

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (this "Agreement") is entered into as of ~~February~~ ^{August 3} ^{MMS}, 2023, by and between The Great Marathon Radio Company, Inc., a Florida corporation ("Seller"), and Magnum Broadcasting, Inc., a Pennsylvania corporation ("Buyer").

WITNESSETH:

WHEREAS, Seller holds certain licenses, permits and authorizations issued by the Federal Communications Commission (the "FCC") for the operation of commercial radio station WGMX(FM), Marathon, Florida, FCC Facility ID number 65663 and station WFFG(AM), Marathon, FL, FCC Facility ID number 65664 (the "Stations") and Seller owns and/or leases certain assets used in the operation and maintenance of the Stations, as more particularly described in this Agreement;

WHEREAS, Seller desires to sell, transfer and assign such licenses, permits and authorizations to Buyer and sell such assets to Buyer, and Buyer desires to acquire such licenses and assets, upon the terms and subject to the conditions set forth;

WHEREAS, the sale, transfer and assignment of such licenses, permits and authorizations of the Stations is subject to the prior approval of the FCC;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein contained, and intending to be legally bound hereby, Seller and Buyer hereby agree as follows

ARTICLE 1

PURCHASE OF ASSETS

1.1 Transfer of Assets. On the Closing Date (as hereinafter defined), subject to the conditions contained herein, Seller shall sell, assign, transfer and convey to Buyer, and Buyer shall purchase from Seller, all of the assets, properties, interests and rights of Seller of whatsoever kind and nature, tangible and intangible, which are used or held for use in connection with the operation of the Stations other than the Excluded Assets, as defined below (the "Acquired Assets"), including, but not limited to, the following:

(a) All licenses, permits and other authorizations relating to the Stations issued to Seller by the FCC or any other governmental authority on or prior to the Closing Date, together with renewals or modifications thereof, including, without limitation, the licenses, permits and authorizations listed on Schedule 1.1 (a) attached hereto (the "Authorizations");

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(b) All equipment, office furniture, fixtures and materials, and other tangible personal property, of every kind and description, owned or used by Seller with respect to the Stations, together with any replacements thereof or additions thereto, including, without limitation, the property listed on Schedule 1.1(b) attached hereto (the “Tangible Personal Property”);

(c) All of Seller’s right, title and interest in and to each contract, agreement and lease, written or oral, relating to the operation of the Stations listed in Schedule 1.1 (c) hereto, together with all contracts, agreements and leases entered into or acquired by Seller between the date hereof and the Closing Date which Buyer has agreed to assume in writing at the Closing (as hereinafter defined) (the “Contracts”);

(d) All of Seller’s right, title and interest in any and all trademarks, trade names, service marks, franchises, copyrights, including the call signs WGMX(FM), WFFG(AM) and all registrations and applications for registration of any of them, jingles, logos and slogans used in the conduct of the business and operation of the Stations, including but not limited to those described on Schedule 1.1(d) attached hereto (the “Intellectual Property”);

(e) (ii) all files, records, and books of account relating to the Stations, including, without limitation, engineering data, consulting reports, marketing data, sales correspondence, lists of advertisers, promotional materials, credit and sales reports, FCC filings, copies of all written contracts to be assigned hereunder, and logs and all software programs used in connection with the operation of the Stations.

The Acquired Assets shall be transferred to Buyer free and clear of all liens, encumbrances, debts, security interests, mortgages, trusts, claims, pledges, charges, covenants, conditions or restrictions of any kind (“Liens”).

1.2 Excluded Assets. The following assets and properties of Seller shall be excluded from the Assets to be transferred to Buyer hereunder (collectively, the “Excluded Assets”):

(a) the assets and properties identified on Schedule 1.2 attached hereto;

(b) all cash and cash equivalents, prepaid expenses, security deposits, marketable securities and other investments, evidences of indebtedness, and rights to receive payment generated by the operation of the Stations for the period ending on or prior to the Closing Date;

(c) all policies of insurance and all rights of recovery, claims, and causes of action arising from the operation of the Stations prior to the Closing Date; and

(d) Seller’s financial and corporate records, subject to the right of Buyer to have access to and to copy such records pertaining directly to the Stations.



ARTICLE 2
ASSUMPTION OF OBLIGATIONS

2.1 Assumption of Obligations. Subject to the provisions of this Section 2.1 and Section 2.2, on the Closing Date, Buyer shall assume and undertake to pay, satisfy or discharge the liabilities, obligations and commitments of Seller arising or to be performed on or after the Closing Date under the Contracts or Real Property Leases, except obligations which arise or result from a breach by Seller of or a default by Seller under any Contract or Real Property Lease prior to the Closing Date (referred to herein collectively as the “Assumed Liabilities”).

2.2 Retained Liabilities. Except as set forth in Section 2.1 hereof, Buyer expressly does not, and shall not, assume or be deemed to assume under this Agreement or otherwise by reason of the transactions contemplated hereby any liability, obligation, commitment, undertaking, expense or agreement of Seller of any nature whatsoever, whether known or unknown or absolute or contingent (herein collectively the “Retained Liabilities”).

ARTICLE 3
CONSIDERATION

3.1 Purchase Price and Payment. In consideration of the transfer by Seller to Buyer of the Assets Buyer shall pay to Seller the aggregate purchase price of One Hundred and Fifty Thousand Dollars (\$150,000.00) (the “Purchase Price”), subject to adjustment as set forth in Section 3.3. The Purchase Price shall be paid to Seller as follows:

(a) Buyer shall pay to Seller at the Closing Twenty Five Thousand Dollars cash (\$25,000.00).

(b) Buyer shall pay to Seller on or before December 31, 2023 Ten Thousand Dollars cash (\$10,000.00).

(c) Buyer shall execute and deliver to Seller at the Closing a Negotiable Promissory Note (the “Note”) in the principal amount of One Hundred and Fifteen Thousand Dollars (\$115,000.00). Note payments are to be amortized over 60 monthly payments of Two Thousand Three Hundred and Thirty One Dollars and Seventy Nine Cents (\$2,331.79), including interest at 8.0% APR, such Note in the form of Exhibit A hereto;

(d) As security for the performance of Buyer’s obligations under the Note, Buyer shall execute and deliver to Seller at the Closing a Security Agreement (the “Security Agreement”) in the form of Exhibit B hereto, with the collateral stated therein, and the Guaranty (the “Guaranty”) in the form of Exhibit C hereto.

3.2 Allocation of Purchase Price. The Purchase Price shall be allocated as mutually agreed upon by Buyer and Seller prior to Closing. Buyer and Seller agree that the

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allocation determined by their mutual agreement shall be conclusive and binding on Buyer and Seller for all purposes, including without limitation, reporting and disclosure requirements of the Internal Revenue Service.

3.3 Credits: Proration of Income and Expenses. Except as otherwise provided herein, all expenses arising from the conduct of the business and operation of the Station shall be prorated between Buyer and Seller in accordance with generally accepted accounting principles as of 11:59 p.m., Eastern standard time, on the date immediately preceding the Closing Date (defined in Section 5.1 below). Such prorations shall include, without limitation, all taxes, business and license fees, music and other license fees, utility expenses, rents and similar prepaid and deferred items incurred and owing by Seller as a result of its ownership of the Stations. The prorations and adjustments contemplated by this Section, to the extent practicable, shall be made on the Closing Date. All prorations and adjustments made on the Closing Date shall be paid in the form of an increase or decrease of the amount payable by Buyer.

ARTICLE 4 **GOVERNMENTAL CONSENTS**

4.1 FCC Consent. It is specifically understood and agreed by Buyer and Seller that consummation of the transactions contemplated hereby is expressly conditioned on and is subject to the prior consent and approval of the FCC ("FCC Consent").

4.2 FCC Application. Within five (5) business days following the execution of this Agreement, the parties shall file with the FCC an application for assignment of the FCC licenses ("FCC Application") from Seller to Buyer. The parties shall thereafter use all reasonable efforts to obtain the grant of the FCC Application as expeditiously as practicable. If reconsideration or judicial review is sought with respect to the FCC Consent, the party affected shall vigorously oppose such efforts for reconsideration or judicial review. Nothing in this Section 4.2 shall be construed to limit a party's right to terminate this Agreement pursuant to Article 13 hereof.

ARTICLE 5 **CLOSING**

5.1 Closing. The consummation of the transactions contemplated herein (the "Closing") shall occur within five (5) business days after the FCC Consent shall have become a Final Order (as hereinafter defined) (the "Closing Date") unless the Buyer elects to schedule the Closing prior to Final Order, in which event the Closing Date shall be any date selected by Buyer more than five (5) business days after the FCC Consent has been granted, upon no less than five (5) business days written notice to Seller. As used herein, the term "Final Order" means a written action or order issued by the FCC setting forth the FCC Consent (a) which has not been reversed, stayed, enjoined, set aside, annulled or suspended, and (b) with respect to which (i) no requests have been filed for administrative or judicial review, reconsideration, appeal or stay, and

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the time for filing any such requests and for the FCC to set aside the action on its own motion (whether upon reconsideration or otherwise) has expired, or (ii) in the event of review, reconsideration or appeal, the time for further review, reconsideration or appeal has expired. All actions taken at the Closing will be considered as having been taken simultaneously, and no such actions will be considered to be completed until all such actions have been completed. The Closing shall be held at such time and place as the parties hereto may agree.

ARTICLE 6

REPRESENTATIONS AND WARRANTIES OF SELLER

6.1 Organization and Qualification. Seller is a corporation duly organized, validly existing and in good standing under the laws of the State of Florida and has the requisite power to carry on its business as it is now being conducted.

6.2 Authority. Seller's execution, delivery and performance of this Agreement and all other agreements, documents, certificates and instruments delivered or to be delivered hereunder by such Seller (this Agreement and such other agreements, documents, certificates and instruments are referred to herein collectively as the "Seller Documents"), and the transactions contemplated hereby have been duly and validly authorized by all necessary action on its part. This Agreement and the Seller Documents have been duly executed and delivered by Seller and upon obtaining all necessary approvals of the transactions contemplated by this Agreement, this Agreement will constitute, and the Seller Documents to be executed in connection herewith will constitute, the valid and binding obligation of Seller, enforceable in accordance with their terms.

6.3 No Conflict. The execution and delivery by Seller of this Agreement and the Seller Documents does not or will not, and the consummation of the transactions contemplated hereby will not: (i) conflict with, or result in a violation of, any provision of the Bylaws of such Seller; (ii) constitute or result in a breach of or default (or an event which with notice or lapse of time, or both, would constitute a default) under, or result in the termination or suspension of, or accelerate the performance required by, or result in a right of termination, cancellation or acceleration of any Contract, or any other material agreement, indenture, covenant, instrument, license or permit by which Seller is bound; (iii) constitute, or result in, a violation of any judgment, ruling, order, writ, injunction, decree, statute, law, rule or regulation applicable to Seller or any of its properties or assets. Except for the FCC Consent, no consent, approval, order or authorization of, notice to, or registration, declaration of filing with, any governmental entity or any third party is necessary in connection with the execution and delivery of this Agreement or the Seller Documents by Seller or the consummation of the transactions contemplated hereby.

6.4 Authorizations.

(a) Schedule 1.1(a) hereto contains a true and complete list of the FCC Licenses. Seller is the authorized legal holder of the FCC Licenses. The FCC Licenses are in

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full force and effect, unimpaired by any act or omission of Seller. The FCC Licenses are all of the licenses, permits or other authorizations from federal governmental and regulatory authorities necessary for the operation of the Stations in the manner and to the full extent as such operations are currently conducted and there are no conditions upon the FCC Licenses except those conditions stated on the face thereof. No proceedings are pending or threatened (other than proceedings applicable to the radio industry as a whole) nor do any facts exist which may result in the revocation, modification, non-renewal or suspension of any of the FCC Licenses, the denial of any pending applications related to the FCC Licenses, the issuance of any cease and desist order related to the FCC Licenses, the imposition of any administrative actions by the FCC with respect to the FCC Licenses or which may affect Buyer's ability to operate the Stations in accordance with the FCC Licenses and the existing rules, regulations and policies of the FCC (the "FCC Rules").

(b) Except as disclosed on Schedule 1.1(a) hereof, and the final sentence of this paragraph, the Station and their transmission facilities are operating in material compliance with the FCC Licenses and the FCC Rules, and Seller shall take all steps reasonably necessary to insure continued compliance therewith pending the Closing. Licensee has filed with the FCC all material reports or applications (including payment of any fee, fine or forfeiture due to the FCC as of the date hereof) with respect to the FCC Licenses and the Station. Seller has complied in all material respects with applicable FCC Rules pertaining to (i) the Stations' public file, and (ii) the requirements to maintain logs or other records. All such files, logs, and records required by the FCC are kept in good order and maintained at the Station. Except as disclosed on Schedule 1.1(a) hereof, the Station's transmitting facilities are in good repair and structurally sound, are currently maintained and shall be maintained in accordance with good engineering practice and all applicable FCC Rules. Station WGMX(FM) is currently authorized under Special Temporary Authority to remain silent as per FCC File Number 0000210561 and station WFFG(AM) is currently authorized to remain silent as per FCC File Number 0000202183

6.5 Tangible Personal Property. Schedule 1.1(b) hereto contains a true and complete list of the Tangible Personal Property. Seller (a) is the lawful owner of all of the Tangible Personal Property it purports to own, (b) has valid leasehold interests in the Tangible Personal Property it purports to lease, and (c) has valid license rights in the Tangible Personal Property it purports to license, in all cases free and clear of any Liens, except for Liens disclosed in Schedule 1.1(b) attached hereto. Each material item of Tangible Personal Property is in good operating condition, ordinary wear and tear excepted, and has been maintained according to industry standards.

6.6 Contracts. Schedule 1.1(c) hereto contains a true and complete list of the Contracts. Seller is not in violation or breach of, nor has Seller received in writing any claim or threat that it has breached any of the terms and conditions of, any Contract. To the best knowledge of Seller, no other party to any Contract is in default thereunder or breach thereof. Seller has delivered to Buyer a complete copy of each Contract, including all amendments or modifications thereto. Except as set forth on Schedule 1.1(c), neither the execution and delivery by Seller of this Agreement nor the consummation by Seller of the transactions contemplated under this Agreement requires the consent of any party to a Contract.

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6.7 Compliance With Law. To the best of Seller's knowledge, the Acquired Assets and the Seller's operation of the Stations are in compliance with all applicable statutes, laws, ordinances, regulations, rules or orders of any federal, state or local government.

6.8 Litigation. There are no claims, actions, suits, litigation, labor disputes, proceedings or investigations pending or, to the best knowledge of Seller, threatened against or affecting Seller, the Acquired Assets or the transactions contemplated by this Agreement. Seller is not subject to any order, judgment, writ, injunction or decree of any court or governmental agency or entity.

6.9 Taxes. Seller has paid all taxes required to be paid by Seller with respect to the Stations. There are no pending or, to the best knowledge of Seller, threatened, investigations or claims against Seller for or relating to any liability in respect of taxes and, to the best knowledge of Seller, no facts or circumstances exist which indicate that any such investigations or claims in respect of taxes may be brought or are under discussion with any governmental authorities. All taxes required to be withheld by Seller on or before the date hereof have been withheld and paid to the appropriate agency or authority.

6.10 Insurance. All of the Acquired Assets of any insurable character are insured by reputable insurance companies against loss or damage by fire and other risks to the full extent and in the manner customary for properties and Acquired Assets of that nature.

6.12 No Broker. Seller has not employed any Broker in relation to this transaction and no Broker is due a commission as a result of the transaction described herein.

6.13 Disclosure. The representations and warranties of Seller herein or in any document, exhibit, statement, certificate or schedule furnished by or on behalf of Seller to Buyer as required by this Agreement do not contain nor will contain any untrue statement of a material fact or omit or will omit to state any material fact necessary in order to make the statements herein or therein, in light of the circumstances under which they were made, not misleading. From the date of this Agreement, through the Closing Date, Seller shall advise Buyer in writing immediately of all changes, if any, in circumstances that would cause any representation, warranty or statement contained herein to be inaccurate or would have a material adverse effect on the Stations.

ARTICLE 7 **REPRESENTATIONS AND WARRANTIES OF BUYER**

Buyer represents and warrants to Seller as follows:

7.1 Organization and Standing. Buyer is a corporation duly organized, validly existing and in good standing under the laws of the State of Pennsylvania and has the requisite power to carry on its business as it is now being conducted.

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7.2 Authority. Buyer's execution, delivery and performance of this Agreement and all other agreements, documents, certificates and instruments delivered or to be delivered hereunder by Buyer (the "Buyer Documents") and the transactions contemplated hereby has been or shall be duly and validly authorized by all necessary action on its part. This Agreement has been duly executed and delivered by Buyer and upon obtaining all necessary approvals of the transactions contemplated by this Agreement, this Agreement will constitute, and the Seller Documents to be executed in connection herewith will constitute, the valid and binding obligation of Buyer, enforceable in accordance with their terms.

7.3 Litigation. There are no claims, actions, suits, litigation, labor disputes, proceedings or investigations pending or, to the best knowledge of Buyer, threatened against Buyer relating to the transactions contemplated by this Agreement.

7.4 Qualifications. Buyer has sufficient funds to consummate the transactions contemplated by this Agreement and make payment of the Purchase Price in accordance with the terms hereof. Buyer is legally and technically qualified to be the licensee of the Stations.

7.5 No Broker. Buyer has not employed any Broker in relation to this transaction and no Broker is due a commission as a result of the transaction described herein.

7.6 Disclosure. The representations and warranties of Buyer herein or in any document, exhibit, statement, certificate or schedule furnished by or on behalf of Buyer to Seller as required by this Agreement do not contain nor will contain any untrue statement of a material fact or omit or will omit to state any material fact necessary in order to make the statements herein or therein, in light of the circumstances under which they were made, not misleading. From the date of this Agreement, through the Closing Date, Buyer shall advise Seller in writing immediately of all changes, if any, in circumstances that would cause any representation, warranty or statement contained herein to be inaccurate or would have a material adverse effect on the Stations.

ARTICLE 8 **Interim Covenants**

8.1 Operation of Business. Between the date of this Agreement and the Closing Date, Seller shall:

(a) preserve and protect all of the Acquired Assets in good repair and condition, normal wear and tear excepted;

(b) not enter into any material agreement with respect to the Stations, the Acquired Assets or Seller, including any option or agreement to sell, assign or transfer the Stations or control of Seller to any other party;

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(c) not take or permit any other action inconsistent with Seller's obligations hereunder and the consummation of the transactions contemplated hereby;

(d) maintain the Stations' insurance policies in full force and effect, with policy limits and scope of coverage not less than is currently provided;

(e) maintain and preserve Seller's rights under the FCC Licenses and operate the Stations in accordance with the FCC Rules and the FCC Licenses;

(f) conduct the Stations' business in the ordinary course consistent with past practices or as required by this Agreement. By way of amplification and not limitation, without the prior written consent of Buyer, which shall not be unreasonably withheld, Seller shall not with respect to the Stations:

(i) enter into any agreement, contract or lease with an aggregate liability of more than \$5,000, unless cancelable without penalty prior to the Closing Date;

(ii) place or allow to be placed on any of the Acquired Assets any Lien;

(iii) sell or otherwise dispose of any Acquired Asset except in accordance with Section 1.1;

(iv) commit any act or omit to do any act which will cause a breach of any material Contract or terminate or fail to renew any material Contract;

(v) violate in any material respect any law, statute, rule, governmental regulation or order of any court or governmental or regulatory authority (whether Federal, State or local);

(vi) cause or permit by any act, or failure to act, any of the FCC Licenses to expire, be surrendered, adversely modified, or otherwise terminated, or the FCC to institute any proceedings for the suspension, revocation or adverse modification of any of the FCC Licenses, or fail to prosecute with due diligence any pending applications to the FCC; or

(vii) increase the salary, benefits or other compensation payable to any Seller employee employed at Stations, without the consent of Buyer.

8.2 No Other Bids. Seller shall not, and shall not authorize or permit any officer, director or employee of Seller, or any investment banker, attorney, accountant or other advisor or representative retained by Seller to, solicit, initiate, encourage (including by way of furnishing information), endorse or enter into any agreement with respect to, or take any other action to facilitate, any inquiries or the making of any proposal that constitutes, or may reasonably be expected to lead to, any proposal to purchase, directly or indirectly, the Stations.

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Upon a violation of this Section, in addition to any other remedies available hereunder or at law, Buyer shall be entitled to injunctive relief.

8.3 Employees. Seller hereby covenants that all employees of the Stations shall be terminable, without liability to Buyer, on and as of the Closing Date, and that Buyer will have no liability to any present or past employee of the Station for retirement, pension, bonus, termination, vacation, or other pay, or for hospitalization, major medical, life or other insurance or other employee benefits.

8.4 Notification of Certain Matters.

(a) Seller shall give prompt notice to Buyer, and Buyer shall give prompt notice to Seller, of: (i) any material inaccuracy in any representation or warranty made by such party, or (ii) any failure of the party to comply with or satisfy any material covenant, condition or agreement to be complied with or satisfied by such party under this Agreement; provided, however, that no such notification or failure to give notice shall affect the representations or warranties or covenants or agreements of the parties or the conditions to the obligations of the parties hereunder.

(b) Seller shall give prompt notice to Buyer, and Buyer shall give prompt notice to Seller concerning any oral or written communication from the FCC concerning the FCC Application.

8.5 Consents and Approvals. Seller shall obtain consent to this transaction from those parties to Contracts listed in Schedules 1.1(d) and shall use commercially reasonable efforts to obtain any and all other material consents, transfers, authorizations, or approvals required for the consummation of the transactions contemplated by this Agreement other than the FCC Consent, which is governed by Section 4.2. Buyer will cooperate with Seller in obtaining, and providing all information necessary to obtain, such consents.

8.6 Control of Station. Seller shall have full power and authority over the operation of the Stations. Such operation, shall be the responsibility of Seller.

8.7 News Releases. Prior to the Closing Date, and except as required by law, any news releases pertaining to the transactions contemplated hereby shall be reviewed and approved by Buyer and Seller, or their respective representatives, and shall be acceptable to them prior to the dissemination thereof.

ARTICLE 9 CONDITIONS

9.1 Conditions Precedent to Obligations of Buyer. The obligations of Buyer to consummate the transactions contemplated by this Agreement are subject to the fulfillment,



prior to or at the Closing, of each of the following conditions, except to the extent Buyer shall have waived in writing satisfaction of such condition:

(a) The representations and warranties made by Seller in this Agreement shall be true and correct in all material respects as of the date of this Agreement and on the Closing Date as though such representations and warranties were made on such date.

(b) Seller shall have performed and complied in all material respects with all covenants, agreements, representations, warranties and undertakings required by this Agreement to be performed or complied with prior to the Closing.

(c) Seller shall have delivered to Buyer all of the documents required by Section 10.1 hereof.

(d) The FCC Consent shall have become a Final Order.

(e) No governmental authority shall have enacted, enforced, issued or entered any law, rule, regulation or order, including in connection with any action or proceeding brought by a third party (not subsequently dismissed, settled or otherwise terminated), which enjoins, prohibits or invalidates the transactions contemplated by this Agreement or prevents, limits, restricts or impairs the ownership, use or operation of the Acquired Assets by Buyer.

(f) There shall not be any Liens or any financing statements of record on the Acquired Assets with respect to Seller except those to be released at the Closing.

9.2 Conditions Precedent to Obligations of Seller. The obligations of Seller to consummate the transactions contemplated by this Agreement are subject to the fulfillment, prior to or at the Closing, of each of the following conditions, except to the extent Seller shall have waived in writing satisfaction of such condition:

(a) The representations and warranties made by Buyer in this Agreement shall be true and correct in all material respects as of the date of this Agreement and on the Closing Date as though such representations and warranties were made on such date.

(b) Buyer shall have performed and complied in all material respects with all covenants, agreements, representations, warranties and undertakings required by this Agreement to be performed or complied with by it prior to the Closing.

(c) The FCC Consent shall have been granted and effective;

(d) No governmental authority shall have enacted, enforced, issued or entered any law, rule, regulation or order, including in connection with any action or proceeding brought by a third party (not subsequently dismissed, settled or otherwise terminated), which enjoins, prohibits or invalidates the transactions contemplated by this Agreement.

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(e) Buyer shall have delivered to Seller all of the documents required by Section 10.2 hereof.

ARTICLE 10

CLOSING DELIVERIES

10.1 Seller's Deliveries. At the Closing, Seller shall deliver or cause to be delivered to Buyer the following:

- (g) a Bill of Sale for the tangible and intangible personal property;
- (h) an Assignment and Assumption of FCC Licenses;
- (i) such instruments of amendment, termination or release of Liens, all in form and substance reasonably satisfactory to counsel for Buyer, as are necessary to vest in Buyer good and marketable title in and to the Stations' Assets;
- (j) Seller's counterpart signature to the Security Agreement;
- (k) updated Schedules reflecting any changes necessary to render the information contained therein true and accurate on the Closing Date;
- (l) A certificate, executed by an officer of Seller certifying to the fulfillment or satisfaction of the conditions set forth in Sections 9.1(a) and (b). The delivery of such certificate shall constitute a representation and warranty of Seller as to the statements set forth therein as of the Closing Date;
- (m) Such other documents to be delivered by Seller hereunder as are reasonably necessary for Buyer to effectuate and document the transactions contemplated hereby; and
- (n) originals or copies of all records required to be maintained by the FCC with respect to the Stations.

10.2 Buyer's Deliveries. At the Closing, Buyer shall deliver or cause to be delivered to Seller the following:

- (a) the payment required under Section 3.1 hereof, including execution and delivery of the Note, the Security Agreement and the Guaranty;
- (b) the Assignment and Assumption of FCC Licenses;
- (c) the Assignment and Assumption of Contracts;

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(d) a certificate, executed by an officer of Buyer, certifying to the fulfillment or satisfaction by Buyer of the conditions set forth in Sections 9.2(a) and (b). The delivery of such certificate shall constitute a representation and warranty of Buyer as to the statements set forth therein as of the Closing Date;

(e) Such other deliveries, documents, instruments and agreements necessary to consummate the transactions contemplated by this Agreement or as Seller shall reasonably request, each in form and substance satisfactory to Seller and its counsel.

TRANSFER TAXES, FEES AND EXPENSES

10.3 Expenses. Except as set forth in Section 11.2 and 11.3 hereof, each party hereto shall be solely responsible for all costs and expenses incurred by it in connection with the negotiation and preparation of this Agreement and the transactions contemplated thereby.

10.4 Transfer Taxes and Similar Charges. Seller and Buyer shall equally share the responsibility for recordation, transfer and documentary taxes and fees, and any excise, sales or use taxes imposed by reason of the transfer of the Acquired Assets in accordance with this Agreement.

10.5 Governmental Filing or Grant Fees. Any filing or grant fees imposed by any governmental authority the consent of which is required to the transactions contemplated hereby shall be borne equally by Buyer and Seller, except that Buyer shall pay the FCC Filing Fee for the Application for Assignment of License.

ARTICLE 11 INDEMNIFICATION

11.1 Survival of Representations and Warranties. All representations and warranties made in this Agreement shall survive the Closing for a period of (2) two years from the Closing Date. The right of any party to recover Damages (as defined in Section 12.2 below) on any claim shall not be affected by the termination of any representations and warranties as set forth above provided that notice of the existence of such claim has been given by the Indemnified Party (as hereinafter defined) to the Indemnifying Party (as hereinafter defined) prior to such termination.

11.2 Indemnification of Buyer by Seller. Seller shall indemnify and hold Buyer and its attorneys, affiliates, representatives, agents, officers, directors, successors or assigns harmless from and against any liability, loss, cost, expense, judgment, order, settlement, obligation, deficiency, claim, suit, proceeding (whether formal or informal), investigation, Lien or other damage, including, without limitation, attorney's fees and expenses, (all of the foregoing

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items for purposes of this Agreement are referred to as “Damages”), resulting from, arising out of or incurred with respect to:

(a) a breach of any representation, warranty, covenant or agreement of Seller contained herein, subject to notice of a claim being given before the expiration of the applicable period specified in Section 12.1 hereof with respect to the representations or warranties by Seller contained herein;

(b) the Retained Liabilities

The term “Damages” as used in this Agreement is not limited to matters asserted by third-parties against a party, but includes Damages incurred or sustained by a party in the absence of third-party claims.

11.3 Indemnification of Seller by Buyer. Buyer shall indemnify and hold Seller and its attorneys, affiliates, representatives, agents, officers, directors, successors or assigns, harmless from and against any Damages resulting from, arising out of, or incurred with respect to:

(a) a breach of any representation, warranty, covenant or agreement by Buyer contained herein, subject to notice of a claim being given before the expiration of the applicable period specified in Section 12.1 hereof with respect to the representations and warranties made by Buyer herein;

(b) the Assumed Liabilities; or

(c) any and all claims, liabilities or obligations of any nature, absolute or contingent, relating to the business and operation of the Stations as conducted by Buyer on and after the Closing Date.

ARTICLE 12 TERMINATION RIGHTS

12.1 Termination. This Agreement may be terminated, by written notice given by any party (provided such party is not in breach of any of its obligations, representations, warranties or duties hereunder) to the other party hereto, at any time prior to the Closing Date as follows, and in no other manner:

(a) by mutual written consent of the parties;

(b) by either Buyer, on the one hand, or Seller, on the other hand, if a court of competent jurisdiction or governmental, regulatory or administrative agency or commission shall have issued an order, decree or ruling or taken any other action, in each case permanently restraining, enjoining or otherwise prohibiting the transactions contemplated by this

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Agreement and such order, decree, ruling or other action shall have become final and nonappealable;

(c) by Buyer, if Seller fails to perform or breaches any of its obligations, representations, warranties or duties under this Agreement and Seller has not cured such failure to perform or breach within fifteen (15) days after receipt by Seller of written notice from Buyer;

(d) by Seller, if Buyer fails to perform or breaches any of its obligations, representations, warranties or duties under this Agreement, and Buyer has not cured such failure to perform or breach within fifteen (15) days after delivery of written notice from Seller;

(e) by any party, if the FCC denies the FCC Application or designates the application for hearing; or

(f) by any party, if the Closing has not occurred within one year from the date of filing of the FCC Application.

ARTICLE 13 MISCELLANEOUS PROVISIONS

13.1 Liquidated Damages. (a) In the event that Seller terminates this Agreement pursuant to Section 12.1(d), then a fee of Ten Thousand Dollars (\$10,000.00) will be paid to Seller as liquidated damages in full settlement of any Damages of any kind that Seller may suffer or allege to suffer as the result thereof. It is understood and agreed that the amount of liquidated damages represents Seller's and Buyer's reasonable estimate of actual Damages and does not constitute a penalty. Such liquidated damages shall be the sole and exclusive remedy of Seller against Buyer for Buyer's breach in the event of such termination, provided, however that Seller may be entitled to recover attorneys fees should it have to commence litigation to receive the liquidated damages.

13.2 Specific Performance. Seller acknowledges and agrees that the Stations Assets are unique assets not readily available on the open market, and in the event Seller shall fail to perform its obligations to consummate the transactions contemplated hereby, money damages alone cannot adequately compensate Buyer for its injury. In the event a court of competent jurisdiction finds that Seller has failed to perform its obligations under this Agreement and such finding is no longer subject to appeal, Buyer shall be entitled to specific performance of this Agreement and of Seller's obligation to consummate the transaction contemplated hereby, and Seller shall waive any and all defenses that Buyer has an adequate remedy at law.

13.3 Risk of Loss. The risk of loss to any of the Station Assets on or prior to the Closing Date shall be upon Seller. Seller shall use all commercially reasonable efforts to repair or replace any damaged or lost Station Assets, provided, however, that in the event that Station Assets with a value of greater than Fifty Thousand Dollars (\$50,000) are damaged or lost as of the date otherwise scheduled for Closing, Buyer may, at its option, either

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(i) postpone Closing for a period of up to sixty (60) days while Seller repairs or replaces such Station Assets, or (ii) elect to close with the Assets in their current condition, in which case Seller shall assign all proceeds from insurance on such lost or damaged Station Assets to Buyer, and Buyer shall have the responsibility to repair or replace the Station Assets, or (iii) terminate this Agreement without penalty on written notice to Seller. Seller shall have no responsibility to repair or replace damaged or destroyed Station Assets not covered by insurance if the cost of such repair exceeds Fifty Thousand Dollars (\$50,000), provided, however, that should Seller not advise Buyer within five (5) days after being requested to do so that Seller will repair or replace such Station Assets, Buyer may terminate this Agreement without penalty upon written notice to Seller.

13.4 STA Default. The Stations are currently authorized under Special Temporary Authority to remain silent as per FCC File Number 0000210561 and 0000202183. Should the Special Temporary Authority to remain silent be revoked or expire prior to the scheduled Closing Date (a "STA Default"), and it is reasonably expected that the STA Default could not be remedied within a reasonable time, Buyer may either elect to terminate this Agreement without penalty upon written notice to Seller or postpone the Closing for a period of up to sixty (60) days while Seller attempts to cure the STA Default, and if such cure occurs within such sixty (60) day period, then the parties shall consummate the transaction at the earliest practicable date thereafter.

13.5 Benefit and Assignment. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. Buyer shall have the right to assign all of its rights, duties and obligations hereunder to a corporation, partnership or limited liability company that it controls.

13.6 Governing Law: Choice of Forum. This Agreement and the rights of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of Florida. No claim, demand, action, proceeding, litigation, hearing, motion or lawsuit arising herefrom or with respect hereto shall be commenced or prosecuted in any jurisdiction other than the State of Florida, and each party hereby irrevocably consents to the jurisdiction of the state and federal courts in the State of Florida.

13.7 Attorneys' Fees. Should any party hereto institute any action or proceeding at law or in equity to enforce any provision of this Agreement, including an action for declaratory relief, or for damages by reason of an alleged breach of any provision of this Agreement, or otherwise in connection with this Agreement, or any provision hereof, the prevailing party shall be entitled to recover from the losing party or parties reasonable attorneys' fees and costs for services rendered to the prevailing party in such action or proceeding.

13.8 Amendment. This Agreement may not be amended except by an instrument in writing signed on behalf of each of the parties hereto.

13.9 Severability. In the event that any one or more of the provisions contained in this Agreement or in any other instrument referred to herein, shall, for any reason,

be held to be invalid, illegal or unenforceable in any respect, then to the maximum extent permitted by law, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement or any other such instrument.

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

13.11 Headings. The headings of the paragraphs of this Agreement are for the convenience of the parties only, and do not in any way modify, interpret or construe the meaning of the provisions hereof.

13.12 Notices. Any and all notices or other communications required or desired to be given hereunder by any party shall be in writing. A notice shall be validly given or made to another party if delivered either personally or if deposited in the United States mail, certified or registered, postage prepaid, or if transmitted by telegraph, telecopy or other electronic written transmission device or if sent by overnight courier service, and if addressed to the applicable party as set forth below.

If to Seller:

The Great Marathon Radio Company, Inc.
P.O. Box 500940
Marathon, FL 33050
E-mail: josephnascone@gmail.com

If to Buyer:

Magnum Broadcasting, Inc.
P.O. Box 436
State College, PA 16804
Facsimile: (814)272-3291
E-mail: mms@penn.com

Any party hereto may change its or his address for the purpose of receiving notices, demands and other communications as herein provided, by a written notice given in the aforesaid manner to the other parties hereto.

13.13 Waivers. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof, nor shall such waiver

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constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

13.14 Entire Agreement. This Agreement and the Schedules attached hereto and the ancillary documents provided for herein, constitute the entire agreement and understanding of the parties hereto relating to the matters provided for herein and supersede any and all prior agreements, arrangements, negotiations, discussions and understandings relating to the matters provided for herein.

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

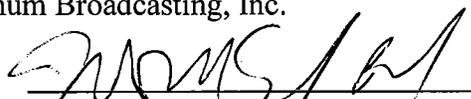
SELLER:

The Great Marathon Radio Company, Inc.

By: 
Joseph P. Nascone, President/Director

BUYER:

Magnum Broadcasting, Inc.

By: 
Michael Stapleford, President

GUARANTOR:

By: 
Michael M. Stapleford



EXHIBIT A

Promissory Note

PROMISSORY NOTE

_____ (date)

FOR VALUE RECEIVED, Magnum Broadcasting, Inc., a Pennsylvania Corporation, ("Maker") does promise to pay to the order of The Great Marathon Radio Company, a Florida corporation ("Holder"), the principal sum of one hundred and fifteen thousand dollars (\$115,000.00), in lawful money of the United States of America, together with interest thereon, at a rate of seven percent (8%) per annum in like money from the date hereof on the outstanding principal balance, in sixty monthly payments of Two Thousand Three Hundred and Thirty One Dollars and Seventy Nine Cents (\$2,331.79 per month).

This Note has been made pursuant to an Asset Purchase Agreement dated _____, by which Holder has sold to Maker the assets comprising Stations WGMX-FM and WFFG-AM (the "Stations"), Marathon, Florida

The payments due to Holder under this Note shall be remitted to Holder at _____, or at such other place as Holder may from time to time designate by written notice to Maker.

Payment of this Note is secured by a Security Agreement (the "Security Agreement") of even date herewith between Magnum Broadcasting, Inc., as Debtor, and The Great Marathon Radio Company, Inc., as Secured Party. In addition, Michael Stapleford has executed a certain Guaranty (the "Guaranty") in connection with the payments to be made hereunder.

This Note may be prepaid at any time by Maker without penalty.

The following, and only the following, shall constitute an event of default under this

Note:

1. Any failure of Maker to make or to cause to be made to the Holder of this Note any scheduled payment of principal or interest on this Note when due and payable, which failure continues for a period of at least thirty (30) days from the date of receipt of written notice from Holder to Maker, or
2. The commencement by Maker of a voluntary case under and within the meaning of the United States Bankruptcy Code, or
3. Entry by a court of competent jurisdiction of an order in an involuntary case commenced against Maker under and within the meaning of the United States Bankruptcy Code that (a) forbids the Maker to continue to use, acquire, or dispose of property as if no such involuntary case had been commenced, or (b) is for relief against Maker, or (c) appoints an interim trustee to take possession of Maker's property, or (d) orders the liquidation of Maker, and, in each case, sixty (60) consecutive calendar days shall have elapsed since entry of any such order, such order

shall then be unstayed and effective, and such involuntary case shall then still be pending and not dismissed,

4. Any breach of, default in, or nonperformance of any of Maker's material obligations under the Security Agreement delivered by this Note, or upon the happening of any of the foregoing events of default and Maker's failure to cure the event(s) of default within thirty (30) days after receiving written notice from Holder specifying the event(s) of default, then the entire unpaid principal balance of this Note, together with the then accrued interest thereon, shall, at the election of Holder, become due and payable without notice of such election, and Holder shall have full rights and remedies as allowable by law in order to collect the total amount due. Maker further agrees to pay all legal and collection costs and fees associated with said default, including reasonable attorneys' fees. Holder may also exercise any of the remedies set forth in the Security Agreement, including but not limited to, the possession and sale of the Collateral (as that term is defined in the Security Agreement) and thereafter, if the proceeds of such sale do not satisfy all obligations hereunder, Holder may exercise its remedies as set forth in the Guaranty.

For any monthly payment not paid within 20 days after the due date, the interest rate for such payment shall thereafter accrue at 7% per annum, so long as such payment is outstanding.

In the event Maker sells or transfers the assets of the Station to an unrelated third party or should there be a sale or transfer of the licensee corporation to an unrelated third party, then the entire unpaid principal balance of the Note, together with the then accrued interest thereon, shall, at the election of Holder, become due and payable at the consummation of such transaction. Holder shall have full rights and remedies as allowable by law in order to collect the total amount due.

Any notice to Maker shall be deemed to have been given only upon the earlier to occur of (a) receipt of such notice by Maker, or (b) the seventh (7th) day after the date of deposit of such notice in the United States mail, postage prepaid, certified or registered, with return receipt or proof of delivery required, addressed to Maker at the address shown below or at such other address as Maker may theretofore establish by notice to Holder as provided in the Asset Purchase Agreement.

No delay or failure by Holder in exercising any right under this Note shall constitute a waiver, default, or breach of that or any other right.

Holder retains the option to assign or transfer, in whole or in part, Holder's interest in this Note and Maker consents to any extension of time for payment of this Note.

Holder's remedies as provided in this Note, the Security Agreement and related security documents, shall be cumulative and concurrent and may be pursued singularly, successively, or together against Maker, provided that the Guaranty may be enforced solely in accordance with its terms.

This Note shall be the joint and several obligation of all makers, endorsers, guarantors, sureties, and shall be binding upon all the aforesaid and their successors and assigns.

If any portion of this Note is found to be invalid or unenforceable for any reason, such provision shall be deemed severed from this Note, which shall otherwise remain in full force and effect.

This Note and the rights and obligations hereunder shall be interpreted and governed by the laws of the State of Florida and Holder agrees to accept and be personally bound by the jurisdiction of Monroe County, Florida, when addressing any disputes herein.

The security interest granted to Holder by the Security Agreement shall be limited to the Collateral identified in Section 1.01 of such Agreement, and no other asset, license, lease, intangible right or property of Michael M. Stapleford or Magnum Broadcasting, Inc. shall be deemed collateral thereunder. If, after an event of default as defined above or in the Security Agreement and exercise of Holder's remedies as set forth in Section 2.1(B) thereof, Holder is unable to realize the amount necessary to discharge all obligations of Maker arising under this Note and Security Agreement, then Holder may exercise and enforce its rights and remedies under the Guaranty executed by Michael Stapleford ("Stapleford"), individually, according to its terms.

IN WITNESS WHEREOF, Maker, and Guarantor have caused this Note to be executed by its duly authorized officer on the day, month, and year first written above.

The Great Marathon Radio Company, Inc.

By: _____
Joseph P. Nascone, President/Director

Magnum Broadcasting, Inc.

By: _____
Michael Stapleford, President

Guarantor

By: _____
Michael Stapleford

EXHIBIT B

SECURITY AGREEMENT

THIS AGREEMENT, made this ____ day of _____, _____, by and between MAGNUM BROADCASTING, INC. ("Debtor") and THE GREAT MARATHON RADIO COMPANY, INC. ("Secured Party") in connection with the Promissory Note between these parties ("Promissory Note").

Article I

1.1 COLLATERAL. To secure the payment of all obligations of Debtor under the Promissory Note, Debtor hereby grants to Secured Party a security interest in the following property and all accessories, parts, and other property, whether now existing or after acquired or used in connection therewith, in the management and operation of the Stations as herein defined (the "Collateral"):

- A. **PERSONAL PROPERTY.** All equipment, furnishings and furniture, and all other tangible property of any kind or character now or hereafter owned or leased by the Debtor and used in connection with the operation of Station WGMX(FM) or WFFG(AM) Marathon, Florida (the "Stations"), whether located in Monroe County, Florida, or located elsewhere;
- B. **INTANGIBLES.** All goodwill, trademarks, trade names, option rights, purchase contracts, books and records, FCC Licenses, to the extent allowed by the FCC, and general intangibles of the Debtor relating to the operation of the Stations and all accounts, contract rights, proceeds from any sale of the FCC Licenses relating to the Stations, instruments, chattel paper, and other rights of Debtor for payment of money for property sold or lent, for services rendered, for money lent, for advances or deposits made, and any other intangible property of the Debtor related to the operation of the Stations;
- C. **RENTS.** All rents, issues, profits, royalties, avails, income, and other benefits derived or owned by the Debtor directly or indirectly from the operation of the Stations;
- D. **LEASES.** All rights of the Debtor under all leases, licenses (excluding FCC Licenses), or other arrangements, whether written or oral, relating to the Stations;
- E. **OTHER PROPERTY.** All other property or rights of Debtor of any kind, nature, or character directly related to the operation of the Stations and all products and proceeds (including insurance and condemnation proceeds) of any of the foregoing items A through D.

1.2 REMEDIES OF SECURED PARTY. The security interest granted hereunder shall be limited to the Collateral identified in Section 1.01 above, and no other asset, license, lease, intangible right or property of Michael M. Stapleford or Magnum Broadcasting, Inc. shall

be deemed Collateral hereunder. If, after an event of default as set forth in Section 2.1A hereof, and exercise of the Secured Party's remedies as set forth in Section 2.1B hereof, the Secured Party is unable to realize the amount necessary to discharge all obligations of Debtor arising under the Promissory Note and hereunder, then the Secured Party may exercise and enforce its rights and remedies under a certain Guaranty (the "Guaranty") executed by Michael Stapleford, ("Stapleford") individually, according to its terms.

- 1.3 FINANCING STATEMENT. At the request of Secured Party, Debtor shall join Secured Party in executing one or more financing statements pursuant to the code of the State of Florida in the form satisfactory to Secured Party.
- 1.4 SALE OF COLLATERAL. Debtor shall not seek or offer to sell or otherwise transfer the Collateral or any interest therein without the written consent of Secured Party. Such consent shall not be unreasonably withheld.
- 1.5 USES OF COLLATERAL. The Collateral is and shall be used primarily for business purposes.
- 1.6 POSSESSION OF COLLATERAL. Until default, Debtor may have possession of the Collateral and use it in any lawful manner not inconsistent with this Agreement or with any policy of insurance with respect to the Collateral.
- 1.7 DEBTOR RIGHTS AND PROFITS. During the term hereof and with the exceptions herein provided, the Debtor, subject only to the terms of this Security Agreement, shall be deemed the sole owner of the Collateral and shall have all rights of an owner with respect thereto, including the right to make independent decisions affecting its operations and the right to receive directly and apply to Debtor's own use all profits and other distributions.
- 1.8 INSURANCE. Debtor shall have and maintain insurance at all times with respect to all of the Collateral against loss, damage, and liability to the amount of the Collateral's full insurable value.
- 1.9 TAXES. Debtor shall pay all taxes and assessments on the Collateral or levied on its use or operation.

ARTICLE II

- 2.1 DEFAULT. Debtor shall be in default under this Agreement on the happening of any one (1) of the following events or conditions;
 - A. EVENTS OF DEFAULT. Each of the following events shall become an "event of default" hereunder:
 - (1) FAILURE OF PAYMENTS. Debtor fails to make any payment required to be made under the Promissory Note, if not properly cured;

- (2) ASSIGNMENT OF CREDITORS. The Debtor makes an assignment for the benefit of creditors generally, or applies to any tribunal for the appointment of a trustee or receiver of any substantial part of the assets of the Debtor or commences any proceeding under any bankruptcy, reorganization, arrangement, insolvency, or similar law, or if such application is filed against Debtor and the Debtor indicates its approval, consent, or acquiescence, or an order is entered appointing a trustee or receiver, or adjudicating the Debtor bankrupt or insolvent, or approving the petition in any such proceedings, and such order is not dismissed within sixty (60) days after its entry;
- (3) DESTRUCTION OF COLLATERAL. Confiscation, destruction, or substantial damage to the collective whole of the Collateral occurs and such is not adequately covered by insurance; or the Collateral is levied on, seized, or attached;
- (4) CONDITION OF PROPERTIES. Debtor fails to maintain, or causes to fail to be maintained, in good repair, working order, condition, and efficiency such material assets as are used in its business and fails to make or fails to cause to make, all needed renewals and replacements required in the reasonable judgment of Debtor for the efficient operation of such business;
- (5) DISSOLUTION. Debtor suffers or permits dissolution or liquidation, either in whole or in part of the Collateral.

B. RIGHTS OF SECURED PARTY UPON DEFAULT. Whenever a default shall occur, Secured Party may exercise any and all rights and remedies available to it under applicable law, but expressly subject to compliance with the rules and regulations of the FCC governing assignments or transfers of FCC licenses and all conditions and required approvals set forth in such rules and regulations. The Debtor agrees, in case of default, to assemble, at its expense, all the Collateral at a convenient place acceptable to Secured Party and to pay all reasonable costs incurred by Secured Party in enforcing its rights hereunder, including reasonable attorneys' fees and legal expenses, and expenses of any repairs to any realty or other property to which any of the Collateral may be affixed or be a part. Upon default and after complying with the notice requirements of Section 2.01C, below, Secured Party may:

- (1) POSSESSION. Without breaking or breach of peace, enter upon any premises where any of the Collateral may be located and take possession of and remove such Collateral;
- (2) SALE. Sell any or all of the Collateral free of all rights and claims of the Debtor therein and thereto, at any public or private sale; and
- (3) PURCHASE. Bid for and purchase any or all of the Collateral at any such sale.

C. In the event of default, if Secured Party deems it necessary to exercise any of its rights granted above, Secured Party is required to give at least thirty (30) days notice to Debtor prior to the disposition of any of Collateral. Such notice shall be in writing and either personally delivered or sent by United States prepaid registered or certified mail, return receipt requested, with a copy to all parties to this Agreement and their counsel, to the addresses set forth hereinafter, or any other such address as shall be specified by written notice by any such party in conformity herewith.

D. **APPOINTMENT OF RECEIVER, FILING OF FCC APPLICATIONS.** The Debtor agrees that, in an event of default, Secured Party may seek appointment of a receiver for the business and assets of the Stations in a court of competent jurisdiction, and subject to applicable laws. If a receiver is appointed, such receiver may (subject to court and FCC approval) operate the business and assets of the Stations, place the Stations for sale with a nationally recognized broker, and conduct and consummate a commercially reasonable sale of the Stations. The Debtor agrees that, after the occurrence of any event of default and exercise by Secured Party of its rights hereunder during the continuance thereof, Debtor shall take any action which the Secured Party may reasonably request in order to obtain and enjoy the full rights and benefits granted to the Secured Party by this Agreement, including specifically, the use of the Debtors' reasonable efforts to assist in obtaining approval of the FCC for any action or transaction contemplated by this Agreement which is then required by law, and specifically, without limitation, upon request, to sign and file with the FCC the assignor's or transferor's portion of any application or applications for consent to the assignment of license or transfer of control necessary or appropriate under the FCC's rules and regulations for approval of any transaction contemplated thereby.

E. Any proceeds of any of the Collateral may be applied by Secured Party to the payment of expenses in connection with the Collateral, including reasonable attorneys' fees and legal expenses, and any balance of such proceeds may be applied by Secured Party toward payments due by Debtor under the Promissory Note, and in such manner and order of application, as Secured Party may from time to time elect. No delay on the part of Secured Party in the exercise of any right or remedy shall operate as a waiver thereof, and no single or partial exercise by Secured Party of any right or remedy shall preclude other or further exercise thereof or the exercise of any other right or remedy.

2.2 **WAIVER.** Any waiver by Secured Party of any default hereunder shall not be a waiver of any other default or of the same default on a future occasion.

ARTICLE III

3.1 **GOVERNING LAW.** This Agreement shall be construed in accordance with and governed by the laws of the State of Florida.

3.2 **NOTICES.** All notices, requests, demands, and other communication required or permitted to be given under this Agreement shall be in writing, sent by United States certified mail, return receipt requested, with a copy to all parties to this Agreement and their counsel, and shall be deemed to have been duly given if delivered personally or sent by prepaid registered or certified mail, return receipt requested, to the addresses set forth hereinafter, or such other address as shall be specified by written notice by any such party in conformity herewith.

- 3.3 BINDING EFFECT. This Security Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of the parties hereto.
- 3.4 FURTHER ASSURANCES. Debtor hereby agrees, at its own expense, to execute and deliver, from time to time, any and all future, or other instruments, and to perform such acts as may reasonably be required to effect the purposes of this Security Agreement. Debtor further agrees to secure to Secured Party the benefits of all rights, authorities, and remedies conferred upon Secured Party by the terms of this Agreement.
- 3.5 EFFECTIVE DATE. This Agreement shall become effective when signed by Debtor and Secured Party.
- 3.6 CUMULATIVE RIGHTS. All rights of the Secured Party hereunder shall be cumulative with any other forms of security hereafter given to Secured Party, and Secured Party shall not be obligated to proceed against any other form of security prior to exercising its rights under this Agreement, provided that this Section shall not apply to the Secured Party's rights and remedies under a Guaranty to be executed by Michael Stapleford, individually, which rights and remedies may only be enforced after the Secured Party's exercise of any and all rights hereunder.
- 3.7 CAPTIONS. The captions used in this Agreement are for convenience only and shall have no legal effect whatsoever.
- 3.8 SEVERABILITY. Wherever possible each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited or declared invalid, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.
- 3.9 TERMINATION. This Agreement may be terminated by the Debtor upon actual delivery of written notice to Secured Party of such intention and payment in full with immediately available funds of any outstanding indebtedness, under the Note, provided that prior to such termination, this Agreement shall be a continuing agreement in every respect.
- 3.10 AMENDMENTS. Neither the provisions of this Agreement nor any term, condition, covenant, or agreement hereof may be changed, waived, discharged, or terminated orally, but wholly by an instrument in writing referring to this Agreement and signed by the party against whom enforcement of the change, waiver, discharge, or termination is sought.
- 3.11 COUNTERPARTS. This Agreement may be executed in any number or counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one and the same instrument, and any party hereto may execute this Agreement by signing any such counterparts.

IN WITNESS WHEREOF, the Debtor has caused this Security Agreement to be executed by its president on the date first written above.

DEBTOR:
MAGNUM BROADCASTING, INC.
P.O. Box 436
State College, PA 16804

By: _____
Michael Stapleford, President

SECURED PARTY:
THE GREAT MARATHON RADIO COMPANY, INC.

By: _____
Joseph P. Nascone, President/Director

GUARANTOR:

By: _____
Michael Stapleford

EXHIBIT C

GUARANTY

THIS GUARANTY is made as of this ___ day of _____, 2023, by Michael Stapleford, personally ("Guarantor"), to and for the benefit of The Great Marathon Radio Company, Inc. ("Lender")

RECITALS:

WHEREAS, Magnum Broadcasting, Inc. ("Magnum"), a corporation owned by Michael Stapleford ("Stapleford") and Lender have entered into a certain Asset Purchase Agreement (the "APA") whereby Magnum has acquired the assets and licenses of WGMX(FM) and WFFG(AM), Marathon, FL (the "Stations");

WHEREAS, pursuant to the APA and as partial consideration for the transactions contemplated thereunder, Magnum has entered into certain agreements with Lender, including a Promissory Note and a Security Agreement (together, the "Agreements"), each Agreement of even date herewith; and

WHEREAS, Guarantor, as sole stockholder of Magnum, will benefit from the acquisition of the Station and the provisions of the Agreements.

NOW, THEREFORE, in view of the foregoing and in consideration of Lender's entry into the Agreements, as well as for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Guarantor hereby covenants and agrees as follows:

1. Guarantor hereby guarantees payment in full of the obligations set forth in the Agreements (the "Obligations");
2. Except as set forth below, this Guaranty is a "standby" guaranty, and the exercise of Lender's rights under this Guaranty and Guarantor's liability hereunder shall be subject to prior full and final exercise of any and all of Lender's rights and remedies under the Agreements, provided, that no change, impairment or suspension of any right or remedy of Lender, shall in any way affect any of Guarantor's obligations under this Agreement.
3. Lender may, in its sole and absolute discretion, without notice to or further assent from Guarantor, and without in any way releasing, affecting or impairing the obligations and liabilities of Guarantor hereunder (a) waive compliance with or otherwise excuse any default or breach under the Agreements; (b) agree to the modification or amendment of any of the provisions of the Agreements; (c) effect any release, compromise or settlement in connection with the Agreements; and (d) assign or otherwise transfer Lender's rights under the

Agreements, including, without limitation, this Guaranty or any interest therein. The obligations of Guarantor under this Guaranty shall be enforceable regardless of the genuineness, validity, regularity, or enforceability of the Agreements or any circumstance which might otherwise constitute a legal or equitable discharge of a surety or guarantor.

4. Guarantor hereby expressly waives (a) diligence, presentment and demand for payment and protest of non-payment of any obligation to which Guarantor is liable; (b) notice of acceptance of this Guaranty and of presentment, demand, dishonor and protest; (c) notice by Lender of any default hereunder or any breach under the Agreements; (d) demand for observance or performance of, or enforcement of, any terms or provisions of this Guaranty; (e) all other notices and demands otherwise required by law which Guarantor may lawfully waive; (f) all rights of subrogation, reimbursement or contribution against Lender which might otherwise arise by reason of Guarantor's execution, performance or payment under this Guaranty; and (g) the benefit of all other principles or provisions of law, statutory or otherwise, which are or might be in conflict with Guarantor's obligations under this Guaranty.

5. The obligations of Guarantor to make payment in accordance with the terms of this Guaranty shall not be impaired, modified, changed, released or limited in any manner whatsoever by any impairment, modification, change, release or limitation of the liability in bankruptcy or reorganization under any federal, state or local law concerning bankruptcy or receivership. In the event any amounts owed to Lender under the Agreements are paid in whole or in part Guarantor's liability hereunder shall continue and remain in full force and effect in the event that all or any part of such payment is recovered as a preference, fraudulent transfer or similar payment under any bankruptcy, insolvency or similar law.

6. THIS GUARANTY SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF FLORIDA, AND GUARANTOR HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF THE COURTS OF THE STATE OF FLORIDA FOR THE PURPOSE OF ANY SUIT, ACTION OR OTHER PROCEEDING ARISING OUT OF GUARANTOR'S OBLIGATIONS HEREUNDER OR WITH RESPECT TO THIS GUARANTY. GUARANTOR EXPRESSLY WAIVES ANY AND ALL OBJECTIONS THAT GUARANTOR MIGHT OTHERWISE HAVE AS TO VENUE OR THE JURISDICTION OF SUCH COURTS.

7. Legal Fees. In the event that Lender prevails in any lawsuit or other formal legal action to enforce its rights hereunder, Guarantor shall be responsible for all reasonable costs of such lawsuit or other action, including reasonable attorney fees.

8. 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, or by certified mail-return receipt requested, postage prepaid, addressed as set forth below:

LENDER:

The Great Marathon Radio Company, Inc.
P.O. Box 500940
Marathon, FL 33050
ATTN: Joseph Nascone, President
email: josephnascone@gmail.com

GUARANTOR:

Michael M. Stapleford
235 West Main Street
Boalsburg, PA 16827
email: mms@penn.com

Each party shall be responsible for notifying the other parties to this Agreement of any change in address. Time periods shall commence, unless specifically stated otherwise herein, on the date of receipt of any notice.

9. Successors and Assigns. This Guaranty shall inure to the benefit of and be enforceable by Lender and its successors and assigns, and shall be binding upon and enforceable against Guarantor and Guarantor's successors and assigns.

10. Severability. If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Guaranty shall be construed as if such invalid, illegal or unenforceable provision had never been included.

11. Entire Agreement. This Guaranty, as well as the Agreements and documents referenced therein, constitutes the entire understanding of Guarantor with respect to Guarantor's obligations to Lender under the Agreements. This Guaranty may not be amended except by a document executed by Guarantor and acknowledged by Lender.

IN WITNESS WHEREOF, the Guarantor executes this Guaranty as of the day and year first above written.

Michael Stapleford, Guarantor

STATE OF
COUNTY OF

In said County on the ___ day of _____ 2023, before me personally appeared Michael Stapleford, known by me to be the party executing the foregoing instrument, and he acknowledged said instrument by him executed to be his free act and deed.

Notary Public
Print Name _____
My commission expires on _____

SCHEDULE 1.1(a)

Authorizations

WGMX-FM, Marathon, FL – Facility ID 65663

WFFG-AM, Marathon, FL – Facility ID 65664