

Asset Purchase Agreement – Excluded Schedules

The schedules to this Asset Purchase Agreement have been omitted because they do not reflect on the qualifications of the parties, nor do they contain information relevant to whether the structure of the transaction complies with the Commission's rules. The schedules contain either public information already available or proprietary information relating to the licensee and the station. Therefore, the schedules need not be submitted. They will, however, be provided upon the Commission's request. *See LUJ, Inc. and Long Nine, Inc.*, Memorandum Opinion and Order, 17 FCC Rcd 16980 (2002); Public Notice, DA 02-2049, 17 FCC Rcd 16166 (2002).

LIST OF SCHEDULES AND EXHIBITS

Schedules

- 1.1(a) Tangible Personal Property
- 1.1(b) Authorizations
- 1.1(c) (i) Owned Real Property
- 1.1(c) (ii) Leases
- 1.1(d) Contracts
- 1.1(e) Intangible Property
- 1.2(f) Other Excluded Property
- 1.5(b) Adjustments to Purchase Price

Exhibits

- A Time Brokerage Agreement

ASSET PURCHASE AGREEMENT

by and between

**GHB Radio, Inc. and
WEAM Quality Radio Corporation
(collectively “Seller”)**

and

**WBLO/WIST-FM Operating LLC
(“Buyer”)**

Dated as of April __, 2023

ASSET PURCHASE AGREEMENT

This **ASSET PURCHASE AGREEMENT** (this “Agreement”) is entered into as of March __, 2023 by and between **GHB Radio, Inc.**, a North Carolina corporation (“GRI”); **WEAM Quality Radio Corporation**, a North Carolina corporation (“Quality”) (GRI and Quality being hereinafter referred to singularly and collectively “Seller”), and WBLO/WIST-FM Operating LLC, a Georgia limited liability company, (“Buyer”). Seller and Buyer are individually referred to herein as a “Party” and collectively as the “Parties.”

RECITALS

A. GRI owns and operates certain assets used in connection with the business and operations of radio station WBLO(AM), Thomasville, North Carolina (Facility Id. No. 54552) (“WBLO”) and FM translator W295CE, Winston-Salem, North Carolina (Facility ID No. 140365) (the “FM TX”) and holds certain Federal Communications Commission (“FCC”) licenses, permits, and other authorizations used in the operation of WBLO.

B. Quality owns and operates certain assets used in connection with the business and operations of radio station WIST-FM, Thomasville, North Carolina (Facility Id. No. 27123) (“WIST-FM” and collectively with WBLO and the FM TX, the “Stations”), and holds certain FCC licenses, permits, and other authorizations used in the operation of WIST-FM.

C. GRI and Quality are under common ownership and control.

D. Seller desires to sell, assign and transfer to Buyer, and Buyer desires to purchase and acquire from Seller certain of Seller’s assets, licenses and authorizations used or held for use in the operation of the Stations, all under the terms and conditions described herein.

E. Prior to the Closing (as defined herein), Buyer will program time on the Stations and sell advertising time in connection therewith, pursuant to a separate Time Brokerage Agreement (the “TBA”) previously executed by Seller and Buyer and attached hereto in **Exhibit A**.

NOW, THEREFORE, in consideration of the premises and the mutual promises, representations, warranties, and covenants herein contained, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

ARTICLE 1

PURCHASE AND SALE OF PROPERTIES AND ASSETS

1.1 **Assets**. On the terms and conditions of this Agreement, at Closing, Seller agrees to sell, and Buyer agrees to purchase those assets, real, personal and mixed, tangible and intangible (except for the Excluded Assets, defined in Section 1.2, below), that are owned or leased by Seller and are specified in Sections 1.1(a) through 1.1(i) and corresponding Schedules identified therein (collectively, the “Assets”) as follows:

(a) Tangible Personal Property. Such broadcast equipment, fixtures and other tangible personal property owned by Seller on the date hereof and described on attached **Schedule 1.1(a)**, together with any additions, modifications, alterations, or improvements between the date of this Agreement and the Closing Date, except any retirements or dispositions between the date hereof and Closing in the ordinary course of business (collectively, the “Tangible Personal Property”).

(b) Licenses and Authorizations. All rights in and to the Authorizations (as defined in Section 2.7, below) issued to Seller with respect to the Stations, including, without limitation, all rights in and to each Station’s call letters and all broadcast auxiliary licenses, antenna structure registrations and other authorizations of the FCC associated with the operations of the Stations, including those which are listed and described on attached **Schedule 1.1(b)**, including without limitation, all amendments and all assignable applications therefor, together with any renewals, extensions or modifications thereof and additions thereto, and all assignable franchises, approvals, licenses, orders, registrations, and variances obtained from any governmental entity with respect to the Stations.

(c) Real Property and Leases.

(i) Such real property and any interests therein, as described on **Schedule 1.1(c)(i)** (the “Real Property”), and any additions, improvements and alterations thereto made between the date of this Agreement and the Closing Date.

(ii) Such lease agreements under which Seller, as lessor, leases space on the Stations’ towers and/or transmitter buildings are described on **Schedule 1.1(c)(ii)** (each individually a “Lease” and, collectively, the “Leases”).

(d) Contracts. All of Seller’s Contracts (as defined herein) in connection with the business and operations of the Stations set forth on **Schedule 1.1(d)**, together with all similar Contracts that are entered into in the ordinary course of business of the Stations between the date of this Agreement and the Closing Date, which Buyer, in its sole discretion, has agreed in writing to assume. “Contracts” means unexpired agreements, arrangements, commitments or understandings, for cash or barter, express or implied, relating to the operation of the Stations, to which Seller is a Party or is bound.

(e) Intangible Property. Seller’s rights as owner or licensee of the trademarks, trade names, call letters, service marks, copyrights, slogans, logos, assignable software licenses, domain names, websites and other intangible rights listed and described on attached **Schedule 1.1(e)** (collectively, the “Intangible Property”).

(f) Files and Records. All files and other records of Seller relating specifically to the Stations and the Assets (other than duplicate copies of such files, hereinafter “Duplicate Records”, and except for files and records relating to Excluded Assets) including, without limitation, all books, files, studies, reports, projections, schematics, blueprints, engineering data, specifications, advertising, marketing or related materials, records required by any federal, state or local government entity (including, but not limited to, the local public inspection files for the Stations, all reports filed by or on behalf of Seller with the FCC pertaining to the Stations, and all other business, technical and financial information pertaining to the Stations regardless of the media by which stored.

(g) Claims. Any and all of Seller's claims and rights against third Parties relating to the Assets to the extent attributable to any period after the Effective Time (as defined herein), including, without limitation, all assignable rights under manufacturers' and vendors' warranties, and all rights to recovery and rights of setoff and recoupment pertaining to matters arising after the Closing (collectively, the "Claims").

(h) Prepaid Items. All prepaid expenses that relate to Contracts and prepaid *ad valorem* taxes, for which Seller shall receive a credit under Section 1.6.

(i) Goodwill. All of Seller's goodwill in, and going concern value of, the Stations.

1.2 Excluded Assets. Notwithstanding anything herein to the contrary, the following assets (collectively, the "Excluded Assets") shall be retained by Seller and are not included in the Assets:

(a) Benefit Plans and Assets. Pension, 401(k), profit sharing and savings plans and trusts and any other "employee benefit plan" within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and any assets thereof.

(b) Corporation and Other Records. The minute books, charter documents, lists of members, and similar corporation records of Seller, each Seller's corporate name (including the name "GHB"), the Duplicate Records as defined in Section 1.1(f) above, and all records not relating to ownership of the Stations or Assets.

(c) Cash and Investments. All of Seller's cash on hand or in bank accounts and any other cash equivalents including, without limitation, certificates of deposit, commercial paper, treasury bills, or money market accounts.

(d) Accounts Receivable. All receivables of the Stations accrued through or attributable to the period prior to the commencement of the TBA (the "A/R").

(e) Excluded Contracts. Any Contract not described in Section 1.1(d) above and any Contract that expires or is terminated prior to Closing.

(f) Other Excluded Property. Any other property specifically listed on **Schedule 1.2(f)** that Seller intends to retain and not sell or assign to Buyer.

(g) Insurance. All contracts of insurance, all coverages and proceeds thereunder and all rights in connection therewith, including without limitation rights arising from any refunds due with respect to insurance premium payments to the extent related to such insurance policies.

(h) Claims. All rights and claims of Seller, whether mature, contingent, or otherwise, against third Parties with respect to the Stations and the Assets, to the extent attributable to any period prior to the Effective Time, and all claims of Seller with respect to tax refunds.

(i) Deposits. All deposits and prepaid expenses (and rights arising therefrom or related thereto), except to the extent Seller receives a credit therefor under Section 1.6.

1.3 **Liabilities.**

(a) **Security Interests.** The Assets shall be sold and conveyed to Buyer free and clear of all mortgages, liens, deeds of trust, security interests, pledges, options, restrictions, prior assignments, charges, claims, defects in title and encumbrances of any kind or type whatsoever (collectively, the “Security Interests”) except for: (i) liens for Taxes (as defined in Section 2.6) not yet due and payable, accruing before the Effective Time, (ii) the Assumed Liabilities (as defined in Section 1.3(b)), (iii) liens that will be released at or prior to Closing, and (iv) with respect to the Real Property, such other easements, rights of way, building and use restrictions and other exceptions that do not, in Buyer’s reasonable judgment, in any material respect detract from the value of the property subject thereto or impair the use thereof in the ordinary course of the business of the Stations. The encumbrances described in the foregoing clauses (i) through (iv) are collectively referred to herein as “Permitted Encumbrances.”

(b) **Assumed Liabilities.** Except as otherwise provided herein and subject to the terms and conditions of this Agreement and the TBA, simultaneously with the sale, transfer, conveyance and assignment to Buyer of the Assets, Buyer shall assume, and hereby agrees to perform and discharge when due all liabilities and obligations arising or attributable to the period on or after the Closing Date under the Contracts and Leases that are assigned and transferred to Buyer and any other liabilities of Seller to the extent Buyer receives a credit therefore under Section 1.5 (collectively, the “Assumed Liabilities”).

(c) **Excluded Liabilities.** Other than the Assumed Liabilities, except as provided in the TBA, Buyer shall not assume or be liable for, and does not undertake or attempt to assume or discharge any obligation of Seller (the “Excluded Liabilities”), specifically including, without limitation:

(i) any liability or obligation of Seller arising out of any Contract that Buyer does not assume under Section 1.2(e) which is an Excluded Asset;

(ii) any liability or obligation of Seller arising out of or relating to any pension, 401(k), employee benefit, retirement or profit-sharing plan or trust, or any liability for continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (“COBRA”);

(iii) any obligation to continue to offer employment to any employee of Seller;

(iv) any compensation, payment for accrued benefits or any severance pay or similar obligations to any employee or independent contractor of Seller and any related payroll tax or other liability;

(v) any liability or obligation of Seller arising out of or relating to any litigation, proceeding or claim by any individual, partnership, corporation, limited liability company, association, joint stock company, trust, joint venture, unincorporated organization, or governmental entity (or any department, agency, or political subdivision thereof) (“Person”) relating to Seller, the Stations or the Assets at or before the Effective Time, whether such litigation, proceeding or claim is pending, threatened or asserted before, on or after the Closing Date, except for those related to or

caused by Buyer's actions under the TBA;

(vi) any financial debt or obligation due to the FCC in connection with the Stations by any and all entities with taxpayer identification numbers associated with Seller or the Stations, existing at or before the Closing Date ("FCC Debt"); and

(vii) any and all other liabilities, obligations, debts or commitments of Seller whatsoever, whether accrued now or hereafter, whether fixed or contingent, whether known or unknown, or any claims asserted against Seller, any employee of Seller, the Stations or any of the Assets or other items owned by Seller at the Effective Time relating to any event (whether act or omission) before the Effective Time, including, without limitation, Seller's obligation to pay Taxes, except for those related to or caused by Buyer's actions under the TBA.

(d) Retained Obligations of Seller. Seller retains all Excluded Liabilities.

1.4 Purchase Price, Payment, and Allocation.

(a) Purchase Price. The aggregate purchase price to be paid for the Assets will be One Million Six-Hundred Ninety Thousand U.S. Dollars (\$1,690,000.00) as adjusted by Section 1.5 (the "Purchase Price").

(b) Method of Payment. At Closing, the balance of the Purchase Price shall be paid by Buyer to Seller by wire transfer of immediately available funds pursuant to the instructions of Seller.

(c) Allocation of Purchase Price. Buyer and Seller agree that the Purchase Price shall be allocated among the Assets in a manner to be mutually agreed upon by Buyer and Seller prior to the Closing Date. No later than 30 days prior to the anticipated Closing Date, Buyer shall submit to Seller a proposed allocation and Seller shall reply to Buyer with any proposed revisions to such allocation within ten (10) days after receipt of Buyer's proposed allocation. The Parties shall thereafter diligently attempt to reach a mutually acceptable compromise agreement upon the allocation before the Closing. The asset allocation mutually agreed to by the Parties pursuant to this Section 1.4(c) shall be referred to as the "Allocation." Seller and Buyer agree (i) to jointly complete Internal Revenue Service ("IRS") Form 8594 in the manner required by Section 1060 of the Internal Revenue Code of 1986, as amended (the "Code") and the regulations thereunder and in accordance with the Allocation, and to separately file such IRS Form 8594 with its federal income tax return for the tax year in which the Closing occurs and (ii) that neither Seller nor Buyer will take a position on any tax return inconsistent with the Allocation without the written consent of the other Party; *provided, however*, that nothing contained herein shall prevent Buyer or Seller from settling any proposed deficiency or adjustment by any taxing authority based upon or arising out of the Allocation, and neither Buyer nor Seller shall be required to litigate before any court, any proposed deficiency or adjustment by any taxing authority challenging such Allocation. Notwithstanding anything to the contrary in this Agreement, the provisions of this Section 1.4(c) shall survive the Closing.

1.5 Adjustments.

(a) General Rule. The operation of the Stations and, except as otherwise provided in the TBA, the income and normal operating expenses attributable thereto through 12:01 a.m. (Eastern Time) on the day of the Closing Date (the “Effective Time”) shall prorated between Buyer and Seller in accordance with generally accepted accounting principles.

(i) Except as otherwise provided in the TBA, expenses for goods or services received both before and after the Effective Time, power and utilities charges, frequency discounts, prepaid cash (excluding deposits), and rents and similar prepaid and deferred items shall be prorated between Seller and Buyer as of the Effective Time.

(ii) At Closing, if practicable, the Parties shall make all known prorations and estimate any remaining prorations. Except as otherwise provided in the TBA, all special assessments and similar charges or liens imposed against any of the Assets in respect of any period of time through the Effective Time, whether payable in installments or otherwise, shall be the responsibility of Seller and amounts payable with respect to such special assessments, charges or liens in respect of any period of time after the Effective Time shall be the responsibility of Buyer and such charges shall be adjusted as required hereunder. Seller shall receive a credit for all of the Stations’ deposits and prepaid expenses.

(iii) Sales commissions related to the sale of advertisements broadcast on the Stations prior to Closing or commencement of the TBA, as applicable, shall be the responsibility of Seller, and sales commissions related to the sale of advertisements broadcast on the Stations after Closing or commencement of the TBA, as applicable, shall be the responsibility of Buyer. There shall be no adjustment for any imbalance in the value of rights and obligations under trade, barter, or similar agreements for the sale of time for goods or services that exist at the time of Closing or commencement of the TBA, as applicable, provided that Buyer receives the benefits under such agreements at Closing or commencement of the TBA, as applicable.

(b) Adjustment to Purchase Price. The Purchase Price shall be adjusted at Closing pursuant to the TBA, which allows for a portion of certain monthly TBA fees paid by Buyer to Seller during the term of the TBA and the Initial Payment to be credited to Buyer as against the Purchase Price. The calculated adjustments to the Purchase Price are provided in **Schedule 1.5(b)** herein.

1.6 **Closing.** The consummation of the transactions provided for in this Agreement (the “Closing”) shall take place at the offices of Seller in Charlotte, North Carolina, or such other place as the Parties may mutually agree upon, beginning at 10: 00 a.m. (Eastern Time) on the fifth (5th) business day after the FCC Order has become Final, subject in all events to the satisfaction or waiver of the conditions specified in Articles 6 and 7 below. “FCC Order” means the order of the FCC consenting to the assignment of all material Authorizations to Buyer without any material adverse conditions other than those of general applicability; *provided, however*, that any condition which requires that the Stations be operated in accordance with conditions substantially similar to and not more adverse than those contained in the present Authorizations issued for operation of the Stations, shall not be materially adverse. “Final” means an order (i) which is effective, (ii) with respect to which no appeal, request for stay, request for reconsideration or other request for review is pending, and (iii) with respect to which the time for appeal, requesting a stay, requesting reconsideration or review or review on the FCC’s own motion has expired. The date on which the Closing is to occur is referred to herein as the “Closing Date.”

ARTICLE 2

REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants to Buyer that, except as otherwise contemplated under the terms and conditions of the TBA, the statements contained in this Article 2 are correct and complete as of the date of this Agreement. The term “Knowledge,” when applied to Seller herein, means actual knowledge after (i) due inquiry of officers and employees of Seller having responsibility for or holding a position that reasonably could be expected to involve substantial knowledge about the subject matter to which such knowledge relates and (ii) due examination of any documents, correspondence or other items contained in the files of Seller, as applicable, pertaining to such subject matter.

2.1 **Company Status**. GRI and Quality are each a North Carolina corporation duly organized, validly existing and in good standing under the laws of the State of North Carolina. GRI and Quality each has the requisite power to carry on its business as it is now being conducted, to own and operate their respective Station, and to enter into and complete the transactions contemplated by this Agreement.

2.2 **No Options**. No Affiliate of Seller or any other Person has an option to acquire any of the Assets used in the operation of the Stations. “Affiliate” of any Person means any Person that owns or controls, is owned or controlled by, or under common control with, such Person.

2.3 **Entity Action**. All actions and proceedings necessary to be taken by or on the part of Seller in connection with the performance, execution and delivery of this Agreement have been duly and validly taken and this Agreement has been duly and validly authorized, executed, and delivered by Seller and constitutes the legal, valid and binding obligation of Seller enforceable against Seller in accordance with and subject to the terms contained herein, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors’ rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

2.4 **No Defaults**. Except for consents to assign certain of the Contracts and except for the FCC Order, neither the execution, delivery and performance by Seller of this Agreement nor the consummation by Seller of the transactions contemplated hereby are events that, of themselves or with the giving of notice or the passage of time or both, will: (a) violate or conflict with any provision of the governing documents of Seller; (b) assuming that the consents referred to in Section 4.4 are obtained, constitute a violation of, conflict with or result in any breach of or any default under, result in any termination or modification of, or cause any acceleration of any obligation of Seller under any contract, mortgage, indenture, agreement, lease or other instrument to which Seller is a Party or by which it is bound; (c) violate any judgment, decree, order, statute, law, rule or regulation of any court, arbitrator or government or regulatory body applicable to Seller, the Stations or the Assets; or (d) result in the creation or imposition of any lien, charge or encumbrance against the Stations or the Assets other than Permitted Encumbrances.

2.5 **Contracts, Leases, Agreements and Other Commitments.** Seller has used commercially reasonable efforts to provide to Buyer copies of all written Contracts listed on **Schedule 1.1(d)** that are to Seller's Knowledge materially complete. Each of the Contracts and Leases is in effect and is binding upon Seller and, to Seller's Knowledge, the other Parties thereto (subject to bankruptcy, insolvency, reorganization or other similar laws relating to or affecting the enforcement of creditors' rights generally). Seller has performed its obligations under each of the Contracts in all material respects, and is not in material default thereunder, and to Seller's Knowledge, no other Party to any of the Contracts is in default thereunder in any material respect.

2.6 **Taxes.**

(a) All federal, state and local returns, reports, estimates and other statements ("**Returns**") required to have been filed with any jurisdiction with respect to Seller and the operation of the Stations with respect to any income, franchise, property, sales, value-added, payroll, withholding, excise, assessment, levy, capital and all other taxes, duties, penalties, assessments or deficiencies of every nature and description (collectively, "**Taxes**") have been duly and timely filed by Seller and each such Return correctly reflects the amount of Taxes required to be reported and/or paid. Seller has paid all Taxes due and payable that it is required to pay, except any that are being contested in good faith.

(b) Seller has withheld amounts from its employees working at the Stations in accordance with applicable law. With respect to such employees, Seller has filed all Returns required to be filed and paid all required Taxes for employee income tax withholding, social security, Medicare and unemployment taxes and other similar taxes and charges, in compliance with the tax withholding provisions of the Code and other applicable federal, state and local laws.

2.7 **Licenses.** Seller is the holder of all FCC licenses, permits, franchises, authorizations, and approvals, including associated broadcast auxiliary licenses, with respect to the Stations (collectively, the "**Authorizations**") listed on **Schedule 1.1(b)**. Except for pending applications for authorizations disclosed on **Schedule 1.1(b)**, the Authorizations constitute all of the licenses and authorizations required under the Communications Act of 1934, as amended (the "**Communications Act**"), or the current rules and policies of the FCC for the operation of the Stations. The Authorizations are in full force and effect and have not been revoked, suspended, canceled, rescinded, or terminated and have not expired. There is not pending or, to Seller's Knowledge, threatened, any action by or before the FCC to revoke, suspend, cancel, rescind or materially adversely modify any of the Authorizations (other than proceedings to amend FCC rules of general applicability) and there is not now issued, outstanding, pending or, to Seller's Knowledge, threatened by or before the FCC, any order to show cause, notice of violation, notice of apparent liability, notice of forfeiture, or FCC Debt against Seller or the Stations. The Stations are operating in compliance with the Authorizations, the Communications Act and the current rules and policies of the FCC in all material respects and the ordinances, rules, regulations and policies of the State of North Carolina in all material respects.

2.8 **Additional Regulatory Matters.**

(a) **Reports.** All material reports, filings and payments required to be filed with or paid to the FCC and any other governmental entity by Seller in connection with the Stations or the Assets have been filed. All such reports and filings are accurate and complete in all material respects. Seller

maintains appropriate public files at the Stations as required by FCC rules.

(b) No Notices/Renewal. Seller has not received written notice or other written communication in connection with the Stations or the Assets indicating that Seller is not in compliance with all requirements of (i) the FCC and the Communications Act, or (ii) applicable state and local statutes, regulations, and ordinances. Seller has no Knowledge and has received no written notice or communication, formal or informal, indicating that the FCC or any other governmental entity is considering revoking, suspending, modifying, canceling, rescinding, or terminating any Authorization. Renewal of the Authorizations issued by the FCC would not constitute a “major action” within the meaning of Section 1.1301, *et seq.*, of the FCC’s rules.

(c) RF Radiation. To Seller’s Knowledge, the operation of the Stations does not cause or result in exposure of workers or the general public to levels of radio frequency radiation in violation of FCC Rule 1.1310 or FCC OST/OET Bulletin Number 65.

(d) FCC Debts. To Seller’s Knowledge, there are no outstanding FCC

(e) FAA Compliance. Seller and the Assets are in compliance with the rules and regulations of the Federal Aviation Administration (the “FAA”) applicable to the Stations in all material respects. All towers used by the Stations and owned by Seller are in compliance with all painting, lighting and tower registration requirements of the FAA, the FCC and any other governmental authority in all material respects. There are no pending applications with the FAA with respect to towers used by the Stations and owned by Seller. **Schedule 1.1(b)** includes a list of the antenna structure registration numbers, if applicable, for each of the towers used in connection with the Stations and owned by Seller.

2.9 **Real Property**. **Schedule 1.1(c)(i)** describes Seller’s Real Property used as the transmitter site of the Stations. All of the improvements located on the Real Property that are owned by Seller are in good operating condition and repair, other than ordinary wear and tear, except as noted in **Schedule 1.1(c)(i)**. There are no condemnation or eminent domain proceedings pending or, to Seller’s Knowledge, threatened against the Real Property. Seller has not received written notice of any condemnation or eminent domain proceedings against the any of the Real Property. Seller has fee simple title to the Real Property, which will be free and clear of all Security Interests of any nature whatsoever as of Closing except for Permitted Encumbrances. Seller has not received any written notice that has not been resolved alleging that any of the Real Property fails to comply with applicable zoning laws or the building, health, fire, and environmental protection codes of applicable governmental jurisdictions.

2.10 **Approvals and Consents**. The only approvals or consents of persons or entities not a Party to this Agreement that are legally or contractually required to be obtained by Seller in connection with the consummation of the transactions contemplated by this Agreement are those which are described in Section 4.4 below and the FCC Order (“Consents”). The consummation of the transactions contemplated by this Agreement is not in conflict with, and does not require the consent under, any employment agreement, collective bargaining agreement, or any other employment related agreement, law or regulation applicable to any of Seller’s employees.

2.11 **Assets/Tangible Personal Property.**

(a) **Tangible Personal Property.** **Schedule 1.1(a)** is a correct and complete list as of the date hereof of all items of Tangible Personal Property owned by Seller and to be conveyed to Buyer pursuant to this Agreement with a value in excess of Five Hundred U.S. Dollars (\$500.00). The lease agreements with respect to any Tangible Personal Property that is leased by Seller as of the date hereof (as lessee) are described on **Schedule 1.1(d)**.

(b) **Good Title, Good Operating Condition.** Seller has good, valid, and marketable title to or the right to use all of the Assets owned by it, which will be free and clear of all Security Interests of every kind or character as of the Closing, other than Permitted Encumbrances.

(c) Seller is the owner, lessee, or licensee of all of the Tangible Personal Property listed on the Schedules to this Agreement. All Tangible Personal Property is in good operating condition and repair, other than reasonable wear and tear, except as noted in **Schedule 1.1(a)**.

2.12 **Environmental Matters.** Except as set forth on **Schedule 1.1(c)(i)** or in any Phase I Assessment (as defined in Section 5.9 below), Seller is in compliance with all federal, state and local laws and regulations in all material respects relating to pollution and the discharge of materials into the environment (collectively, the “**Environmental Laws**”). Except as set forth on **Schedule 1.1(c)(i)** or in any Phase I Assessment (as defined in Section 5.9 below), no hazardous or toxic substances have been released, discharged, or disposed of on any of the Real Property by Seller, or, to Seller’s Knowledge, by any other Party. No litigation or proceeding relating to Environmental Laws, environmental permits or any release, discharge, or disposal of hazardous or toxic substances is pending or, to Seller’s Knowledge threatened against the Stations or Seller.

2.13 **Compliance with Law and Regulations.** The Stations, the Assets, and Seller are in compliance in all material respects with all requirements of federal, state and local law and all requirements of all federal, state and local governmental bodies or agencies having jurisdiction over any of them, the operations of the Stations, the use of Seller’s properties and assets (including the Assets) and the Real Property. Without limiting the foregoing, Seller has obtained all material licenses, permits, certificates and authorizations for its present operations, and the present use of the Real Property. Seller has filed all material reports and other material documents required to be filed with any federal, state, or local government or subdivision or agency thereof in connection with the Stations and the Assets. Seller has received no written notice from any federal, state, or municipal authority or any insurance or inspection body that any of its properties, facilities, equipment or business procedures or practices fails to comply with any applicable law, ordinance, regulation, building or zoning law or requirement of any public authority or body that has not been resolved.

2.14 **Insurance.** Seller maintains and will continue to maintain in full force and effect through the Effective Time customary insurance policies covering it, the Stations and the Assets in amounts and insuring against hazard. All of such policies are in full force and effect and Seller is not in default of any material provision thereof. Seller has received no notice from any issuer of any such policies of its intention to cancel, terminate or refuse to renew any policy issued by it.

2.15 **Litigation.** There are no suits, arbitrations, administrative charges or other legal proceedings or claims pending or, to Seller’s Knowledge, threatened against Seller, nor, to Seller’s Knowledge, is

there any basis for any such suit, arbitration, administrative charge or other legal proceedings or claim. To Seller's Knowledge, there are no governmental investigations pending or threatened against Seller. Seller has not been operating under or subject to, or in default with respect to, any order, writ, injunction or decree relating to the Stations or the Assets of any court or federal, state, municipal or other governmental department, commission, board, agency or instrumentality which would have a material adverse effect on the condition of the Stations or any of the Assets or on the ability of Seller to enter into this Agreement or consummate the transactions contemplated hereby other than those of general applicability.

2.16 **Intangible Property.** Seller has all right, title, and interest in and to all Intangible Property, which will be free and clear of Security Interests as of Closing, other than Permitted Encumbrances. Seller has not received written notice of any claim against it involving any conflict or claim of conflict of any of the items listed on **Schedule 1.1(e)**, and, to Seller's Knowledge, there is no basis for any such claim of conflict. To Seller's Knowledge, Seller's use of the Intangible Property does not infringe on any copyright, patent, or trademark of any other Party in any material respect. Seller has not received written notice of any claim of infringement of any third-party's copyright, patent, trademark, service mark, logotype, license, or other proprietary right, including the use of any call sign, slogan or logo by any broadcast station or cable system that may be confusingly similar to the call sign, slogans and logos currently used by the Stations.

2.17 **Brokers.** There is no broker or finder or other Person who would have any valid claim through Seller against any of the Parties to this Agreement for a commission or brokerage fee or payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action taken by Seller.

ARTICLE 3

REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller that, except as otherwise contemplated under the terms and conditions of the TBA, the statements contained in this Article 3 are correct and complete as of the date of this Agreement. The term "**Knowledge**," when applied to Buyer herein, means actual knowledge after (i) due inquiry of the Members, officers and employees of Buyer having responsibility for or holding a position that reasonably could be expected to involve substantial knowledge about the subject matter to which such knowledge relates, and (ii) due examination of any documents, correspondence or other items contained in the files of Buyer, as applicable, pertaining to such subject matter.

3.1 **Qualification as a Broadcast Licensee.** Buyer is financially qualified and is legally qualified under the Communications Act and the rules, regulations, and policies of the FCC to acquire the Assets from Seller, to own and operate the Stations and to program the Stations. There is no fact or condition known to Buyer that would, under the Communications Act and the existing rules, regulations and policies of the FCC, disqualify Buyer as assignee of the Authorizations, as owner and operator of the Stations or constitute grounds for the filing of a petition to deny or objection related to the qualifications of Buyer or that would reasonably be expected to result in a delay or denial of the

FCC Order. To Buyer's Knowledge, no waiver of any FCC rule, regulation or policy existing as of the date of this Agreement will be required, with respect to Buyer, to obtain the FCC Order.

3.2 **Status.**

(a) **Buyer.** Buyer is a limited liability company organized under the laws of the State of Georgia. Buyer is duly authorized to transact business in the State of North Carolina. Buyer has the requisite power to carry on its business as it is now being conducted and to enter into and complete the transactions contemplated by this Agreement.

(b) **Approvals and Consents.** There are no approvals or consents of Persons not a Party to this Agreement that are legally or contractually required to be obtained by Buyer in connection with the consummation of the transactions contemplated by this Agreement, other than the FCC Order.

3.3 **No Defaults.** Neither the execution, delivery and performance by Buyer of this Agreement nor the consummation by Buyer of the transactions contemplated hereby is an event that, of itself or with the giving of notice or the passage of time or both, will: (a) violate or conflict with any provision of the governing documents of Buyer, (b) constitute a violation of, conflict with or result in any breach of or any default under, result in any termination or modification of, or cause any acceleration of any obligation under any contract, mortgage, indenture, agreement, lease or other instrument to which Buyer is a Party or by which it is bound or the assets of it are bound, or by which it may be affected, or result in the creation of any Security Interest on any of the assets of Buyer, or (c) violate any judgment, decree, order, statute, law, rule or regulation of any court, arbitrator or government or regulatory body applicable to Buyer or the assets of Buyer.

3.4 **Litigation.** There are no suits, arbitrations, administrative charges or other legal proceedings or claims pending or, to Buyer's Knowledge, threatened against Buyer affecting Buyer's qualification to hold an FCC license or its ability to purchase and acquire the Assets nor, to Buyer's Knowledge, is there any basis for any such suit, arbitration, administrative charge or other legal proceedings or claim. Buyer is not operating under or subject to, or in default with respect to, any order, writ, injunction, or decree of any court or federal, state, municipal or other governmental department, commission, board, agency, or instrumentality which would have a material adverse effect on Buyer's ability to enter into this Agreement or consummate the transactions contemplated hereby other than those of general applicability.

3.5 **Entity Action.** All actions and proceedings necessary to be taken by or on the part of Buyer or its members, if required by applicable law, in connection with the performance, execution and delivery of this Agreement have been duly and validly taken, and this Agreement has been duly and validly authorized, executed and delivered by Buyer and constitutes the legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with and subject to the terms contained herein, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

3.6 **Brokers.** There is no broker or finder or other Person who would have any valid claim through Buyer against any of the Parties to this Agreement for a commission or brokerage fee or payment in

connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action taken by Buyer.

3.7 **Availability of Funds.** Buyer understands that under the terms of this Agreement, Buyer's consummation of the transaction contemplated by this Agreement is not in any way contingent upon or otherwise subject to (i) Buyer's consummation of any financing arrangements or Buyer's obtaining of any financing or (ii) the availability, grant, provision or extension of any financing to Buyer. Buyer acknowledges and agrees that it shall be Buyer's obligation to have funds on hand at the Closing sufficient to enable Buyer to pay the Purchase Price.

ARTICLE 4

COVENANTS OF SELLER PENDING THE CLOSING

Seller covenants and agrees that, from the date hereof until the completion of the Closing, subject to the TBA (as applicable):

4.1 **Operations of the Business.** Except as provided and pursuant to the TBA, Seller shall use its best efforts to carry on operations of the Stations and keep its books and accounts, records, and files in the usual and ordinary manner in which the business of the Stations have been conducted in the past in all material respects. Seller shall operate the Stations in compliance with the terms of the Authorizations and all applicable laws, rules, and regulations, including, without limitation, FCC rules and regulations, in all material respects. Except as contemplated by this Agreement and the TBA, Seller shall not, between the date of this Agreement and the Closing Date, directly or indirectly, do or propose, enter into negotiations with respect to, or agree to do any of the following without the prior written consent of the Buyer, which shall not be unreasonably withheld, delayed or conditioned:

(a) Sell, pledge, dispose of, or authorize the sale, pledge, or disposition of any of the Tangible Personal Property, except in the ordinary course of business or unless such items are replaced with similar items of substantially equivalent or greater value or utility; or

(b) Enter into, amend or terminate any Contract or Lease affecting the Stations or the Assets, other than in the ordinary course of business, consistent with past practice.

4.2 **Access to Facilities, Files and Records.** At the reasonable request of Buyer and on reasonable advance notice, Seller shall from time to time promptly give or cause to be given to the members, officers, employees, accountants, counsel, agents, consultants, and representatives of Buyer reasonable access during normal business hours to the Stations and the Assets as Buyer may reasonably request, other than those related to Excluded Assets. Seller shall cause its accountants and any of its agents in possession of Seller's books and records to cooperate with Buyer's reasonable requests for information pursuant to this Agreement.

4.3 **Representations and Warranties.** Seller shall give written notice to Buyer promptly on learning of the occurrence of any event that would cause or constitute a material breach, or that

would have caused a material breach had such event occurred or been known to Seller on or before the date of this Agreement, of any of Seller's representations or warranties contained in this Agreement or in any Schedule attached hereto. Any such notice to Buyer, similar informal notice by Seller to Buyer, or independent investigation, examination, or other source of knowledge by Buyer regarding a breach of Seller's representations and warranties shall not in any way diminish or obviate any representations or warranties of Seller made in this Agreement, the Exhibits, Schedules, and documents delivered pursuant to this Agreement.

4.4 **Consents.** Seller shall use its commercially reasonable efforts to obtain, prior to Closing, the consent or approval of any third Person required under any Contract or Lease to assign any such Contract or Lease from Seller to Buyer (which shall not require any payment to any third party), including providing adequate notice of the assignment where applicable. No such consents are conditions to Closing, except for any consents under Leases and Contracts designated as material on **Schedules 1.1(c) (ii) or 1.1(d)** ("**Material Consents**"). To the extent that any Contract or Lease may not be assigned without the consent of any third party, and such consent is not obtained prior to Closing, the terms of Section 10.5 shall apply.

4.5 **Notice of Proceedings.** Seller will promptly notify Buyer in writing on: (a) receiving notice of any order or decree or any complaint praying for an order or decree restraining or enjoining the consummation of this Agreement or the transactions contemplated hereunder; or (b) receiving any written notice from any governmental department, court, agency or commission of its intention (i) to institute an investigation into, or institute a suit or proceeding to restrain or enjoin, the consummation of this Agreement or such transactions, or (ii) to nullify or render ineffective this Agreement or such transactions if consummated.

4.6 **Consummation of Agreement; Wire Instructions.** Subject to the provisions of Section 10.1 of this Agreement, Seller shall use its best efforts to fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement and use its best efforts to cause the transactions contemplated by this Agreement to be fully carried out. No less than three (3) business days prior to the Closing Date, Seller shall deliver wire transfer instructions to Buyer to enable Buyer to make a wire transfer of funds on the Closing Date pursuant to Section 1.6 above.

4.7 **Application for FCC Consents.** As promptly as practicable after the date of this Agreement, and in no event later than ten (10) days after the full execution of this Agreement, Seller shall cause to be filed an application with the FCC requesting the FCC's written consent to the assignment of the Authorizations to Buyer. Seller shall use its best efforts, to take all steps that are reasonably proper, necessary, or desirable to expedite the preparation of such application and its prosecution to a favorable conclusion. Seller shall promptly provide Buyer with a copy of any pleading, order or other document served Seller relating to such application. Seller shall furnish all information required of it by the FCC. Seller shall be responsible for the timely initial payment of the application filing fees relating to the assignment of the Authorizations to Buyer, and Buyer shall reimburse Seller one-half of such fees within ten (10) days after the filing of the application. Seller shall notify Buyer of all documents filed with or received from any governmental agency with respect to this Agreement or the transactions contemplated hereby. Seller shall furnish Buyer with such information and assistance as Buyer may reasonably request in connection with the preparation of any governmental filing hereunder.

4.8 **Real Property.** With respect to any Real Property, within thirty (30) days after the date of this Agreement, to the extent that Seller has not already provided the same, Seller shall deliver to Buyer copies of (A) all of Seller's existing soil, engineering and environmental reports and studies with respect to the ownership, maintenance, use, occupancy and operation of the Real Property in its possession, (B) any of Seller's existing surveys and plats for the Real Property, in its possession, and (C) those existing title insurance commitments and title insurance policies for the Real Property in Seller's possession.

4.9 **Publicity.** Seller shall not issue or cause the publication of any press release or any other public statement or any public correspondence or other public communication with respect to the execution and Closing of this Agreement unless Buyer shall have had the prior opportunity to review and comment thereon and such release or statement has been consented to by Buyer, or except if Seller is obligated by law, in which case Seller shall give advance notice to Buyer and the Parties shall cooperate to make a mutually agreeable announcement.

4.10 **Exclusivity.** Seller will not (i) solicit, initiate, or encourage the submission of any proposal or offer from any Person relating to the acquisition of all or substantially all of Assets outside the Ordinary Course of Business (including any acquisition structured as a merger, consolidation, or share exchange), or (ii) participate in any discussions or negotiations regarding, furnish any information with respect to, assist or participate in, or facilitate in any other manner any effort or attempt by any Person to do or seek any of the foregoing.

4.11 **Confidentiality.** Any and all information, disclosures, knowledge or facts regarding Buyer and its operations derived from or resulting from Seller's acts or conduct (including, without limitation, acts or conduct of Seller's managers, partners, officers, employees, accountants, counsel, agents, consultants or representatives, or any of them (collectively, "Representatives")) obtained by Seller (or its Representatives) pursuant to or in connection with this Agreement, shall be confidential and shall not be divulged, disclosed or communicated to any other Person, except as required by law and to Seller's Representatives and their respective attorneys for the purpose of consummating the transactions contemplated by this Agreement. Seller shall be responsible for any breach of confidentiality by any such Person. If this Agreement terminates before Closing, Seller shall return promptly any information obtained regarding Buyer and Seller shall instruct its Representatives also to return any such information. This covenant shall survive Closing.

4.12 **Payables.** As of Closing, Seller shall have paid all amounts due with respect to the Contracts and accounts payable to local vendors (*i.e.*, vendors with offices in the Stations' market) for goods and services received by Seller in connection with operation of the Stations, in each case relating to the period prior to commencement of the TBA.

ARTICLE 5

COVENANTS OF BUYER PENDING THE CLOSING

Buyer covenants and agrees that, from the date hereof until the completion of the Closing:

5.1 **Representations and Warranties.** Buyer shall give written notice to Seller promptly on learning of the occurrence of any event that would cause or constitute a material breach, or that

would have caused a material breach had such event occurred or been known to Buyer on or before the date of this Agreement, of any of Buyer's representations or warranties contained in this Agreement or in any Schedule attached hereto. Any such notice to Seller, similar informal notice by Buyer to Seller, or independent investigation, examination, or other source of knowledge by Seller regarding a breach of Buyer's representations and warranties shall not in any way diminish or obviate any representations or warranties of Buyer made in this Agreement, the Exhibits, Schedules, and documents delivered pursuant to this Agreement.

5.2 **Consents.** Buyer shall cooperate with Seller to obtain the Consents of any third Person required under any Contract or any Lease to the assignment from Seller to Buyer.

5.3 **Notice of Proceedings.** Buyer will promptly notify Seller in writing on: (a) becoming aware of any order or decree or any complaint praying for an order or decree restraining or enjoining the consummation of this Agreement or the transactions contemplated hereunder; or (b) receiving any written notice from any governmental department, court, agency or commission of its intention (i) to institute an investigation into, or institute a suit or proceeding to restrain or enjoin, the consummation of this Agreement or such transactions, or (ii) to nullify or render ineffective this Agreement or such transactions if consummated.

5.4 **Consummation of Agreement.** Subject to the provisions of Section 10.1 of this Agreement, Buyer shall fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement and to cause the transactions contemplated by this Agreement to be fully carried out.

5.5 **Application for FCC Consent.** As promptly as practicable after the date of this Agreement, and in no event later than ten (10) business days after the full execution of this Agreement, Buyer shall cooperate with Seller to prepare and file the application requesting the FCC's written consent to the assignment of the Authorizations to Buyer as provided in Section 4.7 and take all such steps that are reasonably proper, necessary or desirable to expedite the prosecution of such application to a favorable conclusion. Buyer shall reimburse Seller one-half of the application filing fees relating to the assignment of the Authorizations to Buyer within ten (10) days after the filing of the application. Buyer shall notify Seller of all documents filed with or received from any governmental agency with respect to this Agreement or the transactions contemplated hereby. Buyer shall furnish Seller with such information and assistance as Seller may reasonably request in connection with the preparation of any governmental filing hereunder.

5.6 **Publicity.** Buyer shall not issue or cause the publication of any press release or any other public statement or any public correspondence or other public communication with respect to the execution and Closing of this Agreement unless Seller shall have had the prior opportunity to review and comment thereon and such release or statement has been consented to by Seller, or except if Buyer is obligated by law, in which case Buyer shall give advance notice to Seller and the Parties shall cooperate to make a mutually agreeable announcement..

5.7 **Confidentiality** Any and all information, disclosures, knowledge or facts regarding Seller and the Assets derived from or resulting from Buyer's acts or conduct (including, without limitation, acts or conduct of Buyer's Representatives) obtained by Buyer (or its Representatives) pursuant to or in connection with this Agreement (including without limitation all financial

information), shall be confidential and shall not be divulged, disclosed or communicated to any other Person, except as required by law and to Buyer's Representatives and their respective attorneys for the purpose of consummating the transactions contemplated by this Agreement. Buyer shall be responsible for any breach of confidentiality by any such Person. If this Agreement terminates before Closing, Buyer shall return promptly any information obtained regarding Seller or the Assets and Buyer shall instruct its Representatives also to return any such information. This covenant shall survive Closing.

5.8 **Real Property.**

(a) With respect to each parcel of Real Property, Buyer may obtain customary owner's title commitments and current surveys, all at Buyer's expense, but completion of such commitments and surveys is not a condition to Closing. Seller shall provide Buyer access to the Real Property to perform such surveys, provided that such surveys are conducted during normal business hours upon reasonable prior notice to Seller.

(b) If any such title commitment or survey discloses an encumbrance on the Real Property that is not a Permitted Encumbrance or discloses any Assets encroaching upon adjacent real property in any material respect, then:

(i) except as set forth below, Seller shall use commercially reasonable efforts to remediate such encumbrance or encroachment in all material respects in the ordinary course of business; and

(ii) if such remediation is not completed prior to Closing, then as Buyer's sole remedy, the Parties shall proceed to Closing and the Purchase Price shall be reduced by an amount equal to the reasonably estimated cost of remediation.

5.9 **Environmental**

(a) Within thirty (30) days after the date of this Agreement, Buyer may commission an environmental consulting firm ("Environmental Consultant") to perform Phase I environmental site assessment (the "Phase I Assessment"), with respect to the Real Property to confirm, in a manner reasonably satisfactory to Buyer, that there is no "Recognized Environmental Condition" (as such term is defined in the American Society of Testing and Materials Standard for Phase I Assessments) on or about the Real Property) (a "Recognized Environmental Condition"). True and complete copies of each draft of and the final Phase I Assessment shall be delivered to Seller within five (5) business days of Buyer's receipt of same. If any Phase I Assessment details a Recognized Environmental Condition in connection with the Real Property and/or the Environmental Consultant reasonably recommends further investigatory action of the Real Property, then Buyer shall have the right until sixty (60) calendar days from date of receipt of the Phase I Assessment (the "Phase II Time Period"), to conduct the investigation so recommended (the "Phase II Inspection"); provided however, that Buyer's right to perform the Phase II inspection shall be subject to the prior written approval of Seller, which approval of Seller shall not be unreasonably withheld or conditioned. True and complete copies of each draft of and the final Phase II Inspection prepared by the Environmental Consultant shall be delivered to Seller by Buyer within five (5) business days of Buyer's receipt of same.

(a) If applicable, the Environmental Consultant shall estimate the cost and expense of clean up, removal, remedial, corrective, or responsive action necessary to address any such Recognized Environmental Condition (the “Environmental Work”), which estimate shall set forth in reasonable detail the basis for those estimates. Seller shall, at Seller’s election, either (i) cause such Environmental Work to be completed at Seller’s sole cost and expense to Buyer’s reasonable satisfaction, in which case the Closing shall be delayed until such Environmental Work has been completed, or (ii) the Purchase Price shall be reduced by the amount of the estimate and the Parties shall proceed to consummate the Closing pursuant to this Agreement. Notwithstanding the foregoing, if the Environmental Consultant’s estimate of the cost of such Environmental Work exceeds Fifty Thousand U.S. Dollars (\$50,000.00), then either Party may elect to terminate this Agreement by providing written notice to the other Party within ten (10) business days after receipt of the estimate for the Environmental Work. If Seller elects to give Buyer a credit against and the Purchase Price is reduced by such amount as set forth above, then, except for such credit against the Purchase Price, the Seller shall have no further obligation or liability to Buyer with respect to any of the environmental representations and warranties or the environmental condition of Real Property requiring Environmental Work, solely with respect to any such Recognized Environmental Condition (irrespective of any breach or default of Seller’s representations, warranties or covenants set forth in this Agreement in connection therewith), which, with regard to the Real Property requiring Environmental Work, shall be deemed waived by Buyer for such Real Property which the Environmental Consultant identified as requiring Environmental Work

(b) The expenses incurred to obtain the Phase I Assessments and, if necessary, a Phase II Inspection, shall be paid solely by Buyer.

ARTICLE 6

CONDITIONS TO THE OBLIGATIONS OF SELLER

The obligations of Seller under this Agreement are, at its option, subject to the fulfillment of the following conditions before or on the Closing Date:

6.1 Representations, Warranties and Covenants.

(a) Representations True. Each of the representations and warranties of Buyer contained in this Agreement shall have been true and correct as of the date when made and shall be deemed to be made again on and as of the Closing Date and shall then be true and correct in all material respects on the Closing Date except to the extent changes are permitted or contemplated pursuant to this Agreement;

(b) Buyer Compliance. Buyer shall have performed and complied in all material respects with each and every covenant and agreement required by this Agreement to be performed or complied with by it before or on the Closing Date;

(c) Certificate of Buyer. Buyer shall have furnished Seller with a certificate, dated the Closing Date and duly executed by an officer or manager of Buyer to the effect that the conditions set

forth in Sections 6.1 (a) and (b) have been satisfied.

6.2 **Proceedings**. No Party shall be subject to any restraining order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

6.3 **Deliveries**. Buyer shall have complied with each and every one of its obligations set forth in Section 8.2.

6.4 **Authorizations**. The FCC Order shall be effective and shall have become Final.

ARTICLE 7

CONDITIONS TO THE OBLIGATIONS OF BUYER

The obligations of Buyer under this Agreement are, at its option, subject to the fulfillment of the following conditions before or on the Closing Date:

7.1 **Representations, Warranties and Covenants**.

(a) **Representations True**. Each of the representations and warranties of Seller contained in this Agreement shall have been true and correct as of the date when made and shall be deemed to be made again on and as of the Closing Date and shall then be true and correct in all material respects on the Closing Date except to the extent changes are permitted or contemplated pursuant to this Agreement;

(b) **Seller's Performance**. Seller shall have performed and complied in all material respects with each and every covenant and agreement required by this Agreement to be performed or complied with by it before or on the Closing Date;

(c) **Seller's Certificates**. Seller shall have furnished Buyer with a certificate, dated the Closing Date and duly executed by an officer or manager of Seller, to the effect that the conditions set forth in Sections 7.1(a) and (b) have been satisfied.

(d) **Proceedings**. No Party shall be subject to any restraining order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

7.2 **Deliveries**. Seller shall have complied with each and every one of its obligations set forth in Section 8.1.

7.3 **Authorizations**. The FCC Order shall be effective and shall have become Final.

7.4 **Liens Releases and/or Commitments to Release Liens**. All Security Interests pertaining to the Assets shall have been released of record, except Permitted Encumbrances, and with respect to Security Interests to be released at Closing that are included in the definition of Permitted Encumbrances Seller shall have obtained binding commitments to release at Closing any such Security Interests.

7.5 **Other Consents.** Seller shall have obtained all Material Consents.

ARTICLE 8

ITEMS TO BE DELIVERED AT THE CLOSING

8.1 **Deliveries by Seller.** At the Closing, Seller shall deliver to Buyer, duly executed by Seller or such other signatory as may be required by the nature of the document:

- (a) **Warranty Deeds, Bills of Sale, Assignments, Etc.**
 - (i) an assignment of FCC authorizations assigning the Authorizations from Seller to Buyer;
 - (ii) an assignment and assumption of contracts assigning the Contracts from Seller to Buyer;
 - (iii) an assignment and assumption of leases assigning the Leases from Seller to Buyer; Seller to Buyer; and
 - (iv) general warranty deeds conveying the Real Property from Seller to Buyer; and
 - (v) a bill of sale conveying the other Assets from Seller to Buyer;
- (b) **Board Resolutions.** Certified copies of resolutions, duly adopted by Seller in accordance with its corporate governance documents, which shall be in full force and effect at the time of the Closing, authorizing the execution, delivery and performance by Seller of this Agreement and the consummation of the transactions contemplated hereby;
- (c) **Officer's Certificate.** The certificate referred to in Section 7.1(c);
- (d) **Consents.** The Consents that Seller has received as of Closing;
- (e) **Lien Releases.** Appropriate lien releases to release Security Interests on the Assets other than Permitted Encumbrances;
- (f) **Good Standing.** Good standing certificates issued by the Secretary of State of North Carolina; and
- (g) **Other Documents.** Any other instruments of conveyance, assignment and transfer that may be reasonably necessary to convey, transfer and assign the Assets from Seller to Buyer, free and clear of Security Interests, except for Permitted Encumbrances.

8.2 **Deliveries by Buyer.** At the Closing, Buyer shall deliver to Seller, duly executed by Buyer or such other signatory as may be required by the nature of the document:

- (a) Purchase Price. The Purchase Price, which shall be paid in the manner specified in Section 1.4;
- (b) Assumption Agreements. An instrument or instruments of assumption of the Contracts and Leases;
- (c) Board Resolutions. Certified copies of resolutions, duly adopted by Buyer in accordance with its company governance documents, which shall be in full force and effect at the time of the Closing, authorizing the execution, delivery and performance by Buyer of this Agreement and the consummation of the transactions contemplated hereby;
- (d) Officer's Certificate. The certificate referred to in Section 6.1(c);
- (e) Good Standing. Good standing certificates issued by the Secretary of State of North Carolina; and
- (f) Other Documents. Such other documents and instruments of assumption that may be necessary to assume the Assumed Liabilities.

ARTICLE 9

SURVIVAL; INDEMNIFICATION

9.1 **Survival**. All representations and warranties contained in this Agreement or in any Schedule or certificate delivered pursuant hereto, shall survive until the first anniversary of the Closing Date. If a Deficiency (defined below) is asserted by either Party before the expiration of the survival or limitations period, such asserted Deficiency shall survive until the existence of such Deficiency has been finally established and the Deficiency is resolved as provided below.

9.2 Basic Provision.

(a) Buyer Indemnitees. Seller (an "Indemnifying Party") hereby agrees to indemnify and hold harmless Buyer, its officers and members (collectively, the "Buyer Indemnitees") from, against and in respect of, and to reimburse the Buyer Indemnitees for the amount of any and all Deficiencies. Notwithstanding the foregoing or anything else herein to the contrary, after Closing, (i) Seller shall have no liability to Buyer under for any breach of a representation or warranty under clause (i) of Section 9.3(a) until Buyer's aggregate Deficiencies exceed Twenty-Five Thousand U.S. Dollars (\$25,000), *provided, however*, that once such threshold is exceeded that the Buyer Indemnitees may make an indemnification claim under this Section 9.2(a) for the full amount of any claims without any deductible, and (ii) the maximum aggregate liability of Seller under Section 9.3(a) shall be an amount equal to 50% of the Purchase Price.

(b) Seller Indemnitees. Buyer (an "Indemnifying Party") hereby agrees to indemnify and hold harmless Seller and its officers and members (collectively, the "Seller Indemnitees") from, against and in respect of, and to reimburse Seller Indemnitees for the amount of any and all Deficiencies.

Notwithstanding the foregoing or anything else herein to the contrary, after Closing, (i) Buyer shall have no liability to Seller under for any breach of a representation or warranty under clause (i) of Section 9.3(b) until Seller 's aggregate Deficiencies exceed Twenty-Five Thousand U.S. Dollars (\$25,000), *provided, however*, that once such threshold is exceeded that the Seller Indemnitees may make an indemnification claim under this Section 9.2(b) for the full amount of any claims without any deductible, and (ii) the maximum aggregate liability of Buyer under Section 9.3(b) shall be an amount equal to 50% of the Purchase Price.

9.3 **Definition of "Deficiencies".**

(a) **Deficiencies for Buyer.** As used in this Article 9, the term "**Deficiencies**" when asserted by the Buyer Indemnitees or arising out of a third-party claim against the Buyer Indemnitees shall mean any and all losses, fines, damages, liabilities and claims sustained by the Buyer Indemnitees and arising out of, related to, in the nature of, caused by, based on or resulting from:

(b) Any misrepresentation, breach of warranty or any non- fulfillment of any representation, warranty, covenant, obligation, or agreement on the part of Seller contained in or made in this Agreement or in an Exhibit, Schedule, certificate, agreement or statement delivered pursuant to this Agreement;

(i) Any failure by Seller to pay or discharge any Excluded Liability or any other liability of Seller and the Seller Indemnitees, direct or contingent, that is not expressly assumed by Buyer pursuant to the provisions of this Agreement;

(ii) Any litigation, proceeding or claim by any third party to the extent relating to the businesses or operations of Seller, the Assets, or the Stations before the Effective Time;

(iii) Except for the Assumed Liabilities or any other obligations or liabilities expressly assumed by Buyer herein, Seller's operation of the Stations or the ownership of the Assets before the Effective Time (including, but not limited to, any and all claims, liabilities, and obligations arising or required to be performed by Seller under any lease, contract, or agreement or under this Agreement before the Effective Time);

(iv) Except for the Assumed Liabilities or any other obligations or liabilities expressly assumed by Buyer herein, any transaction entered into by Seller or arising in connection with the Stations or the operation of its business or any of the Assets that relates to the period prior to the Effective Time; or

(v) Any and all acts, suits, proceedings, demands, assessments and judgments and all reasonable fees, costs and expenses of any kind, related or incident to any of the foregoing (including, without limitation, any and all reasonable fees (whether of attorneys, accountants or other professionals), costs and expenses of any kind reasonably incurred by any Person identified herein and its counsel in investigating, preparing for, defending against, or providing evidence, producing documents or taking other action with respect to any threatened or asserted claim ("**Legal Expenses**")).

(c) **Deficiencies for Seller.** As used in this Article 9, the term "**Deficiencies**" when asserted by the Seller Indemnitees or arising out of a third party claim against the Seller Indemnitees shall mean

any and all losses, fines, damages, liabilities and claims sustained by the Seller Indemnitees and arising out of, related to, in the nature of, caused by, based on or resulting from:

(i) Any misrepresentation, breach of warranty or any non- fulfillment of any representation, warranty, covenant, obligation, or agreement on the part of Buyer contained in or made in this Agreement or in an Exhibit, Schedule, certificate, statement, or agreement delivered pursuant to this Agreement;

(ii) Any failure by Buyer to pay or discharge any Assumed Liability or other liability arising after the Closing Date;

(iii) Any litigation, proceeding or claim by any third party to the extent relating to the business or operations of Buyer, the Assets, or the Stations after the Effective Time;

(iv) Buyer's operation of the Stations or the ownership of the Assets after the Effective Time (including, but not limited to, any and all claims, liabilities, and obligations arising or required to be performed by Buyer under any lease, contract, or agreement or under this Agreement after the Effective Time);

(v) Any transaction entered into by Buyer or arising in connection with the Stations or the operation of its business or any of the Assets that relates to the period after the Effective Time; or

(vi) Any and all acts, suits, proceedings, demands, assessments and judgments and all reasonable fees, costs and expenses of any kind, related or incident to any of the foregoing (including, without limitation, any and all reasonable Legal Expenses).

9.4 **Procedures for Establishment of Deficiencies.**

(a) **Claim Asserted.** In the event that any claim shall be asserted by any third party against the Buyer Indemnitees or the Seller Indemnitees (the Buyer Indemnitees or the Seller Indemnitees, as the case may be, hereinafter, the "**Indemnitees**"), which, if sustained, would result in a Deficiency, then the Indemnitees, promptly after learning of such claim, shall notify the Indemnifying Party of such claim and Indemnitees shall permit the Indemnifying Party to defend against such claim, at the Indemnifying Party's sole expense and through legal counsel reasonably acceptable to the Indemnitees, provided that the Indemnifying Party proceeds in good faith, expeditiously and diligently. The Indemnitees shall, at their option and expense, have the right to participate in any defense undertaken by the Indemnifying Party with legal counsel of their own selection and at their expense. The Parties will cooperate fully in any such action and shall make available to each other any books or records useful for the defense of such claim. No settlement or compromise of any claim which may result in a Deficiency may be made by the Indemnifying Party without the prior written consent of the Indemnitees unless: (a) before such settlement or compromise, the Indemnifying Party acknowledges in writing its obligation to pay in full the amount of the settlement or compromise and all associated expenses and (b) the Indemnitees are furnished with security reasonably satisfactory to the Indemnitees that the Indemnifying Party will in fact pay such amount and expenses or the Indemnifying Party obtains a release of the Indemnitees from all liability in respect of such claim.

(b) Notice. If the Indemnitees assert the existence of any Deficiency against the Indemnifying Party, such Indemnitees shall give written notice to the Indemnifying Party of the nature and amount of the Deficiency asserted. If the Indemnifying Party within a period of thirty (30) days after the giving of the Indemnitees' notice, shall not give written notice to the Indemnitees announcing its intent to contest such assertion of the Indemnitees (such notice by the Indemnifying Party being hereinafter referred to as the "Contest Notice"), such assertion of the Indemnitees shall be deemed accepted and the amount of the Deficiency shall be deemed established. In the event, however, that a Contest Notice is given to the Indemnitees within such 30-day period, then the contested assertion of a Deficiency shall be resolved through binding arbitration pursuant to Section 10.9.

(c) Agreement. The Indemnitees and the Indemnifying Party may agree in writing, at any time, as to the existence and amount of a Deficiency, and, on the execution of such agreement such Deficiency shall be deemed established.

9.5 **Payment of Deficiencies**. The Indemnifying Party hereby agrees to pay the amount of established Deficiencies within thirty (30) days after the establishment thereof ("Due Date"). The amount of established Deficiencies shall be paid in cash.

ARTICLE 10

MISCELLANEOUS

10.1 **Termination of Agreement**.

(a) Termination. This Agreement may be terminated at any time on or before the Closing Date: (i) by the mutual written consent of Seller and Buyer; (ii) by either Party hereto upon written notice to the other if the Closing has not occurred within two hundred seventy (270) days after the date of this Agreement; (iii) by Buyer upon written notice to Seller if Seller breaches its representations or warranties or defaults in the performance of its covenants contained in this Agreement and such breach or default is material in the context of the transactions contemplated hereby and is not cured within the Cure Period (defined below); or (iv) by Seller upon written notice to Buyer if Buyer breaches its representations or warranties or defaults in the performance of its covenants contained in this Agreement and such breach or default is material in the context of the transactions contemplated hereby and is not cured within the Cure Period (*provided, however*, that the Cure Period shall not apply to Buyer's obligation to pay the Purchase Price at Closing).

(b) Cure Period. Each Party shall give the other Party prompt written notice upon learning of any breach or default by the other Party under this Agreement. The term "Cure Period" as used herein means a period commencing on the date Buyer or Seller receives from the other written notice of breach or default hereunder and continuing until the earlier of (i) twenty (20) calendar days thereafter or (ii) the Closing Date determined under Section 1.6; *provided, however*, that if the breach or default is non-monetary and cannot reasonably be cured within such period but can be cured before the Closing Date determined under Section 1.6, and if diligent efforts to cure promptly commence, then the Cure Period shall continue as long as such diligent efforts to cure continue, but not beyond the Closing Date determined under Section 1.6.

(c) **Effect of Termination.** Except as provided by Section 10.1(d), a termination pursuant to this Section 10.1 shall not relieve any Party of any liability it would otherwise have for a breach of this Agreement. Notwithstanding anything contained herein to the contrary, Sections, 4.11 and 5.7 (Confidentiality) and 10.3 (Expenses) shall survive any termination of this Agreement

(d) **Liquidated Damages.** If this Agreement is terminated pursuant to Section 10.1(a) (iv) above, Buyer shall pay Seller the amount of One Hundred Fifty Thousand U.S. Dollars (\$150,000.00) ("**Liquidated Damages**") as the exclusive remedy of Seller against Buyer. Seller acknowledges that Seller's damages in the event of termination of this Agreement under the provisions of Section 10.1(a) (iv) above would be difficult to determine and that the Liquidated Damages amount is a reasonable and satisfactory substitution for the amount such damages. Buyer acknowledges and agrees that Seller's recovery of such amount shall constitute payment of liquidated damages and not a penalty and that Seller's Liquidated Damages amount is reasonable in light of the substantial but indeterminate harm anticipated to be caused by Buyer's material breach or default under this Agreement, the difficulty of proof of loss and damages, the inconvenience and non-feasibility of otherwise obtaining an adequate remedy, and the value of the transactions to be consummated hereunder.

10.2 **Specific Performance.** The Parties acknowledge that the operation of the Stations is of a special, unique and extraordinary character. In the event of failure or threatened failure by either Party to comply with the terms of this Agreement, the other Party shall be entitled to an injunction restraining any such breach or threatened breach or to enforcement of this Agreement by a decree or decrees of specific performance requiring the non-performing Party to fulfill its obligations under this Agreement (subject to obtaining any necessary FCC consent).

10.3 **Expenses.** Each Party hereto shall bear all of its expenses incurred in connection with the transactions contemplated by this Agreement including, without limitation, accounting and legal fees incurred in connection herewith; *provided, however*, all sales or transfer taxes arising from the transfer of the Assets to Buyer shall be borne by the Party upon such taxes are assessed by law.

10.4 **Remedies Cumulative.** The remedies provided in this Agreement shall be cumulative and shall not preclude the assertion by any Party hereto of any other rights or the seeking of any other remedies against the other Party hereto.

10.5 **Contract Assignment Consents.** If a Consent to assignment of a Contract is not obtained prior to Closing, Seller and Buyer shall use their best efforts to obtain such Consent after Closing. To the extent that any Contract may not be assigned without the consent of any third party, this Agreement and any assignment executed pursuant to this Agreement shall not constitute an assignment of such Contract; *provided, however*, with respect to each such Contract, Seller and Buyer shall cooperate to the extent feasible in effecting a lawful and commercially reasonable arrangement under which Buyer shall receive the benefits under the Contract from and after Closing, and to the extent of the benefits received, Buyer shall pay and perform Seller's obligations arising under the Contract from and after Closing in accordance with its terms.

10.6 **Further Assurances.** From time to time before, on and after the Closing Date, each Party hereto will execute all such instruments and take all such actions as any other Party, being advised by counsel, shall reasonably request, without payment of further consideration, in connection with

carrying out and effectuating the intent and purpose hereof and all transactions and things contemplated by this Agreement including, without limitation, the execution and delivery of any and all confirmatory and other instruments in addition to those to be delivered on the Closing Date, and any and all actions which may reasonably be necessary to complete the transactions contemplated hereby.

10.7 **Risk of Loss.**

(a) Subject to Buyer's obligations under the TBA, the risk of loss, damage, or destruction to any of the Assets from fire or other casualty or cause shall be borne by Seller at all times before the Effective Time, and Buyer shall bear the risk of any such loss or damage thereafter. On any such material loss, damage or destruction to Tangible Personal Property, the proceeds of any claim for any loss, payable under any insurance policy with respect thereto, shall be used to repair, replace, or restore any such property to its former condition, subject to the conditions stated below. It is expressly understood and agreed that, in the event of any material loss or damage to any of the Assets from fire, casualty or other causes before the Closing, Seller shall notify Buyer of same in writing promptly. Such notice shall specify with reasonable particularity the loss or damage incurred, the cause thereof (if known or reasonably ascertainable) and the insurance coverage.

(b) If prior to the Effective Time any item of Tangible Personal Property is damaged or destroyed or otherwise not in the condition described in Section 2.11(c) in any material respect, then: (i) Seller shall use commercially reasonable efforts to repair or replace such item in all material respects in the ordinary course of business; and (ii) if such repair or replacement is not completed prior to Closing, then as Buyer's sole remedy, the Parties shall proceed to Closing and the Purchase Price shall be reduced by an amount equal to the unpaid portion of the cost of such repair or replacement, except that if such damage or destruction materially disrupts a Station's operations, then Buyer may postpone Closing until the date five (5) business days after operations are restored in all material respects, subject to Section 10.1.

10.8 **Broadcast Transmission Interruption.** If, before the Closing, the regular broadcast transmission of the Stations in the normal and usual manner is interrupted for a period of seventy-two (72) continuous hours or more, solely as a result of actions of, or the failure to act by, Seller, then Seller shall give prompt written notice thereof to Buyer. If prior to Closing a Station is off the air or operating at a power level that results in a material reduction in coverage (a "**Broadcast Interruption**"), then Seller shall use commercially reasonable efforts to return such Station to the air and restore prior coverage as promptly as possible in the ordinary course of business. Notwithstanding anything herein to the contrary, if prior to Closing there is a Broadcast Interruption in excess of twenty-four (24) hours, then Buyer may postpone Closing until the date five (5) business days after such Station returns to the air and prior coverage is restored in all material respects, subject to Section 10.1.

10.9 **Arbitration; Choice of Jurisdiction.** If a controversy should arise in the performance, interpretation or application of this Agreement, either Party may serve upon the other a written notice stating that such Party desires to have the controversy reviewed by an arbitrator. Any arbitrator selected shall be independent and disinterested of Seller and Buyer and shall be familiar with and have direct experience in the radio broadcast industry. Such arbitrator need not be a professional arbitrator and persons such as lawyers shall be acceptable. If the Parties cannot agree within fifteen (15) business days from the service of such notice upon the selection of such

arbitrator, an arbitrator shall be selected or designated by the American Arbitration Association. Before undertaking to resolve a dispute, such arbitrator shall be duly sworn faithfully and fairly to hear and examine the matters in controversy and to make a just award according to the best of his or her understanding. Arbitration of such controversy, disagreement or dispute shall be conducted in accordance with the Commercial Arbitration Rules then in force of the American Arbitration Association and the decision and award of the arbitrator so selected shall be binding upon the Parties. The arbitration will be held in Charlotte, North Carolina. The cost of any such arbitration shall be shared equally by the Parties, *provided* that the arbitrator shall be authorized to enter as part of the award to any Party an amount equal to such Party's attorney's fees and other costs related to the arbitration. Except as provided by the arbitrator, each Party shall pay its own costs incurred as a result of its participation in any such arbitration. The provisions of this paragraph shall not affect any Party's right to terminate this Agreement. Except as specifically provided in this paragraph, any arbitrator shall have no authority to award punitive damages or any other damages not measured by the prevailing Party's actual damages, and may not make any ruling, finding or award that does not conform to the terms of this Agreement. Any controversy or claim arising out of or related to this Agreement which the Parties are unable to resolve and which is not requested to be arbitrated as set forth above shall be submitted to courts with jurisdiction located in Charlotte, North Carolina, which shall be the sole forums for the resolution of all disputes hereunder, to the jurisdiction of which both Parties submit.

10.10 **Cooperation.** Between the date hereof and the Closing Date, the Parties shall reasonably cooperate with each other to provide such information reasonably necessary for each Party's due diligence review of all the Assets, provided that the non-requesting Party shall not be obligated to expend any out-of-pocket costs.

10.11 **Successors and Assigns.** Except as otherwise expressly provided herein, this Agreement shall be binding on and inure to the benefit of the Parties hereto, and their respective representatives, successors, and assigns. No assignment shall relieve any Party of any obligation or liability under this Agreement. Neither Party may assign any of its rights or delegate any of its duties hereunder without the prior written consent of the other Party. The Parties agree that such consent shall not be unreasonably withheld. Notwithstanding the foregoing, at Closing, Buyer may collaterally assign any or all of its rights under this Agreement to any of its lenders provided that no actual assignment shall be effective unless and until the assignee assumes this Agreement in a writing delivered to Seller and no collateral or actual assignment shall relieve Buyer of any of its obligations hereunder.

10.12 **Amendments; Waivers.** The terms, covenants, representations, warranties, and conditions of this Agreement may be changed, amended, modified, waived, discharged, or terminated only by a written instrument executed by the Party waiving compliance. The failure of any Party at any time or times to require performance of any provision of this Agreement shall in no manner affect the right of such Party at a later date to enforce the same. No waiver by any Party of any condition or the breach of any provision, term, covenant, representation, or warranty contained in this Agreement, whether by conduct or otherwise, in any one or more instances shall be deemed to be or construed as a further or continuing waiver of any such condition or of the breach of any other provision, term, covenant, representation or warranty of this Agreement.

10.13 **Notices.** All notices, requests, demands and other communications required or permitted under this Agreement shall be in writing and shall be deemed to have been duly made and received when personally served, or when delivered by Federal Express or a similar overnight courier service, expenses prepaid, addressed as set forth below:

If to Seller, then to: GHB of Waxhaw, Inc. Attn: Jacob E. Bogan 2250 N. Druid Hills Rd. NE Ste 124 Atlanta, GA 30329-3118 with a copy (which shall not constitute notice), given in the manner prescribed above, to: Fletcher Heald & Hildreth, PLC Attn: Sara L. Hinkle, Esq. 1300 N. 17th Street Suite 1100 Arlington, VA 22209	If to Buyer, then to: <u>By U.S. Mail:</u> WBLO/WIST-FM Operating LLC Attn: Norberto Sanchez 2445 Meadowbrook Parkway Duluth, GA 30096 <u>By Personal Delivery or Commercial Express Delivery:</u> Same as above with a copy (which shall not constitute notice), given in the manner prescribed above, to: Putbrese Hunsaker & Trent, P.C. Attn: John C. Trent, Esq. 200 South Church Street Woodstock, VA 22664
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Any Party may alter the address to which communications are to be sent by giving notice of such change of address in conformity with the provisions of this Section providing for the giving of notice.

10.14 **Captions.** The captions of Articles and Sections of this Agreement are for convenience only and shall not control or affect the meaning or construction of any of the provisions of this Agreement.

10.15 **Governing Law.** THIS AGREEMENT AND ALL QUESTIONS RELATING TO ITS VALIDITY, INTERPRETATION, PERFORMANCE AND ENFORCEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NORTH CAROLINA, WITHOUT GIVING EFFECT TO PRINCIPLES OF CONFLICTS OF LAWS THAT MAY DIRECT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION.

10.16 **Entire Agreement.** This Agreement and the Schedules hereto constitute the full and entire understanding and agreement between the Parties with regard to the subject hereof, and supersede all prior agreements, understandings, inducements or conditions, express or implied, oral or written, relating to the subject matter hereof. The express terms hereof control and supersede any course of performance and/or usage of trade inconsistent with any of the terms hereof. No Party makes any representation or warranty with respect to the transactions contemplated by this Agreement except as expressly set forth in this Agreement. Without limiting the generality of the foregoing, Seller

makes no representation or warranty to Buyer with respect to any projections, budgets or other estimates of the Stations' revenues, expenses, or results of operations, or, except as expressly set forth in Article 2, any other financial or other information made available to Buyer with respect to the Stations.

10.17 **Execution: Counterparts and Facsimile.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any Party whose signature appears thereon, and all of which shall together constitute one and the same instrument. This Agreement shall become binding when one or more counterparts hereof, individually or taken together, shall bear the signatures of all of the Parties reflected hereon as the signatories. Delivery of an executed counterpart of a signature page to this Agreement by facsimile shall be as effective as delivery of a manually executed counterpart of this Agreement.

10.18 **Gender and Tense.** Where appropriate to the context, pronouns of other terms expressed in one number or gender will be deemed to include all other numbers or genders. The use of a word in one tense will include the other tenses, where appropriate to the context.

10.19 **Third-party Beneficiaries.** This Agreement is intended to benefit only the Parties to this Agreement, their successors and permitted assigns. No other Person is an intended or incidental beneficiary of this Agreement.

10.20 **No Party Deemed Drafter.** The Parties acknowledge that they have been represented by counsel in connection with this Agreement and the transactions contemplated hereby. Accordingly, any rule of law or any legal decision that would require interpretation of any claim ambiguities in this Agreement against the Party that drafted it has no application and is expressly waived. Provisions of this Agreement shall be interpreted in a reasonable manner to affect the intent of the Parties.

10.21 **Bulk Sale Law.** The Parties do not believe that any bulk sales or fraudulent conveyance statute applies to the transactions contemplated by this Agreement. Buyer therefore waives compliance by Seller with the requirements of any such statutes. Seller agrees that its indemnification under Article 9 includes any Deficiencies arising from any claim made against Buyer by any creditor of Seller as a result of a failure to comply with any such statute.

10.22 **Severability.** If any court or governmental authority holds any provision in this Agreement invalid, illegal or unenforceable under any applicable law, then, so long as no Party is deprived of the benefits of this Agreement in any material respect, this Agreement shall be construed with the invalid, illegal or unenforceable provision deleted and the validity, legality and enforceability of the remaining provisions contained herein shall not be affected or impaired thereby.

10.23 **Control.** Subject to the TBA, Buyer shall not, directly or indirectly, control, supervise or direct the operation of the Stations prior to Closing. Consistent with the Communications Act and the FCC rules and regulations, control, supervision and direction of the operation of the Stations prior to Closing shall remain the responsibility of Seller as the holder of the Authorizations.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT]

IN WITNESS WHEREOF, the Parties have caused this Asset Purchase Agreement to be duly executed by their duly authorized signatories, all as of the day and year first above written.

SELLER:

BUYER:

GHB RADIO, INC

WBLO/WIST-FM OPERATING KLLC

By: _____


Jacob E. Bogan, Secretary/Treasurer

By: _____

Norberto Sanchez, President

WEAM QUALITY RADIO CORPORATION

By: _____


Jacob E. Bogan, Secretary/Treasurer

[SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT]

IN WITNESS WHEREOF, the Parties have caused this Asset Purchase Agreement to be duly executed by their duly authorized signatories, all as of the day and year first above written.

SELLER:

GHB RADIO, INC

By: _____
Jacob E. Bogan, Secretary/Treasurer

WEAM QUALITY RADIO CORPORATION

By: _____
Jacob E. Bogan, Secretary/Treasurer

BUYER:

WBLO/WIST-FM OPERATING KLLC

By: _____
Norberto Sanchez, President

EXHIBIT A
Time Brokerage Agreement