

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT ("Agreement") made and entered into as of this 26th day of September 2003, by and between Progressive United Communications, Inc., a Georgia corporation (the "Seller"), and Communications Capital Company II of Georgia, LLC, a Delaware limited liability company (the "Buyer"):

WITNESSETH:

WHEREAS, Seller holds certain licenses, permits and authorizations issued by the Federal Communications Commission (the "Commission") for the operation of Station WCLA-FM, 107.3 MHz (Channel 297C3), Claxton, Georgia (Facility ID 65607) (the "Station");

WHEREAS, the Seller owns or leases and desires to sell and/or assign, and Buyer desires to purchase and/or assume certain of the assets, property and business used in the operation of the Station; and

WHEREAS, the assignment of the licenses of the Station is subject to the prior approval of the Commission.

NOW, THEREFORE, the parties, intending to be legally bound, agree as follows:

SECTION 1

ASSETS TO BE SOLD

1.1 On the Closing Date, as defined below, Seller shall sell, assign, transfer, convey and deliver to Buyer, and Buyer shall purchase and/or accept assignment, transfer, conveyance or delivery of the following (hereinafter collectively the "Assets"), all free and clear of any and all pledges, liens or other encumbrances in accordance with the terms set forth below.

1.1.1. Authorizations: All licenses, permits and authorizations issued or granted by the Commission for the operation of, or used in connection with, the operation of the Station and all applications filed with the Commission (hereinafter "Commission Authorizations"), including, but not limited to, those listed and described in Schedule 1. All franchises, licenses, permits, and authorizations issued or granted by any administrative body or licensing authority or governmental or regulatory agency, other than Commission Authorizations used or useful in connection with the operation of the Station (hereinafter "Other Authorizations"), including, but not limited to, those listed and described in Schedule 1.

1.1.2 Tangible Personal Property: All of Seller's rights in and to the fixed and tangible personal property used in the operations of the Station (except for Excluded Assets as defined in Section 1.2), including, but not limited to, the physical assets and equipment, leasehold improvements and music libraries listed in Schedule 2, together with replacements thereof, additions and alterations thereto, and substitutions therefor, made between the date hereof and the Closing Date (hereinafter collectively the "Tangible Personal Property").

1.1.3 Real Property: A ground lease in and to the land, buildings, improvements, and other real property and all leaseholds and other interests in real property and the buildings and improvements thereon associated with the Station (hereinafter collectively the "Real Property"), consisting of all real property and leases, contracts, easements, options and agreements creating such interests listed and described in Schedule 3 (Seller and Buyer will enter into a long term (a minimum of 10 years and a maximum of 20 years for the initial term and renewable for one additional term upon terms and conditions mutually agreed to by both Buyer and Seller) ground lease for all the real estate necessary for operation of the Station, broadcast tower and related facilities, such lease shall be at the rate of \$2,500 per month for the first thirteen (13) months and , thereafter at the rate of \$500 per month. The ground lease rate shall be adjusted annually in an amount directly proportionate to any cost of living/tax increase that occurs during the lease term. The lease rate shall be due and payable on the first day of each calendar month and shall be deemed late if not received within ten days of the due date; any payments received after the 10th day of the month shall be assessed a penalty at the rate of one and one half percent (1 ½%) per month or fraction thereof. The ground lease will be also contain provisions for the continued operation of Seller's AM Broadcast Station WCLA from the Station's antenna tower at a lease rate to Seller of \$250 per month. The terms of the ground lease/tower lease agreement will be formalized at or prior to Closing and such lease rates are separate and apart from and not included in the Purchase Price).

1.1.4 Agreements: All of Seller's rights to and in the contracts, agreements and leases to which Seller and/or the Station are a party listed in Schedule 4 (hereinafter collectively the "Agreements"), together with all contracts, agreements and leases, entered into or acquired by the Seller in the ordinary course of business between the date hereof and the Closing Date which have been approved by Buyer whose consent shall not be unreasonably withheld. Buyer's consent shall be presumed in the event it fails to respond to Seller's request for consent within five (5) business days of such request. Buyer will assume trade or merchandising deals ("Barter Programs") or advertising contracts for the sale of time in exchange for goods and services ("Barter Time Spots") that are in effect on the Closing Date and which are acceptable to Buyer in its sole discretion. If any Agreements require the consent of third parties for assignment, but such consent has not been obtained as of the Closing Date, then Buyer shall not be obligated to assume such Agreements and may in its sole discretion elect to assume Seller's obligations under such Agreements only for the period after Closing during which Buyer receives the benefits to which Seller is currently entitled under such Agreements.

1.1.5 Intangibles: All right, title and interest of Seller in and to the call letters "WCLA-FM," logos, jingles, marketing plans, copyrights, trademarks, service marks, trade names, domain names, computer software (if any), magnetic media, data processing files, systems and programs, business lists, sales and operating plans, telephone numbers, post office boxes, e-mail addresses, internet addresses and other intangible property of Seller used or useful in the operation or otherwise pertaining to the Station, including, but not limited to, those listed and described in Schedule 5 (hereinafter collectively the "Intangibles").

1.1.6 Business Records: Copies of financial records, engineering, advertising reports, programming records and studies, consulting reports, computing software, marketing

data, customer lists, supplier lists, catalogues, literature, advertising material, promotional materials, local public records, logs, rating reports, and business and personnel records relating to the business or operation of the Station and not pertaining solely to Seller's corporate affairs (hereinafter collectively "Business Records") or to assets or agreements purchased or assumed by Buyer.

1.1.7 Manufacturers' and Vendors' Warranties: All of Seller's rights under manufacturers' and vendors' warranties relating to items included in the Assets owned or held for use by Seller in connection with the business and operations of the Station as of the date hereof and those acquired between the date hereof and the Closing Date.

1.1.8 Accounts Receivable. All Accounts Receivable of the Station as of 11:59 p.m., local time, on the day prior to the Closing.

1.2 Excluded Assets. The Assets shall not include the following assets along with all rights, title and interest therein, which shall be referred to collectively as the "Excluded Assets":

1.2.1 All cash, cash equivalents or similar type investments of Seller, such as certificates of deposit, Treasury bills and other marketable securities on hand and/or in banks, provided, however, that if Seller holds deposits from advertisers for commercials to be broadcast on the Station after the Closing Date in accordance with the provisions of Section 1.1.4, Seller shall convey all such deposits to Buyer, who in turn shall be responsible for such broadcasts;

1.2.2 All owned real estate and studio building.

1.2.3 All Agreements that have terminated or expired prior to the Closing Date in the ordinary course of business and as permitted hereunder;

1.2.4 Any pension or profit sharing plan of Seller such as 401(k) plans;

1.2.5 Seller's books and records not related to the Station or pertaining to company organization;

1.2.6 Contracts of insurance, including the cash surrender value thereof, and all insurance proceeds or claims made by Seller relating to property or equipment repaired, replaced or restored by Seller prior to the Closing Date;

1.2.7 All other Assets of Seller not directly related to the Station.

SECTION 2

PURCHASE PRICE

2.1 Purchase Price. In consideration of Seller's performance of this Agreement, and the sale and delivery of the Assets, as defined herein above, to Buyer, the total purchase price (the "Purchase Price") to be paid to Seller by Buyer shall be the sum of Five Hundred Twenty-five Thousand Dollars (\$525,000).

2.2 Payment of Purchase Price. Buyer has made a deposit of Twenty-five Thousand Dollars (\$25,000) (the "Escrow Deposit"). The Escrow Deposit is being held by Cohn and Marks LLP (the "Escrow Agent"), pursuant to the terms of an Escrow Agreement, dated July 1, 2003, attached as Exhibit A hereto ("Escrow Agreement"). At Closing, the Escrow Deposit shall be disbursed to Seller in partial payment of the Purchase Price, less any interest or other proceeds from the investment thereof, which shall be disbursed to Buyer. The Purchase Price, as adjusted to reflect any adjustments or prorations made and agreed to at Closing pursuant to Section 3 below, shall be paid on the Closing Date by wire transfer of immediately available funds from Buyer to Seller.

2.3. Allocation of Purchase Price. The parties agree to allocate the Purchase Price, pursuant to the requirements of Section 1060 of the Internal Revenue Code of 1986, as amended, in accordance with the allocation set forth at Schedule 6 and to use such Purchase Price allocation in completing and filing Internal Revenue Code Form 8594 for federal income tax purposes.

SECTION 3

ADJUSTMENTS

3.1 Adjustment Time. The "Adjustment Time" as used herein shall be 12:01 A.M. current local time on the Closing Date.

3.2 Adjustment Items. The following Items (the "Adjustment Items") shall be prorated as of the Adjustment Time, assuming a 365-day year or a 30-day or 31-day month, as appropriate, and monies shall be paid at closing in accordance with Sections 3.2.8 and 3.3 herein below.

3.2.1 Rentals or other charges, payable or paid in respect of leasehold interests or tenancies, or leased transmitter sites, studios, offices or other Real Property or equipment under any lease or tenancy of Real Property, and any and all equipment leases described in Schedule 2.

3.2.2 Real and personal property taxes and assessments (including sewerage assessments and fees), levied or assessed against or otherwise paid or payable with respect to any of the Assets apportioned in accordance with Section 164(d) of the Internal Revenue Code of 1986, as amended (if the amount of any real or personal property tax to be prorated is not known on the Closing Date, such tax shall be apportioned on the basis of the most recent tax assessment and as soon as the new tax rate and valuation can be ascertained, there shall be a reapportionment and adjustment with respect to such tax even though that final proration and adjustment may take place more than sixty (60) days after the Closing Date).

3.2.3 Transferable license, permit, and registration fees, and like items.

3.2.4 Charges for utilities (including but not limited to electricity, fuel, water, basic monthly telephone charges, long distance telephone calls, and sanitation and garbage disposal) furnished to or in connection with the Station.

3.2.5 License agreements with ASCAP, BMI and SESAC.

3.2.6 Unpaid obligations of Seller which are due prior to the Closing Date with respect to any lease, contract or agreement which Buyer assumes, including, without limitation, prepaid premiums on any insurance policies that Seller has agreed to assign to Buyer and Buyer elects to assume. Security Deposits, if any, shall be refunded by Buyer to Seller.

3.2.7 Employment contracts which Buyer elects to assume (Seller shall notify all persons employed by Seller in connection with the Station of the change of the ownership of the Station and shall pay all wages, commissions and bonuses owing to such employees, and all vacation, severance pay and fringe benefits which such employees accrued prior to the Closing Date, such that any employee of Seller whom Buyer may elect to retain in Buyer's employ shall have no claim against Buyer by reason of any prior employment at the Station during Seller's ownership thereof).

3.2.8 Other similar items applicable to the Assets and/or attributable to the operations, advertising and/or the business of the Station prior to the Adjustment Time shall be for the account of Seller and after the Adjustment Time shall be for the account of Buyer, including, but not limited to, any income, provided, however, that Buyer shall be entitled to all uncollected accounts receivable as of the Closing Date.

3.3 Adjustments After Closing Date. Subject to the provisions of Section 3.2.2, if the amount of any item to be adjusted cannot be readily ascertained or agreed upon at the Closing, payment of such adjustment shall be made to the party entitled thereto within five (5) days after notice of such adjustment determination has been given to Buyer or Seller, as the case may be. In the event of any dispute between the parties as to adjustments, the amounts not in dispute shall nonetheless be paid at the time provided in this Section. As to the amounts that are in dispute, such amounts shall be placed in an escrow account and shall be released within five (5) days of the resolution of such a dispute by an independent certified public accountant mutually acceptable to the parties. The accountant's resolution of the dispute shall be final and binding on the parties, and a judgment may be entered thereon in any court of competent jurisdiction. The fees and expenses of such accountant shall be paid one-half by Seller and one-half by Buyer.

SECTION 4

APPLICATION TO AND CONSENT BY COMMISSION

4.1 Commission Consent. Consummation of the purchase and sale provided for herein and the performance of the obligations of Seller and Buyer under this Agreement are

subject to the condition that the Commission shall have given its consent in writing, without any condition materially adverse to Buyer or Seller, as to the assignment of the Commission Authorizations to Buyer, and the consent shall have become a Final Order as defined in Section 9.1.

4.2 Application for Commission Consent.

(a) Seller and Buyer agree to proceed expeditiously with due diligence and to use their best efforts and to cooperate with each other in seeking the Commission's approval of the transactions contemplated hereunder (the "Assignment Application"). Within five (5) business days after the date of this Agreement (or such date as the Commission shall have lifted the freeze on filing applications for consent to assign or transfer control), each party shall have prepared its portion of the Assignment Application and all information, data, exhibits, resolutions, statements, and other materials necessary and proper in connection with such Assignment Application and shall have delivered it to Buyer's counsel for electronic filing. Each party further agrees to expeditiously prepare Application amendments, respond to oral or written inquiries, and answer pleadings whenever such documents are required by the Commission or its rules.

(b) Except as otherwise provided herein, each party will be solely responsible for the expenses incurred by it in the preparation, filing and prosecution of its respective portion of the Assignment Application. All filing fees imposed by the Commission shall be shared equally by Seller and Buyer.

(c) Each party agrees to comply with any condition imposed on it by the Commission, except that no party shall be required to comply with a condition that would have a material adverse effect upon it unless the condition that was imposed comports with the representations, warranties, or covenants in this Agreement. Buyer and Seller shall oppose any efforts for reconsideration or judicial review of the grant by the Commission of the assignment application (but nothing in this Section shall limit any party's right to terminate this Agreement pursuant to Section 16 of this Agreement).

4.3 Notice of Application. Seller shall, at its expense, give due notice of the filing of the Assignment Application by broadcasting on the Station, and by such other means as may be required by the rules and regulations of the Commission. The specifics of the required notices shall be provided to Seller by Buyer.

4.4 Denial of Application. Should the Commission not act on the Assignment Application filed pursuant to this Section through no fault of either party within the time period specified in section 4.5 of this Agreement, this Agreement may be terminated without liability on the part of either party to the other.

4.5 Termination. If a closing has not occurred on or before April 30, 2004, unless extended by mutual agreement of the parties, either party not then in material default of the Agreement, may terminate this Agreement without penalty or other liability. In the event that Seller is in material default or otherwise unable to perform on the Agreement through no fault of

Buyer, the Escrow Deposit shall be returned to Buyer; in the event that Buyer is in material default or otherwise unable to perform on the Agreement through no fault of Seller, the Escrow Deposit shall be paid to Seller.

SECTION 5

ASSUMPTIONS

5.1 **Buyer's Assumed Obligation.** Except as set forth herein, Buyer agrees to assume only those liabilities associated with the Assets on the Closing Date entered into by Seller in the reasonable and ordinary course of business. Buyer covenants and agrees to assume at Closing and discharge following the Closing all of the unperformed duties of the Seller accruing under the Agreements listed in Schedule 4 assumed by Seller in the reasonable and ordinary course of business and under all advertising contracts for the sale of time for cash on the Station sold substantially at rate card rates and according to the usual business practice, but only to the extent that such duties accrue after the Closing Date based on the operation of the Station by Buyer following the Closing Date and provided that any advertising contracts subsequent to the date of this Agreement are terminable on thirty (30) days notice or less.

5.2 **Seller's Liability.** Seller shall remain liable for, and covenants to pay, satisfy, or discharge, all liabilities, payments, obligations, and duties under the Agreements or other instruments transferred or assigned to Buyer hereunder, as accounts payable, to the extent that such liabilities, payments, obligations or duties accrued prior to or by reason of events occurring prior to the Closing Date. With respect to any known contingent liabilities and any known accounts payable of Seller which are not due as of the Closing Date, Seller and Buyer agree at the Closing to enter into arrangements reasonably satisfactory to Buyer and Seller concerning the payment by Seller of such accounts payable and the satisfaction of any contingent liabilities. Seller assumes and agrees to be responsible and liable for payment of any pending litigation.

SECTION 6

REPRESENTATIONS AND WARRANTIES OF THE SELLER

Seller makes the following specific representations and warranties to Buyer, each of which is true and correct on the date hereof, shall survive the Closing, and shall not be affected in any way by any investigation or due diligence made by Buyer before the date hereof or hereafter:

6.1 Organizational Standing.

6.1.1 Seller is now and on the Closing Date will be a corporation and validly existing and in good standing under the laws of the State of Georgia. Seller has complied with all laws and statutes governing its formation and operations and has timely filed with and/or paid to the appropriate authorities all reports, statements and fees. Seller has the full power to own assets and to carry on the business of the Station as it now is being conducted and is qualified

and in good standing in the State of Georgia. No aspect of the Seller's business, operation or activities, including without limitation, the Seller's office locations, employee's locations and activities, or business operations, require or would require Seller to register as a foreign corporation in any other jurisdiction.

6.1.2 Seller has the full power and authority to enter into this Agreement and to execute all of Seller's Closing Documents that require Seller's signature. The execution, delivery and performance of this Agreement (as of the date of execution of this Agreement and on the Closing Date) and the Seller's Closing Documents (on the Closing Date) are or will be authorized by all necessary action of the Seller.

6.2 Binding Effect of Agreements. This Agreement constitutes a valid and binding obligation of Seller enforceable against Seller in accordance with the terms of this Agreement. Upon execution, the Seller's Closing Documents will constitute valid and binding obligations of Seller enforceable against Seller in accordance with their terms. The execution, delivery, and performance of this Agreement or any of the Closing Documents do not violate any provision of Seller's Articles of Incorporation and Bylaws, or any contract provision or other commitment to which Seller or the Station is a party or under which they or their property is bound, or any statute, regulation, rule, judgment, decree, stipulation, order, injunction, charge or other restriction of any government, governmental agency, or court to which Seller is subject and will not result in the creation or imposition of any lien, charge, security interest, or encumbrance of any nature whatsoever upon any of the Assets and will not accelerate any obligation of the Seller. Other than with respect to the Assignment Application, Seller need not give any notice to, make any filing with, or obtain any authorization, consent or approval of any government or governmental agency to consummate the transactions contemplated by this Agreement.

6.3 [Intentionally left blank.]

6.4 Real, Intangible and Tangible Personal Property

6.4.1 Real Property. Schedule 3 attached hereto accurately lists and describes all of the Real Property owned, leased or otherwise held or used by the Station that is being assigned or transferred to the Buyer by way of a ground lease. There are no pending or, to the best of Seller's knowledge, threatened, condemnation, or eminent domain proceedings that may have a material adverse effect on Buyer's use of the Real Property for the operation of the Station after Closing. All utilities that are necessary for the present operation of the Station have been connected to the Real Property, and are in working order. To the best of Seller's knowledge, no utility lines serving the Station pass over the lands of others except where appropriate easements or licenses have been obtained. To the best of Seller's knowledge, Seller's use and occupancy of the Real Property complies in all material respects with all regulations, codes, ordinances, and statutes of all Governmental Authorities, including without limitation all zoning, environmental protection and sanitary regulations and all occupational safety and health regulations.

6.4.2 Patents, Trademarks, Copyrights. The Intangibles set forth at Schedule 5 include all call signs, slogans and logos used to promote or identify the Station in a material way. Seller owns or possesses all rights to use the Intangibles. Seller's use of the intangibles does not

infringe on the rights of another and Seller has no knowledge of any infringement or unlawful use of those Intangibles.

6.4.3 Tangible Personal Property. Schedule 2, attached hereto, accurately lists all the Tangible Personal Property (having an original cost in excess of \$1,000) owned, leased, or otherwise held by the Station and/or Seller that is intended to be conveyed hereunder. To the extent that Seller is the owner of the Tangible Personal Property, Seller shall at closing, give good, clear, marketable, and indefeasible title to all of the Tangible Personal Property listed in Schedule 2 and any improvement, additions, or replacements thereof, free and clear of all liens, charges, encumbrances, restrictions, debts, demands, or claims of any kind or nature whatsoever.

6.4.4 Agreements. Except for contracts or agreements entered into or acquired by Seller between the date hereof and the Closing Date, Schedule 4 accurately lists all agreements, leases and other contracts (or, when the same are oral, a complete and correct description thereof) with respect to the Station to be conveyed hereby to Buyer (except for contracts for the sale of advertising time for cash) to which, as of the date hereof, Seller and/or the Station are a party or by which Seller and/or the Station may be bound or obligated in any way. True and complete copies of all agreements listed on Schedule 4 are attached thereto. Unless indicated otherwise, the agreements are assignable to Buyer without consent, or if consent is required, Seller shall exercise due diligence in obtaining such consents with respect to all agreements listed and described on Schedule 4. Upon assumption and assignment to Buyer, each agreement will be in full force and effect, and constitute a valid and binding obligation of, and will be unimpaired by any acts or omissions of Seller, Seller's employees, officers or managers. There has not occurred as to any agreement any default by Seller or any event that, with the lapse of time or otherwise, could become a default by Seller. There has not occurred as to any agreement any default by any other party hereto or an event that, with the lapse of time or at the election of any person other than Seller, could become a default by such party. To the best of Seller's Knowledge, no party to any contract has initiated (or has had initiated against it) any bankruptcy, reorganization or insolvency proceedings; or is financially troubled. The sale of the Assets shall not trigger any acceleration of payments, increase in rental or loss of security deposits or any increase or acceleration of any other liability under the agreements.

6.5 Authorizations. Seller is the holder of all licenses, permits and authorizations necessary to operate the business of the Station as it now is being conducted, including, without limitation, all Commission Authorizations and all Other Authorizations. All such Commission Authorizations are validly existing authorizations for the operation of the facilities described therein under the Communications Act of 1934, as amended. The Commission Authorizations and all Other Authorizations, and any renewals and extensions thereof, are in full force and effect and free and clear of any restrictions which might limit or restrict the full operation of the Station (other than restrictions on the face of the Commission Authorizations). Seller is a Commission licensee in good standing. There is no action pending nor to the best of Seller's knowledge, threatened before the Commission or other body to revoke, refuse to renew, suspend or modify any of the Commission Authorizations or any Other Authorization, or any action which may result in the denial of any pending applications, the issuance of any cease and desist orders, or the imposition of any administrative sanctions whatsoever with respect to the Station or their operation. Seller has duly and timely filed with the FCC all material reports,

applications, documents, instruments and other information required to be filed with respect to the Station (the "FCC Filings") and such FCC Filings are true, correct and complete in all material respects. Seller knows of no facts which, under the Communications Act of 1934, as amended, or the Commission's Rules, would disqualify Seller from assigning the Commission Authorizations and Other Authorizations to Buyer.

6.6 Administrative Violations. Seller is not aware of any violations or pending investigation concerning violations of the rules and regulations of the FCC, or any other federal, state or local regulatory or administrative body, including any rules regarding the employment of labor or equal employment opportunity, which individually or in the aggregate, could reasonably be expected to have a material adverse affect on the financial condition, operations or business of the Station, the Assets or Seller. Seller agrees that if, prior to the Closing Date, Seller receives an administrative or other order or notice relating to any violation of any such rules or regulations affecting the Assets, Seller shall immediately notify Buyer thereof and Seller will use its best efforts to remove or correct all such violations. Seller shall make all necessary filings with the appropriate governmental agencies and resolve to the satisfaction of Buyer any administrative violations. Seller shall be solely responsible for the cost of correcting or removing any such violations, including the payment of any fines, forfeitures or back pay.

6.7 Employees. Prior to the Closing Date, neither Seller nor Buyer will take any action to preclude or discourage any of Seller's employees working at the Station from continuing employment with Seller, except that Seller shall not be restricted from engaging in the normal hiring and firing of employees within the ordinary course of business. Seller will not, without Buyer's prior written consent, transfer or reassign any employees of Seller to any other business in which Seller or any of Seller's officers, directors, or shareholders has an interest. For a period of one year from the Closing Date, Seller shall not offer employment to, or employ, any person who was employed at the Station as of the date of this Agreement without Buyer's prior written consent and, similarly, Buyer shall not offer employment to or employ any former employee of Seller who was not employed at the Station as of the date of this Agreement without Seller's prior written consent.

6.8 Litigation and Insurance.

6.8.1 Litigation, Compliance with Law. To Seller's best knowledge, the Station is in compliance in all material respects with all applicable federal, state and local laws, ordinances and regulations, including compliance with the Communications Act and all rules and regulations issued thereunder. Except for proceedings affecting the broadcasting industry in general and those matters set forth in Schedule 7, there is no complaint, claim, litigation, investigation, unsatisfied judgment, order, decree, stipulation, injunction, or judicial, administrative or other proceeding of any nature, including, without limitation, a grievance, arbitration, or insolvency or bankruptcy proceeding pending, or to the best of Seller's knowledge, threatened, against the Station or Seller, or any of the Assets being sold or transferred to Buyer, including, without limitation, any proceeding which may (a) adversely affect the Assets or the Commission Authorizations or Other Authorizations to be assigned hereunder, or the operation of the Station or the ability of the Buyer to own and operate the Station, or the use, ownership, or operation, of any of the Assets by Buyer, (b) restrain or enjoin

the Closing or the consummation of the transactions contemplated hereby or which would affect Seller's authority or ability to carry out this Agreement, or (c) result in the revocation, modification or suspension of the Commission Authorizations or Other Authorizations, or the issuance or imposition of any administrative sanction that might adversely affect the Assets or the Commission Authorizations or other Authorizations, or the operation of the Station or the ability of Buyer to own and operate the Station or the use, ownership, or operation of any of the Assets by Buyer. In addition, to the best of Seller's knowledge, no such litigation, investigation, or proceeding has been threatened. Seller is not a party to nor has Seller received any communication threatening to make Seller a party to any pending judicial litigation, action, suit or proceeding involving the business or the Station and which might reasonably be expected to enjoin, prohibit or otherwise challenge the transactions contemplated hereby. Seller will give Buyer prompt notice of its discovery of any such basis or the institution or the threat of any such litigation, investigation, or proceeding. Seller agrees that if, prior to the Closing Date, Seller receives an administrative order or other order or notice relating to any violation of any such rules or regulations, Seller shall immediately notify Buyer thereof and Seller will remove or correct all such violations. Seller shall make all necessary filings with the FCC and resolve to the satisfaction of Buyer any administrative violations. Seller is not in default in respect to any judgment, order, writ, injunction, decree, rule, or regulation of any applicable court or governmental body, which default could have a materially adverse effect on the Assets or the Station. As to any matters set forth in Schedule 7, Seller assumes all responsibility and will indemnify Buyer for any costs associated therewith.

6.8.2 Insurance. Schedule 8 contains a list of all the insurance maintained by Seller covering the Tangible Personal Property. Seller shall pay all premiums for all such insurance, when due, and shall maintain such policies until the Closing Date.

6.9 Employees and Labor Relations.

6.9.1 Seller: (a) is not a party to any collective bargaining agreement covering or relating to any of the employees of Station and has not recognized, and to Seller's best knowledge, is not required to recognize, and has received no demand for recognition by any contract with any of the employees of the Station or to any other employment contract, labor agreement, or union agreement, written or oral; (b) other than as disclosed in the schedules, has not promulgated any policy or entered into any agreement relating to the payment of pensions, profit sharing, or bonuses to any of its employees whose employment, if terminated or suspended, for which Buyer will be liable. There are no strikes, work stoppages, grievance proceedings, union organization efforts, or other controversies pending or threatened between Seller and any of its employees or agents or any collective bargaining unit.

6.9.2 Seller has provided Buyer with an accurate and complete list of all employees of the Station and the rate of compensation (including salary, bonuses and commissions) of each such employee. Seller has complied in all material respects with all applicable laws, rules and regulations relating to the employment of labor, including those relating to rates, hours, equal employment opportunity, collective bargaining, and the withholding and payment of taxes and contributions and has withheld all amounts required by law or agreement to be withheld from the wages or salaries of the employees of the Station and is

not liable to the employees or any government body for arrears of wages or for any tax or penalty for failure to comply with the foregoing. Seller has no retirement, pension, profit-sharing, bonus, severance pay, disability, health (including providing paid sick leave as a benefit), vacation, or other employee benefit plans, practices, agreements or understandings which would result in any liability or obligation to Buyer with respect to any employees of the Station.

6.10 Taxes and Other Matters.

6.10.1 Payment of Taxes. All returns and reports concerning franchise taxes unemployment insurance, withholding and payroll taxes, sales taxes, personal property taxes, license taxes, social security taxes, and all other reports required to have been filed by the Seller relating to the Assets, the Station, and/or their operation pursuant to any law or regulation have been duly filed, and all taxes, interest, assessments, and penalties which are due to any taxing authority, federal, state, or local with respect to any tax period ending on or prior to the making of this warranty have been duly paid. As of the Closing Date, Seller will pay and discharge all taxes or other charges due on or with respect to the Assets such that no liability shall be chargeable against Buyer or the Assets.

6.10.2 Bankruptcy. No voluntary or, to Seller's knowledge, involuntary petition for bankruptcy, receivership, insolvency, or reorganization with respect to Seller, or petition to appoint a receiver or trustee of Seller's property, has been filed by, or to Seller's knowledge, against Seller. Seller has not made any assignment for the benefit of its creditors, and has not permitted any judgment, execution, attachment or levy against it or against any of its properties to remain outstanding or unsatisfied for more than thirty (30) days.

6.10.3 No Untrue Statements or Omission. No representation or warranty made by Seller in this Agreement or any Schedule, exhibit, statement, certificate, or other document heretofore or hereafter furnished by Seller, or on its behalf, to Buyer and pursuant to this Agreement or in connection with the transactions contemplated hereby contains or will contain any untrue statement or omit to state a material fact necessary to make the statements contained therein not misleading. All representations and warranties of Seller set forth in this Agreement shall be true, complete and accurate in all material respects as of the Closing Date as if made on that date, and all representations and warranties made by Seller in this Agreement shall survive the Closing of the transactions contemplated by this Agreement as provided in Section 17.

6.10.4 Absence of Conflicting Agreements or Required Consents. The execution of this Agreement and the performance of the covenants herein contemplated do not, and will not as of the Closing Date, result in any breach of any of the terms, conditions or provisions of, or constitute a default under, or result in the creation of any lien, charge or encumbrance upon the Assets pursuant to any provision of law, or any indenture, agreement or other instrument to which Seller is a party or by which it may be bound or affected.

6.10.5 Information Held in Confidence. From the date hereof until the Closing Date, Seller and all representatives of Seller will hold in strict confidence, and will not disclose to any third party, any data and information obtained in connection with this transaction with respect to the business of Buyer, except insofar as any of such data and information may be

required by law to be publicly disclosed or submitted to the Commission or any governmental agency, court or arbitrator and such information provided to Seller's legal and financial advisors and financing sources, who are contractually or otherwise bound to keep such information confidential.

6.10.6 Documentation. Seller shall provide such other documents as may be necessary for the implementation and consummation of this Agreement.

6.11 Seller's Best Knowledge: "To the best of Seller's knowledge" shall mean the actual knowledge of Seller that would be obtained by Seller if Seller (or any officer of Seller): (i) had made any inquiry, whether formal or informal of the officers, managers, department heads or other similar employees or agents (including, but not limited to, legal, engineering or financial advisors) of Seller having responsibility for or holding a position that reasonably could be expected to involve substantial knowledge about the subject matter to which Seller's best knowledge relates; and (ii) had examined all documents, correspondence or other items contained in the files of Seller or the Station pertaining to the subject matter of Seller's knowledge, whether or not Seller or any officer of Seller actually made any inquiry or actually made any examination of all files of Seller or the Station.

SECTION 7

WARRANTIES, REPRESENTATIONS AND COVENANTS OF BUYER

Buyer makes the following specific representations and warranties to Seller, each of which is true and correct on the date hereof, shall survive the Closing, and shall not be affected in any way by any investigation or due diligence made by Seller before the date hereof or hereafter:

7.1 Organization and Standing. Buyer is and on the Closing Date will be a limited liability company validly existing and in good standing under the laws of the State of Delaware and, as of the Closing Date, shall be duly qualified to do business and be in good standing in the State of Georgia.

7.2 Authorization and Binding Obligation. Buyer has all necessary power and authority to enter into this Agreement and all of Buyer's Closing Documents that require Buyer's signature. The execution, delivery and performance of this Agreement and the Ancillary Agreements (as of the date of execution of this Agreement and on the Closing Date) and in Buyer's Closing documents (on the Closing Date) are or will be authorized by all necessary actions of the Buyer. This Agreement constitutes a valid and binding obligation of Buyer enforceable against Buyer in accordance with the terms of this Agreement. Upon execution, the Buyer's closing documents will constitute valid and binding obligations of Buyer enforceable against Buyer in accordance with their terms.

7.3 No Contravention. The execution, delivery, and performance of this Agreement, the Ancillary Agreements or any of the Closing Documents do not violate any provision of Buyer's operating agreement, or any contract provision or other commitment to which Buyer is a

party or under which the Buyer is bound, or any statute, regulation, rule, judgment, decree, stipulation, order, injunction, charge or other restriction of any government, governmental agency, or court to which Buyer is subject; will not result in the creation or imposition of any lien, charge, security interest, or encumbrance of any nature whatsoever upon any of the Assets; or will not accelerate any obligation of the Buyer. Other than with respect to the Assignment Application, Buyer need not give any notice to, make any filing with, or obtain any authorization, consent or approval of any government or governmental agency to consummate the transactions contemplated by this Agreement.

7.4 Litigation. Except for administrative rule making or other proceedings of general applicability to the broadcast industry, there is no obligation, proceeding, judgment, claim, action, investigation or complaint, before the Commission, other governmental body, or court, of any nature pending or, to the best of Buyer's knowledge, threatened against or affecting Buyer or its members or managers which would affect Buyer's authority or ability to carry out this Agreement.

7.5 Information Held in Confidence.

7.5.1 From the date hereof until the Closing Date, Buyer and all representatives of Buyer will hold in strict confidence, and will not disclose to any third party, any data and information obtained in connection with this transaction with respect to the business of Seller, except that this representation and warranty shall not apply to any of the following persons, entities or circumstances: (i) to any financial advisor, legal advisor or consultant of Buyer engaged to render any services to Buyer in connection with the transactions contemplated by this Agreement; (ii) any media advisors or brokers; (iii) any persons or entities who or which are potential sources of sales or sale and leaseback arrangements for Buyer; (iv) any information or documents that become public through no fault of Buyer or Seller; (v) any information or documents that are known or available through lawful sources, not bound by any confidentiality agreement with the disclosing party; (vi) any information or documents that are required to be disclosed or sought by any arbitrator, court, or governmental agency or entity; or (vii) any information or documents developed by the receiving party independently of the disclosure of the disclosing party.

7.5.2 If, within the time period set forth in Section 4.5, the transactions contemplated by this Agreement have not closed, then, upon written request, Buyer shall return to Seller all confidential documents provided to Buyer, within 30 days after termination under Section 4.5.

7.6 Access. Seller and its authorized representatives shall have, for a three (3) year period after the Closing Date, the right to obtain, upon ten (10) days written prior request, reasonable access to originals or copies of all logs, books, records, contracts and documents relating to ownership of the Station by Seller or its immediate predecessor.

7.7 Buyer's Qualifications. There is no fact or allegations of which Buyer or its officers, directors or shareholders are aware that would, under present law (including the Communications Act of 1934, as amended) and the present rules and regulations of the

Commission, disqualify Buyer from being the assignee of the Station or that would delay Commission approval of the Assignment Application. Should Buyer become aware of any such fact, it will so inform Seller and will use its best efforts to remove any such disqualification. Buyer will not take any action that Buyer knows, or has the reason to believe, would result in such disqualification. Buyer, its managers and members, and/or the sources of financing available to Buyer or its managers and members, can provide the Buyer with the requisite financial qualifications to consummate this transaction.

7.8 No Untrue Statements or Omission. No representation or warranty made by Buyer in this Agreement or any Schedule, exhibit, statement, certificate, or other document heretofore or hereafter furnished to Seller pursuant to this Agreement or in connection with the transaction contemplated hereby, contains or will contain any untrue statement or omit to state a material fact necessary to make the statement contained therein not misleading. All representations and warranties of Buyer set forth in this Agreement shall be true, complete and accurate in all material respects as of the Closing Date as if made on that date, and all representations and warranties made by Buyer in this Agreement shall survive the Closing of the transactions contemplated by this Agreement as provided in Section 17.

7.9 Documentation. Buyer shall provide such other documents as may be necessary for the implementation and consummation of this Agreement.

7.10 Buyer's Best Knowledge: "To the best of Buyer's knowledge" shall mean the actual knowledge of Buyer that would be obtained by Buyer if Buyer (or its Managing Director/CEO) had: (i) made inquiry of the officers, managers, members, department heads or other similar employees or agents (including, but not limited to, legal, engineering and financial advisors) of Buyer having responsibility for or holding a position that reasonably could be expected to involve substantial knowledge about the subject matter to which Buyer's best knowledge relates; and (ii) examined all documents, correspondence or other items contained in the files of Buyer pertaining to the subject matter of Buyer's knowledge, whether or not Buyer or any principal of Buyer actually made any inquiry or actually made any examination of all files of Buyer.

SECTION 8

SELLER'S CONDUCT OF BUSINESS PRIOR TO CLOSING AND BUYER'S ACCESS TO INFORMATION

8.1 Affirmative Covenants of Seller. From the date of this Agreement until the Closing Date, Seller shall have complete control and supervision of and sole responsibility for the Stations and their operation, and during such period, Seller shall:

8.1.1 Operate the Station in the usual and ordinary course of business and in accordance with the rules and regulations of the Commission, the Commission Authorizations and the Other Authorizations and file all ownership reports, employment reports and other documents required to be filed during such period and maintain copies of the Stations' required filings.

8.1.2 Give prompt notice to Buyer of any occurrence that comes to Seller's attention that may constitute a misrepresentation, breach of warranty, or non-fulfillment of any covenant or condition on the part of the Seller contained in the Agreement.

8.2 Negative Covenants of Seller. Between the date hereof and the Closing Date, Seller shall not, with respect to the Assets, the Stations, or the operation thereof, without the consent of Buyer:

8.2.1 By any act or omission, surrender, modify adversely, forfeit, or fail to renew under regular terms the Commission Authorizations or any Other Authorizations with respect to the Station or give the Commission grounds to institute any proceeding for the revocation, suspension or modification of any such Commission Authorizations or fail to prosecute with due diligence any pending applications with respect to such Commission Authorizations or Other Authorizations.

8.2.2 Other than in the usual and ordinary course of business, sell, lease, transfer, assign or otherwise dispose of any of the Assets. Seller shall replace all Assets thus disposed of in the usual and ordinary course of business with assets having an aggregate value at least equal to the aggregate value of the Assets sold or otherwise disposed of.

8.2.3 Other than in the usual and ordinary course of business, create or suffer or permit the creation of any mortgage, conditional sales agreement, security interest, lien, hypothecation, pledge, encumbrance, restriction, liability, charge, claim or imperfection of title on any of the Assets or with respect thereto.

8.2.4 Take any action that could reasonably be expected to result in an impairment of the value or business of the Station.

8.3 Failure of Broadcast Transmissions. Seller shall give prompt written notice to Buyer if any of the following (a "Specified Event") shall occur and continue for a period in excess of six (6) consecutive hours: (i) the transmission of the regular broadcast programming of the Station in the normal and usual manner is interrupted or discontinued; or (ii) the Station is operated at less than its licensed antenna height above average terrain or at less than ninety percent (90%) of its licensed effective radiated power. If three (3) or more Specified Events occur prior to the Closing Date, each lasting more than six (6) consecutive hours and which are beyond the control of Seller, or the Station is not operated substantially at the licensed operating parameters for more than five (5) consecutive days, or more than forty eight (48) consecutive hours during any Arbitron rating period, then the Buyer may, at its option: (i) terminate this Agreement, or (ii) proceed in the manner set forth in Section 13.

8.4 Access to Information. Between the date hereof and the Closing Date, Seller will give to Buyer and its authorized representatives and agents, including engineers, accountants, lawyers, and other representatives, reasonable access during reasonable business hours to the Assets. Seller shall furnish to Buyer such information and materials concerning the affairs of the

Station as Buyer may reasonably request, so far as such access, information and materials pertain to the operation of the Station.

8.5 Restrictions on Buyer. Nothing contained in this Agreement shall give Buyer any right to control the programming or operations of the Station prior to the Closing Date and Seller shall have complete control of the programming and operation of the Station between the date hereof and the Closing Date and shall operate the Station in conformity with the public interest, convenience and necessity and with all other requirements of law and this Agreement.

8.6 Buyer's Covenants. In addition to the commitments contained in Section 7, from the date of this Agreement until the Closing Date, Buyer covenants that it will take no action, or fail to take any action, that would disqualify it from becoming the licensee of the Stations or delay the grant of the Assignment Application by the Commission. Furthermore, Buyer shall give prompt notice to Seller of any occurrence that comes to Buyer's attention that may constitute a misrepresentation, breach of warranty or non-fulfillment of any covenant or condition on the part of Buyer contained in this Agreement. Buyer shall deliver to Seller within ten (10) days after filing thereof with the Commission copies of any and all reports, applications, and/or responses relating to the Station which are filed by the Buyer with the Commission on or prior to the Closing Date, including a copy of any Commission inquiries to which the filing is responsive (in the event of an oral Commission inquiry, Buyer will furnish a written summary thereof).

SECTION 9

CONDITIONS FOR CLOSING

9.1 Closing. The closing of this Agreement (the "Closing") shall take place at Cohn and Marks LLP, 1920 N Street, N.W., Suite 300, Washington, D.C., or at such other place as the parties mutually select. Closing will be held within thirty (30) days of the FCC consent of the Assignment Application becoming a Final Order, i.e., one no longer subject to administrative or judicial review, reconsideration or appeal (as used in the Agreement such date means the "Closing Date"); provided, however, that Buyer may elect to close after the FCC consent, but prior to a Final Order, upon at least five (5) business days notice to Seller. Parties and their agents may participate in the Closing by telephone and electronic means; except as required by law, all documents may be executed by electronic or facsimile signature, in accordance with the federal electronic signature statute, and may be delivered by facsimile, electronic mail or expedited commercial mail delivery.

9.2 Conditions Precedent to Obligations of Buyer. The obligations of the Buyer under this Agreement are subject to the satisfaction of each of the following express conditions precedent (provided that Buyer may, at its election, waive any of such conditions on the Closing Date, notwithstanding that such condition is not fulfilled) on or prior to the Closing Date:

9.2.1 Seller shall have delivered to Buyer the Seller's Closing Documents as described in Section 10.1 below.

9.2.2 Each of the Seller's representations and warranties contained in this Agreement or in any Schedule, certificate, or document delivered pursuant to the provisions hereof, or in connection with the transactions contemplated hereby, shall be true and correct in all material respects at and as of the Closing Date with the same force and effect as if each such representation or warranty were made at and as of such time, and on the Closing Date Buyer shall receive a certificate executed by Seller certifying that the aforementioned is true and correct.

9.2.3 Seller shall have performed and complied in all material respects with all covenants, agreements and obligations required by this Agreement to be performed or complied with by it prior to the Closing Date and shall be in full compliance therewith on the Closing Date and on the Closing Date Buyer shall receive a certificate executed by Seller certifying that the aforementioned is true and correct. On the Closing Date, the Station will be operating in all material respects in accordance with its Commission Authorizations and Other Authorizations.

9.2.4 Seller shall be the holder of the Commission Authorizations and other Authorizations listed in Schedule 1.

9.2.5 Seller shall have taken all necessary action to consummate this transaction.

9.2.6 All outstanding mortgages, liens, security agreements, and other charges and encumbrances and the Assets, shall have been discharged and satisfied, or arrangements made to discharge same at Closing.

9.2.7 Seller shall have delivered to Buyer an inventory of the Tangible Personal Property to be conveyed, current as of the Closing Date. There shall be no material changes between Schedule 2 and the inventory of Tangible Personal Property as of the Closing Date other than changes that have been agreed to and accepted by Buyer in its reasonable discretion.

9.2.8 Seller shall have delivered to Buyer an opinion(s), dated the Closing Date, from counsel (general and/or FCC counsels) for Seller in substantially the form set forth at Exhibit B.

9.2.9 Instructions (jointly issued with Buyer) executed on behalf of Seller directing the Escrow Agent to release the Escrow Deposit.

9.2.10 Seller, to the extent required, shall have delivered to Buyer an accurate list of accounts receivable to be collected by Buyer for Buyer's account.

9.2.11 This Agreement and the transactions contemplated hereby shall have been approved by Seller's board of directors and shareholders and a certificate(s) to that effect dated as of the Closing Date shall be executed and delivered to Buyer.

9.2.12 Seller shall have received certificates from the Secretary of State for Georgia as to the existence and good standing of Seller; and similar certificates from all other

jurisdictions in which the conduct of business or ownership of assets requires its registration to do business or the payment of taxes.

9.2.13 The Assignment Application shall have been approved by a Final Order of the FCC without attaching any condition to said consent materially adverse to Buyer. There shall not have occurred any material adverse change in the Assets, whether initiated or within the control of Seller, or otherwise; and the Assets shall not have been materially and adversely affected by casualty, whether by fire or force majeure. No law or regulation shall have been adopted which in Buyer's reasonable and good faith judgment will materially and adversely affect the Assets, liabilities, operations or prospects after Closing. Seller shall promptly notify Buyer of any developments that occur prior to Closing that cause a material adverse consequence on the Assets or the operation or condition of the Station provided, however, that Seller's compliance with the disclosure requirements of this Section shall not relieve Seller of any obligation with respect to any representation, warranty or covenant of Seller in this Agreement or waive any condition to Buyer's obligations under this Agreement.

9.2.14 All consents of third parties to the transactions contemplated by this Agreement shall have been obtained as are necessary to validly and effectively transfer and assign ownership of the Assets to Buyer without any material impairment.

9.2.15 Seller, at its expense, shall, within five (5) days prior to the Closing Date, have delivered or caused to be delivered to Buyer title insurance commitments from a title insurance company, satisfactory to Buyer, providing extended coverage title insurance policies ALTA (Leasehold Policy), with gap endorsement, in the amount equal to the fair market value of the Real Property listed in Schedule 3, including any improvements thereon.

9.2.16 [Intentionally left blank.]

9.2.17 [Intentionally left blank.]

9.3 Conditions Precedent to Obligations of Seller. The performance of the obligations of the Seller under this Agreement is subject to the satisfaction of each of the following express conditions precedent, provided that Seller may, at its election, waive any of such conditions at Closing, notwithstanding that such condition is not fulfilled on the Closing Date:

9.3.1 Each of Buyer's representations and warranties contained in this Agreement or in any certificate or document delivered pursuant to the provisions hereof, or in connection with the transactions contemplated hereby, shall be true in all material respects at and as of Closing Date, as though each such representation or warranty was made at and as of such time, except in respect of such changes as are contemplated or permitted by this Agreement, and on the Closing Date Seller shall receive a certificate executed by Buyer certifying that the aforementioned is true and correct.

9.3.2 Buyer shall perform all of the obligations set forth in Section 2.2 of this Agreement with respect to the payments of the Purchase Price.

9.3.3 Buyer shall have agreed in form reasonably acceptable to Seller to assume all obligations under the Agreements assigned to Buyer arising on or after the Closing Date.

9.3.4 Seller shall have received an opinion(s), dated the Closing Date, from counsel (general and/or FCC counsel) for Buyer, in substantially the form set forth at Exhibit C.

9.3.5 Instructions (jointly issued with Seller) executed on behalf of Buyer directing the Escrow Agent to release the Escrow Deposit.

9.3.6 All of the agreements and covenants of Buyer shall have been satisfied, performed and complied with on or before the Closing Date in all material respects, and on the Closing Date Seller shall receive a certificate executed by Buyer certifying that the aforementioned is true and correct.

9.3.7 The Assignment Application shall have been approved by a Final Order of the FCC without attaching any conditions to such consent materially adverse to Seller.

9.3.8 Buyer shall have delivered to Seller the Buyer's Closing Documents as required specified in Section 10.2.

9.4 Rights of Buyer on Failure of Conditions Precedent. In case of the failure of any of the conditions precedent described in Section 9.2 hereof, and if Seller, after having received notice of such failure from Buyer, has failed to cure this failure within twenty (20) days of notice, then Buyer shall have the right to terminate this Agreement without liability. Buyer shall not be deemed to have failed to give reasonable notice of default to Seller, unless the timing of the notice is such that Seller's right to cure is demonstrably and materially prejudiced. If the failure of such condition precedent results from a material default by Seller, Buyer shall have the right, at its option, to exercise any or all of its rights or remedies for default provided in Section 16 hereof. Buyer's actual knowledge of Seller's breach of any conditions precedent, at the time of Closing, shall not be deemed a waiver of any breach by Seller, unless Buyer has signed a written document waiving such breach as provided in Section 19.2.

9.5 Rights of Seller on Failure of Conditions Precedent. In case of the failure of any of the conditions precedent described in Section 9.3 hereof, if Buyer, after having received notice of such failure from Seller, has failed to cure the same within twenty (20) days of notice, then Seller shall have the right to terminate this Agreement without liability. Seller shall not be deemed to have failed to give reasonable notice of default to Buyer, unless the timing of the notice is such that Buyer's right to cure is demonstrably and materially prejudiced. If the failure of such condition precedent results from a material default by Buyer, Seller shall have the right, at its option, to exercise any or all of its rights or remedies for default provided in Section 16 hereof. Seller's actual knowledge of Buyer's breach of any conditions precedent, at the time of Closing, shall not be deemed a waiver of any breach by Buyer, unless Seller has signed a written document waiving such breach as provided in Section 19.2.

SECTION 10

OBLIGATIONS AT CLOSING

10.1 Closing Documents to be Delivered by Seller. At the Closing, Seller shall deliver to Buyer the following (“Seller’s Closing Documents”):

10.1.1 An executed Bill of Sale in form and substance reasonably satisfactory to Buyer transferring to Buyer all Tangible Personal Property to be transferred hereunder.

10.1.2 A ground lease for the real property and related facilities necessary for the operation of the Station’s studio and transmission facilities in accordance with the terms set forth at Section 1.1.3.

10.1.3 An executed Assignment and Assumption Agreement in form and substance reasonably satisfactory to Buyer assigning to Buyer the Agreements to be assigned hereunder.

10.1.4 An executed Assignment and Transfer in form and substance reasonably satisfactory to Buyer assigning and transferring to Buyer all of the Authorizations and the Intangibles.

10.1.5 A certified copy of the resolutions of Seller’s board of directors and shareholders authorizing the execution, delivery, and performance of this Agreement by Seller and the consummation of the transactions provided for herein.

10.1.6 An opinion of Seller’s local and/or communications counsel, in the form set forth in Exhibit B dated as of the Closing date.

10.1.7 A certificate(s) executed by Seller’s chief executive officer stating that (a) all of the representations and warranties of Seller set forth in this Agreement are in all material respects true, correct and accurate as of the Closing Date, and (b) all covenants set forth in this Agreement to be performed by Seller on or prior to the Closing Date have been performed in all material respects.

10.1.8 Copies of all Business Records.

10.1.9 Possession and/or ownership of and all right, title and/or interest in and to the Assets.

10.1.10 The consent of any required third parties, in form and substance reasonably acceptable to Buyer, under each of the Agreements for which such third party’s consent is required consenting to the assignment of the Agreement to Buyer.

10.1.11 A list of Accounts Receivable.

10.1.12 Such further instruments of assignment, conveyance, transfer or other documents of further assurance as contemplated herein covering the assets or any part thereof as Buyer may reasonably require to assure the full and effective transfer and assignment to Buyer of the Assets and all right, title and interest therein of Seller, not otherwise inconsistent with any provision stated herein.

10.2 Closing Documents to be delivered by Buyer. At the Closing, Buyer shall deliver to Seller the following ("Buyer's Closing Documents"):

10.2.1 The Purchase Price as provided in Section 2.2.

10.2.2 A certificate executed by Buyer's Managing Director/CEO stating that: (a) all of the representations and warranties of Buyer set forth in this Agreement are in all material respects true, correct, and accurate as of the Closing Date, and (b) all covenants set forth in this Agreement to be performed by Buyer on or prior to the Closing Date have been performed in all material respects.

10.2.3 A certified copy of the resolutions of the Buyer's managers and members authorizing the execution, deliver and performance of this Agreement by Buyer and the consummation of the transactions provided for herein, executed and attested to by the Buyer's chief executive officer.

10.2.4 An Assignment and Assumption Agreement executed by Buyer, in form and substance reasonably satisfactory to Seller.

10.2.5 An opinion of Buyer's local and/or communications counsel, in the form set forth in Exhibit C, dated as of the Closing date.

10.2.6 Such further instruments with respect to the transactions contemplated herein as Seller may reasonably request.

SECTION 11

BROKERAGE

Seller and Buyer each represent and warrant to the other that Satterfield & Perry, Inc. has acted as the sole finder and sole broker in this transaction and that it knows of no other broker, finder, or intermediary which has been involved in the transactions contemplated by this Agreement or who might be entitled to a fee or commission upon the consummation of such transactions provided for in this Agreement. All fees due Satterfield & Perry, Inc. shall be paid by the Buyer. Buyer and Seller hereby agree to indemnify each other from and against any claim of any such obligation or liability by any person, and any expense incurred in defending against any such claim, including reasonable attorney's fees, that shall have resulted from any conduct, activity, or action taken, or allegedly taken, by the indemnifying party.

SECTION 12

INDEMNIFICATIONS

12.1 **Breach of Seller's Agreements, Representations, and Warranties.** Seller shall reimburse Buyer for, indemnify and hold harmless Buyer from and against any loss, damage, liability, obligation, deficiency, claim, suit, cause of action, demand, judgment, or expense (including without limitation, payments, fines, penalties, interest, taxes, assessments, and reasonable attorneys' fees and accounting fees), arising out of or sustained by Buyer by reason of:

(a) any material breach of any warranty, representation, covenant, or agreement of Seller contained under this Agreement or in any certificate or other instrument furnished to Buyer pursuant to this Agreement or in connection with any of the transactions contemplated hereby;

(b) the operation of the Station or the ownership of the Assets prior to Closing (including, but not limited to, any and all claims, liabilities, and obligations arising or required to be performed prior to the Closing Date under the Agreements, or any other lease, contract, or agreement);

(c) any transaction entered into by Seller and arising in connection with the Station or the operation of the Station or any of the Assets prior to the Closing; or

(d) any and all actions, suits, or proceedings, incident to any of the foregoing.

12.2 **Breach of Buyer's Agreements, Representations and Warranties.** Buyer shall reimburse Seller for, and indemnify and hold harmless Seller from and against, any loss, damage, liability, obligation, deficiency, claim, suit cause of action, demand, judgment, or expense (including without being limited to, payments, fines, penalties, interest taxes, assessments, reasonable attorneys' fees and accounting fees of any kind or nature), contingent or otherwise, arising out of or sustained by Seller by reason of:

(a) any material breach of any warranty, representation, covenant or agreement of Buyer contained under this Agreement or any certificate or other instrument furnished by Buyer pursuant to this Agreement or in connection with any of the transactions contemplated hereby;

(b) the operation of the Station subsequent to Closing (including, but not limited to, any and all claims, liabilities and obligations arising or required to be performed subsequent to the closing under the Agreements);

(c) any transaction entered into by Buyer and arising in connection with the Station or the operation of the Station subsequent to the Closing;

(d) any and all liabilities or obligations of Seller assumed by Buyer pursuant to this Agreement, or

- (e) any and all actions, suits, or proceedings incident to any of the foregoing.

12.3 Notice of Claim. Buyer and Seller agree to give reasonable notice to each other of any claim for indemnification under Section 12.1 or 12.2 hereof ("Notice of Claim"), which notice shall set forth in reasonable detail the basis for the claim. Within ten (10) days after having been given the Notice of Claim, the indemnifying party may deliver to the other party (i) a written notice of objection to the claim ("Notice of Objection"), which Notice of Objection shall set forth in reasonable detail the basis for such objection, or (ii) a written notice that the indemnifying party intends to defend against such claim in good faith ("Notice of Intention to Defend"). If such a Notice of Intention to Defend is delivered, the indemnifying party shall have the right to hold in abeyance its claim for indemnification if and so long as such defense is conducted by the indemnifying party at the latter's expense in a manner effective to protect the indemnified party against such claim. If no Notice of Objection or Notice of Intention to Defend is given within the prescribed ten (10) day period, the indemnifying party shall promptly honor the claim, and to the extent the claim requires the payment of a sum of money, pay that sum to the indemnified party. Notwithstanding anything set forth above in this Section 12.3, or in any other provisions of this Agreement: (i) the failure to give Notice of Claim shall not and does not amount to any waiver of Seller's or Buyer's right to indemnification, unless such failure demonstrably and materially prejudices the indemnifying party in its ability to defend or satisfy the claim; and (ii) a notice of arbitration, under Section 16.5 (a), filed within ninety (90) days after the Closing, shall be deemed to satisfy in full, without any other notice being required, the Notice of Claim requirements of this Section 12.3.

12.4 Limitation on Liability. The provisions of 12.1, 12.2 and 12.3 to the contrary notwithstanding, neither indemnifying party shall have any liability to the other as to any losses, damages, liabilities and claims arising out of, based upon or resulting from any misrepresentation, breach of warranty, or any non-fulfillment of any representation, warranty, covenant, obligation or agreement contained in or made pursuant to this Agreement, or any error contained in any statement, report, certificate or other document or instrument delivered pursuant to this Agreement until such time as the amount of such liability exceeds \$5,000 (the "Basket") in the aggregate, in which case the indemnifying party shall thereafter be liable for all such amounts, including the Basket.

12.5 Sole Rights After Closing Date. The provisions on indemnification contained in Sections 12.1, 12.2 and 12.3 shall not apply to any claim for indemnification, whether made before or after the Closing Date, unless and until the transactions contemplated in this Agreement have closed.

SECTION 13

RISK OF LOSS

The risk of any loss or damage to the Assets by fire, theft, breakage, explosion, earthquake, accident, flood, rain, storm, riot, act-of-God, or public enemy, or any other casualty or cause, reasonable wear and tear excepted, which impairs the ability of the Station to broadcast

is assumed and shall be borne by the Seller at all times before the Closing of this Agreement. If any such loss or damage occurs, Seller shall give prompt written notice of the loss or damage to Buyer and shall promptly take all steps to rebuild, replace, restore or repair any such damaged property at its own cost and expense. In the event that Seller does not fully replace or restore any such lost or damaged Assets by the time the Closing otherwise would be held, Buyer may, at its option, upon written notice to Seller, either (i) terminate this Agreement, or (ii) elect to close without restoration, in which event Seller will deliver all insurance proceeds paid or payable by reason of the loss or damage to Buyer, provided, however, that Buyer's option to terminate this Agreement under this Section 13 shall arise only if such damage to the Station is so substantial that it prevents the Station from operating in its normal and customary manner for a period of five (5) consecutive days or 48 hours during any Arbitron rating period.

SECTION 14

FEES AND EXPENSES

Each party shall pay its own attorneys' fees and expenses, which it initiates, creates, or incurs in connection with the negotiation, preparation and execution of this Agreement. Local transfer and title fees and sales taxes, if any, shall be paid by Seller.

SECTION 15

BULK SALES 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, and Seller agrees to indemnify and hold Buyer harmless against any claim made against Buyer by and creditor of Seller as a result of a failure to comply with any such statute.

SECTION 16

DEFAULT, TERMINATION AND ARBITRATION

16.1 Defaults and Failure of Conditions Precedent.

(a) A party shall "default" under this Agreement prior to Closing if it makes any material misrepresentation to the other party in connection with this Agreement, or materially breaches or fails to perform any of its representations, warranties, or covenants contained in this Agreement. Non-material breaches or failures shall not be grounds for declaring a party to be in default, postponing the Closing, or terminating this Agreement.

(b) The provisions of Section 12 and 17 only govern claims for breach of warranty, misrepresentations and breach of covenants and remedies for such claims may only be sought after the transactions contemplated by this Agreement have closed. If a default is declared by Seller or Buyer before the closing of the transactions contemplated by this Agreement, as provided in Section 16.2, the rights of Seller are exclusively limited to those contained in Section 16.3 and the rights of Buyer are exclusively limited to those contained in Section 16.4. The rights to terminate for failure of conditions precedent, as set forth in Sections 9.4 (Buyer's Right) and 9.5 (Seller's Right) do not grant Buyer or Seller any rights other than those provided in Sections 16.3 and 16.4. The right to terminate granted to Buyer in Section 13 shall not entitle Buyer to any other rights than those provided in Section 16.4.

16.2 If either party believes the other to be in default hereunder, the former party shall provide the other with written notice specifying in reasonable detail the nature of such default. If the default is not curable or has not been cured within ten (10) days after delivery of that notice (or such additional reasonable time as the circumstances may warrant provided the party in default undertakes diligent, good faith efforts to cure the default within such ten (10) day period

and continues such efforts thereafter), then the party giving such notice may terminate this Agreement and/or exercise the remedies available to such party pursuant to this Agreement.

16.3 The parties acknowledge and agree that, if the transaction contemplated by this Agreement is not consummated due to a material default on the part of Buyer ("Buyer's Default"), Seller would suffer substantial damages in an amount that is not ascertainable at the time of execution of this Agreement. Accordingly, Buyer and Seller stipulate and agree that, if this transaction fails to close as provided in this Agreement due to Buyer's Default, Seller, as its sole remedy, shall be entitled to terminate this Agreement and recover from Buyer, the Escrow Deposit of \$25,000 and accumulated interest thereon as liquidated damages. This liquidated damages amount has been determined through both parties' good faith effort to fix by agreement the amount of Seller's damages that might reasonably be expected to flow from Buyer's failure to close this transaction due to Buyer's Default, and is intended to fix that amount, and not merely to induce Buyer's full performance of its duty to close the transaction. Buyer and Seller have agreed that \$25,000 is a reasonable amount for liquidated damages. Upon delivery of this sum to Seller from the Escrow Agent, Buyer shall have no further responsibility or liability whatsoever to Seller under the terms of this Agreement, or for any claim of Seller arising out of the failure to close this Agreement.

16.4 Seller agrees that the Assets include unique property that cannot be readily obtained on the open market and that Buyer will be irreparably injured if this Agreement is not specifically enforced. Therefore, Buyer shall have the right specifically to enforce Seller's performance under this Agreement, and Seller agrees to waive the defense in any such suit that Buyer has an adequate remedy at law and to interpose no opposition, legal or otherwise, as to the propriety of specific performance as a remedy. In lieu of specific performance, Buyer also shall have the right to seek any damages that Buyer proximately suffers, if the termination is the result of a material breach by Seller of its obligations under the Agreement.

16.5 Arbitration.

(a) Unless Buyer determines to seek specific performance through suit as provided in Section 16.4, Buyer may seek such relief through arbitration as provided in this Section. And to the fullest extent permitted by law, any and all other controversy, dispute or claim arising out of, in connection with, or relating to this Agreement or any of the other documents, agreements or exhibits (collectively, the "Documents") related to or attached to this Agreement or any transaction provided for in this Agreement or the Documents, including but not limited to any claim based on or arising from an alleged tort or an alleged breach of any provisions contained in this Agreement or the Documents, shall, at the request of any party to this Agreement (either before or after the commencement of judicial proceedings), be settled by arbitration pursuant to Title 9 of the United States Code, which the parties acknowledge and agree applies to the transactions contemplated by this Agreement and the Documents. Any Arbitration requested by any party to this Agreement shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association (the "AAA"), and shall be held in Savannah, Georgia, or at such other place as the parties agree upon. In any such arbitration proceeding: (i) all applicable statutes of limitations which would otherwise be applicable shall apply; and (ii) the proceeding shall be conducted by a panel of three arbitrators.

All arbitrators shall be selected by the process of appointment from a panel pursuant to Section 13 of the AAA Commercial Arbitration Rules and each arbitrator will have AAA-acknowledged expertise in the appropriate subject matter covered by this Agreement, i.e., the purchase and sale of radio stations. Any award rendered in any such arbitration proceeding shall be final and binding, and judgment upon any such award may be entered in any court having jurisdiction.

(b) If any party to this Agreement files a proceeding in any court to resolve any such controversy, dispute or claim, such action shall not constitute a waiver of the right of such party or a bar to the right of any other party to seek arbitration under the provisions of this Section on that or any other claim, dispute or controversy, and the court shall, upon motion of any party to the proceeding, direct that such controversy, dispute or claim be arbitrated in accordance with this section.

(c) Notwithstanding any of the foregoing provisions of this Section, the parties hereto agree that no arbitrator or panel of arbitrators shall possess or have the power to: (i) assess punitive damages; (ii) dissolve, rescind or reform this Agreement or any of the Documents (except that the arbitrator or panel of arbitrators may construe ambiguous terms); or (iii) allow discovery of attorney/client or work product privileged information or documents. The Commercial Arbitration Rules of the AAA are hereby modified to this extent for the purpose of arbitration of any dispute, controversy or claim arising out of, in connection with, or relating to this Agreement or the Documents. The parties further waive, each to the other, any claims for punitive damages and agree that neither an arbitrator, panel of arbitrators nor any court shall have the power to assess such damages.

(d) No provision of, or the exercise of any rights under, this section shall limit or impair the right of any party to this Agreement before, during or after any arbitration proceeding to: (i) exercise any self-help remedies; (ii) seek specific performance of the Agreement or injunctive relief; or (iii) obtain emergency relief from a court of competent jurisdiction to prevent the dissipation, damage, destruction, transfer, hypothecation, pledging or concealment of any of the Assets to be sold under this Agreement and the Documents. Such emergency relief may be in the nature of, but is not limited to: pre-judgment attachments, garnishments, sequestrations, appointments of receivers, or emergency injunctive relief to preserve the status quo.

(e) In the event applicable law prohibits the submission of a particular controversy, dispute, or claim arising out of or in connection with the execution or consummation of the transactions contemplated by this Agreement or the Documents the parties to this Agreement agree that any actions or proceedings in connection therewith shall be tried and litigated only in the state courts of Delaware or the federal court sitting in Delaware. The parties to this Agreement, to the extent permitted by applicable law, waive any right to assert the doctrine of *forum non-conveniens* or to object to the venue to the extent any proceeding is brought in accordance with this sub-paragraph (e).

SECTION 17

SURVIVAL OF WARRANTIES

17.1 Even if any investigation or due diligence was performed by Seller or Buyer before the date of this Agreement or thereafter, and Seller or Buyer acquired actual knowledge before the Closing Date of any material breach of any covenant, representation or warranty by Seller or Buyer, all covenants, representations and warranties made by the parties in this Agreement shall be deemed made for the purpose of inducing the other to enter into this Agreement, and shall survive the Closing and remain operative and in full force and effect, for a period of twelve (12) months.

17.2 Neither the acceptance nor the delivery of property hereunder shall constitute a waiver of any covenant, representation, warranty agreement, obligation, undertaking, or indemnification of Seller or Buyer contained in this Agreement, all of which shall, unless otherwise specifically provided, survive the Closing hereunder in accordance with the terms of this Agreement and shall be binding upon and inure to the benefit of all of the parties hereto, their heirs, legal representatives, successors and assigns.

SECTION 18

[Intentionally left blank.]

SECTION 19

NOTICES

19.1 All notices, request, demands, waivers, consents and other communications required or permitted hereunder shall be in writing and be deemed to have been duly given when delivered in person (against receipt) to the party to be notified at the address set out below or sent by registered or certified mail, or by express mail or courier, postage prepaid, return receipt requested, or by confirmed telecopy, addressed to the party to be notified as follows:

If to Seller:

Progressive United Communications, Inc.
ATTN: Ms Paschell C. Mix, President
4118 Paran Pines Drive, NW
Atlanta, GA 30327
Fax: (404) 266-0322

With a copy (which shall not constitute notice) to:

Edwards & Youmas, L.L.C.
Attn: Latonya Nix Wiley, Esq.
217 Millerfield Road
Macon, GA 31217
Fax: (478) 746-3007

If to Seller:

Michael H. Oesterle, Esq.
Communications Capital Company II of Georgia, LLC
1111 Michigan Avenue, Suite 301
East Lansing, MI 48823-1096
Fax: (517) 351-4481

With a copy (which shall not constitute notice) to:

Richard A. Helmick, Esq.
Cohn and Marks LLP
1920 N Street, N.W., Suite 300
Washington, DC 20036-1622
Fax: (202) 293-4827

Either party may change its address for notices by written notice to the other given pursuant to this Section.

SECTION 20

MISCELLANEOUS

20.1 Headings. The headings of the Sections of this Agreement are for convenience of reference only and do not form a part thereof, and do not in any way modify, interpret or construe the meaning of the sections themselves or in the intentions of the parties.

20.2 Entire Agreement. This Agreement and any other agreements entered into contemporaneously herewith set forth the entire agreement of the parties and are intended to supersede all prior negotiations, understandings, and agreements relating to the transactions contemplated herein and cannot be altered amended, changed or modified in any respect or particular unless each such alteration, amendment, change or modification shall have been agreed to by each of the parties hereto and reduced to writing in its entirety and signed and delivered by each party. No provision, condition or covenant of this Agreement shall be waived by either party hereto except by a written instrument delivered to the other party and signed by the party consenting to and to be charged with such waiver. The parties hereto agree that the Schedules and Exhibits are an integral part of this Agreement.

20.3 Binding Effect and Assignment. This Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective successors and assigns. Neither party hereto may assign this Agreement or its rights and obligations hereunder without the written consent of the other; provided, however, Buyer may assign this Agreement without Seller's consent so long as Buyer remains liable to Seller for all of Buyer's obligations under this Agreement.

20.4 Additional Documents. The parties hereto agree to execute, acknowledge and deliver, at or after the Closing Date, such other and further instruments and documents as may be reasonably necessary to implement, consummate and effectuate the terms of this Agreement, the effective vesting in Buyer of title to the Assets, and/or the successful processing by the Commission of the application to be filed with it, as provided in Section 4.2.

20.5 Counterparts. This Agreement may be executed in one or more counterparts, all of which together shall comprise one and the same instrument.

20.6 Legal Actions. If either Seller or Buyer initiates any legal action or lawsuit against the other involving this Agreement or seeks arbitration, the prevailing party in such action or suit or arbitration shall be entitled to reimbursement from the other party for all reasonable attorneys' fees and other costs and expenses incurred by the prevailing party in respect of that litigation, including any appeal, or arbitration and such reimbursement may be included in the judgment or final order issued in such proceeding. Any award of damages following judicial remedy or arbitration as a result of the breach of this Agreement or any of its provisions shall include an award of prejudgment interest from the date of the breach at the maximum rate of interest allowed by law.

20.7 Governing Law. The parties agree that this Agreement and the transaction herein contemplated shall be interpreted, construed, and enforced under and according to the laws of the State of Delaware without regard to its principles of conflicts and laws. **THE PARTIES ACKNOWLEDGE THAT THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL RIGHT, BUT THAT IT MAY BE WAIVED. THE PARTIES, AFTER CONSULTING WITH COUNSEL OF THEIR CHOICE, EACH HEREBY KNOWINGLY AND VOLUNTARILY, WITHOUT COERCION, WAIVE ALL RIGHTS TO A TRIAL BY JURY OF ALL DISPUTES BETWEEN OR AMONG THEM ARISING UNDER OR RELATED TO THIS AGREEMENT. NO PARTY SHALL BE DEEMED TO HAVE GIVEN UP THIS WAIVER OF JURY TRIAL UNLESS SUCH RELINQUISHMENT IS IN A WRITTEN INSTRUMENT SIGNED BY THE PARTY TO BE CHARGED.**

20.8 Counsel. Each party has been represented by its own counsel in connection with the negotiation and preparation of this Agreement and, consequently, each party hereby waives the application of any rule of law to the effect that any provision of this Agreement shall be interpreted or construed against the party whose counsel drafted that provision.

20.9 Severability. If any term or provision of this Agreement or its application shall, to any extent, be declared to be invalid or unenforceable, the remaining terms and provisions shall not be affected and shall remain in full force and effect and to such extent are severable; provided, however, neither party shall have any obligation to consummate the transactions contemplated by this Agreement if it is adversely affected in any respect whatsoever and regardless of immateriality by a determination that any term or provision of this Agreement or its application shall, to any extent, be invalid or unenforceable.

20.10 Publicity. Seller and Buyer agree that all public announcements relating to this Agreement or the transactions contemplated hereby, including announcements to employees, will

be made only as may be agreed upon in writing by the parties, which consent shall not be unreasonably withheld.

20.11 Time is of the Essence. Time shall be one of the essence in this Agreement and the performance of each and every provision hereof.

20.12 Non-Material Breaches. Except as provided for herein, only material breaches, failures and defaults, and not non-material events or matters, shall constitute a reason for termination of this Agreement.

20.13 Exhibits. The schedules and exhibits to this Agreement are a material part hereof and shall be deemed part of this Agreement and incorporated herein, where applicable, as if fully set forth herein.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed and executed by their proper officers thereunto duly authorized as of the day and year first above written.

SELLER:

**PROGRESSIVE UNITED
COMMUNICATIONS, INC.**

By: /s/ Paschell C. Mix
Paschell C. Mix, President

BUYER:

**COMMUNICATIONS CAPITAL COMPANY II
OF GEORGIA, LLC**

By: /s/ Michael H. Oesterle
Michael H. Oesterle, Managing Director and CEO

Schedules

1. FCC Licenses and Other Authorizations
2. Tangible Personal Property
3. Real Property
4. Agreements to be Assigned and Assumed
5. Intangible Property
6. Allocation of Purchase Price
7. Litigation
8. Insurance