

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (the "Agreement") is dated as of the 10th day of August, 2007, by and between Luis A. Mejia (hereinafter "Seller") and MSG Radio, Inc. ("Buyer").

RECITALS

A. Seller holds licenses and other authorizations (the "FCC Licenses") from the Federal Communications Commission (the "FCC") and owns or holds other assets for radio station WIAC(FM) in San Juan, PR (FCC Facility ID#4936) (the "Station").

B. Seller desires to sell, and Buyer desires to buy, the FCC Licenses and certain other assets used and useful in the operation of the Station, for the price and on the terms and conditions set forth in this Agreement.

AGREEMENT

In consideration of the above recitals and of the mutual agreements and covenants contained in this Agreement, Buyer and Seller, intending to be bound legally, agree as follows:

SECTION 1 - DEFINITIONS

The following terms, as used in this Agreement, shall have the meanings set forth in this Section:

"Act" means the Communications Act of 1934, as amended.

"Assets" means the assets to be sold, transferred, or otherwise conveyed to Buyer under this Agreement, as specified in Section 2.1.

"Consents" means the consents, permits, or approvals of government authorities and other third parties necessary to assign, transfer and otherwise convey the Assets to Buyer or otherwise to consummate the transactions contemplated by this Agreement, including but not limited to the FCC Consent.

"Earnest Money" shall mean the deposit to be held by the Escrow Agent in the sum of \$1,000.00.

"Escrow Agent" shall mean Media Services Group.

"Excluded Assets" means those assets owned or held by Seller that are used or useful in the operation of the Station and will be retained by Seller after Closing, as defined herein.

"FCC Consent" means an order issued by the FCC granting the application requesting the assignment of the FCC Licenses from Seller to Buyer.

"FCC Licenses" has the meaning set forth in the preamble to this Agreement.

"Intangibles" means all FCC call signs issued to, or owned by, Seller or under which Seller is licensed or franchised and which are used or useful in the business and operations of the Station, goodwill, and any and all other intangible property (other than the Licenses, contracts and leases) included in or associated with the Assets, together with any additions thereto between the date of this Agreement and the Closing Date.

"Licenses" means all licenses, permits, and other authorizations issued by the FCC, the Federal Aviation Administration, or any other federal, state, or local governmental authorities to Seller in connection with the conduct of the business or operations of the Station, together with any additions thereto between the date of this Agreement and the Closing Date.

"Liens" means any and all liens, security interests, judgments, financing statements, and other encumbrances of any kind or nature.

"Other Assets" means all assets owned or held by Seller and used or useful in the operation of the Station which are not included in the Assets and not otherwise expressly identified herein as being part of the Excluded Assets.

SECTION 2. PURCHASE AND SALE OF ASSETS

2.1 Identification of Assets. Subject to the terms and conditions set forth in this Agreement, Seller shall sell, transfer, and deliver to Buyer on the Closing Date, and Buyer shall purchase from Seller, free and clear of any and all Liens (except for Liens for taxes not yet due and payable), all of the Assets, together with any additions thereto between the date of this Agreement and the Closing Date, but excluding the assets described in Section 2.2, which consist of the following:

- (a) The Licenses and any pending applications associated with same;
- (b) The Intangibles; and

(c) All books and records of the Station, including the public inspection file and all other records required by the FCC to be kept by the Station, subject to the right of Seller to have such books and records made available to Seller for a reasonable period, not to exceed three (3) years after the Closing Date.

2.2 Excluded Assets. The Assets shall exclude the following assets (the "Excluded Assets"):

- (a) The Other Assets;
- (b) Seller's cash on hand as of the Closing Date and all other cash in any of Seller's bank or savings accounts, any insurance policies, letters of credit, or other similar items

and cash surrender value in regard thereto, and any stocks, bonds, certificates of deposit and similar investments;


(c) Any books and records which Seller is required by law to retain, all records relating to the Excluded Assets and to Seller's accounts payable and accounts receivable and general ledger records, each subject to the right of Buyer to have access to and to copy that portion of such records which relate to the Station for a period of three (3) years from the Closing Date;

(d) The accounts receivable of Seller relating to the broadcast of commercial matter on the Station prior to the Closing Date;

(f) Any claims, rights and interest in and to any refunds of federal, state or local franchise, income or other taxes or fees of any nature whatsoever for periods prior to the Closing Date; and

(h) All items listed on Schedule 2.2 hereto.

2.3. Purchase Price. The Purchase Price for the Assets shall be Four Million Dollars (\$4,000,000.00) paid and adjusted as provided below:

 (a) Promissory Note. Buyer shall execute at Closing a Promissory Note (the "Note") to Seller in the amount of the Purchase Price (as adjusted at Closing), in the form attached hereto as Exhibit A, which shall provide for repayment upon the following terms: Interest-only quarterly payments at 4.5% annual interest for a period of 36 months, after which the entire unpaid principal balance shall become due and payable. The Note shall be secured by a pledge to Seller of all of the limited liability company membership units in Buyer pursuant to a Pledge Agreement in the form of Exhibit C annexed hereto.

(b) Prorations. The Purchase Price shall be increased or decreased as required to effectuate the proration of income and expenses. All income and expenses associated with the Assets, including FCC regulatory fees, applicable copyright or other fees, sales and service charges, taxes (except for taxes arising from the transfer of the Assets under this Agreement), ASCAP, BMI and SESAC licenses and similar prepaid and deferred items, shall be prorated between Buyer and Seller in accordance with the principle that Seller shall be entitled to all income and responsible for all expenses, costs, and liabilities allocable to the operation of the Station prior to the Closing Date, and Buyer shall be entitled to all income and responsible for all expenses, costs, and obligations allocable to the operation of the Station on and after the Closing Date. Notwithstanding the preceding sentence, there shall be no adjustment for, and Seller shall remain solely liable with respect to, any liabilities not assumed by Buyer pursuant to this Agreement.

(c) Manner of Determining Adjustments. Any adjustments will, insofar as feasible, be determined and paid at the Closing, with final settlement and payment by the appropriate party occurring no later than ninety (90) days after the Closing Date or such other date as the parties shall mutually agree upon: provided, that, in the event the prorations would

require a payment from Buyer to Seller in excess of Five Thousand Dollars (\$5,000.00), such payment shall be reflected in a promissory note from Seller to Buyer that shall have the same terms and the same maturity date as the Note.

2.4 Earnest Money.

(a) Within five (5) business days of the execution of this Agreement, Buyer shall deposit the Earnest Money with Media Services Group as Escrow Agent, who shall hold the same pursuant to the terms of an Escrow Agreement, in the form attached hereto as Exhibit B. Failure to remit Earnest Money within this time period shall make this Agreement null and void without either party having any liability to the other.

(b) Subject to the provisions of Section 9.3, if the Closing does not occur, the Earnest Money shall be returned to Buyer. If Closing does occur, the Earnest Money shall be returned to the Buyer.

2.5. Allocation of Liabilities. At the Closing, Buyer shall assume and undertake to pay, discharge, and perform all obligations and liabilities of Seller under the Assets insofar as they relate to the time on and after the Closing Date or arise out of events occurring on and after the Closing Date. Buyer shall not have any liability for any obligation of Seller (i) with respect to Seller's employees (including but not limited to severance pay, vacation pay, and COBRA obligations), the parties acknowledging that Buyer has no obligation to hire any of Seller's employees, or (ii) with respect to the Assets or the operation of the Station insofar as such obligation relates to the time before the Closing Date or any third party claim that accrues before the Closing, regardless whether such claim is asserted before, on, or after the Closing Date. Except as otherwise expressly provided in this Agreement, all liabilities assumed or retained by Seller and Buyer, as the case may be, shall remain with such party until discharged in full.

SECTION 3 – SELLER'S REPRESENTATIONS AND WARRANTIES

Seller represents and warrants to Buyer as follows:

3.1. Authorization. Seller is an individual and resident of the Commonwealth of Puerto Rico. Seller has all requisite power and authority (i) to own and hold the Assets, (ii) to conduct the business and operations of the Station as now conducted, and (iii) to execute and deliver this Agreement, the Escrow Agreement and the documents contemplated hereby and thereby, and to perform and comply with all of the terms, covenants, and conditions to be performed and complied with by Seller hereunder and thereunder.

3.2. Licenses. Schedule 3.2 includes true copies of all of the Licenses as well as all pending applications for the renewal or modification of the Licenses. The Licenses have been validly issued and are in full force and effect, and Seller is the authorized legal holder thereof. The FCC Licenses (i) are unimpaired by any act or omission of Seller, (ii) constitute all of the licenses, permits and authorizations required by the Act and FCC rules and policies for the operation of the Station in all material respects as now operated, and (iii) are not subject to any

condition except for conditions contained on the face thereof or conditions in the Act and FCC rules and policies applicable generally to radio stations of the same type, nature, class and location as the Station. The Station is operating at its full authorized power in material compliance with the terms and conditions of the FCC Licenses and in accordance with Act as well as FCC rules and policies. Other than proceedings of general applicability to the radio industry, there is no action, investigation or other proceeding pending or, to Seller's actual knowledge, threatened, before the FCC or any court of competent jurisdiction with respect to or that could have an adverse impact on the FCC Licenses. Seller has complied in all material respects with all requirements under the Act and FCC rules and policies to file reports, applications and other documents with the FCC with respect to the Station, and all such reports, applications and documents are complete and correct in all material respects. There are no circumstances (x) which could reasonably be expected to result in the suspension, revocation, cancellation, modification of or the refusal to renew any of the FCC Licenses or the imposition of any fines or forfeitures by the FCC, (y) involving Seller which could reasonably be expected to result in the FCC's refusal to grant approval of the assignment to Buyer of the FCC Licenses or the imposition of any material adverse condition in connection with the approval of such assignment, or (z) which reflect any unsatisfied or otherwise outstanding orders or decisions issued by the FCC with respect to the Station or its operation. The Station's public inspection file is in substantial and material compliance with Section 73.3526 of the FCC's rules.

3.3. Consents. Except for the FCC Consent provided for in Section 6.1, no consent, approval, permit, or authorization of, or declaration to or filing with any governmental or regulatory authority, or any other third party is required (i) to consummate this Agreement and the transactions contemplated hereby, (ii) to permit Seller to assign or transfer the Assets to Buyer, or (iii) to enable Buyer to conduct the business and operations of the Station in essentially the same manner as such business and operations are now conducted.

3.4. Brokers. Neither Seller nor any person acting on Seller's behalf has incurred any liability for any finders' or brokers' fees or commissions in connection with the transactions contemplated by this Agreement for which Buyer could become liable.

3.5. Liens. There are no Liens on any of the Assets other than for taxes not yet due and payable.

3.6. Absence of Conflicts. The execution and delivery of, and the performance of Seller's obligations under, this Agreement and each of the other agreements referenced herein, and the consummation of the transactions contemplated hereby and thereby, do not and will not, with or without the provision of notice or the passage of time or both, (i) violate any provision of law, government regulation, or order, judgment, injunction decree or ruling issued by any court or governmental authority applicable to Seller, (ii) create any Lien on any of the Assets, or (iii) result in a breach or termination of, or constitute a default or give rise to a right of termination or acceleration under any lease, agreement, commitment or other instrument to which Seller is a party or by which Seller or any of the Assets may be bound.

3.7. Taxes. Seller has filed all federal, state and local tax returns which are required to be filed and has paid all taxes and other assessments required to be filed by such returns.

3.8. Litigation. Subject to Section 3.2 hereof, there is no litigation, arbitration, or other proceeding pending before any administrative agency or court against or with respect to the Station or any of the Assets, including the FCC Licenses.

SECTION 4 – BUYER’S REPRESENTATIONS AND WARRANTIES

Buyer represents and warrants to Seller as follows:

4.1. Status. Buyer is a corporation duly organized, validly existing, and in good standing under the laws of the Commonwealth of Puerto Rico. Buyer has all requisite power and authority to execute and deliver this Agreement and the Escrow Agreement and the documents contemplated hereby and thereby, and to perform and comply with all of the terms, covenants, and conditions to be performed and complied with by Buyer hereunder and thereunder.

4.2. Authorization. The execution, delivery, and performance of this Agreement by Buyer have been duly authorized by all necessary actions on the part of Buyer. This Agreement and the Escrow Agreement have been duly executed and delivered by Buyer and constitute the legal, valid, and binding obligations of Buyer, enforceable against Buyer in accordance with their respective terms except as the enforceability of this Agreement may be affected by bankruptcy, insolvency, or similar laws affecting creditors’ rights generally and by judicial discretion in the enforcement of equitable remedies.

4.3. Brokers. Neither Buyer nor any person acting on Buyer’s behalf has incurred any liability for any finders’ or brokers’ fees or commissions in connection with the transactions contemplated by this Agreement for which Seller could become liable.

4.4. Qualifications. Buyer is legally and financially qualified to acquire the FCC Licenses for the Station under the Act the rules and regulations of the FCC and Section 5301 of the Anti-Drug Act of 1988, as amended.

4.5. Absence of Conflicts. The execution and delivery of, and the performance of Buyer’s obligations under, this Agreement and each of the other agreements referenced herein, and the consummation of the transactions contemplated hereby and thereby, do not and will not, with or without the provision of notice or the passage of time or both, (i) violate any provision of law, government regulation, or any order, judgment, injunction decree or ruling issued by any court or governmental authority applicable to Buyer or (ii) result in a breach or termination of, or constitute a default under any agreement, commitment or other instrument to which Buyer is a party or by which Buyer may be bound.

SECTION 5 - SELLER’S COVENANTS

5.1. Conduct of Station Operations. Between the date of this Agreement and the Closing Date, Seller shall operate the Station diligently in the ordinary course of business in accordance with its past practices and, to that end, shall comply in all material respects with the terms and

conditions of the FCC Licenses as well as the Act and FCC rules. Seller shall promptly provide Buyer with a copy of any and all material reports, applications, and other documents filed with the FCC with respect to the Station and the FCC Licenses.

5.2. Modification of FCC Licenses. Seller shall not file any application or acquiesce to any application, proposal or pleading filed by any third party that would result in an adverse modification of any of the FCC Licenses.

5.3. Litigation. Seller shall promptly provide (i) notice to Buyer of any investigation, litigation, or other proceeding before the FCC or any court with respect to the FCC Licenses or the Station and (ii) copies of any pleadings, letters, notices, or other communications to or from the FCC or any third party reflecting or relating to such proceeding(s).

SECTION 6 - APPLICATION FOR FCC CONSENT

6.1 Need for the FCC Approval. The assignment of the Licenses in connection with the purchase and sale of the Assets pursuant to this Agreement shall be subject to the prior consent and approval of the FCC (the "FCC Consent").

6.2 Application for FCC Approval. Seller and Buyer shall promptly prepare an appropriate application for the FCC Consent and shall file the application with the FCC within ten (10) days of the execution of this Agreement. The parties shall prosecute the application with all reasonable diligence and otherwise use commercially reasonable efforts to obtain a grant of the application as expeditiously as practicable and shall oppose any petitions to deny or other objections to the grant of the application for the FCC Consent. Each party agrees to comply with any condition imposed on it by the FCC Consent, except that no party shall be required to comply with a condition if (i) the condition was imposed on it as the result of a circumstance which does not constitute a breach by the party of any of its representations, warranties, or covenants under this Agreement, and (ii) compliance with the condition would have a material adverse effect upon it. Buyer and Seller shall oppose any requests for reconsideration or judicial review of the FCC Consent. If the Closing shall not have occurred for any reason within the original effective period of the FCC Consent, and neither party shall have terminated this Agreement under Section 9, the parties shall jointly request an extension of the effective period of the FCC Consent. No extension of the FCC Consent shall limit the exercise by either party of its rights under Section 9.

SECTION 7 CLOSING CONDITIONS

7.1. Buyer Conditions. All obligations of Buyer at the Closing are subject at Buyer's option to the fulfillment prior to or at the Closing of each of the following conditions:

(a) Representations and Warranties. All representations and warranties of Seller contained in this Agreement shall be true and complete in all material respects at and as of the Closing Date as though made at and as of that time, except for changes contemplated by this Agreement.

(b) FCC Consent. The FCC Consent shall have been granted without the imposition on Buyer of any conditions that need not be complied with by Buyer under Section 6.2 hereof, Seller shall have complied with any conditions imposed on it by the FCC Consent, and the FCC Consent shall have become a Final Order. A "Final Order" shall mean an order of the FCC that has not been reversed, stayed, enjoined, set aside, annulled or suspended; with respect to which no timely petition for reconsideration or administrative or judicial appeal or sua sponte action of the FCC with comparable effect is pending; and as to which the time for filing any such petition or appeal (administrative or judicial) or for the taking of any such sua sponte action of the FCC has expired.

(c) Deliveries. Seller shall have made or stand willing to make all the deliveries to Buyer set forth in Section 8.2.

(d) Shared Services Agreement. Buyer shall have entered into a Shared Services Agreement with Madifide, Inc. for use the certain equipment and services in conjunction with Buyer's operation of the Station after Closing.

7.2. Seller Conditions. All obligations of Seller at the Closing are subject at Seller's option to the fulfillment prior to or at the Closing Date of each of the following conditions:

(a) Representations and Warranties. All representations and warranties of Buyer contained in this Agreement shall be true and complete in all material respects at and as of the Closing Date as though made at and as of that time, except for changes contemplated by this Agreement.

(b) Deliveries. Buyer shall have made or stand willing to make all the deliveries set forth in Section 8.3.

(c) FCC Consent. The FCC Consent shall have been granted without the imposition on Seller of any conditions that need not be complied with by Seller under Section 6.2 hereof and Buyer shall have complied with any conditions imposed on it by the FCC Consent.

SECTION 8 - CLOSING

8.1. Closing Logistics.

(a) Closing Date. The Closing shall take place at 10:00 a.m. on a date, to be set by Buyer on at least five days' written notice to Seller, that is (i) not earlier than the first business day after the FCC Consent is granted, and (ii) not later than ten business days following the date upon which the FCC Consent has become a Final Order, subject to satisfaction or waiver of all other conditions precedent to the holding of the Closing. If Buyer fails to specify the date for Closing prior to the fifth business day after the date upon which the FCC Consent becomes a

Final Order, the Closing shall take place on the tenth business day after the date upon which the FCC Consent becomes a Final Order.

(b) Closing Procedure and Place. The Closing shall be held at any place and in any manner (including the use of overnight courier, email, and facsimile distributions) that is agreed upon by Buyer and Seller.

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

(a) Transfer Documents. Duly executed assignments and other transfer documents which shall be sufficient to vest good and marketable title to the Assets in the name of Buyer, free and clear of all Liens, except for Liens for current taxes not yet due and payable;

(b) Consents. An executed copy of any instrument evidencing receipt of any Consent other than the FCC Consent;

(c) Certificate. A certificate, dated as of the Closing Date, executed by Seller, certifying (i) that the representations and warranties of Seller contained in this Agreement are true and complete in all material respects as of the Closing Date as though made on and as of that date; and (ii) that Seller has in all material respects performed and complied with all of its obligations, covenants, and agreements set forth in this Agreement to be performed and complied with on or prior to the Closing Date; and

(d) Licenses, Contracts, Business Records, Etc. Copies of all Licenses, all engineering records, and all files and records used by Seller in connection with its operation of the Station.

(e) Opinion of Seller's Counsel. Seller's counsel shall have furnished to the Buyer a written opinion dated as of the Closing Date, in scope and form satisfactory to Buyer's Counsel. Same shall cover the subject matter listed below.

(i) The Seller is the sole owner of the FCC Licenses.

(ii) Seller has all the requisite power and authority to execute and enter into the Agreement and all other agreements and instruments executed and delivered by Seller (the "Seller Documents") and to perform its obligations thereunder. The execution, delivery and performance by Seller of the Agreement and Seller Documents have been duly authorized by all necessary action and are legally valid and binding, enforceable against Seller in accordance with their respective terms.

(iii) All licenses and other authorizations used in the operation of the Station are in full force and effect.

(iv) There is no outstanding judgment, suit, action or claim which is pending, threatened, or probable or assertion, or governmental proceeding (except for those affecting the radio broadcasting business generally) not disclosed in the Agreement which would have a Material Adverse Condition upon the FCC Licenses or upon the manner in which its business is being or has been conducted, or which could materially increase its liabilities, on which questions or affects the validity or any actions to be taken pursuant to the Agreement.

(v) There is no outstanding judgment, suit, action or claim which is pending, threatened, or probable of assertion, or governmental proceeding (except those affecting the radio broadcasting business generally) which has or would restrain the Seller from carrying out the transactions contemplated by the Agreement or its obligations thereunder.

(vi) The Agreement and each of the other agreements contemplated thereunder constitute the legal, valid and binding obligations of the Seller, enforceable against him in accordance with their terms.

(vii) To the best of our knowledge, Seller has obtained executed releases of any security interests granted in the Assets as security for payment of loans and other obligations or judgments and of any other Liens on the Assets. At the Closing, Seller shall transfer and convey to Buyer all of the Assets free and clear of all Liens except Permitted Liens.

In rendering counsel's opinion, counsel may assume the genuineness of all signatures on original and certified documents, the conformity to the original or certified documents of all copies examined by or submitted to counsel as conformed copies or photocopies. As to questions of fact, counsel may rely upon the statements and representations of Seller. As to questions of FCC law, regulations and procedures, counsel may rely upon the opinion of special counsel expert in such law, regulations and procedures.

8.3. Buyer Deliveries. Prior to or at the Closing, Buyer shall deliver to Seller the following, in form and substance reasonably satisfactory to Seller and his counsel:

(a) Promissory Note. The Note as provided in Section 2.3;

(b) Assumption Agreements. An Assumption Agreement pursuant to which Buyer shall, subject to the terms and limitations set forth in Section 2.5 of this Agreement, assume and undertake any obligations and liabilities of Seller under the Assets insofar as they relate to the time on and after the Closing Date or arise out of events occurring on or after the Closing Date; and

(c) Officer's Certificate. A certificate, dated as of the Closing Date, executed on behalf of Buyer by an officer of Buyer, certifying (i) that the representations and warranties of Buyer contained in this Agreement are true and complete in all material respects as of the Closing Date as though made on and as of that date, and (ii) that Buyer has in all material respects performed and complied with all of its obligations, covenants, and agreements set forth in this Agreement to be performed and complied with on or prior to the Closing Date.

SECTION 9 - TERMINATION

9.1. Termination by Seller. This Agreement may be terminated by Seller, and the purchase and sale of the Assets abandoned, if Seller is not then in material breach, upon written notice to Buyer, upon the occurrence of any of the following:

(a) Conditions. If on the date that would otherwise be the Closing Date any of the conditions precedent to the obligations of Seller set forth in this Agreement have not been satisfied or waived in writing by Seller.

(b) Judgments. If there shall be in effect on the date that would otherwise be the Closing Date any judgment, decree, or order that would prevent or make unlawful the Closing.

(c) Upset Date. If the Closing shall not have occurred by August 1, 2008.

(d) Breach. Without limiting Seller's rights under the other provisions of this Section 9.1, if Buyer has failed to cure or commence to cure any material breach of any of its representations, warranties or covenants under this Agreement within fifteen days after Buyer received written notice of such breach from Seller.

9.2. Termination by Buyer. This Agreement may be terminated by Buyer, and the purchase and sale of the Licenses abandoned, if Buyer is not then in material breach, upon written notice to Seller, upon the occurrence of any of the following:

(a) Conditions. If on the date that would otherwise be the Closing Date any of the conditions precedent to the obligations of Buyer set forth in this Agreement have not been satisfied or waived in writing by Buyer.

(b) Judgments. If there shall be in effect on the date that would otherwise be the Closing Date any judgment, decree, or order that would prevent or make unlawful the Closing.

(c) Upset Date. If the Closing shall not have occurred by August 1, 2008.

(d) Breach. Without limiting Buyer's rights under the other provisions of this Section 9.2, if Seller has failed to cure or commence to cure any material breach of any of its representations, warranties or covenants under this Agreement within fifteen days after Seller received written notice of such breach from Buyer.

9.3. Liabilities and Remedies. If this Agreement is terminated pursuant to Section 9.1 or 9.2 and neither party is in material breach of any provision of this Agreement, the parties hereto shall not have any further liability to each other with respect to the purchase and sale of the Assets and Seller shall return the Earnest Money to Buyer. If this Agreement is terminated by

Seller due to Buyer's material breach of this Agreement and Seller is not in material breach of any provision of this Agreement, then Seller retain the Earnest Money deposited by Buyer as liquidated damages and retention of those monies shall constitute full payment and the exclusive remedy for any damages suffered by Seller by reason of Buyer's material breach of this Agreement. Seller and Buyer agree in advance that actual damages would be difficult to ascertain and that the amount of the Earnest Money, together with any interest or other proceeds from the investment of that amount, is a fair and equitable amount to reimburse Seller for damages sustained due to Buyer's material breach of this Agreement. Upon a material breach of any provision of this Agreement by Seller, and if Buyer is not in material breach of any provision of this Agreement, Buyer shall have the option to (i) terminate this Agreement in accordance with Section 9.1 and pursue all rights and remedies available at law or equity or (ii) seek specific performance of Seller's obligations hereunder (without posting bond or other security) from a court of competent jurisdiction. In the event Buyer seeks the remedy of specific performance, Seller shall waive the defense that Buyer has an adequate remedy at law.

SECTION 10 - INDEMNIFICATION

10.1 Survival of Representation and Warranties. All representations, warranties, covenants and agreements contained in this Agreement or in any other document referenced herein shall survive the Closing for the Survival Period, as defined herein, and the Closing shall not be deemed a waiver by either party of the representations, warranties, covenants or agreements of the other party contained herein or in any other document referenced herein. No claim for indemnification may be brought under this Agreement unless written notice describing in reasonable detail the nature and basis of such claim is given on or prior to the last day of the Survival Period. In the event such a notice is so given, the right to indemnification with respect thereto under this Article shall survive the Survival Period until such claim is finally resolved and any obligations with respect thereto are fully satisfied. For purposes of this agreement, the "Survival Period" shall be twelve (12) months after the Closing Date.

10.2 Scope of Indemnification. The rights to indemnification and to be held harmless set forth in this Agreement shall, as between the parties hereto and their respective successors and assigns, shall constitute each party's exclusive remedy for any damages or liabilities to which such party (or its successors or assigns) would otherwise have by statute, common law or otherwise.

10.3 Indemnification by Seller.

(a) After the Closing, Seller shall indemnify and hold Buyer and any officer, director, member, agent, employee and affiliate of Buyer harmless from and against any and all demands, claims, actions, suits, assessments, judgments, costs, losses, damages, expenses (including reasonable attorneys' fees) and other liabilities (collectively "Loss and Expense") relating to or arising out of:

(i) Any breach or non-performance by Seller of any of its representations, warranties, covenants or agreements set forth in this Agreement or any other document referenced herein;

(ii) The operation of the Station and the ownership or holding of the Assets on or prior to the Closing;

(iii) All other liabilities and obligations of Seller other than those obligations expressly assumed by Buyer hereunder; and

(iv) Noncompliance by Seller with the provisions of the Bulk Sales Act, if applicable, in connection with the transactions contemplated hereby.

(b) Notwithstanding anything in this Section to the contrary, Seller shall not have any indemnification obligation to Buyer hereunder until the amount of such Loss and Expense exceeds the Threshold Limitation, in which case Buyer shall then be entitled to indemnification of the entire amount.

10.4 Indemnification by Buyer.

(a) After Closing, Buyer shall indemnify and hold Seller harmless from and against any and all Loss and Expense relating to or arising out of:

(i) Any breach or non-performance by Buyer of any of its representations, warranties, covenants or agreements set forth in this Agreement or any other Document;

(ii) The ownership or holding of the Assets or the operation of the Station after the Closing; and

(iii) All other liabilities or obligations expressly assumed by Buyer hereunder.

(b) Notwithstanding anything in this Section to the contrary, Buyer shall not have any indemnification obligation to Seller until the amount of such Loss and Expense exceeds the Threshold Limitation, in which case Seller shall then be entitled to indemnification of the entire amount.

10.5 Indemnification Procedures. In the event that any party believes that it is entitled to indemnification hereunder, such party shall notify the other party, describing the matters involved in reasonable detail, and the other party shall then be obligated to respond within thirty (30) days whether it has any objection to the claim for indemnification. Failure to respond within that 30-day period shall constitute a waiver of any objection to the claim for indemnification. If the claim for indemnification relates to a claim advanced by a third party, the indemnifying party shall be entitled to assume the defense thereof upon written notice to the other party with counsel reasonably satisfactory to the indemnifying party; provided, that once it assumes the defense thereof, the indemnifying party shall keep the other party advised of all developments in the defense thereof and any related litigation, and the party seeking indemnification shall be entitled at all times to participate in the defense thereof at its own expense. If the indemnifying party fails to notify the party seeking indemnification of its

election to defend, or contests its obligation to provide any indemnification, the party seeking indemnification may pay, compromise, or defend such a claim without prejudice to any right it may have hereunder.

10.6. Threshold Limit. For purposes of this Article, the "Threshold Limit" shall be Five Thousand Dollars (\$5,000).

10.7 Indemnification Cap. The aggregate total amount in respect of which either party shall be liable to indemnify and hold harmless the other party pursuant to this Section 10 shall not exceed Four Million Dollars (\$4,000,000.00).

SECTION 11 – MISCELLANEOUS

11.1. Expenses. Buyer and Seller shall each pay one-half of all filing fees required by the FCC in connection with the FCC Consent. Except as otherwise provided in this Agreement, each party shall pay its own expenses incurred in connection with the authorization, preparation, execution, and performance of this Agreement, including all fees and expenses of counsel, accountants, agents, and representatives.

11.2. Notices. All notices, demands, and requests required or permitted to be given under the provisions of this Agreement shall be (a) in writing, (b) delivered by personal delivery, overnight courier service (charges prepaid), or facsimile (with written confirmation of receipt), (c) deemed to have been given on the date of personal delivery or the date set forth in the records of the delivery service, and (d) addressed as follows:

(a) If to Seller, to:
Luis A. Mejia
P.O. Box 9023916
San Juan, PR 00902
Fax No. 787-620-0733

With a copy to:
Francisco Montero, Esq.
Fletcher, Heald & Hildreth
1300 N. 17th Street, 11th Floor
Arlington, VA 22209
Fax No. 703-812-0486

(b) If to Buyer, to:
George Reed, President
MSG Radio, Inc.
c/o Media Services Group, Inc.
3948 South Third Street, Suite 191
Jacksonville Beach, FL 32250
Fax No. (904) 285-5618

With a copy to:
Lewis J. Paper, Esq.
Dickstein Shapiro, LLP
1825 Eye Street, NW
Washington, DC 20006
Fax No. (202) 420-2201

or to any other or additional persons and addresses as the parties may from time to time designate in a writing delivered in accordance with this Section 11.2.

11.3. Assignment. Neither party hereto may assign this Agreement without the prior written consent of the other party hereto; provided, however, that Buyer may assign its rights and obligations under this Agreement, in whole or in part, to one or more subsidiaries or commonly controlled affiliates of Buyer without seeking or obtaining Seller's prior approval. Notwithstanding any such assignment, Buyer shall not be relieved of any liability hereunder unless and until it shall have obtained the prior written consent of Seller. Upon any permitted assignment by Buyer or Seller in accordance with this Section 11.3, all references to "Buyer" herein shall be deemed to be references to Buyer's assignee and all references to "Seller" herein shall be deemed to be references to Seller's assignee, as the case may be. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

11.4. Governing Law. THIS AGREEMENT SHALL BE GOVERNED, CONSTRUED, AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF PUERTO RICO (WITHOUT REGARD TO THE CHOICE OF LAW PROVISIONS THEREOF).

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

11.6. Integration. This Agreement, the schedules, hereto, and all documents, certificates, and other documents to be delivered by the parties pursuant hereto, collectively represent the entire understanding and agreement between Buyer and Seller with respect to the subject matter hereof. This Agreement supersedes all prior negotiations between the parties and cannot be amended, supplemented, or changed except by an agreement in writing that makes specific reference to this Agreement and which is signed by the parties.

11.7. Waivers. Except as otherwise provided in this Agreement, any failure of any of the parties to comply with any obligation, representation, warranty, covenant, agreement, or condition herein may be waived by the party entitled to the benefits thereof only by a written instrument signed by the party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, representation, warranty, covenant, agreement, or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure. Whenever this Agreement requires or permits consent by or on behalf of any party hereto, such consent shall be given in writing in a manner consistent with the requirements for a waiver of compliance as set forth in this Section 11.7.

11.8 Counterpart Signatures. This Agreement may be signed in counterparts with the same effect as if the signature on each counterpart were upon the same instrument. Facsimile signatures shall be sufficient to make this Agreement binding.

11.9 Litigation Expenses. If any party files a lawsuit to enforce its rights under this Agreement, the prevailing party shall be reimbursed by the other party for all reasonable expenses incurred thereby, including reasonable attorneys' fees.

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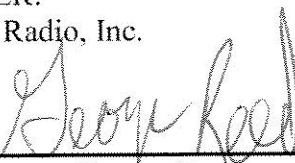
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IN WITNESS WHEREOF, the parties hereto have duly executed this Asset Purchase Agreement as of the day and year first above written.

SELLER:

By: 
Name: Luis A. Mejia

BUYER:
MSG Radio, Inc.

By: 
Name: George Reed
Title: President

Schedule 2.3

Asset Purchase Agreement
Luis A. Mejía & MSG Radio, Inc.

Promissory Note (Exhibit A)

Pledge Agreement (Exhibit C)

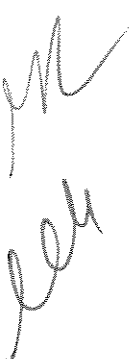
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EXHIBIT A

PROMISSORY NOTE

\$4,000,000

[DATE]



FOR VALUE RECEIVED, the undersigned MSG Radio, Inc. ("Maker"), a Puerto Rico corporation with offices at Suite 191, 3948 South Third Street, Jacksonville Beach, Florida 33250, hereby irrevocably and unconditionally promises to pay to the order of Luis A. Mejia, an individual residing in Puerto Rico ("Payee") whose mailing address is P.O. Box 9023916, San Juan, Puerto Rico 00902, in immediately available funds, the principal amount of **FOUR MILLION DOLLARS (\$4,000,000.00)** (the "Principal"). Maker's obligation to pay the Principal under this Promissory Note (the "Note") is subject to the following terms and conditions:

1. Interest shall accrue on the unpaid Principal at the rate of 4.5 percent per annum. Unless the Principal is paid in part prior to the Maturity Date, as defined herein (in which case the interest due will be reduced accordingly), Maker shall make quarterly interest-only payments in arrears of Forty-Five Thousand Dollars (\$45,000.00). Maker shall make its first quarterly payment hereunder on the first day of the fourth calendar month following the date of this Note (with an additional amount added to cover any partial month if the date of this Note is not the first day of a calendar month) and shall make subsequent quarterly payments on the first day of the calendar month every three months thereafter until the Principal is paid in full,

2. The Principal shall be due and payable at the earlier of (a) the date that is thirty-six (36) months from the date written above, (b) the date of consummation of (i) the sale of the licenses and other assets owned or held by Maker for radio station WIAC-FM, San Juan, Puerto

Rico, after securing approval from the Federal Communications Commission (the "FCC") on a Form 314 application, or (ii) the transfer of control of Maker after securing approval from the FCC on a Form 315 application, or (c) the date on which Maker makes an assignment for the benefit of creditors, files a petition or otherwise voluntarily initiates a proceeding under any law relating to bankruptcy, insolvency, readjustment of debt, dissolution or liquidation (collectively, "Insolvency Laws"), or sixty (60) days after the date on which an involuntary petition is filed against Maker under an Insolvency Law if such petition is not dismissed by such date. The date on which the Principal is due to be paid is referred to as the "Maturity Date."


3. Maker may prepay the Principal due under this Note in whole or in part, without premium or penalty. Any partial prepayments or extra payments shall not relieve the Maker from making quarterly installments as required above. Any partial prepayments of this Note shall first be applied to accrued but unpaid interest due on the Principal, and the balance shall be applied to payment of the Principal.

4. This Note evidences the purchase price for certain assets sold pursuant to an Asset Purchase Agreement (the "Agreement") by and between Maker and Payee dated as of this same date. Maker's obligations under this Note are secured pursuant to a Pledge Agreement between the Maker, George Reed, and Payee of even date herewith (the "Pledge Agreement").

5. Any one or more of the following events shall constitute an event of default under this Note, whereupon, subject only to limitations arising under the rules, regulations and policies of the FCC or any other law, Payee may elect to exercise any or all rights, powers and remedies afforded hereunder and under all guaranties and security herefor and all other documents related hereto and by

law, including, without limitation, the right to accelerate the maturity of this Note and declare all amounts owing in respect to this Note to be due and payable in full:

- (a) if Maker shall fail to make any payment when due hereunder within ten (10) days after receipt of notice from Payee that such payment is due and has not been paid; or
- (b) if Maker shall fail to perform any material obligation of Maker under the Pledge Agreement within twenty (20) days after receipt of notice from Payee that Maker has failed to perform such obligation; or
- (c) if the Pledge Agreement shall be cancelled, terminated, revoked or rescinded by any action initiated by Maker or any proceeding to cancel, revoke, or rescind the Pledge Agreement shall be commenced by Maker.



6. No delay or omission on the part of Payee in exercising any right hereunder shall operate as a waiver of such right or of any other right of Payee, nor shall any delay, omission or waiver on any one or more occasions be deemed a bar to or waiver of the same or any other right on any future occasion. Maker hereby waives presentment, demand, notice, protest and all other demands and notices in connection with the delivery, acceptance, performance, default or enforcement of this Note, and assents to any extension or postponement of the time of payment or to any other indulgence other than an exchange or release of collateral or the release of any other party primarily or secondarily liable for Maker's obligations under this Note.

7. If Payee retains an attorney in connection with any lawsuit or in any proceeding under Insolvency Laws, or if Maker sues Payee in connection with this Note and does not prevail, then Maker shall reimburse Payee for all reasonable costs and expenses incurred in attempting to collect this Note.

IN WITNESS WHEREOF, the undersigned has caused this Note to be signed in its company name by the duly authorized officer as of the date set forth above .

MSG Radio, Inc.

By: _____
George Reed, President

gm
gm

EXHIBIT C

PLEDGE AGREEMENT

This PLEDGE AGREEMENT, dated as of _____, (this "Agreement"), is by and among MSG Radio, Inc., a Puerto Rico corporation (the "Company"), George Reed, an individual (the "Pledgor"), and Luis A. Mejia, an individual (the "Pledgee").

WITNESSETH:

WHEREAS, the Company and Pledgee are parties to that certain Asset Purchase Agreement (the "Purchase Agreement"), dated _____, 2007, which provides for the sale of certain assets for radio station WIAC(FM), San Juan, Puerto Rico (the "Station"), from the Pledgee to the Company;

WHEREAS, pursuant to the terms of the Purchase Agreement, the Company and Pledgee are parties to that certain Promissory Note of even date herewith (the "Note"), which note represents payment of the purchase price for the Station under the terms of the Purchase Agreement;

WHEREAS, Pledgor is the record and beneficial owner of all of the issued and outstanding stock in the Company ("Stock Interests") listed in Schedule I hereto;

WHEREAS, in order to induce Pledgee to accept the Note, Pledgor has agreed to pledge the Pledged Collateral, as defined herein, to Pledgee in accordance herewith;

NOW, THEREFORE, in consideration of the premises and the covenants hereinafter contained and to induce Pledgee to accept the Note, the parties hereto agree as follows:

1. Definitions. Unless otherwise defined herein, terms defined in the Purchase Agreement are used herein as therein defined, and the following shall have the following respective meanings (such meanings being equally applicable to both the singular and plural form of the terms defined):

"Bankruptcy Code" means title 11, United States Code, as amended from time to time, and any successor statute thereto.

"Code" means the Uniform Commercial Code.

"Lien" means any and all liens, security interests, judgments, financing statements, and other encumbrances of any kind or nature.

"Person" means any individual, corporation, limited liability company, partnership, or any other entity of any kind or nature.

"Pledged Collateral" has the meaning assigned to such term in Section 2 hereof.

"Pledged Stock Interests" means those stock interests in the Company listed on Schedule I hereto.

"Secured Obligations" has the meaning assigned to such term in Section 3 hereof.

"Termination Date" has the meaning assigned to such term in Section 6 hereof.

2. Pledge. Pledgor hereby pledges to Pledgee, and grants to Pledgee, a first priority security interest in all of the following (collectively, the "Pledged Collateral");

(a) the Pledged Stock Interests and all proceeds received, receivable or otherwise distributed in respect of or in exchange for any or all of the Pledged Stock Interests; and

(b) any additional stock interests of the Company from time to time acquired by Pledgor in any manner (which stock interests shall be deemed to be part of the Pledged Stock Interests), and all proceeds received, receivable or otherwise distributed in respect of or in exchange for any or all of such stock interests; and

(c) all of Pledgor's right, title and interest as a member in the Company whether now owned or hereafter acquired, including all of Pledgor's right, title and interest in, to and under the shareholder's agreement, if any, for the Company (the "Shareholder Agreement") after and during the continuance of an Event of Default.

3. Security for Obligations. This Agreement secures, and the Pledged Collateral is security for, the payment in full when due, whether at stated maturity, by acceleration or otherwise, and performance of all obligations of any kind under or in connection with the Note and all obligations of Pledgor now or hereafter existing under this Agreement, including, without limitation, all fees, costs and expenses whether in connection with collection actions hereunder or otherwise (collectively, the "Secured Obligations").

4. Delivery of Pledged Collateral/Shareholder Agreements. All certificates and instruments evidencing the Pledged Collateral shall be delivered to and held by or on behalf of Pledgee, pursuant hereto and shall be accompanied by duly executed instruments of transfer or assignment in blank, all in form and substance satisfactory to Pledgee. Anything herein to the contrary notwithstanding:

(i) Pledgor shall remain liable under the Shareholder Agreement to the extent set forth therein to perform all of his duties and obligations thereunder to the same extent as if this Agreement had not been executed;

(ii) the exercise by Pledgee of any of his rights hereunder shall not release Pledgor from any of its duties or obligations under the Shareholder Agreement (other than to the extent Pledgor is precluded from performing such duties solely as a result of Pledgee's having exercised such rights or remedies);

(iii) Pledgee shall not have any obligation or liability under the

Shareholder Agreement by reason of this Agreement, nor shall Pledgee be obligated to perform any of the obligations or duties of Pledgor thereunder, to make any payment, to make any inquiry as to the nature or sufficiency of any payment received by Pledgor or the sufficiency of any performance by any party under any such Shareholder Agreement, or to take any action to collect or enforce any claim for payment assigned hereunder; and

(iv) without limiting the generality of the foregoing, neither the grant of the security interest in the Pledged Collateral in favor of Pledgee as provided herein nor the exercise by Pledgee of any of his rights hereunder nor any action by Pledgee in connection with a foreclosure on the Pledged Collateral shall be deemed to constitute Pledgee a shareholder of any corporation.

5. Representations and Warranties. Pledgor represents and warrants to Pledgee that:

(a) Pledgor is, and at the time of delivery of the Pledged Stock Interests to Pledgee will be, the sole holder of record and the sole beneficial owner of such Pledged Collateral pledged by Pledgor free and clear of any Lien thereon or affecting the title thereto, except for any Lien created by this Agreement;

(b) All of the Pledged Stock Interests have been duly authorized, validly issued and are fully paid and non-assessable;

(c) Pledgor has the right and requisite authority to pledge, assign, transfer, deliver, deposit and set over the Pledged Collateral pledged by Pledgor to Pledgee as provided herein;

(d) None of the Pledged Stock Interests (i) has been registered under the Act or any other applicable securities law and may not be transferred, sold or otherwise conveyed to any Person unless a registration is effected under the Securities Act of 1933, as amended (the "Act"), and every other applicable securities law or such transfer, sale, or other conveyance is entitled to an exemption under the Act and every other applicable securities law and (ii) has been issued or transferred in violation of the securities registration, securities disclosure or similar laws of any jurisdiction to which such issuance or transfer may be subject;

(e) All of the Pledged Stock Interests are presently owned by Pledgor and are presently uncertificated. As of the date hereof, there are no existing options, warrants, calls or commitments of any character whatsoever relating to the Pledged Stock Interests;

(f) Except for the filing of this Agreement with the FCC in accordance with the FCC's rules, or consent, approval, authorization or other order or other action by, and no notice to or filing with, any requisite governmental authority or any other person is required (i) for the pledge by Pledgor of the Pledged Collateral pursuant to this Agreement or for the execution, delivery or performance of this Agreement by Pledgor, or (ii) for the exercise by Pledgee of the voting or other rights provided for in this Agreement or the remedies in respect of the Pledged Collateral pursuant to this Agreement, except as may be required by laws governing or affecting the offering and sale of securities, including but not limited to Act and the

Communications Act of 1934, as amended, and the rules, regulations and published policies of the FCC (the "Communications Laws");

(g) This Agreement has been duly authorized, executed and delivered by Pledgor and constitutes a legal, valid and binding obligation of Pledgor enforceable against Pledgor in accordance with its terms; and

(h) The Pledged Stock Interests constitute 100% of the issued and outstanding Stock Interests of the Company.

6. Covenants. Pledgor covenants and agrees that, until the date the Note is paid in full or otherwise terminated (in either event, the "Termination Date");

(a) Without the prior written consent of Pledgee, Pledgor will not sell, assign, transfer, pledge, or otherwise encumber any of his rights in or to the Pledged Collateral, or any unpaid dividends, interest or other distributions or payments with respect to the Pledged Collateral or grant a Lien in the Pledged Collateral, unless otherwise expressly permitted by the Pledgee;

(b) Pledgor will promptly execute, acknowledge and deliver all such instruments and take all such actions as Pledgee from time to time may reasonably request in order to ensure to Pledgee the benefits of the Liens in and to the Pledged Collateral intended to be created by this Agreement, including the filing of any necessary Code financing statements, which may be filed by Pledgee with or (to the extent permitted by law) without the signature of Pledgor, and will use commercially reasonable efforts to cooperate with Pledgee, at Pledgee's expense, in obtaining all necessary approvals and making all necessary filings under federal, state, local or foreign law in connection with such Liens or any sale or transfer of the Pledged Collateral to facilitate and ensure that such filings shall create a valid first priority Lien on and a first priority perfected security interest in favor of the Pledgee for the benefit of Pledgee in the Pledged Collateral and the proceeds thereof, securing the payment of the Note, subject to no other Lien;


(c) Pledgor has and will defend title to the Pledged Collateral and against the claim of any entity or individual; and

(d) Upon reasonable request by Pledgee, Pledgor shall cause the Company to execute and deliver all instruments and documents, and take all further action, that may be reasonably necessary or desirable, or that Pledgee may reasonably request, in order to perfect and protect any security interest granted or purported to be granted in any uncertificated securities, to establish "control" (as such term is defined in the Code) by Pledgee over such Pledged Collateral or to enable Pledgee to exercise and enforce his rights and remedies hereunder with respect to such Pledged Collateral, including, and as applicable, register the security interest granted hereby upon the books of such Person in accordance with Article 8 of the Code.

7. Pledgor's Rights. As long as no default (an "Event of Default") shall have occurred under the terms of the Note shall have occurred and be continuing and until written notice shall be given to Pledgor in accordance with Section 8(a) hereof:

(a) Pledgor shall have the right, from time to time, to vote and give consents with respect to the Pledged Collateral, or any part thereof for all purposes not inconsistent with the provisions of this Agreement or the Note; provided, that no vote shall be cast, and no consent shall be given or action taken, which would have the effect of impairing the secured position or interest of Pledgee in respect of the Pledged Collateral or which would authorize, effect or consent to:

- (i) the dissolution or liquidation, in whole or in part, of the Company;
- (ii) the consolidation or merger of the Company;
- (iii) the sale, disposition or encumbrance of all or substantially all of the assets of the Company, except for Liens in favor of Pledgee;
- (iv) any change in the authorized number of Stock Interests, the stated capital or the authorized share capital of the Company or the issuance of any additional stock interests unless such interests are pledged hereunder; or
- (v) the alteration of the voting rights with respect to the Pledged Stock Interests and


(b) (i) Pledgor shall be entitled, from time to time, to collect and receive for its own use all cash dividends and interest paid in respect of the Pledged Stock Interests to the extent not in violation of the Note other than any and all dividends and interest paid or payable in additional stock interests or instruments evidencing indebtedness; and

(ii) all dividends and interest paid or payable in additional stock interests or instruments evidencing indebtedness shall be delivered to Pledgee to hold as Pledged Collateral and shall, if received by Pledgor, be received in trust for the benefit of Pledgee, be segregated from the other property or funds of Pledgor, and be forthwith delivered to Pledgee as Pledged Collateral in the same form as so received (with any necessary endorsement).


8. Defaults and Remedies; Proxy.

(a) Upon the occurrence of an Event of Default under the terms of the Note and during the continuation of such Event of Default, and concurrently with written notice to Pledgor, Pledgee (personally or through an agent) is hereby authorized and empowered, subject to Section 21 hereof, to transfer and register in his name or in the name of his nominee the whole or any part of the Pledged Collateral, to exchange certificates or instruments representing or evidencing Pledged Collateral for certificates or instruments of smaller or larger denominations,

to exercise the voting and all other rights as a holder with respect thereto, to collect and receive all cash dividends, interest, principal and other distributions made thereon, to sell in one or more sales after ten (10) days' notice of the time and place of any public sale or of the time at which a private sale is to take place (which notice Pledgor agrees is commercially reasonable) the whole or any part of the Pledged Collateral, subject to Section 21, and to otherwise act with respect to the Pledged Collateral as though Pledgee was the outright owner thereof. Any sale shall be made at a public or private sale at Pledgee's place of business, or at any place to be named in the notice of sale, either for cash or upon credit or for future delivery at such price as Pledgee may deem fair, and Pledgee may be the purchaser of the whole or any part of the Pledged Collateral so sold and hold the same thereafter in his own right free from any claim of Pledgor or any right of redemption. Each sale shall be made to the highest bidder, but Pledgee reserves the right to reject any and all bids at such sale which, in his discretion, he shall deem inadequate. Demands of performance, except as otherwise herein specifically provided for, notices of sale, advertisements and the presence of property at sale are hereby waived and any sale hereunder may be conducted by an auctioneer or any agent of Pledgee. UPON THE OCCURRENCE AND CONTINUATION OF AN EVENT OF DEFAULT, PLEDGOR HEREBY IRREVOCABLY CONSTITUTES AND APPOINTS PLEDGEE AS THE PROXY AND ATTORNEY-IN-FACT OF PLEDGOR WITH RESPECT TO THE PLEDGED COLLATERAL, INCLUDING SUBJECT TO THE GRANT OF ANY REQUIRED PRIOR APPROVAL OF THE FCC, THE RIGHT TO VOTE THE PLEDGED STOCK INTERESTS, WITH FULL POWER OF SUBSTITUTION TO DO SO IN ACCORDANCE WITH THE TERMS HEREOF; PROVIDED, THAT PLEDGEE SHALL NOT HAVE THE RIGHT TO EXECUTE ANY APPLICATION OR INSTRUMENT ON BEHALF OF PLEDGOR FOR SUBMISSIONS TO THE FCC. THE APPOINTMENT OF PLEDGEE AS PROXY AND ATTORNEY-IN-FACT IS COUPLED WITH AN INTEREST AND SHALL BE IRREVOCABLE UNTIL THE TERMINATION DATE OR THE TERMINATION OF AN EVENT OF DEFAULT. SUBJECT TO THE GRANT OF ANY REQUIRED PRIOR APPROVAL OF THE FCC, THE APPOINTMENT OF PLEDGEE AS PROXY AND ATTORNEY-IN-FACT SHALL INCLUDE THE RIGHT TO VOTE THE PLEDGED STOCK INTERESTS, THE RIGHT TO EXERCISE ALL OTHER RIGHTS, POWERS, PRIVILEGES AND REMEDIES TO WHICH A HOLDER OF THE PLEDGED STOCK INTERESTS WOULD BE ENTITLED (INCLUDING GIVING OR WITHHOLDING WRITTEN CONSENTS OF SHAREHOLDERS, CALLING SPECIAL MEETINGS OF SHAREHOLDERS AND VOTING AT SUCH MEETINGS). SUCH PROXY SHALL BE EFFECTIVE, AUTOMATICALLY AND WITHOUT THE NECESSITY OF ANY ACTION (INCLUDING ANY TRANSFER OF THE PLEDGED STOCK INTERESTS ON THE RECORD BOOKS OF THE ISSUER THEREOF) BY ANY PERSON (INCLUDING THE COMPANY, OR ANY OFFICER OR AGENT THEREOF), ONLY UPON THE OCCURRENCE AND DURING THE CONTINUANCE OF AN EVENT OF DEFAULT. NOTWITHSTANDING THE FOREGOING, PLEDGEE SHALL NOT HAVE ANY DUTY TO EXERCISE ANY SUCH RIGHT OR TO PRESERVE THE SAME AND SHALL NOT BE LIABLE FOR ANY FAILURE TO DO SO OR FOR ANY DELAY IN DOING SO.

(b) If, at the original time or times appointed for the sale of the whole or any part of the Pledged Collateral, the highest bid, if there be but one sale, shall be inadequate to discharge in full all the Secured Obligations, or if the Pledged Collateral be offered for sale in

lots, if at any of such sales, the highest bid for the lot offered for sale would indicate to Pledgee, in his discretion, that the proceeds of the sales of the whole of the Pledged Collateral would be unlikely to be sufficient to discharge all the Secured Obligations, Pledgee may, on one or more occasions and in his discretion, postpone any of said sales by public announcement at the time of sale or the time of previous postponement of sale, and no other notice of such postponement or postponements of sale need be given, any other notice being hereby waived; provided, that any sale or sales made after such postponement shall be after ten (10) days' notice to Pledgor.

 (c) If, at any time when Pledgee shall determine to exercise his right to sell the whole or any part of the Pledged Collateral hereunder in accordance with the terms hereof, such Pledged Collateral or the part thereof to be sold shall not, for any reason whatsoever, be effectively registered under the Act, Pledgee may, in his discretion (subject only to applicable requirements of law), sell such Pledged Collateral or part thereof by private sale in such manner and under such circumstances as Pledgee may deem necessary or advisable, but subject to the other requirements of this Section 8 and Section 21, and shall not be required to effect such registration or to cause the same to be effected. Without limiting the generality of the foregoing, in any such event, Pledgee in his discretion (x) may, in accordance with the Act and other applicable securities laws, proceed to make such private sale notwithstanding that a registration statement for the purpose of registering such Pledged Collateral or part thereof could be or shall have been filed under said Act (or similar statute), (y) may approach and negotiate with a single possible purchaser to effect such sale, and (z) may restrict such sale to a purchaser who is an accredited investor under the Act and who will represent and agree that such purchaser is purchasing for its own account, for investment and not with a view to the distribution or sale of such Pledged Collateral or any part thereof. In addition to a private sale as provided above in this Section 8, if any of the Pledged Collateral shall not be freely distributable to the public without registration under the Act (or similar statute) at the time of any proposed sale pursuant to this Section 8, then Pledgee shall not be required to effect such registration or cause the same to be effected but, in his discretion (subject only to applicable requirements of law), may require that any sale hereunder (including a sale at auction) be conducted subject to the following restrictions:

(i) as to the financial sophistication and ability of any Person permitted to bid or purchase at any such sale;

(ii) as to the content of legends to be placed upon any certificates representing the Pledged Collateral sold in such sale, including restrictions on future transfer thereof;

(iii) as to the representations required to be made by each Person bidding or purchasing at such sale relating to that Person's access to financial information about Pledgor and such Person's intentions as to the holding of the Pledged Collateral so sold for investment for its own account and not with a view to the distribution thereof; and

(iv) as to such other matters as Pledgee may, in his discretion, deem necessary or appropriate in order that such sale (notwithstanding any failure so to register) may be effected in compliance with the Bankruptcy Code and other laws affecting the enforcement of creditors' rights and the Act and all applicable state securities laws.

(d) Pledgor recognizes that Pledgee may be unable to effect a public sale of any or all the Pledged Collateral and may be compelled to resort to one or more private sales thereof in accordance with clause (c) above. Pledgor also acknowledges that any such private sale may result in prices and other terms less favorable to the seller than if such sale were a public sale and, notwithstanding such circumstances, agrees that any such private sale shall not be deemed to have been made in a commercially unreasonable manner solely by virtue of such sale being private. Pledgee shall be under no obligation to delay a sale of any of the Pledged Collateral for the period of time necessary to permit the Company to register such securities for public sale under the Act, or under applicable state securities laws, even if the applicable Pledgor and the Company would agree to do so.

(e) Following the occurrence and during the continuance of an Event of Default Pledgor will not at any time plead, claim or take the benefit of any appraisal, valuation, stay, extension, moratorium or redemption law now or hereafter in force in order to prevent or delay the enforcement of this Agreement, or the absolute sale of the whole or any part of the Pledged Collateral or the possession thereof by any purchaser at any sale hereunder, and Pledgor waives the benefit of all such laws to the extent he lawfully may do so. No failure or delay on the part of Pledgee to exercise any such right, power or remedy, and no notice or demand which may be given to or made upon Pledgor by Pledgee with respect to any such remedies shall operate as a waiver thereof or limit or impair Pledgee's right to take any action or to exercise any power or remedy hereunder, without notice or demand, or prejudice his rights as against Pledgor in any respect.

(f) Pledgor further agrees that a breach of any of the covenants contained in this Section 8 will cause irreparable injury to Pledgee, that Pledgee shall have no adequate remedy at law in respect of such breach and, as a consequence, agrees that each and every covenant contained in this Section 8 shall be specifically enforceable against Pledgor, and Pledgor hereby waives and agrees not to assert any defenses against an action for specific performance of such covenants that Pledgor has an adequate remedy at law.

9. Waiver. No delay on Pledgee's part in exercising any power of sale, Lien, option or other right hereunder, and no notice or demand which may be given to or made upon Pledgor by Pledgee with respect to any power of sale, Lien, option or other right hereunder, shall constitute a waiver thereof, or limit or impair Pledgee's right to take any action or to exercise any power of sale, Lien, option, or any other right hereunder, without notice or demand, or prejudice Pledgee's rights as against Pledgor in any respect.

10. Assignment. Pledgee may assign, endorse or transfer any instrument evidencing all or any part of the Secured Obligations as provided in, and in accordance with, the Note, and the holder of such instrument shall be entitled to the benefits of this Agreement.

11. Termination. Immediately following the Termination Date, Pledgee shall deliver to Pledgor the Pledged Collateral pledged by Pledgor at the time subject to this Agreement and all instruments of assignment executed in connection therewith, free and clear of the Liens hereof and, except as otherwise provided herein, all of Pledgor's obligations hereunder shall at such time terminate.

12. Lien Absolute. All rights of Pledgee hereunder, and all obligations of Pledgor hereunder, shall be absolute and unconditional irrespective of:

(a) any lack of validity or enforceability of the Note, any other loan document or any other agreement or instrument governing or evidencing any Secured Obligations;

(b) any change in the time, manner or place of payment of, or in any other term of, all or any part of the Secured Obligations, or any other amendment or waiver of or any consent to any departure from the Note, any other loan document or any other agreement or instrument governing or evidencing any Secured Obligations;

(c) any non-perfection of any other Collateral;

(d) the insolvency of any party hereto; or

(e) any other circumstance which might otherwise constitute a defense available to, or a discharge of, Pledgor.

13. Release. Pledgor hereby waives notice of acceptance of this Agreement, and also presentment, demand, protest and notice of dishonor of any and all of the Secured Obligations, and promptness in commencing suit against any party hereto or liable hereon, and in giving any notice to or of making any claim or demand hereunder upon Pledgor. No act or omission of any kind on Pledgee's part shall in any event affect or impair this Agreement.

14. Reinstatement. This Agreement shall remain in full force and effect and continue to be effective should any petition be filed by or against Pledgor or the Company for liquidation or reorganization, should Pledgor or the Company become insolvent or make an assignment for the benefit of creditors or should a receiver or trustee be appointed for all or any significant part of a Pledgor's or the Company's assets, and shall continue to be effective or be reinstated, as the case may be, if at any time payment and performance of the Secured Obligations, or any part thereof, is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the Secured Obligations, whether as a "voidable preference", "fraudulent conveyance", or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the Secured Obligations shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

15. Miscellaneous.

(a) Pledgee may execute any of his duties hereunder by or through agents or employees and shall be entitled to advice of counsel concerning all matters pertaining to its duties hereunder.

(b) Neither Pledgee, nor any of his employees, agents or counsel shall be liable for any action lawfully taken or omitted to be taken by it or them hereunder or in connection herewith, except for its or their own gross negligence or willful misconduct as finally determined by a court of competent jurisdiction.

(c) THIS AGREEMENT SHALL BE BINDING UPON PLEDGOR AND HIS SUCCESSORS AND ASSIGNS (INCLUDING A DEBTOR-IN-POSSESSION ON BEHALF OF ANY PLEDGOR), AND SHALL INURE TO THE BENEFIT OF, AND BE ENFORCEABLE BY, PLEDGEE AND HIS SUCCESSORS AND ASSIGNS, AND SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE COMMONWEALTH OF PUERTO RICO APPLICABLE TO CONTRACTS MADE AND PERFORMED IN THAT PLACE, AND NONE OF THE TERMS OR PROVISIONS OF THIS AGREEMENT MAY BE WAIVED, ALTERED, MODIFIED OR AMENDED EXCEPT IN WRITING DULY SIGNED FOR AND ON BEHALF OF PLEDGEE AND PLEDGOR.

16. Severability. If for any reason any provision or provisions hereof are determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or effect those portions of this Agreement which are valid.

17. Notices. Except as otherwise provided herein, whenever it is provided herein that any notice, demand, request, consent, approval, declaration or other communication shall or may be given to or served upon any of the parties by any other party, or whenever any of the parties desires to give or serve upon any other a communication with respect to this Agreement, each such notice, demand, request, consent, approval, declaration or other communication shall be in given in the manner and shall be deemed received in accordance with the Purchase Agreement

18. Section Titles. The Section titles contained in this Agreement are and shall be without substantive meaning or content of any kind whatsoever and are not a part of the agreement between the parties hereto.

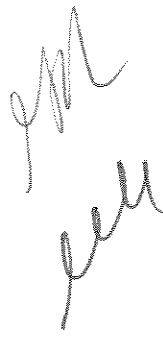
19. Counterparts. This Agreement may be executed in any number of counterparts, which shall, collectively and separately, constitute one agreement.

20. Benefit of Pledgee. All security interests granted or contemplated hereby shall be for the benefit of Pledgee, and all proceeds or payments realized from the Pledged Collateral in accordance herewith shall be applied to the Obligations in accordance with the terms of the Note.

21. Government Approval. Notwithstanding anything to the contrary contained herein or the Note, Pledgee shall not take any action pursuant to this Agreement or the Note that would constitute or result in an assignment of any FCC License or a transfer of control of the Company or any FCC License, whether de jure or de facto, if such assignment or such transfer of

control would require the prior approval of the FCC under the Communications Laws without first obtaining such approval from the FCC; and, notwithstanding the existence and continuance of an Event of Default, voting rights in the Pledged Collateral shall remain in the hands of Pledgor unless and until all required FCC consent to a transfer of control of any affected FCC Licenses shall have been obtained. If FCC approval is required under the Communications Laws, FCC approval will be obtained prior to (a) the transfer of any voting rights of Pledgor with respect to the Company or the exercise of management rights over the Company, in each case notwithstanding the existence of an Event of Default, or (b) the transfer of control of any Pledged Stock Interests of the Company. If an Event of Default exists and Pledgee seeks to sell the Pledged Stock Interests of the Company, such sale will be through a private or public arm's-length sale of the Pledged Stock Interests of the Company. Pledgor shall take any lawful action which the Pledgee may reasonably request in order to obtain and enjoy the full rights and benefits granted to the Pledgee by this Agreement and the Note, including specifically, after the occurrence and during the continuance of an Event of Default, the use of Pledgor's commercially reasonable efforts to assist in obtaining any approval of the FCC and any other governmental authority that is then required under the Communications Laws or under any other law for any action or transaction contemplated by this Agreement. Such efforts shall include, without limitation, sharing with Pledgee any FCC registration numbers, account numbers and passwords for the FCC's CDBS System and preparing, certifying and filing (or causing to be prepared, certified and filed) with the FCC any portion of any application or applications for consent to the assignment of the FCC Licenses or transfer of control of Pledgor required to be filed under the Communications Laws for approval of any sale or transfer of Collateral and/or the FCC Licenses.

22. Expenses. Notwithstanding anything in this Agreement to the contrary, in no event shall Pledgor be responsible for the payment of or reimbursement of any expenses (including but not limited to the fees and costs of lawyers and other professional advisors) incurred by Pledgee in enforcing his rights and remedies under this Agreement.



IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first written above.

MSG Radio, Inc.

By: _____

Name: George Reed

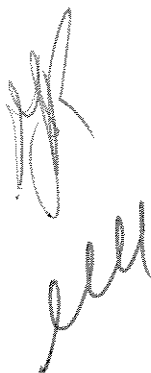
Title: President

GEORGE REED

By: _____

LUIS A. MEJIA

By: _____

Two handwritten signatures in dark ink. The top signature is a stylized, cursive 'GR' for George Reed. The bottom signature is a more fluid, cursive signature, likely for Luis A. Mejia.

SCHEDULE I

gmk
jll