

ASSET PURCHASE AGREEMENT

EFFECTIVE DATE: 12/20, 2004

THIS ASSET PURCHASE AGREEMENT (the "Agreement") is entered into by and among CHURCHILL COMMUNICATIONS I, LLC, an Oregon limited liability company ("Buyer"), and EXTRA MILE MEDIA, INC., an Oregon corporation, ("Seller").

RECITALS

1. Seller is the licensee of Radio Station KEED AM 1600 in Eugene, Oregon (the "Station") pursuant to authorizations issued by or permits on file with the Federal Communications Commission (the "FCC").
2. Seller desires to sell, and Buyer desires to buy, substantially all the assets that are used or useful in the operation of the Station, for the price and on the terms and conditions set forth in this Agreement.

AGREEMENTS

ACCORDINGLY, the Buyer and the Seller agree as follows:

1. Definitions

Certain terms are defined in the text of this Agreement. The following terms, as used in this Agreement, shall have the meanings set forth in this Section:

"Assets" means the assets to be sold, transferred, or otherwise conveyed to Buyer under this Agreement, as specified in Section 2. 1.

"Assumed Contracts" means (i) all Contracts listed in Schedule 2.1(c), (ii) any Contracts for the sale of time on the Station for cash which are in existence on the Closing Date and which were entered into in the ordinary course of business after notification to Buyer, and (iii) any Contracts entered into by Seller between the date of this Agreement and the Closing Date that Buyer agrees in writing to assume.

"Closing" means the consummation of the purchase and sale of the Assets pursuant to this Agreement in accordance with the provisions of Section 12.

"Closing Date" means the date on which the Closing occurs, as determined pursuant to Section 12.

"Consents" means the consents, permits, or approvals of government authorities and

other third parties (including the consent of the FCC) necessary to transfer the Assets to Buyer or otherwise to consummate the transactions contemplated by this Agreement.

"Contracts" means all contracts, leases, non-governmental licenses, and other agreements (including leases for personal or real property and employment agreements), written or oral (including any amendments and other modifications) to which Seller is a party or which are binding upon Seller and which relate to or affect.

"FCC" means the Federal Communications Commission.

"FCC Consent" means action by the FCC granting its consent to the assignment of the FCC Licenses to Buyer as contemplated by this Agreement.

"FCC Licenses" means all Licenses (including permits and special temporary authorizations) issued by the FCC in connection with the business or operations of the Station.

"Final Order" means an action by the FCC that has not been reversed, stayed, enjoined, set aside, annulled, or suspended, and with respect to which no requests are pending for administrative or judicial review, reconsideration, appeal, or stay, and the time for filing any such requests and the time for the FCC to set aside the action on its own motion have expired.

"Intangibles" means all copyrights, trademarks, trade names, service marks, service names, licenses, patents, permits, jingles, call letters, channel designations, proprietary information, technical information and data, machinery and equipment warranties, and other similar intangible property rights and interests, and any goodwill associated with the Station, applied for, issued to, or owned by Seller or under which Seller is licensed or franchised and all other intangible assets of Seller which are used or useful in the operation of the Station, together with any additions to such rights and interests between the date of this Agreement and the Closing Date.

"LMA" has the meaning set forth in Section 4.

"Licenses" means all licenses, permits, and other authorizations issued by the Federal Communications Commission or any other federal, state, or local governmental authorities in connection with the conduct of the business or operations of the Station, including the FCC Licenses, together with any additions to such licenses, permits and authorizations applied for or granted by the FCC between the date of this Agreement and the Closing Date.

"Liens" means any claims, liabilities, security interests, mortgages, liens, pledges, conditions, charges or encumbrances of any nature whatsoever.

"Permitted Liens" means liens, easements, rights-of-way and restrictions on the Assets which do not interfere adversely with the marketability or use of such property.

"Purchase Price" means the purchase price specified in Section 2.4.

"Tangible Personal Property" means all equipment, tools, leasehold improvements, inventory, spare parts, and other tangible personal property which are used or useful in the operation of the Station, together with any additions to such personal property between the date of this Agreement and the Closing Date.

2. Purchase and Sale of Assets

2.1 Station Assets: Subject to the terms and conditions set forth in this Agreement, Seller hereby agrees to sell, transfer, and deliver to Buyer on the Closing Date, and Buyer agrees to purchase on the Closing Date, all of the tangible and personal intangible assets, used or useful in the operation of the Station listed on Schedule 2.1 attached hereto, together with any additions to such assets between the date of this Agreement and the Closing Date (the "Assets") free and clear of any Liens (except for Permitted Liens). The Assets shall include the following:

(a) **Tangible Personal Property.** The tangible property listed and described on Schedule 2.1 attached hereto and any additions and improvements thereto between the date of this Agreement and the Closing Date (collectively, the "Tangible Personal Property").

(b) **Licenses and Authorizations.** All licenses, authorizations, permits and approvals issued, and FCC applications pending, with respect to the Station, including without limitation, all rights in and to the Station's call letters and any variations thereof and the FCC Authorizations, including without limitation, those listed on Schedule 2.1(b) attached hereto.

(c) **Assumed Contracts.** Those contracts or agreements listed and described on Schedule 2.1(c) (collectively, "Contracts").

(d) **Intangibles.** All trademarks, trademark applications, trademark registrations, trade names, service marks, service mark applications, service mark registrations, copyrights, copyright applications, copyright registrations, franchises, slogans, procedures, jingles, logotypes and other intangible rights, including rights of any nature therein used or held for use or licensed in connection with the business and operation of the Station, including without limitation all right, title and interest in and to the marks consisting of any of the Station call letters and any and all varieties thereof, and the good will symbolized by and associated therewith and with the Station.

(e) **Proprietary Information.** All of Seller's proprietary information, technical information and data, machinery and equipment warranties, maps, computer discs and tapes, plans, diagrams, blueprints, and schematics (including filings with the FCC relating to the business and operation of the Station).

(f) **Choses in Action.** All choses in action of Seller relating to the Station; all books and records relating to the business or operations of the Station, including all records required by the FCC to be kept by the Station and executed copies of the Assumed Contracts.

(g) **Files and Records.** All files and other records of the Station, including without limitation all FCC logs, public inspection files, and other records that related to the business of the Station.

(h) **Lease Rights.** All of Seller's interests in the real property and improvements relating to the Radio Tower as set forth in Schedule 7.6, attached hereto.

2.2 **Excluded Assets.** There shall be excluded from the Station Assets and retained by Seller those rights and interests of Seller listed and described on Schedule 2.2 ("Excluded Assets").

2.3 **Liabilities.**

(a) The Station Assets shall be sold and conveyed to Buyer free and clear of all mortgages, liens, deeds of trust, security interests, pledges, restrictions, prior assignments, charges, claims, defects in title and encumbrances of any kind or type whatsoever (collectively "Liens").

(b) Pursuant to the execution of an assignment and assumption agreement at Closing Buyer shall assume the obligations of Seller for the following Contracts:

(i) Lease with City of Eugene for property described on schedule 7.6.

(ii) Except as otherwise provided herein, Buyer is not assuming or liable or, and does not undertake to assume or discharge (a) any liability or obligation of Seller arising out of or relating to any contract, lease, agreement or instrument; (b) any liability or obligation of Seller relating to employment and all employees of Seller at or related to the Station shall have been lawfully and finally discharged from employment by Seller as of Closing Date; (c) any liability or obligation of Seller arising out of or relating to any litigation, proceeding or claim (whether or not such litigation, proceeding or claim is pending, threatened or asserted before, on or after the Closing Date; (d) any other liabilities, obligations, debts or commitments of Seller whatsoever, whether accrued now or hereafter, whether fixed or contingent, whether known or unknown.

(v) Buyer shall have no obligation or liability due to or because of any past service liability, vested benefits, retirement plan insolvencies or other retirement plan or past employment obligation under local, state, federal law resulting from the purchase of the Station.

2.4 **Purchase Price**

(a) The purchase price for the Assets (the "Purchase Price" shall be Two Hundred Twenty Five Thousand Dollars (\$225,000.00), to be paid as follows:

(i) Upon execution of this Agreement Buyer shall deposit Five Thousand Dollars (\$5,000) with the parties' escrow agent.

(ii) At Closing, Buyer shall deliver to Seller Fifty Thousand Dollars (\$50,000.00) which shall include the \$5,000 Deposit.

(iii) The balance of One Hundred Seventy Five Thousand Dollars (\$175,000) shall be evidenced by a Promissory Note which shall accrue interest at 4.5% per annum and payable in equal monthly payments of \$3,991 including interest over a term of four (4) years from the date of closing. The Note shall restrict Buyer's right to prepay all or any portion of the balance of the Note for one (1) year.

2.5 Allocation of Purchase Price. Buyer and Seller shall file all tax returns and statements in accordance with the following allocation of the Purchase Price:

Tangible Personal Property	\$200,000
Lease Rights	\$ 20,000
Licenses	\$ 5,000
Total:	\$225,000

3. Due Diligence

Following execution of this Agreement by both parties, Buyer shall have thirty (30) days from the date that Seller provides Buyer with the documents evidencing the items enumerated in Section 2.3(b), 7.4, 7.5, 7.6, 7.7, 7.9, 7.10, 7.13, 7.14, 7.15 and the schedules listed therein, in which to conduct and complete its due diligence review of the assets and obligations being acquired or assumed hereunder. If within that Forty Five Day Period, Buyer elects for any reason not to go forward with the proposed transaction, Buyer shall promptly notify Seller in writing of its decision and Buyer and Seller shall have no further obligations to one another. If Buyer fails to notify Seller within the Forty Five day period afforded for due diligence review, Buyer and Seller shall otherwise be bound by the terms of this Agreement as set forth herein. Buyer agrees to undertake, pursue and complete its due diligence review with all dispatch in an effort to complete this review as soon as reasonably possible. In the event Buyer's review is completed in less than the allowable time, Buyer will promptly notify the Seller of its decision of satisfaction or non-satisfaction.

4. LMA.

Seller is agreeable to entering into a Local Marketing Agreement ("LMA") with Buyer covering an agreed portion of the period prior to Closing on terms usual and customary for such agreements, at a cost of \$2,100 per month through March 31, 2005, with Buyer to pay in addition all operating costs relating to the Station. Buyer and Seller agree that if the closing contemplated hereunder has not occurred by March 31, 2005 that the monthly LMA payment shall be adjusted to reflect the average monthly net revenues collected during the second quarter of the 2004 calendar year. It shall be Buyer's option whether or not to enter into such an LMA.

5. Application for FCC Consent.

As soon as possible, but in no event later than ten (10) calendar days after Buyer completes its due diligence review of the assets, Seller and Buyer shall file an application with the FCC (the "Application") requesting its consent to the assignment of the FCC Authorizations to Buyer from Seller and for the consummation of the transactions contemplated by this Agreement. Seller shall cooperate fully in the preparation and submission of the Application and diligently take all steps that are necessary, proper or desirable to expedite the prosecution of the Application to a favorable conclusion. Seller shall promptly provide Buyer with a copy of any pleading, order or other document served on either of them (or otherwise received) relating to the Application. Seller shall furnish all information required by the FCC and shall be represented at all meetings or hearings scheduled to consider such Application. In the event that Closing occurs hereunder prior to a "Final" FCC Consent, then Seller's obligations under this section shall survive the Closing and shall continue to so apply until the FCC Consent becomes Final. For purposes of this Agreement, the term "Final" shall mean that action shall have been taken by the FCC (including action duly taken by the FCC's staff, pursuant to delegated authority) that has not been reversed, stayed, enjoined, set aside, annulled or suspended, and with respect to which the passage of time has precluded all timely requests for stay, petition for rehearing, review or reconsideration, appeal, petition for review or certiorari, and has precluded any action of the FCC on its own motion or initiative with comparable effect. If the Closing occurs prior to FCC Consent becoming Final and the FCC Consent subsequently is reversed or otherwise set aside, and there is a Final order of the FCC (or court of competent jurisdiction) requiring the re-assignment of the FCC Authorizations to Seller, then the purchase and sale of the Station Assets shall be rescinded. In such event, Buyer shall recovery to Seller the Station Assets, and Seller shall repay to Buyer the Purchase Price and reassume the Contracts assigned and assumed at Closing. Any such rescission shall be consummated on a mutually agreeable date within thirty (30) days of such final order (or, if earlier, within the time required by such order). In connection therewith, Buyer and Seller shall each execute such documents (including execution by Buyer of instruments of conveyance of the Station Assets to Seller and execution by Seller of instruments of assumption of the Contracts assigned and assumed at Closing) and make such payments (including repayment by Seller to Buyer of the Purchase Price) as are necessary to give effect to such rescission.

6. Allocations and Adjustments.

Up until the Closing Date the operation of the Station and the income and expenses attributable thereto shall be for the account of Seller, including without limitation utility charges, state and local property taxes, wages and salaries, vacation, insurance premiums on policies assigned at Closing (if any), the Commission's Annual License fee and any other applicable governmental license or franchise fees relating to the business, ASCAP, BMI, SESAC and other music license fees, frequency discounts and prepayments on advertising and barter agreements, rents, and prepaid items and deferred income not specifically covered by other articles of this Agreement. Thereafter, operation of the Station shall be for the account of Buyer. Such income and expense shall be prorated between Buyer and Seller in accordance with generally accepted

accounting principles, and to the extent feasible and adjustments will be determined and paid on the Closing Date, with final settlement within ninety (90) days thereafter.

7. Representations and Warranties of Seller

Seller jointly and severally represents and warrants to Buyer as follows:

7.1 Organization, Standing, and Authority. Seller is an Oregon corporation, duly organized, validly existing, and in good standing under the laws of the State of Oregon. Seller has all requisite power and authority:

- (a) to own, lease, and use the Assets as now owned, leased, and used;
- (b) to conduct the business and operations of the Station as now conducted;
- (c) to execute and deliver this Agreement and the documents contemplated by this Agreement; and
- (d) to perform and comply with all of the terms, covenants, and conditions to be performed and complied with by it under this Agreement.

7.2 Authorization and Binding Obligation. The execution, delivery, and performance of this Agreement by Seller has been duly authorized by all necessary actions on the part of Seller. This Agreement has been duly executed and delivered by Seller and constitutes the legal, valid, and binding obligation of Seller, enforceable against it in accordance with its terms, except as the enforceability of this Agreement may be affected by bankruptcy, insolvency, or similar laws affecting creditors' rights generally, and by judicial discretion in the enforcement of equitable remedies.

7.3 Absence of Conflicting Agreements. Subject to obtaining the Consents discussed in this Agreement the execution, delivery, and performance of this Agreement and the documents contemplated by this Agreement (with or without the giving of notice, the lapse of time, or both):

- (a) do not require the consent of any third party;
- (b) will not conflict with any provision of the organizational documents of Seller;
- (c) will not conflict with, result in a breach of, or constitute a default under, any law, judgment, order, ordinance, injunction, decree, rule, regulation, or ruling of any court or governmental authority to which Seller is subject;
- (d) will not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance

required by the terms of, any agreement, instrument, license, or permit to which Seller is a party or by which Seller may be bound; and

(e) will not create any Lien upon any of the Assets.

7.4 Governmental Licenses. Schedule 2.3 contains a correct and complete list of the Licenses. Seller shall deliver to Buyer correct and complete copies of the Licenses (including any amendments and other modifications). The Licenses have been validly issued, and Seller is the authorized legal holder of the Licenses. The Licenses listed on Schedule 2.3 comprise all of the licenses, permits, and other authorizations required from any governmental or regulatory authority for the lawful conduct of the business and operations of the Station in the manner and to the full extent it is now conducted, and none of the Licenses is subject to any restriction or condition that would limit the full operation of the Station as now operated. The Licenses are in full force and effect, and to Seller's knowledge the conduct of the business and operations of the Station is in compliance with the Licenses. Seller has no reason to believe that any of the Licenses would not be renewed by the FCC or other granting authority in the ordinary course. Seller is not in breach or violation of the terms of any of the FCC Licenses.

7.5 Title to and Condition of Tangible Personal Property. Schedule 2.1 contains a correct and complete list of all items of Tangible Personal Property. The Tangible Personal Property comprises all items of tangible personal property necessary for the lawful conduct of the business and operations of the Station as now conducted. Except as described in Schedule 2.1, Seller owns and has good title to each item of Tangible Personal Property, and none of the Tangible Personal Property is subject to any Lien except for Permitted Liens. Each item of Tangible Personal Property is available for immediate use in the business and operations of the Station. All items of transmitting and studio equipment included in the Tangible Personal Property:

- (a) have been maintained in a manner consistent with generally accepted standards of good engineering practice; and
- (b) will permit the Station and any auxiliary broadcast stations used in the operation of the Station to operate in accordance with the terms of the FCC Licenses and the rules, regulations and published policies of the FCC, and with all other applicable federal, state, and local statutes, ordinances, rules, and regulations.

7.6 Title to and Condition of Leased Property and Radio Tower. Schedule 7.6 contains a description of the Leased Property (including the location of all improvements thereon), which comprises the real property interest necessary to conduct in all material respects the operations of the Station's Radio Tower. To Seller's knowledge, all towers, guy anchors, and buildings and other improvements and equipment included in the Assets are located entirely on the Lease Property. Seller has delivered to Buyer true and complete copies of all leases or other instruments to which Seller is a party pertaining to the Leased Property (including any and all amendments and other modifications of such instruments), all of which instruments, to the Seller's knowledge, are valid, binding and enforceable in accordance with their terms, except as indicated in Schedule 7.6. To Seller's knowledge no party is in breach of any material term of

any of such leases or other instruments. To Seller's knowledge, the tower located on the Leased Property was constructed in accordance with all applicable building regulations, is structurally sound, and currently complies with all Federal Aviation Administration and FCC requirements. To Seller's knowledge, the Leased Property (including the improvements thereon) is in good condition and repair consistent with its present use and is available for immediate use in the conduct of the operations of the Station. To Seller's knowledge, Seller has full legal and practical access to the Leased Property, subject to applicable lease terms.

7.7 Assumed Contracts. Schedule 2.1(c) contains a correct and complete list of the Assumed Contracts. Seller has delivered to Buyer correct and complete copies of all written Contracts and correct and complete memoranda of all oral Contracts (including any amendments and other modifications to such Contracts). Other than the Assumed Contracts listed on Schedule 2.1(c), Seller requires no other Contract to enable it to carry on the business of the Stations as now conducted. All of the Assumed Contracts are in full force and effect, and are valid, binding, and enforceable in accordance with their terms. There is not under any Assumed Contract any default by any party or any event that, after notice or lapse of time or both, could, constitute a default. Seller is not aware of any intention by any party to any Assumed Contract: (i) to terminate such contract or amend its terms; (ii) to refuse to renew the Assumed Contract upon expiration of its term; or (iii) to renew the Assumed Contract upon expiration only on terms and conditions which are more onerous than those now existing. Except for the need to obtain the Consents listed in Section 5, Seller has: full legal power and authority to assign its rights under the Assumed Contracts to Buyer in accordance with this Agreement, and such assignment will not affect the validity, enforceability, or continuation of any of the Assumed Contracts.

7.8 Consents. Except for the FCC Consent provided for in Sections 1 and 5, no consent, approval, permit, or authorization of, or declaration to or filing with any governmental or regulatory authority, or any other third party is required:

- (a) to consummate this Agreement and the transactions contemplated by this Agreement;
- (b) to permit Seller to assign or transfer the Assets to Buyer; or
- (c) to enable Buyer to conduct the business and operations of the Stations in essentially the same manner as such business and operations are now conducted.

7.9 Intangibles. Schedule 7.9 identifies all documents establishing or evidencing the Intangibles. Seller is the sole owner of the Intangibles. Seller is not: infringing upon or otherwise acting adversely to any trademarks, trade names, service marks, service names, copyrights, patents, patent applications, know-how, methods, or processes owned by any other person or persons, and there is no claim or action pending, or to Seller's knowledge threatened, with respect thereto.

7.10 Insurance. Set forth on Schedule 7.10 is a correct and complete description of the insurance policies issued with respect to the Station. All policies of insurance covering the Assets are in full force and effect and are adequate in amount with respect to, and for the full value

(subject to customary deductibles) of, the Assets, and insure the Assets and the business of the Station against all customary and foreseeable risks. During the past three years, no insurance policy of Seller on the Assets or the Station has been canceled by the insurer and no application of Seller for insurance has been rejected by any insurer.

7.11 Reports. All returns, reports, and statements required to be filed by Seller with the FCC or with any other governmental agency with respect to the Station have been filed. All of such returns, reports, and statements are correct and complete as filed. Seller has timely paid to the FCC all annual regulatory fees required to be paid by Seller with respect to the FCC Licenses.

7.12 Taxes. Seller has filed or caused to be filed all federal income tax returns and all other federal, state, county, local, or city tax returns which are required to be filed, and it has paid or caused to be paid all taxes shown on those returns or on any tax assessment received by Seller to the extent that such taxes have become due, or has set aside on its books adequate reserves (segregated to the extent required by generally accepted accounting principles) with respect thereto. There are no governmental investigations or other legal, administrative, or tax proceedings pursuant to which Seller is or could be made liable for any taxes, penalties, interest, or other charges, the liability for which could extend to Buyer as transferee of the business of the Station, and to Seller's knowledge, no event has occurred, that could impose on Buyer any transferee liability for any taxes, penalties, or interest due or to become due from Seller.

7.13 Title to Properties. Except as disclosed on Schedule 7.13, Seller has good and marketable title to the Assets.

7.14 Claims and Legal Actions. Except for any FCC ruling or proceedings generally affecting the broadcasting industry or as listed on Schedule 7.14, there is no claim, legal action, counterclaim, suit, arbitration, governmental investigation or other legal or administrative proceeding, nor any order, decree or judgment, in progress or pending, or to Seller's knowledge threatened, against or relating to Seller or otherwise relating to the Assets or the business or operations of the Station, nor does Seller know or have reason to be aware of any basis for the same. In particular, but without limiting the generality of the foregoing, except as set forth in Schedule 7.14 there are no applications, complaints or proceedings pending or, to Seller's knowledge threatened:

(a) before the FCC relating to the business or operations of the Station other than rule making proceedings which affect the radio industry generally;

(b) before any federal or state agency relating to the business or operations of the Station involving charges of illegal discrimination under any federal or state employment laws or regulations; or

(c) before any federal, state, or local

7.15 Environmental Matters. Except as disclosed on Schedule 7.15 to Sellers' knowledge:

(a) no Hazardous Substances are located on or about the leased property unless in the case of equipment containing PCBs, such PCBs are properly contained and labeled;

(b) the leased property has not been used for the manufacture, refining, treatment, storage or disposal of any Hazardous Substances by Seller or to Seller's knowledge, any other party;

(c) no "underground storage tank" is located on the leased property; and

(d) the operation of the Stations complies with all Environmental Laws, including those relating to electrical transformers and an exposure to radio frequency radiation. For purposes of this Section 7.15, "Environmental Laws" shall mean any law pertaining to land use, air, soil, surface water, groundwater (including the protection, cleanup, removal, remediation damage thereof), or any other environmental matter, including, without limitation, the following laws as the same may be amended from time to time: (a) Clean Air Act (42 U.S.C. § 740 1, *et seq.*); (b) Clean Water Act (33 U.S.C. § 125 1, *et seq.*); (c) Resource Conservation and Recovery Act (42 U. S.C. § 6909 1, *et seq.*); (d) Comprehensive Environmental Response, Compensation and Liability Act (42 U. S.C. § 960 1, *et seq.*, agency relating to the business or operations of the Station involving zoning issues under any federal, state, or local zoning law, rule, or regulation. ("CERCLA"); (e) Safe Drinking Water Act (42 U. S.C. 3 00f, *et seq.*); (f) Toxic Substance Control Act (15 U.S.C. § 260 1, *et seq.*); and (g) Occupational Safety and Health Act (29 U.S.C. § 65 1, *et seq.*). For purposes of this Section, "Hazardous Substances" shall mean any pollutant, contaminant, hazardous or toxic substance, material, constituent or waste or any pollutant that is labeled or regulated as such by any governmental authority pursuant to an Environmental Law or that is labeled or regulated as such by any governmental authority and includes asbestos and asbestos containing materials, PCB, and any material or substance that is: (a) designated as a "hazardous substance" pursuant to 33 U.S.C. § 1317; (b) defined as a "hazardous waste" pursuant to 42 U.S.C. § 6903; (c) defined as a "hazardous substance" pursuant to Section 10 1 of CERCLA; or (d) is so designated or defined under any other applicable requirements of law. Seller has provided Buyer with copies of any environmental audits or inspections to which Seller has access with respect to the Leased property.

7.16 Compliance with Laws. Seller has complied with the Licenses and all federal, state, and local laws, rules, regulations, and ordinances applicable or relating to the ownership and operation of the Station. Neither the ownership or use of the properties of the Station nor the conduct of the business or operations of the Station conflicts with the rights of any other person or entity.

7.17 Full Disclosure. No representation or warranty made by Seller in this Agreement or in any certificate, document, or other instrument furnished or to be finished by Seller pursuant to this Agreement contains or will contain any untrue statement of a material fact, or omits or will omit to state any material fact required to make any statement made in this Agreement or such other certificate, document or instrument not misleading.

8. Representations and Warranties of Buyer

Buyer represents and warrants to Seller as follows:

8.1 Organization, Standing, and Authority. Buyer is a limited liability company duly organized, validly existing, and in good standing under the laws of the State of Oregon. Buyer has all requisite power and authority to execute and deliver this Agreement and the documents contemplated by this Agreement, and to perform and comply with all of the terms, covenants, and conditions to be performed and complied with by Buyer under this Agreement

8.2 Authorization and Binding Obligation. The execution, delivery, and performance of this Agreement by Buyer have been duly authorized by all necessary company actions on the part of Buyer. This Agreement has been duly executed and delivered by Buyer and constitutes the legal, valid, and binding obligation of Buyer, enforceable against Buyer in accordance with its terms, except as the enforceability of this Agreement may be affected by bankruptcy, insolvency, or similar laws affecting creditors' rights generally and by judicial discretion in the enforcement of equitable remedies.

8.3 Absence of Conflicting Agreements. Subject to obtaining the Consents, the execution, delivery, and performance by Buyer of this Agreement and the documents contemplated by this Agreement (with or without the giving of notice, the lapse of time, or both):

- (a) do not require the consent of any third party;
- (b) will not conflict with the organizational documents of Buyer;
- (c) will not conflict with, result in a breach of, or constitute a default under, any law, judgment, order, injunction, decree, rule, regulation, or ruling of any court or governmental authority to which Buyer is subject; or
- (d) will not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by the terms of, any agreement, instrument, license, or permit to which Buyer is a party or by which Buyer may be bound, such that Buyer could not acquire or operate the Assets.

8.4 Licensee Qualification. Buyer is legally, financially and otherwise qualified under the Communications Act of 1934, as amended, and the rules and regulations of the FCC to be the licensee of the Station.

8.5 Full Disclosure. No representation or warranty made by Buyer in this Agreement or in any certificate, document, or other instrument furnished or to be furnished by Buyer pursuant to this Agreement contains any untrue statement of a material fact, or omits to state any material fact required to make any statement made in this Agreement or such other certificate, document or instrument not misleading.

9. Operations of the Station Prior to Closing

9.1 **Generally.** Seller agrees that, between the date of this Agreement and the Closing Date, Seller shall operate the Station diligently in the ordinary course of business in accordance with its past practices (except where such conduct would conflict with the following covenants or with Seller's other obligations under this Agreement), and in accordance with the other covenants in this Section 9 and the terms of the FCC Licenses.

9.2 **Contracts.** Seller shall not, without the prior written consent of Buyer, enter into any contract or commitment relating to the Station or the Assets, or amend or terminate any Assumed Contract (or waive any right thereunder), or incur any obligation that will be binding on Buyer after Closing, except for Contracts for the sale of time on the Station for cash which are entered into in the ordinary course of business. Prior to the Closing Date, Seller shall deliver to Buyer a list of all Contracts entered into between the date of this Agreement and the Closing Date, together with copies of such Contracts.

9.3 **Disposition of Assets.** Seller shall not sell, assign, lease, or otherwise transfer or dispose of any of the Assets, except in connection with the acquisition of replacement property of equivalent kind and value.

9.4 **Encumbrances.** Seller shall not create, assume or permit to exist any Lien except for: (i) Liens disclosed on Schedule 7.13, which shall be removed on or prior to the Closing Date; and (ii) Permitted Liens.

9.5 **Licenses.** Seller shall not cause or permit, by any act or failure to act, any of the FCC Licenses or other Licenses to expire or to be revoked, suspended, or modified, or take any action that could cause the FCC or any other governmental authority to institute proceedings for the suspension, revocation, or adverse modification of any of the Licenses. Seller shall not fail to prosecute with due diligence any applications to any governmental authority in connection with the operation of the Station.

9.6 **Rights.** Seller shall not waive any material right relating to the Station or any of the Assets.

9.7 **No Inconsistent Action.** Seller shall not take any action that is inconsistent with its obligations under this Agreement or that could hinder or delay the consummation of the transactions contemplated by this Agreement.

9.8 **Access to Information.** Seller shall give Buyer and its authorized representatives reasonable access to the Assets and to all other prop, equipment, books, records, Contracts, and documents relating to the Station for the purpose of audit and inspection.

9.9 **Maintenance of Assets.** Seller shall use its best efforts and take all reasonable actions to maintain all of the Assets in good condition (ordinary wear and tear excepted), and use, operate, and maintain all of the Assets in a reasonable manner and in accordance with the terms of the FCC Licenses, all rules and regulations of the FCC and generally accepted standards of good engineering practice, Seller shall maintain inventories of spare parts and expendable

supplies at levels consistent with past practices. If any loss, damage, impairment, confiscation, or condemnation of or to any of the Assets occurs, Seller shall repair, replace, or restore the Assets to their prior condition as represented in this Agreement as soon thereafter as possible, and Seller shall use the proceeds of any claim under any insurance policy solely to repair, replace, or restore any of the Assets that are lost, damaged, impaired, or destroyed.

9.10 **Insurance.** Seller shall maintain the existing insurance listed on Schedule 7.10 in effect through the Closing Date.

9.11 **Consents.** Seller and Buyer shall use their respective best efforts to obtain the Consents without any change in the terms or conditions of any Contract or License that could be materially less advantageous to the Station than those under the Contract or License as in effect on the date of this Agreement. Either party shall promptly advise the other of any difficulties experienced in obtaining any of the Consents and of any conditions proposed, considered, or requested for any of the Consents.

9.12 **Books and Records.** Seller shall maintain its books and records relating to the Station in accordance with past practices.

9.13 **Notification.** Seller shall promptly notify Buyer in writing of any Material Adverse Change with respect to the business or operations of the Station, and of any change in any of the information contained in Seller's representations and warranties contained in Section 7 of this Agreement.

9.14 **Compliance with Laws.** Seller shall comply with all laws, rules, and regulations applicable or relating to the ownership and operation of the Station.

9.15 **Preservation of Business.** Seller shall use its best effort to preserve the business and organization of the Station and the Station's relationships with its employees, suppliers, customers and others having business relations with them.

9.16 **No Relocation of Assets.** Seller shall not relocate any of the Assets.

9.17 **Notification of FCC Action.** Seller shall notify Buyer within three days after:

- (a) any FCC inspection of the Station or the Assets; and/or
- (b) receipt of any FCC notice of violation regarding the Station or other correspondence from the FCC relating specifically to the Station and not to radio broadcast stations in general.

10. **Special Covenants and Agreements**

10.1 **FCC Consent**

10.1.1 The assignment of the FCC Licenses in connection with the purchase and sale of the Assets pursuant to this Agreement shall be subject to the prior consent and approval of the FCC.

10.1.2 Seller and Buyer shall promptly prepare an appropriate application for the FCC Consent and shall file the application with the FCC within thirty (30) days after waiver or satisfaction of due diligence as set forth in Section 3. The parties shall prosecute the application with all reasonable diligence and otherwise use their commercially reasonable efforts to obtain a grant of the application as expeditiously as practicable. Each party agrees to comply with any condition imposed on it by the FCC Consent, except that no party shall be required to comply with a condition if:

(i) the condition was imposed on it as the result of a circumstance the existence of which does not constitute a breach by the party of any of its representations, warranties, or covenants, under this Agreement; and

(ii) compliance with the condition would have a material adverse effect upon it. Buyer and Seller shall oppose any requests for reconsideration or judicial review of the FCC Consent. If either party should anticipate that the Closing may not occur for any reason within 90 days after the FCC's grant of the FCC Consent, and no party shall have terminated this Agreement under Section 13, the parties shall cooperate in requesting from the FCC an extension of the period for consummation of the FCC Consent, provided that either party may file the request for extension and, upon request by such party, the other party shall join in the request. No extension of the FCC Consent shall limit the exercise by either party of its rights under Section 13.

10.2 Risk of Loss.

10.2.1 The risk of any loss, damage, impairment, confiscation, or condemnation of any of the Assets from any cause whatsoever shall be borne by Seller at all times prior to the Closing.

10.2.2 If any damage or destruction of the Assets or any other event occurs which:

(a) causes the Station to cease broadcasting operations for a period of seven or more days; or

(b) prevents signal transmission by the Station in the normal and usual manner and Seller fails to restore or replace the Assets so that normal and usual transmission is resumed within two days of the damage, destruction or other event, Buyer, in its sole discretion, may

(i) terminate this Agreement and all of Buyer's obligations under this Agreement immediately upon written notice to Seller; or

(ii) elect either of the following:

(a) to consummate the Closing on the Closing Date and

accept the Assets in their then condition, in which event Seller shall assign to Buyer all of Seller's rights under any insurance or pay over to Buyer all proceeds of insurance covering the property damage, destruction or loss; or

(b) to postpone the Closing until such time as the loss, damage or destruction is repaired or replaced so that the Assets may be transferred to Buyer in the condition intended by this Agreement, provided that such postponement shall not exceed six months.

10.3 Confidentiality. Except as necessary for the consummation of the transaction contemplated by this Agreement, each party will keep confidential any information obtained from the other party in connection with the transactions contemplated by this Agreement. If this Agreement is terminated, each party will return to the other party on such other party's request all information obtained by such party from the other party in connection with the transactions contemplated by this Agreement.

10.4 Cooperation. Buyer and Seller shall cooperate fully with each other and their respective counsel and accountants in connection with any actions required to be taken as part of their respective obligations under this Agreement, and Buyer and Seller shall execute such other documents as may be necessary and desirable to the implementation and consummation of this Agreement, and otherwise use their commercially reasonable efforts to consummate the transaction contemplated by this Agreement and to fulfill their obligations under this Agreement. Notwithstanding the foregoing, Buyer shall have no obligation:

(a) except as may be expressly set forth herein to expend funds to obtain any of the Consents; or

(b) to agree to any adverse change in any License or Assumed Contract to obtain a required Consent.

11. Conditions to Obligations of Buyer and Seller at Closing.

11.1 Conditions to Obligations of Buyer. All obligations of Buyer at the Closing are subject at Buyer's option to the satisfaction prior to or at the Closing Date of each of the following conditions, each of which is material, for the sole benefit of Buyer, and may be waived only in writing signed by Buyer:

11.1.1 Representations and Warranties. All representations and warranties of Seller contained in this Agreement shall be correct and complete at and as of the Closing Date as though made at and as of that time.

11.1.2 Covenants and Conditions. Seller shall have performed and complied with all covenants, agreements, and conditions required by this Agreement to be performed or complied with by them prior to or on the Closing Date.

11.1.3 Consents. All Consents shall have been obtained and delivered to Buyer without any adverse change in the terms or conditions of any agreement or any governmental license, permit, or other authorization.

11.1.4 FCC Consent. The FCC Consent shall have been granted without the imposition on Buyer of any adverse conditions and Seller shall have complied with any non-adverse conditions imposed on Seller by the FCC Consent, and the FCC Consent shall have become a Final Order.

11.1.5 Governmental Authorizations. Seller shall be the holder of all Licenses and there shall not have been any modification of any License that could have a material adverse effect on the Station or the conduct of its business and operations. No proceeding shall be pending the effect of which could be to revoke, cancel, fail to renew, suspend, or modify adversely any License.

11.1.6 Deliveries. Seller shall have made or stand willing to make all the deliveries to Buyer as provided herein.

11.1.7 No Material Adverse Change. Between the date of this Agreement and the Closing Date, there shall have been no Material Adverse Change in any of the Assets or the business, condition (financial or otherwise) or prospects of the Station.

11.1.8 Absence of Litigation. No action, suit or proceeding seeking to enjoin, restrain or prohibit the consummation of the transactions contemplated by this Agreement or that could reasonably be expected to have an adverse effect on the Station by this Agreement shall be pending or threatened, provided that this subsection may not be invoked by Buyer if any such action, suit or proceeding was solicited or encouraged by or instituted as a result of any act or omission of Buyer.

11.1.9 UCC Search Certificate. Seller shall have delivered to Buyer a UCC search certificate or certificates at the state and county levels showing all Liens, and shall have terminated all Liens other than the Permitted Liens prior to the Closing.

11.1.10 Consent of Landlord of Tower Lease. Buyer shall receive consent to assignment of lease for the Radio Tower reference in Schedule 7.6.

11.2 Conditions to Obligations of Seller. All obligations of Seller at the Closing are subject at the option of Seller to the satisfaction prior to or at the Closing Date of each of the following conditions, each of which is material, for the sole benefit of Seller and may be waived only in writing signed by Seller:

11.2.1 Representations and Warranties. All representations and warranties of Buyer contained in this Agreement shall be correct and complete at and as of the Closing Date as though made at and as of that time.

11.2.2 Covenants and Conditions. Buyer shall have performed and complied with

all covenants, agreements, and conditions required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

11.2.3 Deliveries. Buyer shall have made or stand willing to make all the deliveries provided for herein.

11.2.4 FCC Consent. The FCC Consent shall have been granted without the imposition on Seller of any adverse conditions and Buyer shall have complied with any non-adverse conditions imposed on it by the FCC Consent.

11.2.5 Absence of Litigation. No action, suit or proceeding seeking to enjoin, restrain or prohibit the consummation of the transactions contemplated by this Agreement shall be pending, provided that this Section may not be invoked by Seller if any such action, suit or proceeding was solicited or encouraged by, or instituted as a result of any act or omission of Seller.

12. Closing and Closing Deliveries

12.1 **Closing**. Closing shall take place on a date to be set by the Buyer no later than ten (10) business days following the date upon which the FCC grants consent to the assignment of the license for operation of the KEED 1600 radio station from Seller to Buyer pursuant to this Agreement. Escrow services shall be provided by Evergreen Land Title Company, 1570 Mohawk Blvd., Springfield, Oregon 97477. The parties shall each pay one-half of all escrow fees.

12.2 **Deliveries by Seller**. Prior to or on the Closing Date, Seller shall deliver to Buyer the following, in form and substance reasonably satisfactory to Buyer and its counsel:

12.2.1 Transfer Documents. Duly executed warranty bills of sale, deeds, motor vehicle titles, assignments, and other transfer documents which shall be sufficient to vest good and marketable title to the Assets in the name of Buyer, free and clear of all Liens except for Permitted Liens.

12.2.2 Consents. Executed Consents.

12.2.3 Officer's Certificate. A certificate, dated as of the Closing Date, executed on behalf of Buyer by a duly authorized officer of Buyer, certifying that: (1) the representations and warranties of Buyer contained in this Agreement are correct and complete as of the Closing Date as though made on and as of that date; (2) the conditions set forth in Section 11.1 have been satisfied; and (3) Buyer has performed and complied with all of its obligations, covenants, and agreements set forth in this Agreement to be performed and complied with on or prior to the Closing Date.

12.2.4 Licenses, Contracts, Business Records, Etc. Copies of all Licenses, Assumed Contracts, blueprints, schematics, working drawings, plans, projections, engineering records, and all files and records used by Seller in connection with the operations of the Station.

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12.2.5 Lenders' Certificates. Such certificates and confirmations to Buyer's lenders executed by Seller as Buyer may reasonably request in connection with obtaining financing for the performance of its payment obligations under this Agreement.

12.2.6 Termination of LMA: In the event the parties enter into an LMA pursuant to Section 4, a termination of the LMA in form and substance satisfactory to Buyer (the "Termination"), executed by Seller.

12.2.7 Other Documents. Such other documents that Buyer may reasonably request in connection with the consummation of the transactions contemplated by this Agreement.

12.3 **Deliveries by Buyer**. Prior to or on the Closing Date, Buyer shall deliver to Seller the following, in form and substance reasonably satisfactory to Seller and its counsel:

12.3.1 Purchase Price. The Purchase Price.

12.3.2 Assumption Agreements. Appropriate assumption, agreements pursuant to which Buyer shall assume and undertake to perform Seller's obligations under the Licenses and Assumed Contracts as provided in Section 2.

12.3.3 Officer's Certificate. A certificate, dated as of the Closing Date, executed on behalf of Buyer by a duly authorized officer of Buyer, certifying that: (1) the representations and warranties of Buyer contained in this Agreement are correct and complete as of the Closing Date as though made on and as of that date; (2) the conditions set forth in Sections 9 and 11.2 have been satisfied; and (3) Buyer has performed and complied with all of its obligations, covenants, and agreements set forth in this Agreement to be performed and complied with on or prior to the Closing Date. In the event the parties entered into an LMA pursuant to Section 5, a termination of the LMA in form and substance satisfactory to Seller executed by Buyer.

12.3.4 Other Documents. Such other documents that Seller may reasonably request in connection with the consummation of the transactions contemplated by this Agreement.

13. **Termination**.

13.1 **Termination by Seller**. This Agreement may be terminated by Seller, if such parties are not then in default, upon written notice to Buyer, upon the occurrence of any of the following:

13.1.1 Mutual Consent. If Buyer agrees to such termination;

13.1.2 Failure of Conditions. If any of the conditions in favor of Seller set forth in Section 11.2 of this Agreement have become incapable of satisfaction or are not satisfied or waived on or before the time limits set forth in this Agreement;

13.1.3 Judgments. If, on the date that would otherwise be the Closing Date, there is in effect any judgment, decree, or order that would prevent or make unlawful the Closing; or

13.1.4 Breach. If Buyer has failed to cure a breach of any of its representations, warranties or covenants under this Agreement within 20 days after Buyer receives written notice of such breach from Seller.

13.2 Termination by Buyer. This Agreement may be terminated by Buyer, if Buyer is not then in default, upon written notice to Seller, upon the occurrence of any of the following:

13.2.1 Mutual Consent. If Seller agree to such termination;

13.2.2 Failure of Conditions. If any of the conditions in favor of Buyer set forth in Sections 9 and 11.1 of this Agreement have become incapable of satisfaction or are not satisfied or waived on or before the time limits set forth in this Agreement;

13.2.3. Judgments. If, on the date that would otherwise be the Closing Date, there is in effect any judgment, decree, or order that would prevent or make unlawful the Closing; or

13.2.4 Interruption of Service. If the provisions of Section 10.2.2 are applicable.

13.3 Rights on Termination. If this Agreement is terminated pursuant to Section 13.1 or Section 13.2 and no party is in breach of this Agreement, the parties shall not have any further liability to each other with respect to the purchase and sale of the Assets. If this Agreement is terminated by Seller due to Buyer's uncured breach of this Agreement, then the sole remedy of Seller for such breach and termination shall be pursuant to Section 14.6 of this Agreement and Seller shall be entitled to the Escrow Deposit and shall have the right to seek specific performance. If this Agreement is terminated by Buyer due to Seller's breach of this Agreement, Buyer shall be entitled to a return of its escrow deposit and shall have all rights and remedies available under Section 14.5 of this Agreement and at law or equity, including the right to specific performance.

14. Survival of Representations and Warranties; Indemnification; Certain Remedies

14.1 Representations and Warranties. All representations and warranties contained in this Agreement shall be deemed continuing representations and warranties and shall survive the Closing for a period of 18 months. Any investigations by or on behalf of any party shall not constitute a waiver as to enforcement of any representation, warranty, or covenant contained in this Agreement. The covenants and agreements of the parties contained in this Agreement to be performed to any extent after the Closing Date shall survive the Closing until fully discharged and performed.

14.2 Indemnification by Seller. Notwithstanding the Closing, and regardless of any

investigation made at any time by or on behalf of Buyer or any information Buyer may have, Seller shall jointly and severally defend, indemnify and hold Buyer harmless against and with respect to, and shall reimburse Buyer for:

(a) any and all losses, liabilities, or damages resulting from any untrue representation, breach of warranty, or nonfulfillment of any covenant; by Seller contained in this Agreement or in any certificate, document, or instrument delivered by or on behalf of Seller to Buyer under this Agreement;

(b) any and all obligations of Seller and/ not assumed by Buyer pursuant to this Agreement, including any liabilities arising at any time under any Contract not included in the Assumed Contracts;

(c) except as may be otherwise provided in any LMA executed hereafter, any and all losses, liabilities, or damages resulting from the operation or ownership of the Station prior to the Closing, including any liabilities arising under the Licenses or the Assumed Contracts which relate to events occurring prior the Closing Date; and/or

(d) any and all actions, suits, proceedings, claims, demands, assessments, judgments, costs, and expenses, including legal fees and expenses, incident to any of the foregoing or incurred in investigating or attempting to avoid the same or to oppose the imposition thereof, or in enforcing this indemnity.

14.3 Indemnification by Buyer. Notwithstanding the Closing, and regardless of any investigation made at any time by or on behalf of Seller or any information Seller may have, following the Closing Date Buyer; shall defend, indemnify and hold Seller harmless against and with respect to and shall reimburse Seller for:

(a) any and all losses, liabilities, or damages resulting from any untrue representation, breach of warranty, or nonfulfillment of any covenant by Buyer contained in this Agreement or in any certificate, document, or instrument delivered by or on behalf of Buyer to Seller under this Agreement;

(b) pursuant to this Agreement; any and all obligations of Seller assumed by Buyer;

(c) any and all losses, liabilities or damages resulting from the operation or ownership of the Station on and after the Closing except to the extent that the matters causing such losses, liabilities or damages constitute a breach of any of the representations, warranties and/or covenants made by Seller and/ this Agreement; and/or

(d) any and all actions, suits, proceedings, claims, demands, assessments, judgments, costs and expenses, including legal fees and expenses, incident to any of the foregoing or incurred in investigating or attempting to avoid the same or to oppose the imposition thereof, or in enforcing this indemnity.

14.4 Procedure for Indemnification. The procedure for indemnification shall be as follows:

14.4.1 The party or parties claiming indemnification (together the "Claimant") shall give notice to the party or parties from which indemnification is claimed (together the "Indemnifying Party") of any claim, whether between the parties or brought by a third party, specifying in reasonable detail the factual basis for the claim.

14.4.2 With respect to claims solely among parties following receipt of notice from the Claimant of a claim, the Indemnifying Party shall have thirty (30) days to make such investigation of the claim, as the Indemnifying Party deems necessary or desirable. For the purposes of such investigation, the Claimant agrees to make available to the Indemnifying Party and/or its authorized representatives the information relied upon by the Claimant to substantiate the claim. If the Claimant and the Indemnifying Party agree at or prior to the expiration of the 30-day period (or any mutually agreed upon extension) to the validity and amount of such claim, the Indemnifying Party shall immediately pay to the Claimant the full amount of the claim. If the Claimant and the Indemnifying Party do not agree within the 30-day period (or any mutually agreed upon extension), the Claimant may seek appropriate remedy pursuant to the arbitration provisions set forth in this Agreement.

14.4.3 With respect to any claim by a third party as to which the Claimant is entitled to indemnification under this Agreement, the Indemnifying Party shall have the right at its own expense, to participate in or assume control of the defense of such claim, and the Claimant shall cooperate fully with the Indemnifying Party, subject to reimbursement for actual out-of-pocket expenses incurred by the Claimant as the result of a request by the Indemnifying Party. If the Indemnifying Party elects to assume control of the defense of any third-party claim, the Claimant shall have the right to participate in the defense of such claim at its own expense. If the Indemnifying Party does not elect to assume control or otherwise participate in the defense of any third party claim, it shall be bound by the results obtained by the Claimant with respect to such claim.

14.4.4 If a claim, whether among the parties or by a third party, requires immediate action, the parties will make every effort to reach a decision with respect thereto as expeditiously as possible.

14.5 Remedies -Buyer. The parties agree that if Seller is in breach of this Agreement and refuses to perform under the provisions of this Agreement, monetary damages alone would not be adequate to compensate Buyer for its injury. Buyer shall therefore be entitled to require specific performance of and prevent any violation of the terms of this Agreement, in addition to any other remedy available to Buyer under this Agreement, applicable law or in equity. Buyer shall be entitled to any other remedy that may be available at law or in equity.

14.6 Remedies -Seller. The parties agree that if Buyer is in breach of this Agreement and refuses to perform under the provisions of this Agreement, Seller shall be entitled to the Escrow Deposit and to any other remedy that may be available at law or equity, including Seller's

right to compel Buyer to deliver the remainder of the Purchase Price, described in Section 2.4 of this Agreement, and otherwise complete the transaction as anticipated under this Agreement.

14.7 Attorneys' Fees. In the event of a default by either party which results in an arbitration or other proceeding for any remedy available under this Agreement, the prevailing party or parties shall be entitled to reimbursement from the other party or parties of each such prevailing party's or parties' legal fees and expenses, in amounts decided by the arbitrator or other trier of fact.

15. Miscellaneous

15.1 Fees and Expenses. Any federal, state, or local sales or transfer tax arising in connection with the conveyance of the Assets by Seller to Buyer pursuant to this Agreement shall be paid by Seller. Buyer and Seller shall each pay one-half of all filing fees required by the FCC. Except as otherwise provided in this Agreement, each party shall pay its own expenses incurred in connection with the authorization, preparation, execution, and performance of this Agreement, including all fees and expenses of counsel, accountants, agents, and representatives. Each party shall be responsible for all fees or commissions payable to any finder, broker, advisor, or similar person retained by or on behalf of such party.

15.2 Notices. All notices, demands, and requests are permitted to be given under the provisions of this Agreement shall (a) in writing, (b) delivered by personal delivery, or sent by commercial delivery service or certified mail, return receipt requested, (c) deemed to have been given on the date of personal delivery or the date set forth in the records of the delivery service or on the return receipt, and (d) addressed as follows:

If To Seller:

Extra Mile Media, Inc.
34545 Santiam Highway
Albany, OR 97321

With copies (which shall not constitute notice) to:

J. Dominic Monahan
Attorney at Law
777 High Street, Suite 300
Eugene, Oregon 97401

If To Buyer:

Churchill Communications I, LLC
871 Country Club Road
Eugene, OR 97401

With copies (which shall not constitute notice) to:

Michael P. Kearney
Attorney at Law
260 Country Club Road, Suite 210
Eugene, Oregon 97401

or to any other or additional persons and addresses as the parties may from time to time designate in a writing.

15.3 Further Assurances. The parties shall take any actions and execute any other documents that may be necessary or desirable to the implementation and consummation of this Agreement, including, in the case of Seller, any additional bills of sale, deeds, or other transfer

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documents that, in the reasonable opinion of Buyer, may be necessary to ensure, complete, and evidence the full and effective transfer of the Assets to Buyer pursuant to this Agreement.

15.4 Governing Law. This Agreement shall be governed, construed, and enforced in accordance with the laws of the State of Oregon (without regard to the choice of law provisions thereof).

15.5 Headings. The headings in this Agreement are included for ease of reference only and shall not control or affect the meaning or construction of the provisions of this Agreement.

15.6 Gender and Number. Words used in this Agreement, regardless of the gender and number specifically used, shall be deemed and construed to include any other gender, masculine, feminine, or neuter, and any other number, singular or plural, as the context requires.

15.7 Entire Agreement. This Agreement and the attached exhibits and schedules, the terms of which are incorporated by this reference as additional terms of this Agreement, together with the LMA, if executed by the Parties, represents the entire understanding and agreement among the parties with respect to its subject matter. This Agreement supersedes all prior negotiations between the parties, and cannot be amended, supplemented, or changed except by an agreement in writing that makes specific reference to this Agreement and which is signed by the party against which enforcement of any such amendment, supplement, or modification is sought.

15.8 Waiver of Compliance; Consents. Except as otherwise provided in this Agreement, any failure of any of the parties to comply with any obligation, representation, warranty, covenant, agreement, or condition herein may be waived by the party entitled to the benefits thereof only by a written instrument signed by the party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, representation, warranty, covenant, agreement, or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure. Whenever this Agreement requires or permits consent by or on behalf of any party, such consent shall be given in writing in a manner consistent with the requirements for a waiver of compliance as set forth in this Section 15.8.

15.9 Press Release. Prior to the Closing, no party shall publish any press release, make any other public announcement or otherwise communicate with any news media concerning this Agreement or the transactions contemplated by this Agreement without the prior written consent of the other parties; *provided, however*, that nothing contained in this Agreement shall prevent either party from promptly making all filings with governmental authorities as may, in its judgment be required or advisable in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated by this Agreement.

15.10 Counterparts. This Agreement may be signed in counterparts with the same effect as if the signature on each counterpart were upon the same document.

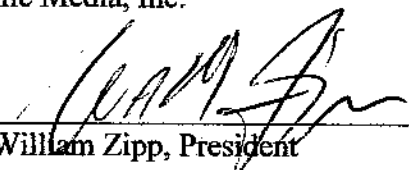
15.11 Date of Agreement. This Agreement shall be dated and effective as of the date of Buyer and Seller's execution of this Agreement.

16. Pledge Agreement

16.1 Buyer agrees to secure the obligations set forth herein pursuant to the terms of a pledge agreement of all of the ownership interests of purchaser, all of the tangible assets used or useful in the operation of the Station and the Lease Agreement and associated rights set forth therein as referred to in Section 2.1(h) to be executed simultaneously with this agreement.

"SELLER":
Extra Mile Media, Inc.

"BUYER":
Churchill Communications I, LLC

By: 
William Zipp, President

By: _____
Its: _____

16. Pledge Agreement

16.1 Buyer agrees to secure the obligations set forth herein pursuant to the terms of a pledge agreement of all of the ownership interests of purchaser, all of the tangible assets used or useful in the operation of the Station and the Lease Agreement and associated rights set forth therein as referred to in Section 2.1(h) to be executed simultaneously with this agreement.

"SELLER":
Extra Mile Media, Inc.

By: _____

William Zipp, President

"BUYER":
Churchill Communications I, LLC

By: _____

Its: MANAGER