

ASSET PURCHASE AGREEMENT AND SALE AGREEMENT

BY AND BETWEEN

TRI-CITY RADIO, LLC , SELLER

AND

ASRADIO, LLC, PURCHASER

March 11, 2005

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ASSET PURCHASE AND SALE AGREEMENT

THIS ASSET PURCHASE AND SALE AGREEMENT (this "*Agreement*") is made as of the 11th day of March, 2005 ("*Effective Date*"), by and between Tri-City Radio, LLC, a South Carolina limited liability company ("*Seller*"), and ASRadio, LLC, a Tennessee limited liability company ("*Purchaser*").

WHEREAS, Seller is the licensee of and owns radio station WEYE(FM), an FM radio station licensed by the Federal Communications Commission (the "*FCC*") to Surgoinville, Tennessee and its auxiliary facilities, FCC Facility ID No. 73-872 (the "*Station*"); and

WHEREAS, Seller owns the assets which are used in the operation of the Station; and

WHEREAS, Seller desires to sell to Purchaser, and Purchaser desires to purchase from Seller substantially all of the assets, properties and business relating to the Station, as described herein under the terms and conditions herein set forth;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein contained, Seller and Purchaser hereby agree as follows:

1. PURCHASE AND SALE OF ASSETS.

1.1 Purchase and Sale of Purchased Assets. Subject to the conditions set forth in this Agreement, at the Closing, Seller shall assign, transfer, convey and deliver to Purchaser, and Purchaser shall purchase from Seller free and clear of all Liens (other than Permitted Liens), all of the assets, properties and business (excepting only the Excluded Assets), of every kind and description wherever located, personal or mixed, tangible or intangible, relating to the Station, or the business of the Station (the "*Business*") (herein collectively referred to as the "*Purchased Assets*"), including without limitation, all right, title and interest of Seller in, to and under the following assets:

(a) all licenses, permits or other authorizations issued by or pending before the FCC or any other governmental authority held for use or useful in the operation of the Station or the conduct of the Business that are set forth on Schedule 1.1(a) attached hereto, together with any and all renewals, extensions and modifications thereof (the "*FCC Licenses*");

(b) the real property interests of Seller in and to the transmitter site (the "*Transmitter Site*");

(c) all towers, antennas, broadcast transmission and studio equipment and other tangible personal property of Seller located at or used in conjunction with the

Station and the Transmitter Site, including, but not limited to, those items set forth on Schedule 1.1(c) hereto;

(d) all other items of tangible personal property used, or intended for use, primarily in the operation of the Station, including, but not limited to, those items set forth on Schedule 1.1(d) hereto;

(e) all rights in and to the call letters "WEYE" of the Station, and all applications therefor, including, but not limited to those listed on Schedule 1.1(e) attached hereto;

(f) all rights, claims or causes of action of Seller, if any, against third parties relating to the Purchased Assets, the Station or the Business, to the extent they relate to the period after Closing;

(g) all goodwill of the Business;

(h) unless as may be otherwise required by law, the books and records related to the Purchased Assets, such as property tax records, logs, all materials maintained in the FCC public file relating to the Station, technical data, political advertising records and all other records, correspondence with and documents pertaining to governmental authorities and similar third parties (the "***Business Records***"), to the extent such are currently in the possession of Seller;

(i) the contracts and agreements identified on Schedule 1.1(i) attached hereto (the "***Assumed Contracts***"); and

(j) subject to the other provisions of this Agreement, all other assets or properties not referred to above which are acquired by Seller for use by the Station or in connection with the operation of the Business in the ordinary course of the Business after the date hereof in accordance with Section 5.5 except (i) any such assets or properties disposed of after the date hereof in the ordinary course of Business consistent with the terms of this Agreement, and (ii) Excluded Assets.

1.2 Excluded Assets. In no event shall the Purchased Assets be deemed to include:

(a) the cash and cash equivalents of Seller or the Station (except for any normal and customary deposits with respect to the Purchased Assets for which a proration adjustment is made in Seller's favor pursuant to Section 17.2);

(b) securities of any kind owned by Seller;

(c) any accounts receivable, notes receivable or other receivables of Seller (including tax refunds paid in respect of the Station or the Business for periods ending on or prior to the Closing Date);

(d) all items of intellectual property of the Station, except as specifically set forth in Section 1.1 above;

(e) the corporate seal, minute books, charter documents, corporate stock record books and other books and records that pertain to the organization, existence and capitalization and similar internal matters of Seller as well as any other books and records relating to Seller generally or relating to the Purchased Assets, or the operations of the Station; tax returns and related documents and supporting work papers and any other records and returns relating to taxes, assessments and similar government levies (other than real and personal property taxes, assessments and levies imposed on the Purchased Assets); and any books and records that Seller is required by law to retain;

(f) all records and documents relating to Excluded Assets and the Excluded Liabilities;

(g) all health insurance policies of Seller relating to employees;

(h) all rights of, or payment due to, Seller under or pursuant to this Agreement or any Purchaser Ancillary Agreement;

(i) all tangible and intangible personal property disposed of or consumed between the date of this Agreement and the Closing Date in the ordinary course of Business in accordance with this Agreement;

(j) all contracts or policies of insurance and prepaid insurance with respect to such contracts or policies, any cash surrender value thereof and any insurance proceeds or claims made by Seller relating to property or equipment repaired, replaced or restored by Seller prior to Closing;

(k) claims arising out of acts occurring before the Closing Date; and

(l) all assets and properties owned, leased or held by Seller that are not used or held for use in connection with the operation of the Station and all rights, title and interest therein identified on Schedule 1.2(l).

“Excluded Assets” shall mean all of the foregoing items described in this Section 1.2.

1.3 Liabilities to be Assumed. Upon the terms and subject to the terms and conditions of this Agreement, on the Closing Date, Purchaser shall deliver to Seller an undertaking and assumption, in a form reasonably acceptable to Seller and Purchaser, pursuant to which Purchaser shall assume and be obligated for, and shall agree to pay, perform and discharge in accordance with its terms, the following obligations and liabilities of Seller (except to the extent such obligations and liabilities constitute Excluded Liabilities): (a) Liabilities that relate to or arise from the ownership or operation of the Purchased Assets from and after the Adjustment Time and (b) Liabilities under the Assumed Contracts that relate to or arise from and after the Adjustment Time, but solely to the extent that such Liabilities relate to contractual rights whose benefits accrue to Purchaser and are not attributable to any breach or default by Seller (the Liabilities

described in subparagraphs (a) and (b) of this Section 1.3, collectively, the "*Assumed Liabilities*").

1.4 Liabilities Not to be Assumed. Purchaser expressly does not and shall not assume or agree to perform and discharge any Liabilities of Seller, and Seller shall solely retain, pay, perform, defend or discharge all of Seller's Liabilities of any and every kind whatsoever, direct or indirect, known or unknown, absolute or contingent, not expressly assumed by Purchaser under Section 1.3 (herein referred to as "*Excluded Liabilities*").

2. ESCROW DEPOSIT; PURCHASE PRICE; CLOSING.

2.1 Escrow Deposit. Concurrently with the execution and delivery of this Agreement, Purchaser is delivering to Wilmington Trust Company as Escrow Agent (the "*Escrow Agent*"), Two Hundred Thirty-Five Thousand Dollars (\$235,000.00) earnest money (the "*Earnest Money*"), to be held by the Escrow Agent in accordance with the terms of an escrow agreement of even date herewith (the "*Escrow Agreement*"). At Closing, the Earnest Money, together with all interest and earnings thereon, will be released to Seller and shall be credited to the Purchase Price.

2.2 Purchase Price and Terms of Payment. The consideration to be received by Seller in exchange for the Purchased Assets shall be One Million Two Hundred Thousand Dollars (\$1,200,000.00), as adjusted pursuant to Section 17.2 the "*Purchase Price*", payable at Closing as set forth below, and the assumption by Purchaser of the Assumed Liabilities at Closing:

(a) The Escrow Agent shall deliver the Earnest Money and all interest and earnings thereon to Seller, which shall be applied in Purchaser's favor as a credit toward the Purchase Price in accordance with Section 2.1.

(b) The payments by Escrow Agent and Purchaser shall be by bank wire transfer or certified check of immediately available U.S. funds to such bank account or accounts designated by Seller to Purchaser and Escrow Agent in writing not less than three (3) days before Closing.

2.3 Time of Closing.

(a) The closing for the sale and purchase of the Purchased Assets provided for in Section 1.1 and the assumption of Assumed Liabilities provided for in Section 1.3 (the "*Closing*") shall be consummated at 10:00 A.M. local time at the offices of Dow, Lohnes & Albertson, PLLC, 1200 New Hampshire Avenue, N.W., Washington, D.C. 20036 (or such other place as may be mutually agreed upon by the parties in writing). The Closing shall occur on such date that is five (5) business days after the conditions set forth in Sections 7.2, 7.5 and 8.2 are satisfied or, if permissible waived, or on such other date as the parties may mutually agree in writing (the actual day on which the Closing occurs being hereinafter called (the "*Closing Date*")). The Closing shall be deemed to be effective as of 12:01 a.m. on the Closing Date (the "*Adjustment Time*").

(b) In order to consummate the transfer of the Purchased Assets, Seller and Purchaser agree to file, within ten (10) business days of the date hereof, an application (the "**FCC Application**") requesting FCC consent to the assignment of the FCC Licenses from Seller to Purchaser. The parties agree that the FCC Application will be prosecuted with reasonable best efforts, in good faith and with due diligence. The parties agree to use their reasonable best efforts to file additional information or amendments requested by the FCC orally or in writing within five (5) business days after such request and, in any event, to commence preparation of such additional information or amendments immediately upon request and to complete and file the same with the FCC as rapidly as practical. Each party will be solely responsible for the expenses incurred by it in the preparation, filing and prosecution of the FCC Application (it being understood that the parties will bear equally the FCC filing fee payable in connection with the FCC Application).

(c) As used herein, the term "**FCC Order**" shall mean that the FCC (or the staff of the FCC's Media Bureau pursuant to delegated authority) has given its initial consent, without any condition materially adverse to Purchaser or Seller, to the assignment of the FCC Licenses to Purchaser and such FCC Order has been announced in a public notice issued by the FCC.

(d) Purchaser and Seller expressly agree that in the event that the FCC institutes a freeze or takes similar action with respect to FCC applications or filings generally (as opposed to a specific action taken by the FCC with respect to the transactions contemplated by this Agreement or the FCC Licenses), then any obligations of the parties or deadlines contained herein or in the related agreements attached hereto that are impacted or affected by such FCC freeze or similar action shall automatically be extended for a period of time equal to the period of time that such FCC freeze or similar action is in effect.

2.4 Further Assurances. From time to time prior to, on and after the Closing Date, each party hereto shall, without further consideration, execute and deliver such documents, instruments and consents and take such other action as any other party hereto may reasonably request in order to consummate more effectively the transactions contemplated hereby. The parties shall cooperate fully with each other and with their respective counsel and accountants in connection with any steps required to be taken as part of their respective obligations under this Agreement.

2.5 Allocation of Purchase Price. The parties agree to use commercially reasonable efforts to allocate the Purchase Price among the Purchased Assets in a manner as mutually agreed to in writing between the parties. If the parties agree on an allocation, such allocation shall be reflected on each party's Internal Revenue Service Form 8594. If the parties are unable to agree on an allocation, each party will prepare and file its own Form 8594. In any event, each of Purchaser and Seller agree to timely make all filings required by any taxing authority, including the filing of Form 8594 and shall deliver such form to each other.

3. REPRESENTATIONS AND WARRANTIES OF SELLER.

As an inducement to Purchaser to enter into this Agreement and to consummate the transactions contemplated hereby, Seller hereby represents and warrants to Purchaser, as follows:

3.1 Organization; Good Standing. Seller is a limited liability company, duly organized, validly existing and in good standing under the laws of the State of South Carolina. Seller has all requisite power and authority to own and lease the Purchased Assets and to carry on the Business as conducted by it.

3.2 Due Authorization. Subject to the FCC Order, Seller has full power and authority to enter into, perform, execute and deliver this Agreement and all other agreements to be entered into, performed, executed and delivered by Seller pursuant hereto (collectively, the "*Seller Ancillary Agreements*"), to consummate the transactions contemplated hereby and thereby and comply with the terms, conditions and provisions hereof and thereof. Seller has taken all necessary limited liability company action to approve the execution, delivery and performance of this Agreement and the Seller Ancillary Agreements and the transactions contemplated hereby and thereby. This Agreement and each other Seller Ancillary Agreement when executed and delivered by Seller and the other parties thereto constitute a legal, valid and binding agreement of Seller, enforceable against it in accordance with its respective terms, except as may be limited by the availability of equitable remedies or by applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally.

3.3 Execution and Delivery. None of the execution, delivery and performance by Seller of this Agreement or any Seller Ancillary Agreements, or the consummation by Seller of the transactions contemplated hereby or thereby or compliance by Seller with or fulfillment by Seller of the terms, conditions and provisions hereof or thereof will: (i) violate or conflict with, result in a breach of the terms, conditions and provisions of, or constitute a default, an event of a default or an event creating rights of acceleration, termination or cancellation or a loss of rights under, or result in the creation or imposition of any Lien upon any of the Purchased Assets under, any Station Agreement, any FCC License, any Governmental Permit, the organizational documents of Seller, or violate any Order to which Seller is a party or any of the Purchased Assets, the Station or the Business is subject or by which Seller is bound, or any Law affecting Seller or the Purchased Assets, the Station or the Business, and (ii) subject to the FCC Order, detrimentally affect or violate the terms or conditions of, or result in or provide a basis for adverse action by the FCC in connection with, the FCC Licenses.

3.4 Consents. Except as set forth on Schedule 3.4, no approval, authorization, license, exemption of, consent, order or other action of, or filing or registration with, or notice to, any Governmental Entity or any third party (each, a "*Third Party Consent*") is required by Seller in connection with the execution and delivery by Seller of this Agreement or the consummation by Seller of the transactions contemplated hereby, other than the consent of the FCC.

3.5 Financial Statements.

(a) Schedule 3.5 contains true and correct copies of the balance sheets, statements of operations and statements of cash flow relating to the Station for the fiscal years of the Station ended as of December 31, 2002, December 31, 2003, and December 31, 2004 and for each completed month of 2005; if any, and financial projections for the current fiscal year as well as the Station's annual operating budget for fiscal year 2004 and 2005 (collectively, the "*Financial Statements*").

(b) The Financial Statements (i) have been prepared from and are in accordance in all material respects with the books and records regularly maintained by Seller, and (ii) have been prepared in accordance with generally accepted accounting principles consistently applied and present fairly and accurately, in all material respects, the financial condition, results of operations and cash flows of the Station and the Business as of their respective dates and for the respective periods covered thereby (except for the omission of footnotes and changes resulting from normal year-end adjustments which are not material to the Business).

(c) Except as reflected in the Financial Statements, no event has occurred since December 31, 2003, that would make the Financial Statements misleading in any material respect for the respective periods covered thereby.

3.6 Operations.

(a) Since December 31, 2003, there has been: (i) no fact, event, change or effect having, or which would reasonably be expected to have, a Material Adverse Effect; and (ii) no damage, destruction, loss or claim or condemnation or other taking which materially adversely affects the Purchased Assets, the Station or the Business.

(b) Since December 31, 2003, the operations of the Station and the Business have been conducted only in the ordinary course consistent with past practice. Without limiting the generality of the foregoing, since December 31, 2003, Seller has not: (i) sold, leased, transferred or otherwise disposed of, or suffered to exist any Lien (other than Permitted Liens) on, any of the Purchased Assets, other than personal property having a value, in the aggregate, of less than \$10,000 sold or otherwise disposed of or consumed in the ordinary course of the Business consistent with past practice; (ii) canceled any material debts owed to or material claims held by Seller relating to the Station or waived any right of material value to Seller, other than in the ordinary course of the Business consistent with past practice; (iii) created, incurred, guaranteed or assumed, or agreed to create, incur, guarantee or assume, any indebtedness for borrowed money; (iv) entered into any capitalized leases; (v) delayed payment of any account payable or other liability of the Business beyond when such liability would have been paid in the ordinary course of the Business consistent with past practice; (vi) accelerated the collection of any account receivable of the Business to a date earlier than when such account receivable would have been collected in the ordinary course of Business consistent with past practice; (vii) changed the accounting methods, principles, or practices affecting the Business, except insofar as may have been required by law or by a change in generally accepted accounting principles; (viii) made any acquisition (by merger, consolidation, acquisition of stock or assets or otherwise) of any corporation, partnership or other business organization or

division thereof or interest therein; or (ix) entered into any agreement or made any commitment to take any action described in subparagraphs (i) through (viii) above.

3.7 Sufficiency of Assets. Except for the Excluded Assets, the Purchased Assets constitute all of the assets used in the conduct of the Business and the operation of the Station as currently conducted by Seller, and each item of tangible personal property included in the Purchased Assets having an original cost of \$2,500 or more is in such satisfactory and serviceable condition and repair (subject to normal wear and tear) as is necessary for the conduct of the Business and the operation of the Station as currently conducted. Other than Seller, none of Seller's Affiliates, directors, members, officers, employees and agents and their respective successors and assignees own, lease or hold any assets necessary for or used in the conduct of the Business or the operation of the Station as currently conducted by Seller.

3.8 Title to Purchased Assets. Except as disclosed on Schedule 3.8, Seller has good and marketable title to all the Purchased Assets (or a valid leasehold or license interest, as the case may be, in any leased or licensed assets, as applicable), free and clear of all Liens, except for Permitted Liens. At Closing, Seller shall convey to Purchaser good and marketable title to the Purchased Assets (or a valid leasehold or license interest, in the case of any leased or licensed assets, as applicable), free and clear of all Liens, except for Permitted Liens. Except for approval of the assignment of the FCC Licenses by the FCC and the Third Party Consents, none of the Purchased Assets are subject to any restriction with respect to the transferability thereof. Seller has the right to sell, assign, convey and deliver the Purchased Assets to Purchaser as contemplated hereby, except for the consent of the FCC.

3.9 Transmitter Site.

(a) Seller has a valid and enforceable leasehold interest in and to the Transmitter Site, free and clear of any Liens, except for Permitted Liens. All real property interests held by Seller in connection with the operations of the Station (including the street address of the real property, the use for which such property is held by Seller, and the nature of Seller's real property interest therein) are set forth in Schedule 3.9 (the "***Seller Real Property***").

(b) There exists no Order, nor any litigation, pending, or threatened, relating to Seller's use, occupancy or operation of the Transmitter Site. Seller's use and occupancy of the Transmitter Site complies in all material respects with all Laws of all applicable Governmental Entities. The Transmitter Site is in satisfactory condition and repair (subject to normal wear and tear), and all utilities that are required for the use of the Transmitter Site for the purposes for which such property is currently being used by Seller have been connected and are in satisfactory working order (subject to normal wear and tear) and are free of any material defects. The Transmitter Site has legal access from a public roadway for vehicles and by foot.

3.10 Personal Property. Schedule 1.1(d) sets forth a list as of the date of this Agreement of all other personal property owned by Seller having an original cost of \$500

or more and relating to the Business (the "**Personal Property**"). Except as otherwise set forth on Schedule 1.1(d), the Personal Property is (a) in good operating condition and working order, ordinary wear and tear excepted, (b) maintained in accordance with good engineering practice, (c) available for immediate use, and (d) otherwise sufficient to permit the Station to operate in accordance with the FCC Licenses and the rules and regulations of the FCC.

3.11 Governmental Permits. Seller owns, holds or possesses all licenses, franchises, permits, privileges, approvals and other authorizations from all Governmental Entities (other than the FCC Licenses) that are necessary to entitle Seller to own or lease, operate and use its assets and to carry on and conduct the Business as currently conducted (herein collectively called "**Governmental Permits**"). Schedule 3.11 sets forth a list and brief description of each such Governmental Permit held by Seller as of the date of this Agreement. Seller has fulfilled and performed in all material respects its obligations under each of the Governmental Permits, and no event has occurred or condition or state of facts exists which constitutes or, after notice or lapse of time or both, would constitute a material breach or material default under any such Governmental Permit. No notice of cancellation, of default or of any dispute concerning any such Governmental Permit, or of any event, condition or state of facts described in the preceding sentence, has been received by Seller. Each such Governmental Permit is valid, subsisting and in full force and effect (subject to expiration or termination in accordance with its terms), and may be assigned and transferred to Purchaser in accordance with this Agreement and at the time of assignment to Purchaser will be in full force and effect, in each case without (i) the occurrence of any breach, default or forfeiture of rights thereunder or (ii) the consent, approval or act of, or the making of any filing with, any Governmental Entity or other party.

3.12 FCC Licenses. Schedule 1.1(a) lists and accurately describes all of the FCC Licenses necessary for the lawful ownership and operation of the Station and the conduct of the Business as currently conducted by Seller. Seller has furnished to Purchaser true and accurate copies of all of the FCC Licenses. Each such FCC License is in full force and effect and is valid under applicable Laws; the Station is being operated in compliance in all material respects with the Communications Act of 1934, as amended, and all rules, regulations and policies of the FCC; and no event has occurred which (whether with or without notice, lapse of time or the happening or occurrence of any other event) is likely to result in the revocation or termination of any FCC License or the imposition of any restriction of such a nature as would have a Material Adverse Effect. Except as set forth on Schedule 3.12, no application, action or proceeding is pending for the renewal or modification of any of the FCC Licenses.

3.13 Intellectual Property. Schedule 3.13 contains a list of all call signs, logos, slogans, jingles, know-how, trademarks, trade names, service marks, service names, franchises, copyrights, patents, patent applications, Station specific internet domain names, computer programs (to the extent transferable) and program rights and other similar intangible property rights used to promote or identify the Station, or otherwise used in connection with the Business (the "**Intellectual Property**"). Seller owns the entire right, title and interest in and to the Intellectual Property, free and clear of any Liens except for Permitted Liens. The operation of the Station, to the best of Seller's knowledge, does not

infringe any copyright, patent, trademark, trade name, service mark, or other similar right of any third party. Seller has not sold, licensed or otherwise disposed of any of the Intellectual Property to any person or entity, and Seller has not agreed to indemnify any person or entity for any patent, trademark or copyright infringement.

3.14 Reports. Seller has duly prepared and, where required, filed all reports required to be prepared or filed, as the case may be, by Law or applicable rule, regulation, order, writ or decree of any court, Governmental Entity and has made payment of all material charges and other payments, if any, shown by such reports to be due and payable. Except as set forth on Schedule 3.14, all reports required to be maintained by the Station or to be filed by Seller with the FCC with respect to the Station have been so maintained or filed, as the case may be.

3.15 Taxes. Seller has (i) duly and timely file all material tax reports and returns required to be filed relating to the Purchased Assets, (ii) paid in full or discharged all taxes owed by Seller relating to the Purchased Assets (whether or not such taxes are shown as due on any tax return), and (iii) paid in full or discharged all taxes the non-payment of which could result in a Lien on any of the Purchased Assets in the hands of Purchaser.

3.16 Environmental Matters. In respect of the Business and the Transmitter Site:

(a) All activities of Seller with respect to the operation of the Business of the Station have been and are being conducted in material compliance with all Environmental Laws, (ii) Seller holds all material permits required under Environmental Laws for the operation of the Business, and (iii) no modification or change to the operations of the Business will be required upon the renewal of any such permits other than modifications or changes required due to changes in Law occurring after the date hereof.

(b) (i) No claims arising under Environmental Laws are pending or, to the best of Seller's knowledge, threatened against Seller, (ii) there are no Orders outstanding or, to the best of Seller's knowledge, threatened relating to compliance with or liability under any Environmental Law, and (iii) Seller does not have any material liability under any Environmental Law with regard to the Seller Real Property.

(c) During the period of Seller's ownership of the Station, there have been no releases of hazardous materials by Seller or by any of its Affiliates or by third parties, in, on or under any Seller Real Property that could result in any material investigation or material remedial action by any Governmental Entity pursuant to any Environmental Law.

(d) No facility or property owned by Seller nor any facility or property to which Seller transported or arranged for the transportation of any hazardous materials is listed or proposed for listing on the National Priorities List promulgated pursuant to CERCLA, on CERCLIS (as defined in CERCLA), or on any similar federal or state list of sites requiring investigation or remediation.

(e) (i) To the best of Seller's knowledge, there are no structures, improvements, equipment, activities, fixtures or facilities owned by Seller on any Seller Real Property that are constructed with, use or otherwise contain radioactive materials, lead or urea formaldehyde unless the same are in satisfactory condition, ordinary wear and tear excepted, and in compliance with Environmental Laws, (ii) there are no asbestos-containing materials, polychlorinated biphenyls, or underground storage tanks, or underground piping associated with such tanks owned by Seller on any Seller Real Property, except those that comply with applicable Environmental Laws and are described on Schedule 3.16(e), and (iii) there are no abandoned underground storage tanks on any Seller Real Property that have not been either abandoned in place or removed pursuant to an Environmental Law.

(f) There are no material liens, restrictive covenants or other land use restrictions under Environmental Laws on any Seller Real Property, and no government actions have been taken, or are in process that could subject any of such properties to such liens, restrictive covenants or other land use restrictions, and Seller is not required to place any notice or restriction relating to hazardous materials in any deed to such property (provided that the representations and warranties made in this Section 3.16(f) with respect to any Seller Real Property are limited to matters resulting from the operation of the Business prior to the Closing).

(g) Seller has not released any person nor waived any rights or defenses with respect to any Environmental Conditions or any claim arising under any Environmental Law.

(h) There is no Environmental Report in the possession or control of Seller or any of its Affiliates relating to the Business, the Station or the Purchased Assets, that has not been delivered or made available to Purchaser.

3.17 Litigation; Compliance with Laws. Seller has complied in all material respects with all Laws or Orders of any Governmental Entity which affect or are applicable to the Purchased Assets, the Station or the Business, and, without limiting the generality of the foregoing:

(a) There is no unsatisfied Order against Seller or relating to the Purchased Assets, the Station or the Business which might adversely affect the continued operation of the Station or the Business or impair the value of the Purchased Assets or which might adversely affect Seller's ability to perform in accordance with this Agreement.

(b) There is no action, suit, proceeding (including an insolvency proceeding) or investigation, judicial, administrative or otherwise that is pending, threatened against or relating to the Purchased Assets, the Station or the Business which, if adversely determined would reasonably be expected to affect the continued operation of the Business or the Station or impair the value of the Purchased Assets or which might adversely affect Seller's ability to perform in accordance with this Agreement or which

challenges the validity or propriety of any of the transactions contemplated by this Agreement.

(c) The Station's transmitting and studio equipment is operating in accordance with the terms and conditions of the FCC Licenses and all underlying or related construction permits, temporary authorizations and the rules, regulations and policies of the FCC. To the best of Seller's knowledge, the Station is not causing interference in violation of FCC rules to the transmission of any other broadcast station or communications facility and Seller has not received any written complaints with respect thereto, and no other broadcast station or communications facility is causing interference in violation of FCC rules to the Station's transmissions;

(d) Seller has not received any notification from the FCC that Seller's employment practices fail to comply with FCC rules and policies that remains pending and unresolved; and

(e) All material ownership reports, employment reports, tax returns and other material documents required to be filed by Seller with the FCC or other Governmental Entity with respect to the Station or the Business have been filed. Such items as are required to be placed in the Station's local public inspection files have been placed in such files without material exception.

3.18 Business Records. Seller has, and after the Closing, Purchaser will have, the right to use the Business Records included in the Purchased Assets, free and clear of any royalty or other payment obligations.

3.19 [Intentionally Omitted].

3.20 Status of Contracts. Seller has fulfilled and performed its obligations under each written or oral lease, contract or other agreement to which Seller is a party or by which Seller or the Purchased Assets, as the case may be, are bound and that relates to the Business or the Station (the "**Station Agreements**"), and Seller is not in, or alleged to be in, breach or default under any of the Station Agreements and no other party to any of the Station Agreements has breached or defaulted thereunder that remains uncured. Seller has delivered or made available to Purchaser complete and correct copies of each of the written Station Agreements, together with all amendments thereto, and true and complete memoranda describing the material terms of all oral Station Agreements.

3.21 Excluded Liabilities; No Undisclosed Liabilities. Except for the Assumed Liabilities and those excluded liabilities disclosed on Schedule 3.21, Seller has no liabilities or obligations related to the Station of any nature, whether or not accrued, contingent or otherwise, other than those liabilities or obligations set forth in the latest balance sheet included in the Financial Statements and those incurred in the ordinary course of Business consistent with past practices which are not, individually or in the aggregate, material to the Business and do not arise from any tort, breach of contract or fraud.

3.22 No Misleading Statements. No representation or warranty made by Seller in this Agreement or in any document, instrument, or certificate provided to Purchaser pursuant to this Agreement, contains any untrue statement of a material fact or omits a material fact necessary in order to make such statements or information not misleading in any material respect.

3.23 Proposed Acquisition Transaction. Seller is not engaged in discussions or negotiations with any party other than Purchaser with respect to any Proposed Acquisition Transaction.

3.24 Finders and Brokers. Seller is represented by the brokerage firm of American Media Services-Brokerage, LLC. Seller is solely responsible for AMS' brokerage commission and shall indemnify and hold Purchaser harmless for any such claim of AMS. No other person has, as a result of any agreement entered into by Seller, any valid claim against any of the parties hereto for a brokerage commission, finder's fee or other like payment.

4. REPRESENTATIONS AND WARRANTIES OF PURCHASER.

As an inducement to Seller to enter into this Agreement and to consummate the transactions contemplated hereby, Purchaser hereby represents and warrants to Seller as follows:

4.1 Organization and Good Standing. Purchaser is a limited liability company, duly organized, validly existing and in good standing under the laws of the State of Tennessee and has all requisite power and authority to own and lease its properties and to carry on its business as currently conducted.

4.2 Due Authorization. Subject to the FCC Order, Purchaser has full power and authority to enter into, perform, execute and deliver this Agreement and all other agreements to be entered into, performed, executed and delivered by Purchaser pursuant hereto (collectively, the "*Purchaser Ancillary Agreements*"), to consummate the transactions contemplated hereby and thereby and comply with the terms, conditions and provisions hereof and thereof. The execution, delivery and performance of this Agreement and the Purchaser Ancillary Agreements and the consummation of the transactions contemplated hereby and thereby have been duly authorized by the members of Purchaser, and by all other necessary limited liability company action on the part of Purchaser. This Agreement and each other Purchase Ancillary Agreement when executed and delivered by Purchaser and the other parties thereto constitute a legal, valid and binding agreement of Purchaser, enforceable against it in accordance with its respective terms, except as may be limited by the availability of equitable remedies or by applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally.

4.3 Execution and Delivery. Neither the execution and delivery by Purchaser of this Agreement nor the consummation of the transactions contemplated hereby will: violate or conflict with, result in a breach of the terms, conditions and provisions of, or constitute a default, an event of a default or an event creating rights of acceleration,

termination or cancellation or a loss of rights under, or result in the creation or imposition of any Lien upon any assets of Purchaser, the organizational documents of Purchaser, any indenture, note, mortgage, lease, guaranty or material agreement, or any Order to which Purchaser is a party or any of the assets of Purchaser is subject or by which Purchaser is bound, or any Law affecting Purchaser or its assets.

4.4 Consents. No consent, approval, authorization, license, exemption of, filing or registration with, or notice to, any Governmental Entity or any third party is required by Purchaser in connection with the execution and delivery of this Agreement or the consummation by Purchaser of any transactions contemplated hereby, other than the consent of the FCC. Purchaser is legally qualified to become a licensee of the Station and, to the knowledge of Purchaser, it is not aware of any impediment to the approval by the FCC of the assignment of the FCC Licenses to Purchaser.

4.5 Finders and Brokers. No person has, as a result of any agreement entered into by Purchaser, any valid claim against any of the parties hereto for a brokerage commission, finder's fee or other like payment.

5. CERTAIN COVENANTS AND AGREEMENTS.

The respective parties hereto covenant and agree to take the following actions between the date hereof and the Closing Date:

5.1 Investigation of Business. Upon the request of Purchaser, Seller shall (i) afford to the Purchaser and the officers, employees, authorized representatives of Purchaser and Purchaser's lenders (collectively, the "*Purchaser's Representatives*") reasonable access during normal business hours, and upon not less than 24-hours prior notice, to the offices, properties, employees and business and financial records (including computer files, retrieval programs and similar documentation) of the Business to the extent Purchaser shall reasonably deem necessary or desirable (ii) grant Purchaser's Representatives the right to make copies of any and all business and financial records of the Business transferred to Purchaser pursuant hereto, and (iii) shall furnish to Purchaser or Purchaser's Representatives such additional information concerning the Business as shall be reasonably requested; provided, however, that any such investigation shall be conducted in such a manner as not to interfere unreasonably with the operations of Seller and, subject to any contact with Seller's employees, personnel, officers, agents and customers shall be coordinated through and subject to advance approval of Seller, which approval shall not be unreasonably withheld. It is expressly understood that, pursuant to this Section 5.1, Purchaser, at its sole expense, shall be entitled to make such engineering inspections of the Station and such audits of the Station's financial records as Purchaser may desire, so long as the same do not unreasonably interfere with the operation of the Station. Any investigation or examination by Purchaser shall not in anyway diminish or obviate any representations or warranties of Seller with respect to the Station or the Purchased Assets. Any such business or financial records shall be considered confidential and will not be disclosed to any person, corporation or other entity other than the Purchaser or the Purchaser Representatives; provided, however, in the event that the Purchaser or the Purchaser Representatives should be requested or required (by oral questions,

interrogatories, requests for information or documents subpoena, civil investigative demand or similar process) to disclose any business or financial records of the Seller supplied to them from the date hereof through the Closing Date, it is agreed that the Purchaser will provide Seller with prompt notice of any such request, so that Seller may seek an appropriate protective order and/or waive the Purchaser's compliance with the provisions of this Section 5.1. It is further agreed that if, in the absence of a protective order or the receipt of a waiver hereunder, the Purchaser is, in the opinion of its counsel, compelled to disclose information concerning Seller as so required, or else to be liable for contempt or suffer other censure or penalty, the Purchaser or its Purchaser Representatives may disclose such information as so required without liability hereunder, provided, however, that such disclosure shall only be made to the extent required by law and that the Purchaser shall give Seller advance written notice of the information to be disclosed as far in advance of its disclosure as is practical and, at Seller's request, the Purchaser shall seek to obtain assurances that it will be accorded confidential treatment

5.2 Consummation of the Transaction.

(a) Each of Seller and Purchaser shall take all commercially reasonable action necessary to consummate the transactions contemplated by this Agreement and will use all necessary and reasonable means at its disposal to obtain (and cooperate with the other party in obtaining) all necessary approvals of the FCC and Third Party Consents required to enable it to consummate the transactions contemplated by this Agreement. Except as otherwise provided herein, each of Seller and Purchaser acknowledges and agrees that it shall pay all costs, fees and expenses incurred by it in obtaining such necessary consents and approvals. Each party shall make all filings, applications, statements and reports to all Governmental Entities which are required to be made prior to the Closing Date by or on its behalf pursuant to any statute, rule or regulation in connection with the transactions contemplated by this Agreement, and copies of all such filings, applications, statements and reports shall be provided to the other.

(b) Seller will use its commercially reasonable efforts to obtain all Third Party Consents as promptly as practicable after the date of this Agreement.

(c) Notwithstanding anything to the contrary contained herein, Purchaser shall not be required to accept any amendment, change or modification to any contracts, agreement, license or FCC License or pay any amount, other than normal and customary administrative amounts in connection with obtaining any Third Party Consent.

5.3 Confidentiality and Public Announcements. The parties shall at all times prior to the Closing maintain confidential and not use for any purpose other than this transaction, any information relating to this Agreement, this transaction or the FCC Licenses (other than information in the public domain not as the result of a breach of this Agreement), except: (i) for disclosure to authorized representatives of a party, provided that any such person shall agree to maintain confidential any such information; (ii) as reasonably necessary to the performance or enforcement of this Agreement; (iii) as authorized in writing by the non-requesting party; or (iv) to the extent that disclosure is required or, in the disclosing party's reasonable discretion, advisable by law, the order or

rules and regulations of any Governmental Entity (including, without limitation, the Securities and Exchange Commission) or the rules and regulations of the New York Stock Exchange. Each party shall be entitled to issue a press release announcing the entering of this Agreement and the transactions contemplated hereby; provided that the other party shall be given a reasonable opportunity to comment on any such press release. Without limiting the right of either party to pursue all other legal and equitable rights available to it for violation of this Section 5.3 by the other party, it is agreed that other remedies cannot fully compensate the aggrieved party for such a violation of this Section 5.3 and that the aggrieved party shall be entitled to injunctive relief to prevent a violation or continuing violation hereof.

5.4 Control of the Station. Prior to the Closing, Purchaser shall not, directly or indirectly, control, supervise, direct, or attempt to control, supervise, or direct, the operations of the Station; such operations, including complete control and supervision of all of the Station's programs, employees, and policies, shall be the sole responsibility of Seller until the Closing, except as may be granted pursuant to a legally binding time brokerage agreement.

5.5 Pre-Closing Covenants. From the date hereof until the Closing or earlier termination of this Agreement without a Closing, Seller covenants and agrees with Purchaser, subject to any time brokerage agreement and joint sales agreement entered into by Purchaser in connection with this Agreement, as follows:

(a) Seller shall, consistent with past practice, use its reasonable best efforts to: (i) continue to promote and advertise on behalf of the Station and the Business at levels substantially consistent with past practice; (ii) maintain in all material respects the business organization of the Station intact; (iii) preserve the goodwill of the suppliers, contractors, licensors, employees, customers, distributors and others having business relations with the Business or the Station; (iv) maintain the employment of each current employee who is necessary for the continued operation of the Business or the Station as currently operated (any voluntary departure of any employee between the date hereof and the Closing excepted); and (v) perform all Station Agreements without material default and pay all of their respective trade accounts payable in a timely manner; provided, however, that Seller may dispute, in good faith, any of its alleged obligations.

(b) Except as approved by Purchaser pursuant to Section 5.5(c) or as expressly required or permitted by this Agreement, Seller shall, (i) operate and carry on the operations of the Station and conduct the Business only in the ordinary course consistent with past practice; (ii) maintain the Purchased Assets in good repair and condition, ordinary wear and tear excepted; (iii) continue making capital expenditures through the Closing Date but only as necessary to maintain the Purchased Assets in good repair and condition, ordinary wear and tear excepted; (iv) maintain its books and records in the usual and ordinary manner, on a basis consistent with prior periods; (v) comply with the Communications Act, the rules and regulations of the FCC, and all material Laws and Orders applicable to it, to the Purchased Assets, the Business and the operation of the Station; (vi) retain the Station's libraries of recordings and other programming; (vii) maintain the present entertainment format of the Station; (viii) maintain all inventories of

supplies, tubes, and spare parts at levels consistent with the Station's prior practices (the disposition or consumption of inventories in the ordinary course of the Business consistent with past practice, including with respect to replenishment and inventory level maintenance, excepted); and (ix) prepare and file all tax returns that pertain to the Purchased Assets in a manner that is consistent with past practices.

(c) Notwithstanding Sections 5.5(a) and (b), and subject to the Communications Act and the rules and regulations of the FCC, except as expressly contemplated by this Agreement and without the prior consent of Purchaser, which consent shall not be unreasonably withheld or delayed, Seller in respect of the Station shall not: (i) enter into any contract to lease or purchase any real property; (ii) sell, lease (as lessor), transfer or otherwise dispose of (including any transfers to any Affiliates of Seller), or mortgage or pledge, or create, assume or permit to exist any Lien affecting any of the Purchased Assets, except for Permitted Liens, and other than inventory and personal property sold or otherwise disposed of or consumed in the ordinary course of the Business; (iii) create, incur or assume, or agree to create, incur or assume, any indebtedness for borrowed money; (iv) adopt or institute any material increase in any profit-sharing, bonus, incentive, deferred compensation, insurance, pension, retirement, medical, hospital, disability, welfare or other employee benefit plan with respect to its employees, other than in the ordinary course of the Business or as required by any such plan or by Law; (v) make any material change in the compensation of its employees, other than changes made in accordance with normal salary adjustments and consistent with past compensation practices; (vi) enter into any employment agreement for services to be performed on behalf of the Station or the Business, except for those employment agreements that (A) are for employees who replace former employees who resigned or who have been terminated, on similar terms and conditions and at comparable rates of compensation to those terms and conditions and rates of compensation provided to the former employees, (B) are terminable at will and without penalty, and (C) do not commit to employ an employee for more than one year or for an annual salary in excess of \$25,000 or more than \$25,000 in annual salary for all such employees in the aggregate; (vii) acquiesce in any infringement, unauthorized use or impairment of the Intellectual Property or change the Station's call sign; (viii) make a tax election, settle any material controversy with any taxing authority or change accounting methods or procedures if the election, settlement or change pertains to the Purchased Assets; or (ix) enter into any contract or agreement that could impose an obligation or liability on Purchaser of more than \$5,000 individually or more than \$10,000 in the aggregate (other than as provided in Section 5.5(c)(vi) above).

5.6 Environmental Site Assessment. Within sixty (60) days of the execution of this Agreement, Purchaser may retain an environmental consulting firm to complete a Phase I Environmental Assessment for any of the Seller Real Property (the "***Environmental Assessment***") and the cost of completing the Environmental Assessment will be paid by Purchaser. In the event the Environmental Assessment describes any environmental conditions or indicates any potential that such conditions may exist that could reasonably be expected to result in a liability of Purchaser, then Purchaser may conduct or have conducted at its expense additional testing to confirm or negate the existence of any such conditions. If any such Environmental Assessment or additional testing reflects the existence of any such conditions, Seller shall cause the conditions to be

remedied prior to Closing such that no recognized environmental conditions exist; provided, however, that if remediation cannot be accomplished prior to the scheduled Closing Date, but can be accomplished within sixty (60) days of such date, Seller may postpone the Closing in order to accomplish such remediation for the number of days up to sixty (60) necessary to accomplish such remediation; provided further, that Seller shall not be obligated to expend in the aggregate in excess of One Hundred Thousand Dollars (\$100,000) (the "**Environmental Remediation Cap**") to effect such remediation prior to Closing. In the event that the aggregate amount of the remediation cost with respect to such conditions that are identified prior to Closing exceeds the Environmental Remediation Cap, Seller may elect not to take such remedial action, and, if Buyer does not give a Continuation Notice (as hereinafter defined) by the date that is five (5) business days prior to the date scheduled for Closing, Seller may terminate this Agreement. Subject to the other provisions of this Section 5.6, such Environmental Assessment shall not relieve Seller of any obligation with respect to any representation, warranty or covenant of Seller in this Agreement or waive any condition to Purchaser's obligations under this Agreement. Notwithstanding anything to the contrary contained herein, if any such Environmental Assessment or additional testing reflects the existence of such conditions, Purchaser shall have the option to terminate this Agreement pursuant to Section 14.1(e)(i) or, by providing written notice to Seller (a "**Continuation Notice**") no later than the fifth (5th) business day prior to the date scheduled for closing, to proceed to Closing in accordance with the terms of this Agreement, in which case this Agreement shall remain in full force and effect and the cost of completing the remediation with respect to such conditions shall be paid by Purchaser.

5.7 Interim Financial Statements. Seller shall prepare and deliver to Purchaser, within ten (10) business days of the end of each calendar month, monthly statements of income and expenses for the Station during the period from the date hereof through the Closing, prepared in accordance with generally accepted accounting principles, consistently applied. Such monthly statements shall fairly present, in all material respects (subject to the addition of footnotes and customary adjustments which in the aggregate shall not be material to the Business), the financial condition and results of operations of the Station and the Business, as at the dates and for the periods indicated (subject to customary adjustments), and shall be prepared on a basis consistent and in accordance with the basis upon which the financial statements included in Schedule 3.5 were prepared.

5.8 Administrative Violation. If Seller receives any finding, order, complaint, citation or notice prior to the Closing Date which states that any aspect of the Station's operations violates any rule or regulation of the FCC or of any other Governmental Entity in any material respect (an "**Administrative Violation**"), Seller shall (i) promptly notify Purchaser of the Administrative Violation, (ii) except to the extent otherwise addressed in Section 5.6, use its commercially reasonable efforts to remove or correct the Administrative Violation (provided, however, that Seller may dispute, in good faith, the findings of any Administrative Violation), and (iii) be responsible for the payment of all costs associated therewith, including any fines or back pay that may be assessed, to the extent they relate to Administrative Violations occurring prior to the Closing; provided that nothing in this Section shall relieve Seller of its obligations with respect to the representations and warranties contained herein.

5.9 Bulk Sales Act. Seller shall indemnify, defend, and hold Purchaser harmless against any claims, liabilities, costs, or expenses, including reasonable attorneys' fees, that Purchaser may incur as a result of the failure to comply with the bulk sales provisions of the Uniform Commercial Code or similar laws with respect to the transactions contemplated hereby.

5.10 Adverse Developments. Seller shall promptly notify Purchaser of any materially adverse developments that occur prior to Closing with respect to the Purchased Assets, or the operation of the Station or the Business, or with respect to the FCC Application; provided, however, that compliance with the disclosure requirements of this Section 5.10 shall not relieve the notifying party of any obligation with respect to any representation, warranty or covenant of the notifying party in this Agreement or waive any condition to the other party's obligations under this Agreement and failure to comply shall not result in the waiver of any rights under this Agreement.

5.11 Update of Schedules. From time to time after the execution of this Agreement and prior to the Closing, Seller will use reasonable best efforts to promptly supplement or amend the Schedules delivered in connection herewith with respect to any matter which exists or occurs after the date of this Agreement and which, if existing or occurring at or prior to the date of this Agreement, would have been required to be set forth or described in the Schedules or which is necessary to correct any information therein, and Purchaser shall be bound to the terms of any changed Schedules should it elect to proceed with Closing.

5.12 No Solicitation Covenant. Seller shall not directly or indirectly (through it's a representative or otherwise) solicit or furnish any information to, encourage or respond to any inquiries or proposals or offers by, commence, or conduct presently ongoing, discussions or negotiations with, or enter into any agreement with, or otherwise cooperate in any other way with, any other party or any other party concerning (a) the sale of the Station, the Business or the Purchased Assets or any part thereof, (b) any merger, acquisition, consolidation, recapitalization, liquidation, dissolution or similar transaction involving the Purchased Assets, the Business or the Station, or (c) any transaction that would have an effect similar to the transactions described in (a) or (b) (each such transaction being referred to herein as a "***Proposed Acquisition Transaction***"); provided that communication solely of the negative covenant in this Section 5.12 shall not be a violation hereof.

5.13 Copies of FCC Applications. Seller shall promptly make available to Purchaser copies of any applications filed with the FCC with respect to the Station promptly after the filing of the same with the FCC.

5.14 Station Agreements. From the date of this Agreement through the Closing, Seller shall not modify or amend any existing Station Agreement in any material way without the prior written consent of Purchaser which shall not be unreasonably withheld or delayed.

6. ADDITIONAL AGREEMENTS.

6.1 Use and Transfer Taxes. Any sales, use or other transfer taxes payable by reason of transfer and conveyance of the Business, the Station or the Purchased Assets hereunder shall be paid by Seller. Except as otherwise provided in Section 5.4 and Section 2.3(b), all fees relating to any filing with any Governmental Entity required for transfer and conveyance of the Business, the Station or the Purchased Assets hereunder, shall be split equally by the parties.

6.2 Employees; Employee Benefit Plans.

(a) Purchaser may, but shall have no obligation to, employ or offer employment to any employees of Seller providing services to the Station.

(b) Seller shall be solely responsible for all obligations and liabilities, including, but not limited to, workers compensation and employee benefits, associated with all employees of Seller.

(c) Seller shall be responsible for all liabilities or obligations under the Worker Adjustment and Retraining Notification Act and any state law equivalent statutes resulting from its actions contemplated by this Agreement.

(d) Seller shall retain full responsibility and liability for offering and providing "continuation coverage" to any "covered employee" and any "qualified beneficiary" who is covered by a "group health plan" sponsored or contributed to by Seller whose coverage under such group health plan was attributable to a covered employee's employment performing services in connection with the Station and who has experienced a qualifying event or is receiving continuation coverage on or prior to the Closing. "Continuation coverage," "covered employee," "qualified beneficiary," "qualifying event" and "group health plan" all shall have the meanings given such terms under Section 4980B of the Code and Section 601 et seq. of ERISA.

(e) Seller will remain responsible for (i) all benefits payable to its employees who, as of the close of business on the day immediately preceding the Closing Date, were determined to be disabled in accordance with the applicable provisions of the health, accident, sickness, salary continuation, or short-term or long-term disability benefit plans or programs of Seller, (ii) all benefits payable to its employees, who as of the close of business on the business day immediately preceding the Closing Date, were receiving short-term disability benefits in accordance with the applicable provisions of the short term disability benefit plans or programs of Seller; and (iii) all benefits payable to employees of Seller who, as of the close of business on the business day immediately preceding the Closing Date, were on any type of leave.

6.3 Termination of Certain Arrangements. Except as otherwise may be agreed by the parties in this Agreement or otherwise, Purchaser and Seller acknowledge and agree that any and all services provided by Seller or any of its Affiliates to the Station and any other arrangements between Seller or its Affiliates and the Station shall automatically be terminated effective as of the Closing without any additional actions by the parties, and

that Seller and its Affiliates, on the one hand, and the Station, on the other, shall have no further obligations or liabilities to each other from and after the Closing.

7. CONDITIONS TO PURCHASER'S CLOSING.

All obligations of Purchaser under this Agreement shall be subject to the fulfillment at or prior to the Closing of the following conditions, it being understood that Purchaser may, in its sole discretion, waive any or all of such conditions in whole or in part:

7.1 Representations, Etc. Seller shall have performed in all material respects the covenants and agreements contained in this Agreement that are to be performed by it at or prior to the Closing, and the representations and warranties of Seller contained in this Agreement shall be true and correct as of the Closing Date with the same effect as though made at such time (except to the extent that they expressly speak as of a specific date or time other than the Closing Date, in which case they need only have been true and correct in all material respects as of such specified date or time) and except to the extent that the failure of all such representations and warranties to be true and correct would not, individually or in the aggregate, have a Material Adverse Effect.

7.2 FCC Order. The FCC Order shall have been granted and shall have become a Final Order.

7.3 FCC Licenses. On the Closing Date, Seller shall be the lawful holder of the FCC Licenses, the FCC Licenses shall be in full force and effect, in accordance with their terms, and the balance of the current license term shall be as stated in the Station's most recent grant of license renewal.

7.4 No Injunctions. No Order or temporary, preliminary or permanent injunction or restraining order shall have been entered by, or Law promulgated or enacted by, or suit, action proceeding or investigation instigated by and pending before, a Governmental Entity which prevents the consummation of the transactions contemplated hereby or would have the effect of (i) making any of the transactions contemplated hereby illegal or (ii) materially adversely affecting the value of the Purchased Assets.

7.5 Third Party Consents. All material Third Party Consents listed on Schedule 3.4 hereto shall have been obtained by Seller.

7.6 Material Adverse Effect. No Material Adverse Effect shall have occurred since the date of this Agreement.

7.7 Opinions of Counsel. Purchaser shall have received the written opinion of Seller's counsel, in its capacity as FCC and corporate counsel for Seller, dated as of the Closing Date, in form and substance reasonably satisfactory to Purchaser.

7.8 Closing Deliveries. Purchaser shall have received each of the documents or items required to be delivered to it pursuant to Section 9.1 hereof.

7.9 Changes to Schedules. None of the supplements or amendments to the Schedules delivered by Seller pursuant to Section 5.11 shall have set forth a material change to the Schedules as delivered on the date hereof and attached hereto as of the date hereof.

7.10 Satisfactory Environmental Assessment. To the extent that the Environmental Assessment or additional testing conducted pursuant to Section 5.6 hereof reflects the existence of conditions contrary to any representation or warranty in this Agreement or any conditions or any potential that conditions may exist that could reasonably be expected to result in a liability of Purchaser, either (i) Seller shall have completed the remediation of such conditions in accordance with Section 5.6 hereof and evidence thereof, reasonably satisfactory to Purchaser, shall have been provided to Purchaser or (ii) Buyer shall have provided a Continuation Notice to Seller.

7.11 License Renewal. If the Closing has not occurred prior to the first anniversary date of this Agreement, the FCC's grant of Seller's application to renew the Station's FCC Licenses for a full eight (8) year term shall have become a Final Order without any condition or qualification that is materially adverse to Seller, except those that are customary in the renewal of FM station licenses.

7.12 Interruption of Service. No event shall have occurred that shall have prevented (i) signal transmission by the Station at full license power from the Transmitter Site for a continuous period of three (3) days prior to Closing, or (ii) the Station from broadcasting its signal at full license power from its Transmitter Site on the Closing Date.

Notwithstanding the failure of any one or more of the foregoing conditions, to the extent permitted by law, Purchaser may proceed with the Closing without satisfaction, in whole or in part, of any one or more of such conditions and without written waiver; provided that Closing shall be deemed a waiver of any such conditions.

8. CONDITIONS TO SELLER'S CLOSING.

All obligations of Seller under this Agreement shall be subject to the fulfillment at or prior to the Closing of the following conditions, it being understood that Seller may, in its sole discretion, waive any or all of such conditions in whole or in part:

8.1 Representations, Etc. Purchaser shall have performed in all material respects the covenants and agreements contained in this Agreement that are to be performed by Purchaser as of the Closing, and the representations and warranties of Purchaser contained in this Agreement shall be true and correct in all material respects as of the Closing Date with the same effect as though made at such time (except to the extent that they expressly speak as of a specific date or time other than the Closing Date, in which case they need only have been true and correct in all material respects as of such specified date or time).

8.2 FCC Order. The FCC Order shall have been granted.

8.3 No Injunctions. No Order or temporary, preliminary or permanent injunction or restraining order shall have been entered by, or Law promulgated or enacted by, or suit, action proceeding or investigation instigated by and pending before, a Governmental Entity which would have the effect of (i) making any of the transactions contemplated hereby illegal or (ii) materially adversely affecting the value of the Purchased Assets.

8.4 Closing Deliveries. Seller shall have received each of the documents or items required to be delivered to it pursuant to Section 9.2.

Notwithstanding the failure of any one or more of the foregoing conditions, to the extent permitted by law, Seller may proceed with the Closing without satisfaction, in whole or in part, of any one or more of such conditions and without written waiver; provided that Closing shall be deemed a waiver of any such conditions.

9. DOCUMENTS TO BE DELIVERED AT THE CLOSING.

9.1 To Purchaser. At the Closing, Seller shall deliver to Purchaser:

(a) A bill of sale and assignment and assumption agreement, in form and substance reasonably satisfactory to Purchaser and Seller;

(b) A certificate of good standing of Seller issued as of a date no more than fifteen (15) days prior to the Closing Date by the Secretary of State of the State of South Carolina;

(c) A certified copy of the resolutions of Seller authorizing the execution and delivery of this Agreement;

(d) A certificate of non-foreign status of Seller, in accordance with Treas. Reg. 1.1445-2(b);

(e) A certificate, dated as of the Closing Date and signed by an authorized officer of Seller (but without personal liability), certifying that the conditions described in Section 7.1 have been satisfied.

(f) The Business Records;

(g) The Third Party Consents, which Seller shall have obtained as of the Closing Date;

(h) All other documents reasonably required to effectuate the transactions contemplated hereby as Purchaser may reasonably request; and

(i) Documents necessary to effectuate the transfer of the Transmitter Site.

9.2 To Seller. At the Closing, Purchaser shall deliver to Seller:

(a) The Purchase Price (as adjusted pursuant to Section 17.2) contemplated by Section 2.1 hereof, in the form of wire transfer or cashier's or certified check as Seller may direct;

(b) A bill of sale and assignment and assumption agreement, in form and substance reasonably satisfactory to Seller and Purchaser;

(c) A certificate, dated as of the Closing Date and signed by an authorized officer of Purchaser (but without personal liability), certifying that the conditions described in Section 8.1 have been satisfied; and

(d) All other documents to effectuate the transactions contemplated hereby as Seller may reasonably request.

10. **SURVIVAL.**

All representations, warranties, covenants and agreements made by any party to this Agreement or pursuant hereto shall be deemed to be material and to have been relied upon by the parties hereto and shall survive the Closing for a period of two (2) years; provided, however, that the representations and warranties contained or made in Sections 3.1, 3.2, 3.3, 3.8, 3.10, 3.11, 3.15, 3.16, 3.21, 4.1, 4.2 and 4.3 and any covenants to be performed in whole or in part after the Closing shall survive until sixty (60) days after the applicable statute of limitations, as the same may be waived or extended; provided, further, that if any claim has been asserted in accordance with Section 11 below prior to the expiration of the applicable survival period set forth in this Section 10, such claim will not be extinguished by the occurrence of such expiration and will survive until the final resolution thereof. The representations and warranties hereunder shall not be affected or diminished by any investigation at any time by or on behalf of the party for whose benefit such representations and warranties were made. No representation or warranty contained herein shall be deemed to be made at any time after the Closing Date.

11. **INDEMNIFICATION OF PURCHASER.**

From and after the Closing and subject to the limitations set forth in Sections 10 and 13, Seller shall indemnify and hold Purchaser, (including Purchaser's officers, directors, members, employees, agents and Affiliates) harmless from, against, for and in respect of:

(a) any and all damages, costs, losses, expenses, settlement payments, obligations, liabilities, claims, actions or causes of action, including, without limitation, costs of investigation and attorneys' fees and costs and expenses (collectively "**Damages**") suffered, sustained, incurred or required to be paid by Purchaser because of the breach of any written representation, warranty, agreement or covenant of Seller contained in this Agreement, any Seller Ancillary Agreement or any document or certificate to be executed and delivered by or on behalf of Seller pursuant hereto;

(b) any and all Damages arising out of the ownership and operation of the Station at any time prior to the Closing Date;

(c) any and all Damages arising out of the Excluded Assets referred to in Section 1.2 above or out of any Liabilities of Seller that are not Assumed Liabilities; and

(d) any and all Damages arising out of the Assumed Contracts in respect of periods prior to the Adjustment Time.

12. INDEMNIFICATION OF SELLER.

From and after the Closing and subject to the limitations set forth in Sections 10 and 13, Purchaser shall indemnify and hold Seller, (including Seller's officers, directors, members, employees, agents and Affiliates) harmless from, against, for and in respect of:

(a) any and all Damages suffered, sustained, incurred or required to be paid by Seller because of the breach of any written representation, warranty, agreement or covenant of Purchaser contained in this Agreement, any Purchaser Ancillary Agreement or any document or certificate to be executed and delivered by Purchaser pursuant to this Agreement;

(b) any and all Damages arising out of the ownership and operation of the Station on and after the Closing Date; and

(c) any and all Damages arising out of the Assumed Liabilities from and after the Adjustment Time.

13. GENERAL RULES REGARDING INDEMNIFICATION.

The obligations and liabilities of each indemnifying party hereunder with respect to claims resulting from the assertion of liability by the other party or indemnified third parties shall be subject to the following terms and conditions:

(a) The indemnified party shall give prompt written notice (which in no event shall exceed thirty (30) days from the date on which the indemnified party first became aware of such claim or assertion) to the indemnifying party of any claim which might give rise to a claim by the indemnified party against the indemnifying party based on the indemnity agreements contained in Section 11 or 12 hereof, stating the nature and basis of said claims and the amounts thereof, to the extent known.

(b) If any action, suit or proceeding is brought against the indemnified party with respect to which the indemnifying party may have liability under the indemnity agreements contained in Section 11 or 12 hereof, the action, suit or proceeding shall, upon the written acknowledgment by the indemnifying party that it is obligated to indemnify under such indemnity agreement, be defended (including all proceedings on appeal or for review) by the indemnifying party with counsel selected by the indemnifying party; provided that the indemnified party also shall have the right to employ its own counsel in any such case at the indemnified party's sole cost and expense. The indemnified party

shall be kept fully informed of such action, suit or proceeding at all stages thereof whether or not it is represented by separate counsel.

(c) The indemnified party shall make available to the indemnifying party and its attorneys and accountants all books and records of the indemnified party relating to such proceedings or litigation and the parties hereto agree to render to each other such assistance as they may reasonably require of each other in order to ensure the proper and adequate defense of any such action, suit or proceeding.

(d) The indemnified party shall not make any settlement of any claims without the prior written consent of the indemnifying party, which consent shall not be unreasonably withheld or delayed.

(e) If any claims are made by third parties against an indemnified party for which an indemnifying party would be liable, and it appears likely that such claims might also be covered by the indemnified party's insurance policies, the indemnified party shall make a timely claim under such policies and to the extent that such party obtains any recovery from such insurance, such recovery shall be offset against any sums due from an indemnifying party (or shall be repaid by the indemnified party to the extent that an indemnifying party has already paid any such amounts). The parties acknowledge, however, that if an indemnified party is self-insured as to any matters, either directly or through an insurer which assesses retroactive premiums based on loss experience, then to the extent that the indemnified party bears the economic burden of any claims through self-insurance or retroactive premiums or insurance ratings, the indemnifying party's obligation shall only be reduced by any insurance recovery in excess of the amount paid or to be paid by the indemnified party in insurance premiums.

14. TERMINATION.

14.1 Termination. This Agreement may be terminated by the mutual written consent of Purchaser and Seller, or, if the terminating party is not then in material breach of its obligations hereunder, upon written notice as follows:

(a) by Purchaser if Seller is in material breach of its obligations hereunder, such that the conditions set forth in Section 7.1 would not be satisfied as of the Closing, and such breach has not been cured by Seller within thirty (30) business days of written notice of such breach;

(b) by Seller if Purchaser is in material breach of its obligations hereunder, such that the conditions set forth in Section 8.1 would not be satisfied as of the Closing, and such breach has not been cured by Purchaser within thirty (30) business days of written notice of such breach;

(c) by Purchaser or Seller if the FCC Application is finally denied, or any transaction contemplated hereby is enjoined, permanently restrained or otherwise prohibited, by any Governmental Entity with no right to appeal or otherwise challenge such denial or injunction, restraining order or prohibition, as the case may be;

(d) by either Purchaser or Seller if the Closing has not occurred on or before the date which is twenty-four (24) months after the date hereof (the "**Outside Date**"); provided, however, that the failure of the Closing to have occurred on or before the Outside Date shall not be attributable to the breach of this Agreement by the party seeking termination pursuant to this Section 14.1(d);

(e) (i) by written notice from Purchaser, pursuant to the provisions of Section 5.6 or (ii) by written notice of Seller if Purchaser has not given a Continuation Notice by the fifth (5th) day prior to the date scheduled for Closing, pursuant to the provisions of Section 5.6.

(f) by Purchaser, pursuant to the provisions of Section 15 hereof; or

(g) by Purchaser, in the event Seller updates or amends the Schedules, in accordance with Section 5.11 hereof, and such update or amendment sets forth a material change to the Schedules as delivered on the date hereof and attached hereto as of the date hereof, or indicate a change to the business of the Station as described in the representations and warranties as modified by the Schedules as delivered on the date hereof and attached hereto as of the date hereof.

(h) In the event of termination of this Agreement by Seller due to the failure of Purchaser to perform its obligations under this Agreement and Seller is not in material breach of this Agreement, the Earnest Money and any accrued interest and earnings thereon shall be paid as liquidated damages to Seller and shall constitute full payment and the exclusive remedy for any damages suffered by Seller. In the event of termination of this Agreement for any reason other than that set forth in the immediately preceding sentence, the Earnest Money and any accrued interest and earnings thereon shall be returned to Purchaser, subject to the terms of any time brokerage agreements entered into between the parties. In the event of the Closing of this transaction, the Earnest Money and any accrued interest and earnings thereon shall be paid as set forth in Section 2.1.

14.2 Effect of Termination. In the event of termination of this Agreement pursuant to Section 14.1 above, all rights and obligations of the parties under this Agreement (other than the provisions of this Section 14 and Sections 5.3 and 17.1) shall terminate without any liability of any party to any other party, except for any liability of any party for any material breach of its obligations under this Agreement (subject to Sections 14.1(h) and 16).

15. RISK OF LOSS.

Seller shall bear the risk of all damage to, loss of or destruction of any of the Purchased Assets between the date of this Agreement and the Closing Date. If any material portion of the Purchased Assets (other than items that are obsolete and not necessary for the continued operations of the Station) shall suffer any material damage or destruction prior to the Closing Date, Seller shall promptly notify Purchaser in writing of such damage or destruction, shall promptly take all necessary steps to restore, repair or replace such assets at its sole expense, and shall advise Purchaser in writing of the

estimated cost to complete such restoration, repair or replacement and all amounts actually paid as of the date of the estimate. If any such assets cannot be repaired or replaced to the satisfaction of Purchaser prior to the Closing, Purchaser may, in its sole discretion, terminate this Agreement immediately upon written notice to Seller.

16. **SPECIFIC PERFORMANCE.**

The parties acknowledge that the Purchased Assets and the transactions contemplated hereby are unique, that a failure by a party to complete such transactions will cause irreparable injury to the other party, and that actual damages for any such failure may be difficult to ascertain and may be inadequate. Consequently, the parties agree that, in addition to any other legal or equitable remedies to which such party may otherwise be entitled: (i) prior to Closing, Purchaser shall be entitled, in the event of a failure by Seller to complete such transactions, to specific performance of any of the provisions of this Agreement; and (ii) following Closing, both Purchaser and Seller shall be entitled, in the event of a failure by the other party to complete such transactions, to specific performance of any of the provisions of this Agreement to be performed after the Closing. If any action is brought by a party against the other for failure by such party to complete such transactions, the party will waive the defense that there is an adequate remedy at law.

17. **MISCELLANEOUS PROVISIONS.**

17.1 **Expenses.** Except as otherwise expressly provided herein, each party shall pay the fees and expenses incurred by it in connection with the transactions contemplated by this Agreement. If any action is brought for breach of this Agreement or to enforce any provision of this Agreement, the prevailing party shall be entitled to recover court costs and reasonable attorneys' fees and expenses.

17.2 **Prorations.**

(a) All items of income and expense arising from the conduct of the Business and operation of the Station or the ownership and leasing of the Purchased Assets for periods on or before the Adjustment Time shall be for the account of Seller and thereafter shall be for the account of Purchaser. Proration of the items described below between Seller and Purchaser shall be effective as of the Adjustment Time and shall occur as follows with respect to those rights, liabilities and obligations of Seller transferred to and assumed by Purchaser hereunder.

(b) The prorations and adjustments to be made pursuant to this Section 17.2 are referred to as the "***Closing Date Adjustments.***" Three (3) business days prior to the Closing Date, Seller shall estimate all Closing Date Adjustments pursuant to this Section 17.2 and shall deliver a statement of its estimates to Purchaser (which statement shall set forth in reasonable detail the basis for those estimates). At the Closing, the net amount due to Purchaser or Seller as a result of the estimated Closing Date Adjustments (excluding any item that is in good faith dispute) shall be applied as an adjustment to the Purchase Price as appropriate. Within ninety (90) days after the Closing, Purchaser shall deliver to Seller a statement of any adjustments to Seller's estimate of the Closing Date

Adjustments, and no later than the close of business on the 20th day after the delivery of such statements (the "**Payment Date**"), Purchaser shall pay to Seller, or Seller shall pay to Purchaser, as the case may be, any amount due as a result of the adjustment (or, if there is any good faith dispute, the undisputed amount). Except with respect to items that Seller notifies Purchaser that it objects to prior to the close of business on the Payment Date, the adjustments set forth in Purchaser's statement shall be final and binding on the parties effective at the close of business on the Payment Date. If Seller disputes Purchaser's determinations, the parties shall confer with regard to the matter and an appropriate adjustment and payment shall be made as agreed upon by the parties within twenty (20) business days after such agreement (or, if they are unable to resolve the matter by such 20th day, they shall select a recognized firm of independent certified public accountants agreed to by Purchaser and Seller ("**Accounting Firm**") to resolve the matter, whose decision on the matter shall be binding and whose fees and expenses shall be borne equally by the parties, and an appropriate adjustment and payment shall be made based on the resolution by the Accounting Firm within twenty (20) business days after such Accounting Firm's determination). If the amount of taxes which are to be prorated pursuant to this Section 17.2 is not known by sixty (60) days after the Closing Date, then the amount of such taxes will be estimated as of such date and once the amount of such taxes is known, Purchaser shall promptly pay to Seller, or Seller shall promptly pay to Purchaser, as the case may be, the net amount due as a result of the actual apportionment of such taxes. Seller and Purchaser agree to assume, pay and perform all costs, liabilities and expenses allocated to each of them pursuant to this Section 17.2.

17.3 Amendment. This Agreement may be amended, modified or supplemented at any time but only by an instrument in writing signed by the parties hereto.

17.4 Notices. All notices and other communications hereunder shall be in writing and shall be deemed given (i) 72 hours after having been sent by certified mail, return receipt requested, or (ii) when delivered by a nationally recognized "next-day" delivery service, to the parties at the addresses set forth below (or at such other address for a party as shall be specified by like notice), or (iii) upon confirmation of receipt when sent by facsimile to the number set forth below (or such other number for a party as shall be specified by proper notice hereunder):

If to Purchaser:

AS Radio, LLC
5835 Lawrence Drive
Indianapolis, IN 46226
Attention: Alan Sneed, Managing Member
Telephone: (317) 541-0417
Fax: (317) 541-0418

with a copy to:

Dow, Lohnes & Albertson, PLLC
1200 New Hampshire Avenue, NW

Suite 800
Washington, D.C. 20036
Attention: John S. Logan, Esq.
Telephone: 202-776-2640
Fax: 202-776-2222

If to Seller:

Tri-City Radio, LLC
c/o American Media Services, LLC
1311 Chuck Dawley Blvd.
Suite 202
Mt. Pleasant, SC 29464
Attention: Edward Seeger
Telephone: 843-972-2200
Fax: 843-881-4436

with a copy to:

David Athell Collins, Esquire
General Counsel
American Media Services, LLC
1311 Chuck Dawley Boulevard
Suite 202
Mt. Pleasant, SC 29464
Telephone: (843) 972-2200
Fax: (843) 881-4436

17.5 Assignment. This Agreement may not be assigned by either party without the prior written consent of the other party; provided that Purchaser may assign this Agreement to its Affiliates without consent; provided, further, that no such assignment shall relieve Purchaser from any of its obligations hereunder. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, heirs and permitted assigns.

17.6 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

17.7 Headings. The headings of the Sections of this Agreement are inserted for convenience only and shall not constitute a part hereof.

17.8 Entire Agreement. This Agreement and the documents referred to herein contain the entire understanding of the parties hereto in respect of the subject matter contained herein. There are no restrictions, promises, warranties, conveyances or undertakings other than those expressly set forth herein. This Agreement supersedes any prior agreements and understandings between the parties with respect to the subject matter.

17.9 Waiver. Any term or provision of this Agreement may be waived, or the time for its performance may be extended, by the party or parties entitled to the benefit thereof. The failure of any party hereto to enforce at any time any provision of this Agreement shall not be construed to be a waiver of such provision, nor in any way to affect the validity of this Agreement or any part hereof or the right of any party thereafter to enforce each and every such provision. No waiver of any breach of this Agreement shall be held to constitute a waiver of any other or subsequent breach. No attempted waiver of compliance with any provision or condition hereof, or consent pursuant to this Agreement, will be effective unless evidenced by an instrument in writing by the party against whom the enforcement of any such waiver or consent is sought.

17.10 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee without regard to the conflicts of laws principles thereof.

17.11 Intended Beneficiaries. The rights and obligations contained in this Agreement are hereby declared by the parties hereto to have been provided expressly for the exclusive benefit of such entities as set forth herein and shall not benefit, and do not benefit, any unrelated third parties.

17.12 Severability. If any one or more of the provisions contained in this Agreement should be found invalid, illegal or unenforceable, in any respect, the validity, legality, and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby. Any illegal or unenforceable term shall be deemed to be void and of no force and effect only to the minimum extent necessary to bring such term within the provisions of applicable law and such term, as so modified, and the balance of this Agreement shall then be fully enforceable.

17.13 Mutual Contribution. The parties to this Agreement and their counsel have mutually contributed to its drafting. Consequently, no provision of this Agreement shall be construed against any party on the ground that such party drafted the provision or caused it to be drafted or the provision contains a covenant of such party.

17.14 Certain Definitions. Unless otherwise stated in this Agreement, the following terms when used herein shall have the meanings assigned to them below (such meanings to be equally applicable to both the singular and plural forms of the terms defined).

“Affiliates” of a party shall mean persons or entities that directly, or indirectly through one or more intermediaries, control or are controlled by, or are under common control with, such party.

“CERCLA” means the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§ 9601 et seq., as amended.

“Environmental Conditions” means the state of the environment, including soil, surface water, ground water, any drinking water supply, subsurface strata or ambient air.

“Environmental Laws” shall mean any and all state, federal, and local statutes, regulations and ordinances relating to the protection of human health and the environment.

“Environmental Reports” means any and all written analyses, summaries or explanations, known by, and identified in the environmental records of, Seller of Seller’s compliance with, or liability under, any Environmental Laws related to the Station.

“Final Order” shall mean an action of the FCC or its staff that is no longer subject to administrative or judicial action, review rehearing or appeal.

“Governmental Entity” shall mean any court, arbitrator, department, commission, board, bureau, agency, authority, instrumentality or other body, whether federal, state, municipal, foreign or other.

“Law” shall mean any statute, law, ordinance, rule or regulation.

“Liability” shall mean and include any direct or indirect indebtedness, guaranty, endorsement, claim, loss, damage, deficiency, cost, expense, obligation or responsibility, fixed or unfixed, known or unknown, asserted or unasserted, liquidated or unliquidated, secured or unsecured.

“Liens” shall mean, statutory or otherwise, security interests, claims, pledges, licenses, equities, options, conditional sales contracts, assessments, levies, charges or encumbrances of any nature whatsoever.

“Material Adverse Effect” or “material adverse effect” shall mean a material adverse effect on the Business, results of operations, Purchased Assets, liabilities or financial condition of Seller or the Station, taken as a whole, but shall specifically exclude any material adverse effect caused by (a) factors affecting the radio industry generally or the market in which the Station operates; (b) general, national, regional or local economic or financial conditions or (c) new governmental or legislative laws, rules or regulations.

“Order” shall mean any order, writ, injunction, judgment, plan or decree of any Governmental Entity.

“Permitted Liens” shall mean (a) Liens for taxes not yet due and payable, or (b) Liens for which a proration adjustment is made pursuant to Section 17.2 of this Agreement.

17.15 Definitions.

<u>Term</u>	<u>Section</u>
Accounting Firm	Section 17.2(b)
Adjustment Time	Section 2.3(a)
Administrative Violation	Section 5.8
Agreement	Preamble

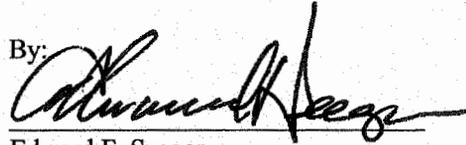
<u>Term</u>	<u>Section</u>
Assumed Contracts	Section 1.1(i)
Assumed Liabilities	Section 1.3
Business	Section 1.1
Business Records	Section 1.1(h)
Closing	Section 2.3(a)
Closing Date	Section 2.3(a)
Closing Date Adjustments	Section 17.2(b)
Continuation Notice	Section 5.6
Damages	Section 11(a)
Earnest Money	Section 2.1
Effective Date	Preamble
Environmental Assessment	Section 5.6
Environmental Remediation Cap	Section 5.6
Escrow Agent	Section 2.1
Escrow Agreement	Section 2.1
Excluded Assets	Section 1.2
Excluded Liabilities	Section 1.4
FCC	Recital
FCC Application	Section 2.3(b)
FCC Licenses	Section 1.1(a)
FCC Order	Section 2.3(c)
Financial Statements	Section 3.5(a)
Governmental Permits	Section 3.11
Intellectual Property	Section 3.13
Outside Date	Section 14.1(d)
Payment Date	Section 17.2(b)
Personal Property	Section 3.10
Proposed Acquisition Transaction	Section 5.12
Purchase Price	Section 2.2
Purchased Assets	Section 1.1
Purchaser	Preamble
Purchaser Ancillary Agreements	Section 4.2
Purchaser's Representatives	Section 5.1
Seller	Preamble
Seller Ancillary Agreements	Section 3.2
Seller Real Property	Section 3.9(a)
Station	Recital
Station Agreements	Section 3.20
Third Party Consent	Section 3.4
Transmitter Site	Section 1.1(b)

[SIGNATURES ON FOLLOWING PAGE]

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

Tri-City Radio, LLC

By:



Edward F. Seeger
Managing Member

ASRadio, LLC

By:

Alan Sneed
Managing Member

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

Tri-City Radio, LLC

By:

Edward F. Seeger
Managing Member

ASRadio, LLC

By:



Alan Sneed
Managing Member

Schedules

Schedule 1.1(a)	FCC Licenses
Schedule 1.1(c)	Equipment
Schedule 1.1(d)	Personal Property
Schedule 1.1(e)	Call Letter Applications
Schedule 1.1(i)	Assumed Contracts
Schedule 1.2(l)	Excluded Assets
Schedule 3.4	Third Party Consents
Schedule 3.5	Financial Statements
Schedule 3.8	Title to Purchased Assets
Schedule 3.9	Seller Real Property
Schedule 3.11	Governmental Permits
Schedule 3.12	Application; Action or Proceeding
Schedule 3.13	Intellectual Property
Schedule 3.14	Required Reports
Schedule 3.16(e)	Environmental Matters
Schedule 3.21	Excluded Liabilities