

FROM :WA

FAX NO. :334 283 6358

Sep. 11 2007 09:41AM P2

STATE OF ALABAMA  
COUNTY OF LEE

**ASSET PURCHASE AGREEMENT**

**THIS AGREEMENT**, made and entered into this the 11<sup>th</sup> day of ~~SEPTEMBER~~ 2007, between **MIKE HOOKS**, (hereinafter called Seller), and **HUGHEY COMMUNICATIONS, INC.**, (hereinafter called Buyer),  
**WITNESSETH:**

Seller is the licensee now owning and operating FM Broadcast Translator W264BS, Auburn, Alabama, (FCC Facility ID 152415), (hereinafter the "Station") and the holder of all authorizations issued by the Federal Communications Commission for the operation of the Station (the "Station Licenses"); and

Buyer is an Alabama corporation desiring to purchase all of the assets of the Station from Seller, free and clear of all liens and encumbrances, except as set out herein, conditioned upon the approval of the Federal Communications Commission as to the transfer of the Station Licenses.

**1. SALE OF ASSETS**

For the consideration herein stated, and subject to the terms and conditions set forth herein, Seller does agree to sell and transfer to Buyer, free of all liens and encumbrances, except as set out herein, all of the fixtures, office equipment, furnishings and other equipment necessary for, and used by Seller in, the conduct of the broadcasting business of the Stations, including any STL equipment, and any interest in any real property used in the operation of the Stations. All such items, identified in the attached Exhibits A are to be transferred as is, except as otherwise warranted herein. The sale price shall also include the assignment to Buyer of the Station Licenses held by Seller, subject to the prior approval of the Federal Communications Commission (hereinafter "FCC"). Seller shall, within 30 days of execution of this Agreement and with Buyer's cooperation, cause to be filed with the FCC applications for assignment of the Station Licenses to Buyer. Buyer shall pay any FCC filing fees required in connection with such applications.

FROM :WA

FAX NO. :334 283 6358

Sep. 11 2007 09:42AM P3

## 2. ACCOUNTS RECEIVABLE/ACCOUNTS PAYABLE

Accounts receivables for the Stations and accounts payable for the Stations attributable to operations of the Stations during the period prior to closing shall be and remain the property and/or liability of the Seller, and thereafter, shall become the property and/or liability of the Buyer, upon closing. In the event the sale is not consummated, the accounts receivables and accounts payable shall remain the property and/or liability of Seller.

## 3. PURCHASE PRICE

A. CASH CONSIDERATION. The purchase price shall be Two-thousand two-hundred, forty-four Dollars (\$ 2,244.00), to be paid as follows: within 30 days of Federal Communications Commission final approval of license assignment.

In the event that the transaction contemplated herein fails to close as a result of a material breach of this Agreement by Buyer, then Seller shall retain any earnest money deposit, and all accrued interest thereon as liquidated damages in full and final settlement of, and as Seller's sole and exclusive remedy for any and all claims Seller may have against Buyer arising out of or relating to this Agreement or Buyer's breach hereof. In the event of a final non-reviewable and non-appealable order by the FCC disapproving the transaction contemplated herein, then any earnest money deposit and all accrued interest thereon shall be returned to Buyer.

## 4. SELLER'S REPRESENTATIONS AND WARRANTIES

To induce Buyer to complete the purchase, Seller represents and warrants the following:

A. GOOD TITLE. Seller has a good and marketable title to all the assets to be sold pursuant to this Agreement and they are free of any and all encumbrances, except as stated otherwise herein.

B. BUSINESS CONTRACTS. Seller has not entered into any contracts, except those listed on Exhibit B hereto, affecting the Stations other than those necessary for the day-to-day operation of the Station.

FROM :WA

FAX NO. :334 283 6358

Sep. 11 2007 09:42AM P4

C. PAYMENT OF TAXES. As of the Closing Date Seller will have paid, or will pay when due, all payroll taxes, withholding, use, sale, and all other taxes to all federal, state, and local taxing authorities due prior to the Closing Date.

D. NO JUDGMENTS, LIENS, ETC. No judgments, liens, actions or proceedings are presently outstanding or pending against Seller, the assets of the Stations, the licenses of the Stations, or Seller's officers or stockholders, and none will be outstanding or pending as of the Closing Date, except as stated otherwise herein.

E. FCC PROCEEDINGS. There are no proceedings pending at the FCC involving the Stations' Licenses. There are no complaints against the Stations presently pending at the FCC. No such proceedings or complaints will be pending on the date of closing and Seller has no knowledge of any facts or circumstances which could result in any such proceedings or complaints. The Station is operating in accordance with the Station Licenses.

F. ACCURACY OF RECORDS. The books and records of the Seller fairly and accurately represent the financial and operating condition of the Stations.

G. AUTHORITY. Seller represents and warrants that it has the authority to sell the assets identified herein subject to prior FCC approval, and to assign all contractual rights and duties identified herein.

## **5. BUYER'S REPRESENTATIONS**

A. Buyer represents and warrants that it has inspected Seller's premises, inventory, furniture, fixtures, equipment, and other physical assets, and knows their condition, and Buyer further represents and warrants that it has examined Seller's books of account and other business records and is satisfied that they properly reflect Seller's past and present operating and financial condition. Buyer shall have the unrestricted right to terminate this Agreement and obtain return of any earnest money deposit in the event it discovers prior to closing that a representation of Seller made herein is not substantially and materially accurate or correct.

B. Buyer represents and warrants to Seller that it is a duly-authorized Alabama corporation in good standing formed pursuant to applicable statutes of the

FROM :WA

FAX NO. :334 283 6358

Sep. 11 2007 09:43AM P5

Code of Alabama, and that it is qualified to hold the Station Licenses under the Rules and Regulations of the FCC.

#### **6. RISK OF LOSS**

Seller assumes all risk of loss due to fire or other casualty up to the time of closing. If any such loss occurs before closing, or if Seller's business is closed or interrupted by reason of any event not in the ordinary course of business, Buyer may terminate this Agreement by giving Seller written notice thereof. Upon such termination, neither party shall assume any liability hereunder, and Buyer's earnest money deposit, if any, shall be returned in full.

#### **7. COSTS AND ATTORNEY FEES**

- A. Seller shall be responsible for all its costs and attorney's fees associated with this sale.
- B. Buyer shall be responsible for all its costs and attorneys' fees associated with this sale.
- C. Buyer shall pay all costs and attorneys' fees incurred to obtain FCC approval of the transactions contemplated hereby, and shall select FCC counsel.

#### **8. CONTRACTS**

Upon closing Buyer shall assume and be liable for performance and payment of those contracts set forth in Exhibit C, and shall hold harmless the Seller from collection thereon, including court costs and attorneys' fees. Seller represents to Buyer that there are no other contracts pertaining to the operation of the Station as of the date hereof. Seller further represents that all such contracts are assignable to Buyer without the consent of any third parties, or that Seller has obtained or will have obtained such consent by the Closing Date.

#### **9. REPRESENTATIONS TO SURVIVE CLOSING**

The representations and warranties contained in the paragraphs hereinabove entitled "Seller's Representations and Warranties" and "Buyer's Representations"

shall survive the closing. The terms and conditions set out pertaining to confidentiality shall likewise survive closing.

#### **10. TIME AND PLACE OF CLOSING**

The closing shall take place at the office of Buyer's legal counsel in Auburn, Alabama, within thirty (30) days after Federal Communications Commission approval of the assignment of the Station Licenses to Buyer has become final, or at such other time or place as the parties may agree upon in writing (the "Closing Date"). If final FCC approval of the assignment of the Station Licenses, which is no longer subject to administrative or judicial review, has not been obtained within 180 days of the date of this Agreement, then Buyer, at its sole option, may terminate this Agreement, upon such termination any earnest money deposit, and all accrued interest thereon, shall be returned to Buyer, and the parties shall have no further obligations to each other.

#### **11. ADJOURNMENT OF CLOSING**

The closing may be adjourned to another time, but only upon the mutual consent of Buyer and Seller.

#### **12. GOVERNING LAW AND CHOICE OF VENUE**

This Agreement shall be governed by and construed in accordance with the laws of the State of Alabama, and the proper forum for any disputes hereunder shall be the Circuit Court for Lee County, Alabama.

#### **13. AGREEMENT BINDING**

This Agreement is binding upon and shall inure to the benefit of the parties' heirs, executors, administrators, representatives, successors, and assigns

#### **14. CONFIDENTIALITY**

Prior to the closing of the sale contemplated herein, the Seller will be prohibited from in any way mentioning and shall keep confidential the existence of this Agreement, the transactions described herein, including the terms and consideration therefore,

FROM :WA

FAX NO. :334 283 6358

Sep. 11 2007 09:44AM P7

and all information relating to the purchase of the Stations by the Buyer. This provision does not prohibit disclosures necessary to obtain FCC approval of assignment of the Stations' Licenses to Buyer.

### **15. ASSIGNMENT**

This Agreement, and the rights and obligations hereunder, is assignable by Buyer to a subsidiary or affiliated entity of Buyer without consent or approval by Seller.

**[EXECUTIONS BEGIN ON NEXT FOLLOWING PAGE]**

FROM :WA 09/11/2007 08:30 3348218630

FAX NO. :334 283 6358 HAYLEY REDD

Sep. 11 2007 09:45AM P8 PAGE 02/02

FROM :WA

FAX NO. :334 283 6358

Sep. 11 2007 07:40AM P8

IN WITNESS WHEREOF we have set our hands and seals and with full authority to enter said agreement on this 11<sup>th</sup> day of SEPTEMBER, 2007.

Buyer: HUGHES COMMUNICATIONS, INC.

By: F. Randall Hughley  
F. Randall Hughley  
Its: President

Seller: MIKE HOOKS

Mike Hooks  
Mike Hooks, an individual

FROM :WA

FAX NO. :334 283 6358

Sep. 11 2007 09:45AM P9

**EXHIBIT A - ASSET INVENTORY**

FCC Authorizations

BNPFT-20030829ARS (Expires 3:00 am, November 1, 2007)

Other Assets *NONE*

FROM :WA

FAX NO. :334 283 6358

Sep. 11 2007 09:46AM P10

**EXHIBIT B - CONTRACTS TO BE ASSIGNED**

*NONE*