their respective counsel or other representatives shall cooperate in good faith with respect to such Claim.

(c) All claims not disputed shall be paid by the indemnifying party within thirty (30) days after receiving notice of the Claim. "Disputed Claims" shall mean claims for Damages by an indemnified party which the indemnifying party objects to in writing within thirty (30) days after receiving notice of the Claim. In the event there is a Disputed Claim with respect to any Damages, the indemnifying party shall be required to pay the indemnified party the amount of such Damages for which the indemnifying party has, pursuant to a final determination, been found liable within ten (10) days after there is a final determination with respect to such Disputed Claim. A final determination of a Disputed Claim shall be (i) a judgment of any court determining the validity of a Disputed Claim, if no appeal is pending from such judgment and if the time to appeal therefrom has elapsed; (ii) an award of any arbitration determining the validity of such disputed claim, if there is not pending any motion to set aside such award and if the time within which to move to set aside such award has elapsed; (iii) a written termination of the dispute with respect to such claim signed by the parties thereto or their attorneys; (iv) a written acknowledgment of the indemnifying party that it no longer disputes the validity of such claim; or (v) such other evidence of final determination of a disputed claim as shall be acceptable to the parties. No undertaking of defense or opposition to a Claim shall be construed as an acknowledgment by such party that it is liable to the party claiming indemnification with respect to the Claim at issue or other similar Claims

ARTICLE X.

MISCELLANEOUS PROVISIONS

Section 10.1. Termination.

(a) This Agreement may be terminated at any time prior to Closing: (i) by the mutual consent of Buyer and Seller; (ii) by any party hereto if the FCC has denied the FCC Application by a Final Order; (iii) by Seller, if Seller is not then in material breach of its obligations under this Agreement and if there is a material breach of any of Buyer's representations, warranties, agreements, obligations or covenants under this Agreement, and Buyer does not cure such breach within thirty (30) calendar days after it receives notice from Seller of such breach, or if Seller terminates the LMA by reason of an "Event of Default" in accordance with Section 15(c) of the LMA (provided, however, that Seller's right under this Section 10.1(a)(iii) may not be exercised after the Closing); or (iv) by Buyer, if Buyer is not then in material breach of its obligations under this Agreement and if there is a material breach of any of Seller's representations, warranties, agreements, obligations or covenants under this Agreement, and Seller does not cure such breach within thirty (30) calendar days after it receives notice from Buyer of such breach, or if Buyer terminates the LMA by reason of an "Event of Default" in accordance with Section 15(c) of the LMA (provided, however, that Buyer's right under this Section 10.1(a)(iv) may not be exercised after the Closing).

(b) A termination pursuant to this Section 10.1 shall not relieve any party of any liability it would otherwise have for a breach of this Agreement prior to the date of termination. Except as provided in the foregoing sentence, (i) upon the termination of this Agreement, all rights and obligations of the parties under this Agreement shall terminate, except their respective obligations under Section 5.1 and this Section 10.1(b), which shall survive the termination of this Agreement except as specifically provided in such Sections.

Section 10.2. Specific Performance. In the event of a breach or threatened breach by

either party of any representation, warranty, covenant, obligation or agreement under this Agreement, at the non-breaching party's election, in addition to any other remedy available to it, other than termination in accordance with Section 10.1(a), the non-breaching party shall be entitled to an injunction restraining any such breach or threatened breach and, subject to obtaining any requisite approval of the FCC, to enforcement of this Agreement by a decree of specific performance requiring the breaching party to fulfill its obligations under this Agreement, in each case without the necessity of showing economic loss or other actual damage and without any bond or other security being required.

Section 10.3. Expenses. Each party shall be solely responsible for all costs and expenses incurred by it in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement, except that Buyer and Seller shall share and pay equally (i) all Taxes and other governmental fees and charges, exclusive of income taxes, applicable to the transfer of the Station Assets to Buyer hereunder at Closing and (ii) all FCC filing fees in connection with the FCC Application.

Section 10.4. Further Assurances. After Closing, each party shall from time to time, at the request of and without further cost or expense to the other, execute and deliver such other instruments of conveyance and assumption and take such other actions as may be reasonably necessary to complete the sale of assets contemplated by this Agreement and otherwise consummate the transactions contemplated hereby.

Section 10.5. Risk of Loss. The risk of loss of or damage to any of the Station Assets, and the risk of any interruption in the Station's normal broadcast transmission, shall remain with Seller at all times until 12:01 a.m. local time on the Closing Date.

Section 10.6. Receivables. On the Effective Date, Seller shall turn over to Buyer for collection all Receivables of Seller relating to the Station existing as of such date and shall deliver to Buyer a list of the Receivables. During the one-hundred-twenty (120) day period following the Closing Date (the "Collection Period"), Buyer shall use commercially reasonable efforts, consistent with its usual collection practices (but without obligation to institute proceedings or use any other extraordinary means of collection) to collect the Receivables. If both Seller and Buyer are entitled to accounts receivable from the same account debtor, all payment received during the Collection Period shall be first applied to Receivables from such account debtor until the same are paid in full, unless such account debtor otherwise specifies or requests. During the Collection Period, Buyer shall remit such collections to Seller on a monthly basis with a report of all collections and remaining Receivables. Buyer shall not compromise, settle or adjust the amount of any Receivables without Seller's prior written consent. Seller shall not attempt to collect any of the Receivables during the Collection Period. If Seller receives a payment from an account debtor whose debt is part of the Receivables, Seller shall promptly notify Buyer thereof. At the end of the Collection Period, Buyer shall turn back to Seller any uncollected amounts of the Receivables, and Buyer shall have no further obligation with respect to the Receivables.

ARTICLE XI.

GENERAL PROVISIONS

Section 11.1. Assignment. Neither party may assign this Agreement without the prior

written consent of the other party hereto; provided, however, that Buyer may assign all of its rights and obligations under this Agreement to any person or entity controlling, controlled by or under common control with Buyer without the consent of Seller. No assignment shall, without the consent of the other parties hereto, relieve a party of its obligations or liability under this Agreement. All covenants, agreements, statements, representations, warranties and indemnities in this Agreement by and on behalf of any of the parties hereto shall bind and inure to the benefit of their respective successors and any permitted assigns of the parties hereto.

Section 11.2. Amendments. No modification, amendment or waiver of any provision of, or consent or approval required by, this Agreement, nor any consent to or approval of any departure herefrom, shall be effective unless it is in writing and signed by the party against whom enforcement of any such modification, amendment, waiver, consent or approval is sought. Such modification, amendment, waiver, consent or approval shall be effective only in the specific instance and for the purpose for which given. Neither the failure of either party to enforce, nor the delay of either party in enforcing, any condition or part of this Agreement at any time shall be construed as a waiver of that condition or part or forfeit any rights to future enforcement thereof. No action taken pursuant to this Agreement, including any investigation by or on behalf of either party hereto, shall be deemed to constitute a waiver by the party taking action of compliance by the other party with any representation, warranty, covenant or agreement contained herein.

Section 11.3. Headings; Construction. The headings set forth in this Agreement are for convenience only and will not control or affect the meaning or construction of the provisions of this Agreement. Except as otherwise expressly provided in this Agreement or as the context otherwise requires, the following rules of interpretation apply to this Agreement: (i) the singular includes the plural and the plural includes the singular; (ii) "or" and "any" are not exclusive and the words "include" and "including," and variations thereof, shall not be deemed to be terms of limitation, but rather shall be deemed to be followed by the words "without limitation"; (iii) a reference to any Contract includes permitted supplements and amendments; (iv) a reference to a Law includes any amendment or modification to such Law; (v) a reference to a person or entity includes its successors and permitted assigns; (vi) a reference to one gender shall include any other gender; and (vii) a reference in this Agreement to an Article, Section, Exhibit or Schedule is to the referenced Article, Section, Exhibit or Schedule of this Agreement.

Section 11.4. Governing Law; Jurisdiction. The construction and performance of this Agreement shall be governed by the laws of the State of California without giving effect to the choice of law provisions thereof. Each party hereto consents to the exclusive jurisdiction and venue of the courts of the State of California located in San Joaquin County, California, for the resolution of any dispute arising out of this Agreement.

Section 11.5. Notices. Any notice, demand or request required or permitted to be given under the provisions of this Agreement shall be in writing and shall be deemed to have been received on the third day after deposit in the U.S. mail if mailed by registered or certified mail, postage prepaid and return receipt requested, on the day after delivery to a nationally recognized overnight courier service maintaining records of receipt if sent by an overnight delivery service for next morning delivery, and shall be addressed as set forth on *Exhibit A* attached hereto (or to such other address as any party may request by written notice).

Section 11.6. Counterparts. This Agreement may be executed in counterparts, each of

which shall be deemed an original and all of which together shall constitute one and the same instrument. Each party agrees that delivery of this Agreement by facsimile transmission will be deemed to be an original of this Agreement.

Section 11.7. Severability. If one or more provisions contained in this Agreement shall be deemed or held to be invalid, illegal or unenforceable in any respect under any applicable law, then, so long as it does not deprive a party of the benefits of this Agreement in any material respect, this Agreement shall be construed with the invalid, illegal or unenforceable provision deleted, and the validity, legality and enforceability of the remaining provisions contained herein shall not be affected or impaired thereby.

Section 11.8. Entire Agreement. This Agreement (including the Schedules and Exhibits hereto) constitutes the full and entire understanding and agreement between the parties with regard to the subject matter hereof, and supersedes all prior agreements, understandings, inducements or conditions, express or implied, oral or written, relating to the subject matter hereof.

Section 11.9. Attorney Fees. In the event of a breach of this Agreement, the prevailing party in any action to enforce its rights under this Agreement shall be entitled to recover reasonable attorneys' fees from the breaching party.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

SELLER: POINT BROADCASTING

By: _____
Name:
Title:

BUYER: RESULTS RADIO OF THE NORTH STATE, LLC

By: _____
Jack W. Fritz, II
President

which shall be deemed an original and all of which together shall constitute one and the same instrument. Each party agrees that delivery of this Agreement by facsimile transmission will be deemed to be an original of this Agreement.

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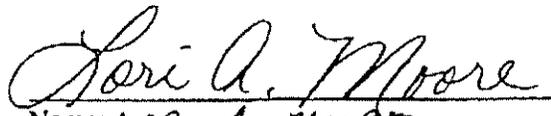
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IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

SELLER:

POINT BROADCASTING

By:



Name: LORI A. MOORE

Title: PRESIDENT

BUYER:

RESULTS RADIO OF THE NORTH STATE, LLC

By:

Jack W. Fritz, II
President

Section 11.7. Severability. If one or more provisions contained in this Agreement shall be deemed or held to be invalid, illegal or unenforceable in any respect under any applicable law, then, so long as it does not deprive a party of the benefits of this Agreement in any material respect, this Agreement shall be construed with the invalid, illegal or unenforceable provision deleted, and the validity, legality and enforceability of the remaining provisions contained herein shall not be affected or impaired thereby.

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SELLER:

POINT BROADCASTING

By: _____

Name:
Title:

BUYER:

RESULTS RADIO OF THE NORTH STATE, LLC

By: _____

Jack W. Fritz, II
President

EXHIBIT A

Notices to Seller: Point Broadcasting
2432 W. Tokay Street
Lodi, CA 95242
Attention: Glen Robinson

with copies (which shall not constitute notice)to: Gammon & Grange, P.C.
8280 Greensboro Drive, 7th Floor
McLean, VA 22102-3807
Attention: A. Wray Fitch, III

and to: Angus M. MacLeod, Esq.
Becherer, Kannett & Schweitzer
2200 Powell Street, Suite 805
Emeryville, CA 94608

and to: John H. McKinley, Esq.
Brown, Hall, Shore & McKinley, LLP
The Fountains
3031 West March Lane, Suite 230 West
Stockton, CA 95219-6500

Notices to Buyer: Results Radio of the North State, LLC
1355 North Dutton Avenue, Suite 225
Santa Rosa, California 95401
Attention: Jack W. Fritz II, President

with a copy (which shall not constitute notice) to: Covington & Burling
1201 Pennsylvania Avenue, NW
Washington, D.C. 20004-2401
Attention: Michael E. Cutler

LIST OF SCHEDULES

Schedule 1.1(a)	Licenses and Permits
Schedule 1.1(b)	Tangible Personal Property
Schedule 1.1(c)	Leased Real Property
Schedule 1.1(d)	Contracts
Schedule 1.1(e)	Intangible Property