

ASSET PURCHASE AGREEMENT

This Agreement is made and entered into this 4th day of ~~November~~ ^{December}, 2006, by and between SEVEN BRIDGES RADIO, LLC, a Florida limited liability company (the "Buyer"), and McENTEE BROADCASTING OF FLORIDA, INC., a Florida corporation (the "Seller"), sometimes collectively referred to herein as the "Parties" or individually as a "Party."

RECITALS

WHEREAS, Seller owns and operates AM radio broadcast station WIOJ, Jacksonville Beach, Florida, (FCC ID 63600) (the "Station"), which operates under licenses, authorizations and approvals from the Federal Communications Commission (the "FCC");

WHEREAS, Seller holds FCC construction permit File No. BP20040112AAJ to improve the facilities of the Station (the "Improved Facilities") by means of changes to the Station's broadcasting facilities, including its transmitter site and an increase in transmitting power;

WHEREAS, Seller wishes to sell and Buyer wishes to purchase all of the assets of the Seller used or usable in the operation of the Station, and Buyer wishes to be assigned all of Seller's rights to licenses, authorizations and approvals issued by the FCC for the operation of the Station; and

WHEREAS, in order to close the purchase of the Station, Buyer must first obtain the consent of the FCC to the assignment of the FCC licenses, authorizations and approvals to operate the Station.

NOW, THEREFORE, the Parties agree as follows.

1. Definitions.

1.1 "Acquired Assets" means all right, title, and interest in and to all of the assets of Seller used or usable in the operation of the Station, except for the Excluded Assets, including but not limited to:

1.1.1 FCC Licenses and, to the extent assignable, all other Governmental Licenses used or intended for use in the operation of the Station together with any renewals, extensions and modifications and additions made between the date of this Agreement and the Closing Date including those listed and described on Exhibit "1.1.1;"

1.1.2 The Intellectual Property and goodwill associated with the Station;

1.1.3 The contracts, agreements, leases, commitments, understandings, orders, air-time agreements and trade agreements relating to the operation of the

Station which are listed individually or described on Exhibit "1.1.4(A)," but excluding those listed on Exhibit "1.1.4(B);"

1.1.4 Originals or copies of the Public Inspection File, program and engineering logs, and all other documents necessary for compliance with any requirements of the FCC and its rules, regulations and policies; and

1.1.5 The tangible assets, intangible assets and inventory of every kind and description, owned, leased, or held by Seller and used or held for use in operation of the Station, including those listed and described on Exhibit "1.1.6," including any replacements thereof and additions thereto made between the date of this Agreement and the Closing Date.

1.2 "Assignment Application" means the Seller's and Buyer's FCC Form 314 Application to the FCC requesting the FCC's written consent to the assignment of the FCC Licenses to Buyer as set forth in Section 3 below.

1.3 "Assumed Liabilities" means only those obligations of Seller arising before or after the Closing Date described and detailed on Exhibit "1.3" as well as those obligations of Seller arising after the Closing Date under those agreements listed or described on Exhibit "1.1.4(A)," and no other Liabilities.

1.4 "Buyer" has the meaning set forth in the preface above.

1.5 "Closing" has the meaning set forth in Section 2.10 and Section 2.11 below.

1.6 "Closing Date" has the meaning set forth in Section 2.10 below.

1.7 "Code" means the Internal Revenue Code of 1986, as amended.

1.8 "Environmental, Health, and Safety Requirements" shall mean all federal, state, local and foreign statutes, regulations, ordinances and other provisions having the force or effect of law, and all judicial and administrative orders and determinations concerning public health and safety, worker health and safety, and pollution or protection of the environment, including without limitation all those in excess of legal limits relating to the presence, use, production, generation, handling, transportation, treatment, storage, disposal, distribution, labeling, testing, processing, discharge, release, threatened release, control, or cleanup of any hazardous materials, substances or wastes, chemical substances or mixtures, pesticides, pollutants, contaminants, toxic chemicals, petroleum products or byproducts, asbestos, polychlorinated biphenyls, noise or radiation, each as amended and as now or hereafter in effect.

1.9 "Excluded Assets" shall mean all the following assets of the Seller which are not to be conveyed, assigned, transferred or delivered to Buyer hereunder:

1.9.1 All cash and cash equivalents of Seller, including without limitation certificates of deposit, commercial paper, treasury bills, marketable securities, asset or money market accounts and all such similar accounts or investments;

1.9.2 Accounts receivable, notes, barter credits and other receivables arising in connection with the operation of the Station;

1.9.3 The books, records, files, documents, software, correspondence, lists, creative materials, advertising and promotional materials, studies, reports, and other printed or written materials arising from or for the operation of the Station, but not including files and records specifically required to be provided to Buyer, including but not limited to the materials described in Sections 1.1.4 and 1.1.5;

1.9.4 Claims by Seller with respect to the Excluded Assets and Liabilities not assumed by Buyer;

1.9.5 All contracts of insurance, and all insurance proceeds or claims made thereunder, and other contracts which are not expressly assumed by Buyer hereunder;

1.9.6 Any pension, profit-sharing, retirement, stock purchase or savings plans or trusts and any assets thereof and all other employee benefit plans;

1.9.7 All prepaid deposits, expenses, and taxes;

1.9.8 Seller's name, minute books, formation documents, stock or unit record books and such other books and records as pertain to the organization, existence or capitalization of Seller;

1.9.9 All items listed and described on Exhibit "1.9."

1.10 "FCC Consent" means the consent granted by the FCC in writing to the assignment of the FCC Licenses to Buyer as contemplated herein and such consent shall have become a Final Order. For purposes of this Agreement, "Final Order" means an action by the FCC that has not been reversed, stayed, enjoined, set aside, annulled, or suspended, and with respect to which no requests are pending for administrative or judicial review, reconsideration, appeal, or stay, and the time for filing any such requests and the time for the FCC to set aside the action on its own motion have expired. Buyer and Seller may agree to waive the requirement that FCC Consent shall have become a Final Order.

1.11 "FCC Licenses" means all licenses, permits and authorizations issued to Seller by the FCC in connection with the operation of the Station and the Improved Facilities.

1.12 “Intellectual Property” means all trademarks, trademark applications, trademark registrations, trade names, service marks, service mark applications, service mark registrations, copyrights, copyright applications, copyright registrations, franchises, patents, patent applications (including all disclosures, continuances, continuances in part, substitutes or divisional applications), inventions, trade secrets, confidential business information, know-how, business methods, processes, procedures, jingles, slogans, logotypes, websites, web addresses, Internet domains and domain names, HTML content and data programs and programming materials and elements of whatever form or nature used or held for use in the business and operations of the Stations, whether recorded on tape or any other substance or intended for live performance, and whether completed or in production, and all related common-law and statutory copyrights used or held for use in the business and operations of the Stations, together with all such programs, materials, elements and copyrights acquired by Seller in the business and operations of the Station, and other intangible rights, including rights of any nature therein, used held for use or licensed in connection with the business and operations of the Stations including without limitation all right, title and interest in and to the marks consisting of any of the Station call letters and any and all variations thereof, and the good will symbolized by and associated therewith and with all other trademarks and service marks of Seller and all of those listed and described on Schedule 1.1(f) attached hereto, and those acquired by Seller between the date hereof and the Closing Date, including the right to bring legal action against, settle, resolve and recover for any infringements or other violations thereof commenced or otherwise occurring prior to the Closing Date.

1.13 “Knowledge” means actual knowledge after reasonable investigation.

1.14 “Liability” means any liability (whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or unaccrued, whether liquidated or unliquidated, and whether due or to become due), including any liability for taxes.

1.15 “Licenses” means the FCC Licenses and the Other Governmental Licenses.

1.16 “Liens” means all liens, mortgages, pledges, security interests, claims and encumbrances, except for Permitted Liens.

1.17 “Other Governmental Licenses” means all licenses, permits and authorizations issued to Seller by governmental entities other than the FCC used or held for use in the operation of the Station.

1.18 “Ordinary Course of Business” means the ordinary course of business consistent with past custom and practice for the four months preceding the date hereof.

1.19 “Permitted Liens” means (i) Assumed Liabilities; (ii) Liens for taxes not yet due and payable; and (iii) any right reserved to any federal, state, local or foreign government, legislature, governmental, regulatory, or administrative authority, agency or

commission or any court, tribunal or judicial or arbitral body to regulate the affected property (including restrictions stated in the permits).

1.20 “Person” means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, or a governmental entity (or any department, agency, or political subdivision thereof).

1.21 “Security Interest” means any mortgage, pledge, lien, encumbrance, charge, or other security interest, other liens for Taxes not yet due and payable.

1.22 “Tax Return” means any return, declaration, report, claim for refund, or information return or statement relating to taxes, including any schedule or attachment thereto, and including any amendment thereof.

2. The Transaction.

2.1 Purchase and Sale of Assets. On and subject to the terms and conditions of this Agreement, the Buyer agrees to purchase from Seller, and Seller agrees to sell, transfer, convey, and deliver to Buyer, all of the Acquired Assets at the Closing for the consideration specified below in this Section 2.

2.2 Assumption of Certain Liabilities. On and subject to the terms and conditions of this Agreement, the Buyer agrees to assume and become responsible only for the Assumed Liabilities, if any, at the Closing.

2.3 Employee Matters. It is expressly understood and agreed that Buyer is not assuming any employment contracts, pension liabilities or employee obligations of Seller including, without limitation, accrued holiday, vacation, or sick leave, and all retirement benefits, if any, and all such matters arising prior to Closing shall be and remain Seller’s sole responsibility and obligation. Seller understands and agrees that the discharge, re-employment or continued employment of any current employees of the Station is at the discretion of Buyer. Seller shall have no obligation with regard to any employees that are employed by Buyer from and after Closing.

2.4 Purchase Price. The purchase price for the Acquired Assets is Three Million Eight Hundred Twenty-Five Thousand Dollars (\$3,825,000) (the “Purchase Price”). The Purchase Price shall be paid to Seller on the Closing Date as follows: Three Million Eight Hundred Twenty-Five Thousand Dollars (\$3,825,000) in cash by certified cashier’s check or wire transfer funds less the amount of the Escrow Deposit released to Seller pursuant to the Escrow Agreement as described in Section 2.5 below. Seller shall contribute or shall cause its affiliate that is a limited partner in Emerald Broadcast Partners, LP (“Emerald”) to contribute at Closing any capital previously called by Emerald and not yet contributed by such limited partner.

2.5 Escrow Deposit. Buyer will deliver to Escrow Agent upon execution of this Agreement the total sum of One Hundred Fifty Thousand Dollars (\$150,000) as an escrow deposit for the purchase and sale of the Station, which such sum and any accrued interest shall be applied to the Purchase Price on the Closing Date or otherwise disbursed in accordance with the provisions of Section 7.3 of this Agreement (the "Escrow Deposit"). The Escrow Deposit shall be retained by Escrow Agent in accordance with the terms of that certain Escrow Agreement of even date herewith among Seller, Buyer and Escrow Agent.

2.6 Construction Expenses. Seller shall bear all costs of construction of the Improved Facilities except that the cost of construction with respect to the items listed in Exhibit "2.6" shall be borne as follows: (a) 100% of the cost up to \$148,000 shall be paid by Seller; (b) costs in excess of \$148,000 shall be borne 50% by Seller and 50% by Buyer until each have incurred costs of \$250,000 under this paragraph (b); and (c) costs in excess of \$648,000 shall be borne 100% by Seller. Any costs required to be paid by Buyer under this Section 2.6 shall be paid to Seller at Closing upon receipt of appropriate documentation of the costs incurred and paid by Seller.

2.7 No Encumbrances. The Acquired Assets shall be transferred to Buyer free and clear of any and all claims, liens, mortgages, security interests, encumbrances or other restrictions, except for Permitted Liens and the Assumed Liabilities, if any.

2.8 Allocation. In accordance with the Code, the Parties agree to allocate the Purchase Price in accordance with the allocation set out on Internal Revenue Code Form 8594 attached hereto as Exhibit "2.8."

2.9 The Closing. The Closing of the transactions contemplated by this Agreement shall take place by mail or overnight delivery at the offices of Garvey Schubert Barer in Washington, D.C., commencing at 9:00 a.m. local time on a mutually agreed date which is not more than thirty (30) days after the FCC grants program test authority to operate with the Improved Facilities and is after the FCC Consent shall have become a Final Order or such other date as the Parties may mutually determine (the "Closing Date").

2.10 Deliveries at the Closing. At the Closing, Seller will deliver to Buyer the certificate referred to in Section 6.3.4 below; and Seller will execute and deliver to Buyer such instruments of sale, transfer, conveyance, and assignment as Buyer and its counsel reasonably may request. In addition, Buyer will deliver to Seller the certificate referred to in Section 6.4.4 below; and Buyer will execute and deliver to Seller such instruments of sale, transfer, conveyance, and assignment as Seller and its counsel reasonably may request.

2.11 Expenses. Each of Buyer and Seller will bear its own costs and expenses (including legal fees and expenses) incurred in connection with this Agreement and the transactions contemplated hereby. The following costs, expenses and fees shall be shared equally by Buyer and Seller upon payment thereof whether or not the transactions

contemplated herein close: (i) any FCC filing fee(s) incurred in connection with this Agreement; and (ii) any escrow fees or other closing costs incurred in closing the transactions contemplated herein. Any sales or use tax incurred in connection with the closing of the transaction shall be paid by the Party upon whom such tax is imposed.

2.12 Risk of Loss. The risk of any loss, damage or destruction to any of the Acquired Assets from fire, casualty, condemnation or other loss shall be borne by Seller at all times prior to the Closing Date. Upon the occurrence of any material loss or damage to any of the Acquired Assets as a result of fire, casualty or other causes prior to the Closing Date, Seller shall notify Buyer thereof in writing immediately, stating with particularity the extent of the loss or damage incurred, the cause of damage, if known, and the extent to which restoration, replacement and repair of the Acquired Assets lost, damaged or destroyed will be reimbursed under any insurance policy with respect thereto. In the event that Seller has not repaired, restored or replaced such Acquired Assets by the Closing Date, Buyer shall have the option exercisable on the Closing Date to either:

2.12.1 Postpone the Closing up to one hundred twenty (120) days, in which event, the Parties shall join in all necessary applications for extension of the effective period of the FCC Consent, and Seller shall expeditiously and diligently effect such repair, replacement or restoration at its sole expense; or

2.12.2 Elect to consummate the Closing at the full Purchase Price and accept the Acquired Assets in their "then" condition, in which event Seller shall assign to Buyer all rights under any insurance claim covering the loss or condemnation action or proceeding and pay over to Buyer any proceeds under any such insurance policy or condemnation award theretofore received by Seller with respect thereto, plus the amount of any deductible or other loss excluded from the coverage; or

2.12.3 Terminate this Agreement and receive a refund of the Deposit.

3. Application to and Consent by FCC.

3.1 Commission Consent. Consummation of the purchase and sale provided for herein and the performance of the obligations of Seller and Buyer under this Agreement are subject to the condition that the FCC shall have issued the FCC Consent without any condition materially adverse to Buyer or Seller, to the assignment of the FCC Licenses to Buyer, and that the FCC Consent shall have become a Final Order.

3.2 Application For FCC Consent.

3.2.1 Seller and Buyer agree to proceed expeditiously and with due diligence and to use their commercially reasonable best efforts and to cooperate with each other in seeking the FCC's approval of the transactions contemplated hereunder. Within five (5) business days after the date of this Agreement, each

Party shall have prepared its portion of the Assignment Application and all information, data, exhibits, resolutions, statements, and other materials necessary and proper in connection with such Assignment Application and shall have delivered to Seller's counsel, or loaded electronically into the Assignment Application, for filing with the FCC. Each Party further agrees expeditiously to prepare Assignment Application amendments, respond to oral or written inquiries, and answer pleadings whenever such documents are required by the FCC or its rules.

3.2.2 Each Party agrees to comply with any condition imposed on it by the FCC, except that no Party shall be required to comply with a condition that would have a material adverse effect upon it unless the condition was imposed as the result of a circumstance which constitutes a breach by that Party of any of its representations, warranties, or covenants in this Agreement.

4. Representations and Warranties of Seller. Seller represents and warrants to the Buyer that the statements contained in this Section 4 are correct and complete as of the date of this Agreement and will be correct and complete as of the Closing Date.

4.1 Organization of Seller. Seller is a corporation duly organized, validly existing, and in good standing under the laws of the State of Florida.

4.2 Authorization of Transaction. Seller has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder. This Agreement constitutes the valid and legally binding obligation of the Seller, enforceable in accordance with its terms and conditions.

4.3 Non-contravention. Neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated hereby, will violate any statute, regulation, rule, injunction, judgment, order, decree, ruling, charge, or other restriction of any government, governmental agency, or court to which Seller is subject. Except for the FCC Consent, Seller does not need to give any notice to, make any filing with, or obtain any authorization, consent, or approval of any government or governmental agency in order for the Parties to consummate the transaction contemplated by this Agreement. Seller is not in violation of, and the execution, delivery and performance of this Agreement and the other agreements and instruments executed or to be executed pursuant to his Agreement and the consummation of the transactions contemplated hereby and thereby do not and will not result in any breach or acceleration of, any of the terms or conditions of its articles of incorporation, bylaws, or of any mortgage, bond, indenture, contract, agreement, license or other instrument or obligation to which such Seller is a party or by which the Acquired Assets are bound.

4.4 Brokers' Fees. There is no broker or finder or other person who would have any valid claim against Buyer for a commission or brokerage in connection with this Agreement or the transaction contemplated hereby as a result of any agreement, understanding or action by Seller. The fee payable to Force Communications and

Consultants, LLC, in connection with this transaction will be paid by Seller and Seller shall hold Buyer harmless from any claim, cause of action or loss arising from Seller's engagement of Force Communications and Consultants, LLC.

4.5 Title to Assets. Seller has good and marketable title to, or a valid leasehold interest in, the Acquired Assets free and clear of all Security Interests or restriction on transfer.

4.6 Licenses. As of the date of this Agreement, Seller is the holder of the FCC Licenses. The FCC Licenses are in full force and effect and unimpaired by any act or omission of Seller, or its officers, directors, employees or agents. There is not now pending or, to the Knowledge of the Seller, threatened, any action by or before the FCC or other governmental regulatory bodies to revoke, cancel, rescind, modify or refuse to renew any of such FCC Licenses, and there is not now pending or to the Knowledge of Seller threatened, issued or outstanding by or before the FCC, any investigation, Order to Show Cause, Notice of Violation, Notice of Apparent Liability or Notice of Forfeiture or complaint against Seller or any of its affiliates with respect to the FCC Licenses.

4.7 Legal Compliance. To Seller's Knowledge, Seller has complied in all material respects with all applicable laws (including rules, regulations, codes, injunctions, judgments, orders, decrees, rulings, and charges thereunder) of federal, state, local, and foreign governments (and all agencies thereof), including the FCC and the Federal Aviation Administration. Except for proceedings affecting the broadcasting industry in general, no action, suit, proceeding, hearing, investigation, charge, complaint, claim, demand, or notice has been filed or commenced against Seller alleging any failure so to comply. Without limiting the generality of the foregoing, the operation of the Station and all of the Acquired Assets are in compliance in all material respects with (i) the Communications Act of 1934, as amended; (ii) all applicable engineering standards required to be met under applicable FCC rules; and (iii) all other applicable rules, regulations, requirements and policies of the FCC.

4.8 Intellectual Property. Seller owns or has the right to use pursuant to license, sublicense, agreement or permission all Intellectual Property necessary and material to the operation of the Station as currently conducted. The Intellectual Property owned or used by Seller immediately prior to the Closing will be owned or available for use by Buyer on identical terms and conditions immediately following the Closing.

4.9 Tangible Assets. All machinery, equipment, and other tangible assets owned or leased by Seller which are necessary for the conduct of the Station as presently conducted have been maintained in accordance with good engineering practice, are in good operating condition and repair (subject to normal wear and tear), and will be sufficient to permit Buyer, immediately following the Closing, to operate and conduct the Station in the same manner as is presently conducted by Seller as of the date of this Agreement.

4.10 Contracts. “1.1.4(A)” lists the contracts and other agreements that Buyer will assume at Closing and to which the Seller is a party. The Seller has delivered to Buyer a correct and complete copy of each written agreement listed on “1.1.4(A).” Each of the listed contracts is in full force and effect and is enforceable in accordance with its terms, and, to the best of Seller’s Knowledge there is no existing default or breach under any such contracts on the part of Seller or any other party to such contracts. None of the listed contracts requires the consent or waiver of one or more parties thereto in order for such contract to be assigned by Seller to Buyer.

4.11 Litigation. Seller is not a party or, to its Knowledge, is threatened to be made a party to any action, suit, proceeding, hearing, or investigation before any court or administrative agency that would or might prohibit the transactions contemplated hereby or which would or might adversely affect the condition, financial or otherwise, of the Acquired Assets, nor, to the best of Seller’s Knowledge, does there exist any basis therefore. No order, writ, injunction or decree has been issued by, or requested of, any court or governmental agency which would or might prohibit the transactions contemplated hereby or does or would materially adversely affect the condition, financial or otherwise, of the Acquired Assets.

4.12 Environmental, Health, and Safety Matters.

4.12.1 To its Knowledge, Seller has complied and is in compliance with all Environmental, Health, and Safety Requirements. The Seller has obtained all permits, licenses, and authorizations required under Environmental, Health and Safety Requirements with respect to the Acquired Assets, and the Seller and the Acquired Assets are in compliance with the terms and conditions of any required permits, licenses and authorizations related to Environmental, Health and Safety Requirements.

4.12.2 Seller has not received any written or oral notice, report or other information regarding, nor is Seller otherwise aware of, any actual or alleged violation of Environmental, Health, and Safety Requirements.

4.13 Taxes. Seller has filed all applicable federal, state, local and foreign tax returns required to be filed, in accordance with provisions of law pertaining thereto, and has paid all taxes, fees, interest, penalties and assessments (including without limitation income, withholding, excise, unemployment, Social Security, occupation, transfer, franchise, property, sales and use taxes, import duties or charges, and all penalties and interest in respect thereof) required to have been paid with respect to or involving the Station or the Acquired Assets. Seller has not been advised that any of its returns, federal, state, local or foreign, have been or are being audited. Seller further states that all unclaimed property returns related to the Seller, the Station and the Acquired Assets have been filed in a timely manner and no monies or properties subject to escheat have been retained by the Seller.

4.14 Insurance. Seller maintains insurance policies covering the Acquired Assets and the Station (collectively, the "Insurance Policies") which are of the type and in amounts customarily carried by persons conducting businesses similar to those of Seller and are more particularly described on Schedule 4.14. There is no claim by Seller pending under any of the Insurance Policies as to which coverage has been questioned, denied or disputed by the underwriters of such policies. All premiums under such Insurance Policies have been paid and Seller is otherwise in full compliance with the terms of such policies and bonds. Seller does not know of any threatened termination of, or material premium increase with respect to, any of its Insurance Policies.

5. Representations and Warranties of Buyer. Buyer represents and warrants to Seller that the statements contained in this Section 5 are correct and complete as of the date of this Agreement and will be correct and complete as of the Closing Date.

5.1 Organization of Buyer. The Buyer is a limited liability company duly organized, validly existing, and in good standing under the laws of the State of Florida.

5.2 Authorization of Transaction. Buyer has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder. This Agreement constitutes the valid and legally binding obligation of Buyer, enforceable in accordance with its terms and conditions.

5.3 Non-contravention. Neither the execution and the delivery of this Agreement, nor the consummation of the transactions contemplated hereby, will violate any statute, regulation, rule, injunction, judgment, order, decree, ruling, charge, or other restriction of any government, governmental agency, or court to which Buyer is subject. Except for the FCC Consent, Buyer does not need to give any notice to, make any filing with, or obtain any authorization, consent, or approval of any government or governmental agency in order for the Parties to consummate the transaction contemplated by this Agreement.

5.4 Brokers' Fees. Buyer has no Liability or obligation to pay any fees or commissions to any broker, finder, or agent with respect to the transactions contemplated by this Agreement for which Seller could become liable or obligated.

5.5 Qualification as a Broadcast Licensee. Buyer is not aware of any material fact which would, under existing law and the existing rules, regulations and policies of the FCC, disqualify Buyer as a licensee of the Station, the assignee of the FCC Licenses, and the owner and/or operator of the Acquired Assets. Buyer represents that it is financially qualified to consummate the transactions set forth in this Agreement. Buyer will take no action which it knows or has reason to know would cause such disqualification.

6. Covenants.

6.1 Pre-Closing. The Parties agree as follows with respect to the period between the execution of this Agreement and the Closing.

6.1.1 General. Each of the Parties will use its best efforts to take all action and to do all things necessary, proper, or advisable in order to consummate and make effective the transactions contemplated by this Agreement.

6.1.2 Construction of Improved Facilities. Seller will use commercially reasonable efforts to complete construction of the Improved Facilities. "Completion of construction" means physical construction of all towers, ground system, building, installation of transmitter and phasor, tuning, field testing, and preparations based upon good engineering practices and filing of an application for license and Program Test Authority. Seller grants Buyer reasonable access to the site of the Improved Facilities and to all technical and engineering studies, analyses and proposals relevant to the Improved Facilities in order to demonstrate to Buyer's reasonable satisfaction that the Improved Facilities are being constructed consistent with good engineering practices.

6.1.3 Maintenance of FCC Licenses. Seller will deliver to Buyer, promptly after filing, copies of any reports, applications or communications with the FCC related to the Station which are filed between the date of this Agreement and the Closing Date, and in the event of an oral FCC inquiry, Seller will furnish a written summary thereof. Seller shall not knowingly do any act or fail to do any act which might result in the expiration, revocation, suspension or modification of any of the FCC Licenses, or fail to prosecute with due diligence any application to any governmental authority material to the operation of the Station.

6.1.4 Notices and Consents. Seller will give any required notices to third parties, and Seller will use its best efforts to obtain any third-party consents that Buyer reasonably may request in connection with the matters referred to in Section 4 hereof.

6.1.5 Operation of Business. Seller will, in all material respects, (i) continue to operate the Station in accordance with the terms of the FCC Licenses and Other Governmental Licenses and in compliance with all applicable laws and FCC rules and regulations; (ii) use commercially reasonable efforts to preserve the goodwill of the Station's suppliers, customers and others having business relations with it; (iii) keep the Station substantially intact, including its present operations, working conditions, and relationships with lessors, licensors, suppliers, customers, and employees; (iv) maintain the Acquired Assets in good operating condition and repair, consistent with past practices; and (v) operate the Station consistent with that certain Time Brokerage Agreement dated as of November 20, 2006, between Seller and Buyer (the "TBA").

6.1.6 Negative Covenants of Seller. Seller will not engage in any practice, take any action, or enter into any transaction outside the Ordinary Course of Business with respect to the Station, or which would materially affect Seller's

ability to perform this Agreement. Without limiting the generality of the foregoing, prior to the Closing, Seller will not, without the prior written consent of Buyer (i) change the call letters of the Station; (ii) knowingly engage in any activity or transaction or incur any obligation (by conduct or otherwise) which will have a material adverse affect on the business of the Station; (iii) take any action which would cause any representation or warranty contained herein to become false or invalid or which could hinder or delay the consummation of the transactions contemplated by this Agreement; or (iv) otherwise engage in any practice, take any action, or enter into any transaction contrary to the terms or intent of this Agreement.

6.1.7 Full Access. Seller will permit representatives of Buyer to have full access at all reasonable times during normal business hours, and in a manner so as not to interfere with the normal business operations of Seller, to all premises, properties, personnel, books, records, contracts, and documents of or pertaining to the Acquired Assets.

6.1.8 Due Diligence Period and Buyer Access. Buyer has been permitted to conduct such due diligence investigation as Buyer determines is reasonably necessary, and Buyer has found the due diligence to be satisfactory.

6.1.9 Notice of Developments. Each Party will give prompt written notice to the other Party of any material adverse development causing a breach of any of its own representations and warranties set out herein.

6.1.10 Impediments to FCC Consent. Seller shall notify Buyer promptly of any fact relating to Seller which would cause the FCC to materially delay, adversely condition or deny its consent to the transactions contemplated by this Agreement. Buyer shall notify Seller promptly of any fact relating to Buyer which would cause the FCC to materially delay, adversely condition or deny its consent to the transactions contemplated by this Agreement.

6.1.11 Resolution of Interference Compliance. For a period of one (1) year after the date the Station begins operation with the Improved Facilities, Seller shall reimburse Buyer for one half of the expenses incurred by Buyer in resolving listener complaints of interference alleged to have been caused by operation of the Improved Facilities.

6.2 Post-Closing. The Parties agree as follows with respect to the period following Closing:

6.2.1 Transition. Buyer and Seller agree to coordinate all plans for the timing and process of the transition of the Station, including the transfer of customer service, inside sales, office support, credit and other functions performed by Seller. Seller further agrees to assist Buyer in coordinating communications with Seller's customers and other functions performed by Seller.

6.2.2 Employees. Seller covenants and agrees to terminate all employees in the Station at Closing and to pay any amounts due to all employees so terminated so that any liability or obligation of Seller arising out of or relating to any employment understanding or employee benefit plan otherwise relating to employment shall have been satisfied in full (all employment obligations shall be brought current by Seller as of the Closing Date, including the payment of all accrued benefits and severance pay and all bonuses, whether or not such benefits or bonuses are due as of the Closing Date and all employees of Seller at or related to the Stations shall have been lawfully and finally discharged from employment by Seller as of the Closing Date unless, at its sole discretion, Buyer has made other arrangements with certain of Seller's employees, in which undertaking Seller will provide its reasonable cooperation); and Buyer shall have no obligation or liability due to or because of any past service liability, vested benefits, retirement plan insolvencies or other retirement plan or past employment obligation (except as provided herein) under local, state or federal law (including the Employee Retirement Income Security Act of 1974, as amended), resulting from the purchase of the Station or from former employees of Seller becoming employees of Buyer.

6.2.3 Further Assurances. At any time or from time to time after the Closing Date, Seller shall, at the request of Buyer and without additional compensation payable to Seller (other than reimbursement of any of Seller's out-of-pocket expenses), execute and deliver any further instruments or documents and take all such further actions as Buyer may reasonably request in order to evidence the consummation of the transactions contemplated hereby.

6.3 Conditions to Obligation to Close - Buyer. The obligation of Buyer to consummate the transactions to be performed by it in connection with the Closing is subject to satisfaction of the following conditions:

6.3.1 The FCC shall have given its written consent to the assignment of the FCC Licenses, without any conditions materially adverse to Buyer, as determined in the reasonable discretion of the Buyer, and such consent shall have become a Final Order of the FCC;

6.3.2 The Improved Facilities shall have been (i) constructed consistent with their FCC construction authorizations and with good engineering practices, and (ii) the FCC shall have issued Program Test Authority for operation of the Station with the Improved Facilities,

6.3.3 The representations and warranties of Seller set forth in Section 4 above shall be true and correct in all material respects at and as of the Closing Date;

6.3.4 Seller shall have performed and complied with all of its covenants hereunder in all material respects through the Closing;

6.3.5 Seller shall have delivered to Buyer a certificate in the form set out in Exhibit "6.3.5" to the effect that each of the conditions specified above in Sections 6.3.2, 6.3.3 and 6.3.4 is satisfied in all respects;

6.3.6 Seller and Buyer shall have received all necessary authorizations, consents, and approvals of governments and governmental agencies;

6.3.7 All actions to be taken by Seller in connection with consummation of the transactions contemplated hereby and all certificates, opinions, instruments, and other documents required to effect the transactions contemplated hereby will be reasonably satisfactory in form and substance to Buyer.

6.3.7.1 Seller shall have executed and delivered to Buyer the
TBA.

6.3.7.2 Seller shall have executed and delivered to Buyer that certain Lease Agreement regarding the lease of certain real property and improvements located at 18460 W. Beaver Street, Baldwin, Florida 32234 and 18130 W. Beaver Street, Baldwin, Florida 32234 (the "Lease Agreement").

6.3.7.3 Seller shall have delivered to Buyer genuine and duly adopted resolutions of the board of directors and shareholders of Seller authorizing the execution, delivery and performance of this Agreement and the other documents to which Seller is a party, and the consummation of the transactions contemplated hereby and thereby.

6.3.8 At the time and place of Closing, originals and all copies of all transmission or maintenance logs and all other records required to be maintained by the FCC with respect to the Station, including the Public Inspection File of the Station, shall be materially complete and correct and left at the Station and thereby delivered to Buyer. Buyer may waive any condition specified in this Section 6.3 if it executes a writing so stating at or prior to the Closing.

6.3.9 No change, event, condition, circumstance, occurrence, effect, state of facts or development shall have occurred that would reasonably be expected to have a material adverse effect on the Acquired Assets or the Station.

6.4 Conditions to Obligation to Close - Seller. The obligation of the Seller to consummate the transactions to be performed by it in connection with the Closing is subject to satisfaction of the following conditions:

6.4.1 The FCC shall have given its written consent to the assignment of the FCC Licenses, without any conditions materially adverse to Seller, and such consent shall have become a Final Order;

6.4.2 The Improved Facilities shall have been constructed consistent with their FCC construction authorizations and with good engineering practices and the FCC shall have issued Program Test Authority for operation of the Station with the Improved Facilities;

6.4.3 The representations and warranties of Buyer set forth in Section 5 above shall be true and correct in all material respects at and as of the Closing Date;

6.4.4 Buyer shall have performed and complied with all of its covenants hereunder in all material respects through the Closing;

6.4.5 Buyer shall have delivered to Seller a certificate in the form set out as Exhibit "6.4.5," to the effect that each of the conditions specified above in Sections 6.4.3 and 6.4.4 have been satisfied in all respects;

6.4.6 Seller and the Buyer shall have received all other necessary authorizations, consents, and approvals of governments and governmental agencies; and

6.4.7 All actions to be taken by Buyer in connection with consummation of the transactions contemplated hereby and all certificates, opinions, instruments, and other documents required to effect the transactions contemplated hereby will be reasonably satisfactory in form and substance to the Seller. Seller may waive any condition specified in this Section 6.4 if it executes a writing so stating at or prior to the Closing.

6.4.7.1 Buyer shall have executed and delivered to Seller the
TBA.

6.4.7.2 Buyer shall have executed and delivered to Seller the
Lease Agreement

7. Termination.

7.1 Termination of Agreement. The Parties may terminate this Agreement as provided below:

7.1.1 Buyer and Seller may terminate this Agreement by mutual written consent at any time prior to the Closing;

7.1.2 Buyer or Seller may terminate this Agreement in the event the FCC Consent has not been obtained and has not become a Final Order within nine (9) months from the date the Assignment Application is accepted for filing by the FCC; or

7.1.3 Any party not in default hereunder may terminate this Agreement upon default by the other party after notice and opportunity to cure as provided in Section 9.

7.2 Method of Termination. Termination by either party shall be effected by giving the required notice to the other party.

7.3 Effect of Termination. If any Party terminates this Agreement pursuant to this Section 7, all rights and obligations of the Parties hereunder shall terminate without any Liability of any Party to any other Party, except for any Liability of any Party then in breach pursuant to Section 9 of this Agreement.

7.4 Escrow Deposit.

7.4.1 In the event of a termination of this Agreement due to Buyer's material breach, Seller shall be entitled to receive the Escrow Deposit and all interest accrued thereupon as liquidated damages and not as a penalty. Seller and Buyer each acknowledge and agree that these liquidated damages are reasonable, in light of the anticipated harm which will be caused by Buyer's breach of this Agreement and the difficulty of ascertaining damages and proof of loss.

7.4.2 In the event of a termination of this Agreement for any other reason, the Escrow Deposit and all interest accrued thereon shall be returned to Buyer.

8. Indemnification.

8.1 Buyer's Right to Indemnification. From after the Closing Date, Seller undertakes and agrees to indemnify and hold Buyer harmless from and against (i) any and all liabilities of Seller not assumed by Buyer; (ii) claims by third parties against Buyer directly attributable to Seller's ownership and operation of the Station and the Acquired Assets before the Closing Date; and (iii) any claims resulting from a breach by Seller of any covenant, representation or warranty contained in this Agreement. This indemnity is intended by the Seller to cover all acts, suits, proceedings, claims, demands, assessments, adjustments, interest, penalties, costs, and expenses (including, without limitation, reasonable fees and disbursements of counsel), whether suit is instituted or not and, if instituted, whether at any trial or appellate level, with respect to any and all of the specific matters set forth in this indemnity.

8.2 Seller's Right to Indemnification. From after the Closing Date, Buyer undertakes and agrees to indemnify and hold Seller harmless from and against (i) any and all liabilities of Buyer accruing on or after the Closing Date under the Assumed Liabilities or otherwise; (ii) claims by third Parties against Seller directly attributable to Buyer's ownership or operation of the Station or the Acquired Assets on or after the Closing Date; and (iii) any claims resulting from a breach by Buyer of any covenant, representation or warranty contained in this Agreement. This indemnity is intended by

the Buyer to cover all acts, suits, proceedings, claims, demands, assessments, adjustments, interest, penalties, costs, and expenses (including, without limitation, reasonable fees and disbursements of counsel), whether suit is instituted or not and, if instituted, whether at any trial or appellate level, with respect to any and all of the specific matters set forth in this indemnity.

8.3 Procedure. If any claim or proceeding covered by the foregoing agreements to indemnify and hold harmless (a "Claim") arises, the party who seeks indemnification will give written notice of the Claim to the other party promptly (in no event more than twenty (20) days) after it learns of the existence of the Claim. The party from whom indemnification is sought will have the right to employ counsel reasonably acceptable to the other party to defend against the claim or to compromise, settle or otherwise dispose of the Claim all at the expense of the indemnifying party. The Parties will fully cooperate in any such action, making available to each other books or records reasonably necessary for the defense of the Claim. If the Party from whom indemnification is sought does not avail itself of the opportunity to defend against or resist the Claim within twenty (20) days after the notice of claim from the Party seeking indemnification (or such shorter time specified in the notice as circumstances may dictate) the Party seeking indemnification shall be free to dispose of the Claim, at the expense of the indemnifying Party, in any way which it deems in its best interest.

8.4 Limitations. No Party shall be entitled to indemnification hereunder for a breach of a representation or warranty hereunder (other than Sections 4.1 through 4.5 and Sections 5.1 through 5.4) (a "Limited Warranty") unless such Claim is asserted in writing to the Party from whom indemnification is sought within one (1) year after the Closing Date. Neither Party shall bring a Claim against the other until the aggregate amount of such Claims exceeds Ten Thousand Dollars (\$10,000.00) individually or in the aggregate, after which the Party entitled to indemnification shall be entitled to recover for all losses, costs, liabilities, damages and expenses including the first \$10,000 of such losses. Any obligations of one Party to indemnify the other Party for any Claims arising under this Agreement for breach of a Limited Warranty shall be limited to, and shall not exceed the maximum aggregate amount for any and all such Claims of Five Hundred Thousand Dollars (\$500,000.00). These limitations shall not apply to Claims for fraud or intentional misrepresentation.

8.5 Exclusive Remedy. From and after the Closing, indemnification pursuant to the provisions of this Section shall be the Parties' exclusive remedy for any misrepresentation or breach by the Parties of any warranty or covenant contained in this Agreement or in any closing document executed and delivered pursuant to the provisions hereof.

9. Pre-Closing Default.

9.1 Seller Breach. In the event of (i) a material breach by Seller of its representations, covenants or obligations due under this Agreement at or before the Closing, not cured within fifteen (15) days after written notice to that effect from Buyer,

or such longer period as this Agreement may provide, or, if the breach cannot reasonably be cured within fifteen (15) days, if Seller has not commenced to make the cure in a method reasonably calculated to effect the cure within a reasonable time, not to exceed forty-five (45) days; Buyer shall have the right:

9.1.1 To enforce the terms of this Agreement by decree of specific performance, it being agreed that the property to be transferred hereunder is unique and not readily available in the open market;

9.1.2 To terminate this Agreement pursuant to Section 7; or

9.1.3 To take such other action in lieu of pursuing a decree of specific performance as to which it may be entitled under law or equity, including without limitation collect actual damages; it being understood that no such rights of Buyer shall be exclusive, and Buyer may pursue any one or more remedies at its sole discretion provided, however, the total damages exclusive of rights to specific performance due pursuant to this Section 9 shall not exceed \$250,000.

9.2 Buyer Breach. In the event of (i) a material breach by Buyer of its representations and obligations due under this Agreement at or before the Closing, not cured within fifteen (15) days after written notice to that effect from Seller, or such longer period as this Agreement may provide, or, if the breach cannot reasonably be cured within fifteen (15) days, if Buyer has not commenced to make the cure in a method reasonably calculated to effect the cure within a reasonable time, not to exceed forty-five (45) days; or Seller shall have the right:

9.2.1 To have the Escrow Deposit paid to Seller pursuant to Section 7.3.1, and

9.2.2 To terminate this Agreement pursuant to Section 7; or

9.2.3 To take such other action in lieu of having the Escrow Deposit paid over to Seller as to which it may be entitled under law or equity, including without limitation collect actual damages; it being understood that no such rights of Seller shall be exclusive, and Seller may pursue any one or more remedies at its sole discretion provided, however, the total damages due pursuant to this Section 9 shall not exceed \$250,000.

10. Alternative Dispute Resolution. If a dispute arises out of or relates to this agreement, or the breach thereof, and if the dispute cannot be settled through negotiation, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Commercial Mediation Procedures before resorting to arbitration, litigation, or some other dispute resolution procedure.

11. Miscellaneous.

11.1 Recitals. The Recitals are a part of this Agreement.

11.2 Attorneys' Fees. In connection with any dispute between the Parties under this Agreement, the substantially successful party in such dispute shall recover from the other Party, reasonable attorneys' fees, arbitration, and court costs, and other reasonably related collection costs and expenses incurred by such substantially successful party in connection with such dispute.

11.3 Press Releases and Public Announcements. No Party shall issue any press release or make any public announcement relating to the subject matter of this Agreement without the prior approval of the other Party or except so required by law.

11.4 No Third-Party Beneficiaries. This Agreement shall not confer any rights or remedies upon any Person other than the Parties and their respective successors and permitted assigns.

11.5 Entire Agreement. This Agreement (together with the agreements referred to herein) constitutes the entire agreement between the Parties and supersedes any prior understandings, agreements, or representations by or between the Parties, written or oral, to the extent they related in any way to the subject matter hereof.

11.6 Succession and Assignment. This Agreement is assignable by Buyer to any entity wholly owned by it in which it holds a controlling interest, providing that such assignment or transfer does not materially delay processing of the FCC assignment application. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the Parties named herein and their respective successors or any of their assigns.

11.7 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument.

11.8 Heading. The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

11.9 Notices. All notices, requests, demands, claims, and other communications hereunder will be in writing. Any notice, request, demand, claim, or other communication hereunder shall be deemed duly given if (and then three business days after) it is sent by registered or certified mail, return receipt requested, postage prepaid, and addressed to the intended recipient as set forth below:

If to the Seller: McEntee Broadcasting of Florida, Inc.
2090 Palm Beach Lakes Blvd., Suite 300
West Palm Beach, FL 33409
Attn: William J. McEntee, Jr.

With copy to: John Wells King, Esq.
Garvey Schubert Barer
1000 Potomac Street N.W.
Washington, D.C. 20007-3501

If to the Buyer: Seven Bridges Radio, LLC
4190 Belfort Road, Suite 450
Jacksonville, FL 32216
Attn: Steven L. Griffin

With copy to: James L. Main
50 North Laura Street
Suite 3900
Jacksonville FL 32202

Any Party may send any notice, request, demand, claim, or other communication hereunder to the intended recipient at the address set forth above using any other means (including personal delivery, expedited courier, messenger service, telecopy, telex, ordinary mail, or electronic mail), but no such notice, request, demand, claim, or other communication shall be deemed to have been duly given unless and until it actually is received by the intended recipient. Any Party may change the address to which notices, requests, demands, claims, and other communications hereunder are to be delivered by giving the other Party notice in the manner herein set forth.

11.10 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida without giving effect to any choice or conflict of law provision or rule (whether of the State of Florida or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Florida.

11.11 Amendments and Waivers. No amendment of any provision of this Agreement shall be valid unless the same shall be in writing and signed by the Buyer and the Seller. No waiver by any Party of any default, misrepresentation, or breach of warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

11.12 Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.

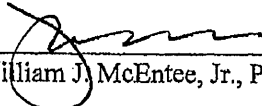
11.13 Incorporation of Exhibits. The Exhibits identified in this Agreement are incorporated herein by reference and made a part hereof.

[SIGNATURES ON FOLLOWING PAGE]

APA

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first above written.

McENTEE BROADCASTING OF FLORIDA, INC.

By 
William J. McEntee, Jr., President

SEVEN BRIDGES RADIO, LLC

By 
Steven L. Griffin