

## ASSET PURCHASE AGREEMENT

**THIS ASSET PURCHASE AGREEMENT** (this “Agreement”), dated as of November 2, 2006, by and among MCCOOK RADIO GROUP, L.L.C., a Nebraska limited liability company (“**MRG**”), IMPERIAL MEDIA ASSOCIATION (“**IMA**”), JULESBURG/HOLYOKE MEDIA ASSOCIATION (“**JHMA**”, and together with MRG and IMA, “**Sellers**”) and ARMADA MEDIA CORPORATION, a Wisconsin corporation (“**Buyer**”).

### W I T N E S S E T H:

**WHEREAS**, MRG holds licenses issued by the Federal Communications Commission (“**FCC**”) for, radio broadcast stations KICX-FM, KRKU(FM) and KBRL(AM), all at McCook, Nebraska, and KFNF(FM), Oberlin, Kansas (hereafter collectively referred to as the “**MRG Stations**”, and owns or leases certain assets used or useful in the operation of the MRG Stations; and

**WHEREAS**, MRG holds a construction permit issued by the FCC for a new FM station (FCC Facility ID No. 166033) at McCook, Nebraska (the “**MRG Permit**”); and

**WHEREAS**, IMA, an affiliate of MRG, holds the license issued by the FCC for radio broadcast station KADL(FM), Imperial Nebraska (hereafter, the “**IMA Station**”), and MRG owns or leases certain assets used or useful in the operation of the IMA Station; and

**WHEREAS**, JHMA, an affiliate of MRG, holds licenses issued by the FCC for radio stations KJBL(FM), Julesburg, Colorado, and KSTH(FM), Holyoke, Colorado (hereafter, collectively referred to as the “**JHMA Stations**”, and together with the MRG Stations and the IMA Station, hereafter referred to as the “**Stations**”), and MRG owns or leases certain assets used or useful in the operation of the JHMA Stations; and

**WHEREAS**, Sellers agree to the sale, assignment, and transfer of the Stations, their FCC licenses, permits and authorizations, the assets and business of the Stations and the MRG Permit, and Buyer desires to acquire the Stations, the related FCC authorizations and assets and the MRG Permit, all on the terms and subject to the conditions hereinafter set forth;

**NOW, THEREFORE**, in consideration of the mutual covenants, agreements, representations, and warranties herein contained, and upon the terms and subject to the conditions hereinafter set forth, the parties hereto hereby agree as follows:

### ARTICLE 1

#### DEFINITIONS

“**Advertising Contracts**” means all orders and agreements for the sale of advertising time on or pertaining to the Stations for cash and all trade, barter, and similar agreements for the sale of advertising time on or pertaining to the Stations other than for cash, and all such orders and agreements for advertising time entered into between the date hereof and the Closing Date, each in the ordinary course of business, and to the extent the foregoing have not been performed

as of the Closing Date, in each case to which a Seller or the Stations operated by a Seller are a party.

“**Agreement**” means this agreement.

“**Allocation Schedule**” has the meaning set forth in Section 2.5 hereof.

“**Assignment**” has the meaning set forth in Section 3.1 hereof.

“**Assignment and Assumption Agreement**” has the meaning set forth in Section 2.7 hereof.

“**Assignment Application**” has the meaning set forth in Section 3.2 hereof.

“**Assumed Contracts**” has the meaning set forth in Section 2.1(e) hereof.

“**Authorizations**” means collectively, the Commission Authorizations and the Other Authorizations.

“**Balance Sheet Date**” has the meaning set forth in Section 4.11 hereof.

“**Bill of Sale**” has the meaning set forth in Section 8.2(a) hereof.

“**Buyer Documents**” has the meaning set forth in Section 5.2 hereof.

“**Closing Date**” has the meaning set forth in Section 8.1 hereof.

“**Closing Payment**” has the meaning set forth in Section 2.4(b) hereof.

“**COBRA**” means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended.

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Commission Authorizations**” means the MRG Permit and all licenses, permits, approvals, construction permits, and authorizations issued or granted by the FCC for the operation of, or used and/or useful in connection with the operation of the Stations (and any and all auxiliary and/or supportive transmitting and/or receiving facilities, boosters, and repeaters associated with the Stations), including, without limitation, all of those listed in Schedule 4.6(b)(i) hereto, together with any applications thereof, renewals, extensions, or modifications thereof and additions thereto.

“**Communications Act**” means the Communications Act of 1934, as amended.

“**Company Benefit Plans**” has the meaning set forth in Section 4.15(a) hereof.

“**Compliance Information**” has the meaning set forth in Section 6.14 hereof.

“**Consents**” has the meaning set forth in Section 7.1(e) hereof.

**“Contracts”** means all contracts, agreements, orders, commitments, arrangements and understandings, written or oral, to which a Seller or any affiliates or predecessors of a Seller, in connection with the operation of the Stations or any of the Stations is a party, including, without limitation, all leases, program licenses, contracts to broadcast product or programs on the Stations, and employment, confidentiality and indemnification agreements, Advertising Contracts, and Personal Property Leases.

**“Cure Period”** has the meaning set forth in Section 10.1(a)(ii) hereof.

**“Documentation”** means all documentation, records, and software, whether in electronic or print form, in the possession or under the control of a Seller evidencing, representing, or containing or relating to any Program or used in or necessary to the operation of the Stations, including, without limitation, any manuals, functional and design specifications, user and programmer instructions, coding, testing notes, error reports and logs, patches and patch instructions, itemizations of development tools, and all other writings which would be necessary or helpful to a skilled programmer to understand, maintain, and enhance any Program.

**“Environmental Audit”** has the meaning set forth in Section 6.15 hereof.

**“Environmental Complaint”** means any complaint, order, citation or other communication, whether from a governmental authority, citizens group, employee or other person with regard to Environmental Liabilities or any environmental, health, or safety matter affecting or relating to any of the Real Property or the operation of the Stations.

**“Environmental Liabilities”** means any loss, liability, claim, damage, deficiency, cleanup or remediation obligation, injury, fine, penalty, cost (including cleanup or remediation costs) or expense (including attorneys’ fees) arising from or in connection with (i) the use, management, treatment, handling, disposal, transport, storage, spill, escape, leakage, emission, release, discharge or presence of any Hazardous Substance, including, without limitation, gasoline, oil or other petroleum products, asbestos, explosives, radioactive materials and related and similar material or any other material or substance defined as hazardous, toxic or polluting by any federal, state or local law, ordinance, rule or regulation on, at, from or under any of the Real Property prior to the Closing Date; (ii) the failure to obtain any license or permit required in connection with any such Hazardous Substance prior to the Closing Date; or (iii) any noncompliance with any Environmental Requirement, and/or any Environmental Complaint prior to the Closing Date.

**“Environmental Requirement”** means any federal, state, local or foreign laws rules, order or regulations relating to pollution or protection of human health or the environment (including, without limitation, any ambient air, surface water, ground water, wetlands, land surface, subsurface strata and indoor and outdoor workplace), including laws and regulations relating to emissions, discharges, releases, or threatened releases of any Hazardous Substance or the importation, manufacture, processing, formulation, testing, distribution, use, treatment, storage disposal, transport or handling of Hazardous Substances.

**“ERISA”** means the Employee Retirement Income Security Act of 1974, as amended.

“**ERISA Affiliate**” means with respect to a Person, any other Person that is required to be aggregated with such Person under Section 414 (b) or (c) of the Code at any time prior to the Closing Date in respect of the Final Closing.

“**ERISA Plan**” has the meaning set forth in Section 4.15(a) hereof.

“**Escrow Agreement**” has the meaning set forth in Section 2.10 hereof.

“**Escrow Amount**” means Two Hundred Fifty Thousand United States Dollars (US \$250,000).

“**Execution Date**” means the date of this Agreement.

“**Excluded Assets**” has the meaning set forth in Section 2.2 hereof.

“**Excluded Contracts**” means all Contracts other than the Assumed Contracts.

“**Excluded Liabilities**” has the meaning set forth in Section 2.7 hereof.

“**FCC**” means the Federal Communications Commission.

“**FCC Logs**” has the meaning set forth in Section 2.1(j) hereof.

“**Final Order**” means an action of the FCC which is not reversed, stayed, enjoined, or set aside, and with respect to which no timely request for stay, reconsideration, review, rehearing, or notice of appeal or determination to reconsider or review is pending, and as to which the time for filing any such request, petition, or notice of appeal or for review by the FCC, and for any reconsideration, stay, or setting aside by the FCC on their own motion or initiative, has expired.

“**Financial Statements**” has the meaning set forth in Section 4.4 hereof.

“**Hazardous Substance**” has the meaning set forth in Section 4.13 hereof.

“**Indemnified Party**” has the meaning set forth in Section 11.2 hereof.

“**Indemnifying Party**” has the meaning set forth in Section 11.2 hereof.

“**Initial Order**” has the meaning set forth in Section 3.1 hereof.

“**Insurance Proceeds**” means all insurance proceeds and rights thereto derived from loss, damage, or destruction of or to any Tangible Personal Property or Real Property, to the extent not utilized prior to the Closing Date to repair or replace the lost, damaged, or destroyed items.

“**Intangibles**” means the call letters of the Stations, and all copyrights, trademarks, trade names, logos, slogans, jingles, service marks, applications for any of the foregoing, telephone numbers and listings, trade secrets, confidential or proprietary information, and other intangible property used or held for use and/or useful by or for the Stations and/or Sellers in connection with the business or operation of the Stations and any and all universal resource locators (“URLs”), web sites, home page, domain names, of or maintained by or for the Stations.

**“Lien Release Instruments”** has the meaning set forth in Section 6.11 hereof.

**“Liens”** means any liens, pledges, claims, charges, mortgages, security interests, restrictions, easements, liabilities, claims, title defects, encumbrances or rights of others of every kind and description.

**“Letter of Credit”** shall mean an irrevocable standby letter of credit as further described in Section 2.10 hereof.

**“Losses”** has the meaning set forth in Section 11.1(a) hereof.

**“Material Contracts”** has the meaning set forth in Section 4.9(e) hereof.

**“Other Authorizations”** means all licenses, permits, variances, franchises, certifications, approvals, construction 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 any of the Stations and/or the ownership and/or use of the Purchased Assets, including, without limitation, all of those listed in Schedule 4.6(b)(ii) hereto, together with any applications thereof, renewals, extensions, or modifications thereof and additions thereto.

**“Permitted Liens”** means liens for taxes not yet due and payable.

**“Personal Property Leases”** has the meaning set forth in Section 4.8(c) hereof.

**“Person”** means any individual, corporation, partnership, limited liability company, joint venture, association, trust, estate or unincorporated organization.

**“Programs”** means all computer systems (including without limitation, management information and order systems, hardware, software, servers, computers, printers, scanners, monitors, peripheral and accessory devices, and the related media, manuals, documentation, and user guides) of or used by or in the operation of the Stations, all related claims, credits, and rights of recovery and set-off with respect thereto, and all of the right, title, and interest (including by reason of license or lease) of Sellers or the Stations in or to any software, computer program, or software product owned, used, developed, or being developed by or for any of the Stations, whether for internal use or for sale or license to others, and any software, computer program, or software product licensed by a Seller for use by the Stations, and all proprietary rights of a Seller or the Stations, whether or not patented or copyrighted, associated therewith.

**“Purchase Price”** has the meaning set forth in Section 2.3 hereof.

**“Purchased Assets”** has the meaning set forth in Section 2.1 hereof.

**“Real Property”** means all land, buildings, improvements, fixtures, and transmitting towers (to the extent they constitute fixtures or other interests in real property and not Tangible Personal Property) and other real property, and all other interests in real property and the buildings and improvements thereon and appurtenances thereto, including, without limitation, easements, variances, air rights, and the like, and all security deposits with respect to any of the

foregoing, used, or held for use, and/or useful, by or for the Stations and/or Sellers in connection with the operation of the Stations and including without limitation, the Tower Sites.

“**Receivables**” means all accounts receivable of Sellers in respect of the Stations, and/or of the Stations generated in respect of air time broadcast at 11:50 p.m. on the day prior to the Closing Date.

“**Sellers' Documents**” has the meaning set forth in Section 4.2 hereof.

“**Tangible Personal Property**” means all fixed and tangible personal property used or held for use and/or useful by or for the Stations and/or Sellers in connection with the business or operation of the Stations, including, but not limited to, all physical assets and equipment, machinery, vehicles, furniture, fixtures, transmitters, antennae, office materials and supplies, spare parts, and music libraries, including, without limitation, those listed in Schedule 4.8 hereto, together with all replacements thereof, additions and alterations thereto, and substitutions thereof, made between the date hereof and the Closing Date, but excluding accounts receivable and cash on hand.

“**Taxes**” or “**Tax**” has the meaning set forth in Section 4.18 hereof.

“**Title Company**” has the meaning set forth in Section 6.14 hereof.

“**Tower Sites**” means those parcels of real property owned or leased by MRG on which are located towers used by the Stations.

“**Title Policy**” has the meaning set forth in Section 6.14 hereof.

“**Transferred Employees**” means any employee of the Stations who, at Buyer’s sole discretion, is offered employment by Buyer and accepts such employment.

“**Warranty Deeds**” has the meaning set forth in Section 6.14 hereof.

## ARTICLE 2

### **PURCHASE AND SALE OF BUSINESS AND ASSETS; PURCHASE PRICE PAYMENT; ASSUMPTION OF OBLIGATIONS**

2.1 Purchased Assets. Subject to and upon the terms and conditions of this Agreement, Sellers hereby covenant and agree to sell, transfer, convey, assign, grant and deliver to Buyer, and Buyer hereby covenants and agrees to purchase, free and clear of any Liens, except for the Permitted Liens, all right, title and interest in and to all business, properties, assets, machinery, equipment, furniture, fixtures, franchises, goodwill and rights of Sellers, of every nature, kind and description, tangible and intangible, owned or leased, wheresoever located and whether or not carried or reflected on the books or records of Sellers, to the extent used, held for use and/or useful in connection with the operation of the Stations and any replacements of or additions to such assets made between the date of this Agreement and the Closing, and excluding only the Excluded Assets. All of the foregoing are herein collectively referred to as the

“Purchased Assets” and include, without limitation, all of Sellers's rights, title and interest in and to the following:

- (a) all Commission Authorizations;
- (b) all Other Authorizations;
- (c) all Tangible Personal Property;
- (d) all Real Property;
- (e) all Contracts set forth on Schedule 2.1(e) hereto, including without limitation all existing leases for Real Property (the “Assumed Contracts”) and any rights of Sellers in non-competition provisions of agreements executed by Sellers' employees;
- (f) all Intangibles;
- (g) all Insurance Proceeds;
- (h) all Programs;
- (i) all Documentation;
- (j) all FCC logs and similar records that relate to the operation of the Stations including, without limitation, the public files required to be maintained by Sellers for the Stations pursuant to Section 73.3526 of the FCC's rules (“FCC Logs”);
- (k) all goodwill in and going concern value of the Stations.

2.2 Excluded Assets. The Purchased Assets shall not include the following (the “Excluded Assets”):

- (a) All cash, cash equivalents, or similar type investments of Sellers, such as certificates of deposit, Treasury bills, and other marketable securities on hand and/or in banks, and unearned insurance premiums and security deposits;
- (b) Accounts Receivables;
- (c) all Company Benefit Plans, if any;
- (d) the Excluded Contracts; and
- (e) any items described on Schedule 2.2 hereto.

2.3 Purchase Price. Subject to and upon the terms and conditions of this Agreement, in reliance on the representations, warranties, covenants, and agreements of Sellers contained herein, and in full payment for the sale, conveyance, assignment, transfer and delivery of the

Purchased Assets as described herein by Sellers, Buyer shall pay to Sellers the aggregate sum of Three Million Six Hundred Thousand United States Dollars (US \$3,600,000) (the "Purchase Price"), payable as provided in Section 2.4 below.

#### 2.4 Payment.

(a) Upon execution of this Agreement, Buyer shall deposit Two Hundred Fifty Thousand United States Dollars (US \$250,000.00) (the "Escrow Amount") pursuant to the terms of the Escrow Agreement as defined in Section 2.10 hereof.

(b) At the Closing, Buyer shall pay to Sellers an amount equal to the Escrow Amount plus Three Million Three Hundred Fifty Thousand United States Dollars (US \$3,350,000.00) minus any adjustments (the "Closing Payment") pursuant to written wire transfer instructions of Sellers to Buyer delivered by Sellers to Buyer no later than three (3) days prior to Closing or such other means as Sellers and Buyer shall agree.

2.5 Allocation. Sellers and Buyer agree to allocate the Purchase Price among the Purchased Assets in accordance with the allocation schedule to be attached hereto as Schedule 2.5, which allocation schedule will be determined prior to the Closing (the "Allocation Schedule"). If the parties are unable to agree on the final Allocation Schedule within 30 days after the date of this Agreement, a third-party appraiser mutually acceptable to Buyer and Sellers, the fees of which shall be borne equally by Buyer and Sellers, shall resolve the allocation of the consideration to any items with respect to which there is a dispute between the parties. Sellers and Buyer will each file an IRS Form 8594 consistent with the Allocation Schedule.

#### 2.6 Certain Closing Prorations and Adjustments.

(a) All utilities charges and personal property taxes, real property taxes, monthly equipment rental payments under Personal Property Leases assumed by Buyer pursuant to this Agreement, amounts payable in respect of Assumed Contracts, association dues, business, license, and annual FCC regulatory fees and similar prepaid items (to the extent included in the Purchased Assets) and similar accrued expenses, and those items, if any, specified in Schedule 2.6(a) hereto, shall be prorated between Sellers and Buyer as of 11:59 p.m. on the day immediately preceding the Closing Date, and the net amount resulting from the foregoing in favor of Buyer or Sellers, as the case may be, shall then be paid to such party at the Closing or credited against the Closing Payment in the event Sellers are to pay Buyer any such amount.

(b) In the event of any dispute between the parties as to prorations or adjustments under this Section 2.6, the amounts not in dispute shall nonetheless be paid and adjusted for at the Closing, and such disputes shall be promptly presented for resolution to 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, provided,

however, that any such accountant shall have no authority to assess damages or award attorneys' fees or costs. The fees and expenses of such accountant shall be borne equally by Sellers and Buyer.

2.7 Assumed Obligations. Buyer shall execute and deliver to Sellers an Assignment and Assumption Agreement (the "Assignment and Assumption Agreement"), substantially in the form of Exhibit 2.7 hereto pursuant to which Sellers shall assign to Buyer their rights in the Assumed Contracts, and all rights of Sellers in and to the non-competition provisions of any employment or other agreements with Sellers' employees (which agreements are not Assumed Contracts), and Buyer shall assume all obligations arising under such Assumed Contracts after the Closing Date but not as a result of any previous breach, or default thereof or performance thereunder. Except as expressly provided in the Assignment and Assumption Agreement, Buyer shall not and does not assume any liability or obligation of any nature, known or unknown, fixed or contingent, legal, statutory, contractual or otherwise, disclosed or undisclosed, of Sellers or otherwise relating to or arising from the Purchased Assets or the Stations, or the ownership or operation thereof (collectively the "Excluded Liabilities"), all of which shall be retained and discharged by Sellers. Excluded Liabilities will include, without limitation, (i) all Environmental Liabilities; (ii) any and all debts, liabilities and obligations of Sellers, and any and all violations of Contracts, laws, rules, regulations, codes or orders by Sellers which exist at or as of the Closing Date or which arise after the Closing Date but which are based upon or arise from any act, transaction, circumstance, sale or providing of air time, goods or services, state of facts or other condition which occurred or existed, or the content of any program, advertisement or transmission broadcasted or aired, on or before the Closing Date, whether or not then known; (iii) any trade payable or accounts payable of Sellers; (iv) any obligations or liabilities of Sellers to any of their employees or to any other Person under any collective bargaining agreement, employment contract or Company Benefit Plan, or for wages, salaries, other compensation or employee benefits, or with respect to compliance with applicable federal, state or local laws, rules or regulations relating to minimum wages, overtime rates, labor or employment; (v) any litigation arising from or relating to facts, circumstances or any conduct of Sellers prior to the Closing Date including as set forth in Schedule 2.7; (vi) all liabilities in respect of or arising out of any and all Taxes of Sellers in respect of the Purchased Assets on or prior to the Closing Date; and (vii) all liabilities under Excluded Contracts. Except as expressly provided by the Assignment and Assumption Agreement, Buyer shall not be required to defend any suit or claim arising out of any act, event, or transaction occurring prior to the Closing Date in connection with the ownership or operations of or otherwise relating to the Purchased Assets, the Stations or Sellers.

2.8 Assignments of Assumed Contracts. Buyer and Sellers acknowledge that certain of the Assumed Contracts to be included in the Purchased Assets, and the rights and benefits thereunder necessary or appropriate or relating to the conduct of the business and activities of Sellers and/or any of the Stations, may not, by their terms, be assignable. Anything in this Agreement or in the Assignment and Assumption Agreement to the contrary notwithstanding, this Agreement shall not constitute an agreement to assign any such Assumed Contract, and Buyer shall not be deemed to have assumed the same or to be required to perform any obligations thereunder, if an attempted assignment thereof, without the consent of a third party thereto, would constitute a breach thereof or in any way affect the rights under any such Assumed Contract of Buyer or a Seller thereunder. In such event, Sellers will cooperate with

Buyer to provide for Buyer all benefits to which Sellers are entitled under such Assumed Contracts, and any transfer or assignment to Buyer by Sellers of any such Assumed Contract or any right or benefit arising thereunder or resulting therefrom which shall require the consent or approval of any third party shall be made subject to such consent or approval being obtained. Sellers will use their commercially reasonable efforts prior to, and if requested by Buyer after, the Closing Date to obtain all necessary consents to the transfer and assignment of Assumed Contracts.

2.9 Certain Payables and Expenses. On or prior to the Closing, Sellers shall pay and discharge all liabilities and obligations of Sellers owing or pertaining to all vendors and other persons and entities with which Buyer reasonably expects to maintain business relations at any time after such Closing, other than those disputed in good faith.

2.10 Escrow and Letter of Credit. On the Execution Date, Buyer shall deposit into escrow pursuant to the Escrow Agreement executed concurrently herewith and attached hereto as Exhibit 2.10 (the "Escrow Agreement") either, in Buyer's discretion, (i) an irrevocable standby letter of credit in the form attached as Exhibit A to the Escrow Agreement in the Escrow Amount, expiring on the date that is at least ten (10) months following the Execution Date (the "Letter of Credit") or (ii) the Escrow Amount in cash. If Buyer elects to deposit the Letter of Credit into escrow, and as of the date of expiration of the Letter of Credit, a controversy exists with respect to this Agreement or to the disposition of the Escrow Deposit, or the Closing has not yet occurred, then no later than the expiration date of the Letter of Credit Buyer shall, at its choice, either fund the Escrow Amount in cash or replace the original Letter of Credit with another Letter of Credit on the same terms and conditions specified in the original Letter of Credit.

2.11 Receivables. The Buyer and Sellers agree that Receivables on the Closing Date, shall be addressed as follows:

(a) Buyer shall be responsible for, and shall use its reasonable efforts for, the collection of the Receivables of Sellers for a period of one hundred twenty (120) days from the Closing Date (the "the Collection Period");

(b) Buyer shall provide a weekly report on Receivables collected and shall pay Sellers the collected Receivables set forth in paragraph (a) above, as follows:

1. First installment forty-five (45) days after Closing Date;
2. Second installment seventy-five (75) days after Closing Date;
3. Third installment one hundred five (105) days after Closing Date:  
and
4. Fourth installment one hundred thirty five (135) days after Closing Date.

(c) At the end of the Collection Period, Buyer shall turn back to Sellers any uncollected Receivables, and Buyer shall have no further obligation with respect to the Receivables.

(d) During the Collection Period, Buyer shall apply any collected Receivables to the oldest account first. Provided, however, that if a Receivable is applicable to both Buyer and Seller, the portion thereof attributable to Buyer, after application to Seller's oldest account, shall be deposited into Buyer's account.

### **ARTICLE 3**

#### **APPLICATION TO AND CONSENT BY FCC**

3.1 FCC Consent. Prior to the Closing, the FCC shall have issued its consent, without any condition materially adverse to Buyer (as reasonably determined by Buyer), to the assignment (the "Assignment") of the Commission Authorizations to Buyer in accordance with the terms of this Agreement (the "Initial Order").

3.2 Applications for FCC Consent.

(a) Sellers and Buyer agree to use their reasonable efforts and to cooperate with each other in preparing, filing and prosecuting the Assignment Applications and in causing the grant of the Initial Order to become a Final Order. Each party shall prepare its respective portion of applications with the Commission for the Assignment (the "Assignment Applications") with all information, data, exhibits, resolutions, statements, and other materials necessary and proper in connection with such Assignment Applications and Sellers shall file the Assignment Applications within five (5) business days following the Execution Date. Each party further agrees to expeditiously prepare and file with the FCC any amendments or any other filings required by the FCC in connection with the Assignment Applications whenever such amendments or filings are required by the FCC or its rules. For purposes of this Agreement, each party shall be deemed to be using its reasonable efforts with respect to obtaining the Final Order, and to be otherwise complying with the foregoing provisions of this Section 3.2, so long as it truthfully and promptly provides information necessary in completing the application process, provides its comments on any filing materials, and uses its reasonable efforts to oppose attempts by third parties to petition to deny, to resist, modify, or overturn the grant of the Assignment Applications without prejudice to the parties' termination rights under this Agreement, it being further understood that neither Sellers nor Buyer shall be required to expend any funds or efforts contemplated under this Article 3 unless the others are concurrently and likewise complying with their obligations under this Article 3.

(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 Applications. All filing fees imposed shall be paid one-half (½) by Sellers and one-half (½) by Buyer.

(c) Buyer and Sellers, each at their own respective expense, shall use their respective reasonable efforts to oppose any efforts or any requests by third parties for reconsideration or judicial review of the grant by the FCC of the Initial Order.

3.3 Notice of Applications. Sellers shall, at their expense, give due notice of the filing of the Assignment Applications by such means as may be required by the rules and regulations of the FCC.

## ARTICLE 4

### REPRESENTATIONS AND WARRANTIES OF SELLER

Sellers represents and warrant to Buyer that:

4.1 Organization, Standing, and Qualification; No Subsidiaries.

(a) MRG is a limited liability company validly existing and in good standing under the laws of the State of Nebraska. IMA and JHMA are sole proprietorships of David M. Stout, who also is the managing member of MRG. Sellers are qualified to conduct business and, relative to the operation of the Stations, MRG is in good standing in each jurisdiction where the character of its properties owned or the nature of its activities make such qualifications necessary, which jurisdictions are also listed on Schedule 4.1(a) hereto. Seller is not required to be qualified to do business in any other jurisdiction in connection with the operation of the Stations. Sellers have all requisite power and authority and are entitled to own, lease, and operate their properties and to carry on their business as and in the places such properties are now owned or operated and where such business is presently conducted. The copies of the Certificate of Formation and Operating Agreement of the Seller heretofore delivered by Seller to Buyer, are true, complete and correct.

(b) Except as otherwise set forth above, or on Schedule 4.1(b) hereto, MRG has no subsidiaries, and none of the Sellers has any interest, direct or indirect, nor has any commitment to purchase any interest, direct or indirect, in any corporation or in any partnership, joint venture, or other business enterprise or entity. The operations of the Stations have been conducted exclusively by Sellers and none of the business, assets, properties, or rights of or related to the Stations is held, owned, used, or conducted by any member or affiliate of Sellers or any third party.

4.2 Authority. Sellers have all requisite power and authority to execute, deliver, and perform this Agreement and each other agreement, document, and instrument to be executed, delivered, or performed by Sellers in connection with this Agreement (the "Sellers' Documents") and to carry out the transactions contemplated hereby and thereby. This Agreement constitutes

the legal, valid, and binding obligation of Sellers enforceable in accordance with its terms. All organizational proceedings and any consent required to be taken by Sellers relating to the execution, delivery, and performance of this Agreement and the Sellers' Documents and the consummation of the transactions contemplated hereby and thereby have been duly taken.

4.3 No Conflict; Consents. Except for the filing of the Assignment Applications and the granting of the Initial Order and the Final Order, and except as indicated in Schedule 4.3 hereto, the execution, delivery and performance of this Agreement and the Sellers' Documents and the consummation of the transactions contemplated hereby and thereby, will not (i) conflict with or violate any provision of the Articles of Organization or any other governing documents of MRG, (ii) with or without the giving of notice or the passage of time, or both, result in a breach of, or violate, or be in conflict with, or constitute a default under, or permit the termination of, or cause or permit acceleration under, any agreement or instrument of any debt or obligation to which any of the Sellers is a party or to or by which any of the Sellers or any of the Purchased Assets are subject or bound, or result in the loss or adverse modification of any of the Authorizations or Intangibles, (iii) require the consent of any party to any agreement or commitment to which any of the Sellers is a party, or to or by which any of the Sellers or the Purchased Assets are subject or bound, (iv) result in the creation or imposition of any Lien upon any of the Purchased Assets, or (v) violate any law, rule or regulation or any order, judgment, decree or award of any court, governmental authority or arbitrator to or by which any of the Sellers or any of the Purchased Assets are subject or bound; no consent, approval or authorization of, or declaration, filing or registration with, or notice to, any governmental or regulatory authority or any other third party is required to be obtained or made by any of the Sellers in connection with the execution, delivery and performance of this Agreement or the Sellers' Documents or the consummation of the transactions contemplated hereby and thereby.

4.4 Financial Statements. Attached hereto as Schedule 4.4 are true and correct copies of the balance sheets and related statements of income and cash flow of the Stations as at and for the fiscal years ended December 31, 2003, 2004 and 2005 and monthly income and expense statements for the months of January through September, 2006 (the "Financial Statements"). Except for the variations expressly noted in Schedule 4.4 hereto, to the best of Sellers' knowledge, the attached balance sheets and income statements have been prepared in accordance with generally accepted accounting principles consistently applied and maintained throughout the periods indicated. To the best of Sellers' knowledge, the statements of cash flows from Stations' operations have been prepared according to American Institute of Certified Public Accountant ("AICPA") standards for statements prepared in accordance with other comprehensive basis of accounting ("OCBOA"), using accounting principles consistently applied and maintained throughout the periods indicated. To Seller's knowledge, the Financial Statements prepared in accordance with GAAP and the Financial Statements prepared in accordance with OCBOA have been reconciled to each other. The Financial Statements fairly present the financial condition of the Stations as at their respective dates and the results of operations of the Stations for the periods covered thereby. The statements of cash flows from Stations' operations do not contain any items of special or nonrecurring income or any other income not earned in the ordinary course of business, and reflect no operations or business other than those of the Stations, except as expressly specified therein, and include all adjustments, which consist only of normal recurring accruals, necessary for such fair presentation. Except as set forth on Schedule 4.4 hereto, as of their respective dates, the Financial Statements did not,

and any financial statements delivered by Sellers subsequent to the date hereof will not, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances in which they were made, not misleading. All accounts receivable reflected in the balance sheets of the Stations contained in the Financial Statements represent valid obligations arising in the ordinary course of business and are recorded at their fair market value on such balance sheets.

4.5 Litigation. There is no action, suit, proceeding, arbitration or investigation pending, or to the knowledge of Sellers threatened, against or affecting Sellers or their operation of the Stations or the Stations or any assets, properties, business or employees of the Stations or the transactions contemplated by this Agreement. There is not outstanding any order, writ, injunction, award or decree of any court or arbitrator or any federal, state, municipal or other governmental department, commission, board, agency or instrumentality to which the Stations or any Sellers in connection with their operation of the Stations are subject or otherwise applicable to the Stations or the Purchased Assets or any employee of the Stations, nor is any of them in default with respect to any such order, writ, injunction, award or decree.

4.6 Compliance; Authorizations.

(a) Except as set forth in Schedule 4.6(a) hereto, Sellers and the Stations are in compliance in all material respects with all laws, rules, regulations, ordinances, orders, judgments and decrees applicable to Sellers in respect of the Stations, any of the employees thereof, and/or any aspect of Sellers' or the Stations' operations. Except as set forth in Schedule 4.6(a) hereto, neither the ownership nor use of the assets or properties of Sellers, nor the conduct of the business or the operation or use of the Stations or any of the Purchased Assets, conflicts with the rights of any other person or entity or violates, or with or without the giving of notice or the passage of time, or both, will violate, conflict with or result in a default, right to accelerate or loss of rights under, any terms or provisions of MRG's Articles of Organization, or IMA's and JHMA's formation Agreements or any lease, license, agreement, commitment, law, ordinance, rule or regulation, or any order, judgment or decree to which the Sellers or any of the Stations is a party or by which they or any of the Purchased Assets may be bound or affected.

(b) Sellers have all Commission Authorizations, all of which are identified in Schedule 4.6(b)(i) hereto and all Other Authorizations, all of which are identified in Schedule 4.6(b)(ii) hereto. Such Commission Authorizations are validly existing authorizations for the operation of the facilities described therein under the Communications Act. The Commission Authorizations identified in Schedule 4.6(b)(i) hereto constitute all of the licenses and authorizations required under the Communications Act or the current rules, regulations, and policies of the FCC in connection with the operation of the Stations as currently operated. The Commission Authorizations are in full force and effect, have not been revoked, suspended, canceled, rescinded, or terminated, have not expired, and are unimpaired by any act or omission of Seller or any partners, officers, governors, employees, or agents of Seller. There are no conditions imposed by the FCC as

part of any Commission Authorization that are neither set forth on the face thereof as issued by the FCC nor contained in the rules and regulations of the FCC applicable generally to Stations of the type, nature, class or location of the Stations. All FCC regulatory fees for the Stations have been timely paid, and all broadcast towers from which the Stations operate have been duly registered with the FCC and are properly painted and lit. There is no action pending nor, to the knowledge of Seller, threatened by or before the FCC or other body to revoke, refuse to renew, suspend, or modify any of the Commission Authorizations, or any action which may result in the denial of any pending application, the issuance of any cease and desist order, or the imposition of any administrative sanction with respect to any of the Stations or their operation, except for the Assignment Applications before the FCC to assign the Commission Authorizations pursuant hereto. There is not pending to the knowledge of Seller, any investigation, by or before the FCC, or any order to show cause, notice of violation, notice of apparent liability, or notice of forfeiture or complaint by, before or with the FCC against any of the Stations, any of the Sellers or any member or affiliate of Sellers nor, to the knowledge of Sellers, are any of the foregoing threatened. The Stations are operating in compliance with the Commission Authorizations, the Communications Act, and the current rules, regulations, and policies of the FCC. Since the commencement of the current license term of each Station, Seller has timely filed all reports, forms and statements required to be filed with the FCC. All of Sellers' applications for Commission Authorizations currently pending before the Commission, or which have led to the issuance of the MRG Permit or other currently outstanding construction permits for Stations' facilities that have not yet been constructed, were true and correct when made and continue to be true and correct. Seller has not received any notice with respect to any of the Commission Authorizations or the Stations' compliance with the Communications Act that might cause the FCC not to consent to the assignment by Seller of the Commission Authorizations as contemplated by this Agreement.

4.7 Title to Assets. Except for any assets leased by Sellers, Sellers have good and marketable title to all of the Purchased Assets. Except for Liens in favor of Sellers' lenders which will be discharged at Closing, none of the Purchased Assets is subject to any Lien except for the Permitted Liens. Subject to the information contained in Schedule 4.8 regarding the age of the Stations' transmitters, the Purchased Assets are in good operating condition and repair, are suitable for the purposes used, and are adequate and sufficient for the operations of the Stations. The Purchased Assets comprise all of the assets required to operate the business of the Stations as conducted by Seller as of the date hereof.

4.8 Tangible Personal Property. Schedule 4.8 contains a true, complete and accurate list of all items of machinery, equipment, vehicles, furniture, fixtures, transmitting towers, transmitters, antennae, office materials and supplies, spare parts, music libraries and other Tangible Personal Property owned, leased or used by Sellers in connection with the operation of the Stations and included in the Purchased Assets, except for items having a value of less than \$1,000 which do not, in the aggregate, have a total value of more than \$10,000, setting forth with respect to all such listed property all leases relating thereto (the “Personal Property Leases”).

4.9 Contracts.

(a) Schedule 4.9(a) lists all Contracts excluding (A) purchase orders for necessary supplies or services and air time sales orders for cash made in the ordinary course of business (on customary terms and conditions and consistent with past practice) involving payments or receipts by Sellers of less than \$5,000 in any single case or series of related orders, and (B) contracts entered into in the ordinary course of business on customary terms and conditions which are terminable by Sellers on less than 30 days’ notice without any penalty or consideration and involving payments or receipts during the entire life of such contracts of less than \$5,000 in the case of any single contract but not more than \$25,000 in the aggregate.

(b) Schedule 4.9(b) lists all agency and representation agreements and all agreements providing for the services of an independent contractor relating to the Stations and to which any of the Sellers is a party or by which any of the Sellers is bound.

(c) Schedule 4.9(c) lists all licenses (other than for shrink wrap software), Internet or web-site agreements, (including, without limitation, all interactive service, portal, web site management, hosting, server, content licensing, advertising, branding, and link or hyperlink agreements), development agreements, royalty agreements, and all contracts, agreement commitments or licenses relating to patents, trademarks, trade names, copyrights, software, know how, trade secrets, proprietary information and other Intangibles, all guarantees, loan agreements, indentures, mortgages and pledges, all conditional sale or title retention agreements, security agreements, equipment obligations, leases or lease purchase agreements as to items of personal property, in each case to which any of the Sellers is a party or by which any of the Sellers is bound for the benefit of the Stations.

(d) Schedule 4.9(d) hereto sets forth as of the date set forth therein, all Advertising Contracts for which the Stations will receive other than cash consideration, and for which an obligation to broadcast advertising time is outstanding. Schedule 4.9(d) also indicates the value of goods yet to be received and services yet to be used.

(e) True and complete copies of all Contracts required to be listed pursuant to this Section 4.9 (the “Material Contracts”) (to the extent in writing or

if not in writing, an accurate summary thereof), together with any and all amendments thereto, have been delivered to Buyer. All of the Contracts (other than those which have been fully performed) are in full force and effect. There is not under any Contract any existing default by any of the Sellers, or to Sellers' knowledge, any other party thereto, or any existing event which, after notice or lapse of time, or both, would constitute a default or result in a right to accelerate or loss of rights. None of the Sellers is a party to any agreement, contract, or commitment outside the ordinary course of business which obligates it or could obligate it to provide advertising time on the Stations on or after the Closing Date as a result of the failure of such Stations to satisfy specified ratings or any other performance criteria, guarantee, or similar representation or warranty.

4.10 Insurance. Schedule 4.10 lists all fire, theft, casualty, liability and other insurance policies insuring Sellers in respect of the Stations and in respect of the Real Property. The properties and assets of Seller, which are of an insurable character and are used or useful in the operation of the Stations, are insured at full replacement cost against loss or damage by fire or other risks subject to any applicable deductible. The coverage under each such policy of insurance set forth in Schedule 4.10 hereto is in full force and effect, all premiums due and payable thereon have been paid, and no notice of cancellation or nonrenewal with respect to, or disallowance of any claim under, any such policy has been given to Seller. Except as set forth in Schedule 4.10, there are no pending claims against such insurance policies as to which the insurers have denied liability and there exist no claims that have not been properly or timely submitted by Seller to the related insurer.

4.11 Absence of Changes or Events since Balance Sheet Date. Except as set forth in Schedule 4.11 hereto, since December 31, 2005 (the "Balance Sheet Date") Sellers have conducted the business of the Stations only in the ordinary course in a manner consistent with past practices. Without limiting the foregoing, since such date, none of the Sellers in respect of the Stations or otherwise has, except as set forth on said Schedule 4.11:

- (i) incurred any obligation or liability, absolute, accrued, contingent or otherwise, whether due or to become due, except current liabilities for trade or business obligations incurred in the ordinary course of business and consistent with their prior practice, none of which liabilities, in any case or in the aggregate adversely affects the Purchased Assets;
- (ii) mortgaged, pledged or subjected to lien, charge, security interest or any other encumbrance or restriction any of the Purchased Assets;
- (iii) sold, transferred, leased to others or otherwise disposed of any of the Purchased Assets other than inoperable or obsolete items;
- (iv) received any notice of actual or threatened termination of any contract, lease or other agreement, or suffered any damage, destruction, or loss, which adversely affects the Purchased Assets;

(v) had any material change in its relations with its employees, agents, landlords, advertisers, customers or suppliers or any governmental regulatory authority or self-regulatory authorities;

(vi) encountered any labor union organizing activity, had any actual or threatened employee strikes, disputes, workstoppages, slow downs or lockouts, or had any material change in their relations with its landlords or any governmental regulatory authority or self-regulatory authorities;

(vii) made any change or changes in the rate of compensation, commission, bonus or other direct or indirect remuneration payable, conditionally or otherwise, and whether as bonus, extra compensation, pension or severance or vacation pay or otherwise, to any director, officer, employee, salesman, distributor or agent relative to the Stations;

(viii) made any capital expenditures or capital additions or betterment in respect of any individual Stations in excess of an aggregated \$10,000.00.

(ix) instituted, settled, or agreed to settle any litigation, action, or proceeding before any court or governmental body;

(x) entered into any transaction, contract, or commitment other than in the ordinary course of business on customary terms and conditions, or paid or agreed to pay any brokerage, finder's fee, or other compensation in connection with, or incurred any severance pay obligations by reason of, this Agreement or the transactions contemplated hereby; or

(xi) changed its accounting practices, methods or principles used other than as required by generally accepted accounting principles; or

(xii) entered into any agreement or made any commitment to take any of the types of actions described in any of subsections (i) through (xi) above.

4.12 Intangibles. Sellers own or possess all rights necessary to use the call letters "KICX-FM," "KRKU(FM)," "KADL(FM)," "KJBL(FM)," "KBRL(AM)," "KFNF (FM)" and "KSTH," together with all trade names, logos, slogans, jingles, and other proprietary rights and Intangibles of or currently used by Sellers in connection with or necessary to the operation of the Stations as presently operated, including without limitation all Intangibles, free and clear of any Liens, all of which are transferable to Buyer. Sellers have no knowledge of any infringement or unlawful, unauthorized or conflicting use of any of the foregoing, or of the use of any call letters, slogan, logo or other intangible property rights by any broadcast Stations in the areas served by the Stations which may be confusingly similar to any of the call letters, slogans, logos or other intangible property rights currently used by the Stations. Sellers are not infringing upon or otherwise acting adversely, nor has any of the Sellers received notice that it is infringing upon or otherwise acting adversely, to any copyrights, trademarks, trademark rights, service marks, service mark rights, trade names, service names, slogans, call letters, logos, jingles, licenses, or any other proprietary rights owned by any other person or entity. Schedule 4.12 lists all trademarks, trademark registrations, and applications thereof, service marks, service mark

registrations, and applications thereof, service names, trade names, patents and patent applications, copyright registrations, and applications thereof, domain names, and names of sites, wholly or partially owned, held or used by any of the Sellers and related to the Stations.

#### 4.13 Real Property

(a) Schedule 4.13(a) contains a list and brief description of all Real Property owned by MRG, including all material structures located on such Real Property and any other interest in any real property, including, but not limited to any easements, variances, air rights and all security deposits in respect of the foregoing. Neither IMA nor JHMA owns any Real Property. All improvements on such Real Property comply in all material respects with applicable laws, ordinances, regulations and orders, including those applicable to zoning, land use and building codes. No law, ordinance, regulation, order, restriction or agreement, including any zoning law, restricts the present use of any such Real Property, or to the knowledge of the Sellers, any planned expansion or alteration of or addition to the structures located on such Real Property. All antenna structures located on such Real Property that are required to be registered with the FCC have been so registered and such structures comply with the painting and lighting requirements promulgated by the Federal Aviation Administration. Except as disclosed on Schedule 4.13(a), and without giving any effect to any obligation or agreement of Buyer unrelated to this transaction, the consummation of the transactions contemplated hereunder will not adversely affect any of the Buyer's right to use such Real Property for the same purpose and to the same extent as it was being used by the Seller prior to the date of this Agreement. MRG has good and marketable title to all Real Property listed on Schedule 4.13(a).

(b) Except as set forth in Schedule 4.13(b) hereto, (i) Sellers have not stored and have no knowledge that anyone has stored (in a manner which may require correction or remediation action under or pursuant to an Environmental Requirement), treated, released, disposed of or discharged a Hazardous Substance (as hereinafter defined) on, onto, about, from, under or affecting any of the Real Property, (ii) there is not presently and, to Sellers' knowledge, has never been an underground storage tank on any of the Real Property, and (iii) Sellers have no liability which is based upon or related to the environmental conditions under or about any of the Real Property. Sellers have all material permits required by any Environmental Requirement necessary for the Stations' operation and has complied with all Environmental Requirements applicable to the Real Property and, to Sellers' knowledge, there are no PCBs located on any of the Real Property. The term "Hazardous Substance" as used in this Agreement shall include, without limitation, oil and other petroleum products, explosives, radioactive materials, chemicals, pollutants, contaminants, wastes, toxic substances, genetically modified organisms, and related and similar materials, and any other substance or material defined as a hazardous, toxic or polluting substance or material by any federal, state or local law, ordinance, rule or regulation, including polychlorinated biphenyls, asbestos and asbestos-containing

materials. Except as set forth in Schedule 4.13(b) hereto, Sellers have not (i) given any report or notice to any governmental agency or authority involving the use, management, handling, transport, treatment, generation, storage, disposal, spill, escape, seepage, leakage, spillage, emission, release, discharge, remediation or clean-up of any Hazardous Substance on or about any of the Real Property; (ii) received any, or, to Sellers' knowledge, been threatened to receive any Environmental Complaint. To Sellers' knowledge, Sellers are in compliance with notification, reporting and registration provisions of any Environmental Requirement, including without limitation, the Toxic Substance Control Act and the Federal Insecticide, Fungicide and Rodenticide Act.

4.14 Employees. Schedule 4.14 lists the names and current annual salary rates and commission schedules of all persons (including independent commission agents) employed or engaged by any of the Sellers at or relative to the Stations, and showing separately for each such person the amounts paid or payable as salary, bonus payments and direct and indirect compensation for the twelve (12) months ended December 31, 2005. Schedule 4.14 also lists all employment agreements any of the Sellers has with any employees listed thereon.

4.15 Employee Benefits.

(a) None of the Sellers has an "employee benefit plan," as that term is defined in Section 3(3) of ERISA. None of the Sellers has an ERISA Affiliate. None of the Sellers had or has an "employee pension benefit plan" as defined in Section 3(2) of ERISA or an "employee welfare benefit plan" as defined in Section 3(1) of ERISA. Sellers have set forth in Schedule 4.15(a) an accurate description of all benefits provided to current employees of the Stations.

(b) Sellers have provided Buyer with an accurate description of Sellers' policies for providing leaves of absence under the Family and Medical Leave Act ("FMLA") and maintain records which have been made available to Buyer which identify each employee at the Stations who currently is on FMLA leave and his or her job title and each employee at the Stations who has requested FMLA leave to begin after the date of this Agreement.

(c) None of the Sellers has contributed in the past five years to a multiemployer plan within the meaning of Section 414(f) of the Code. None of the Sellers has a multiple employer plan within the meaning of Section 413(c) of the Code. No employee welfare benefit plan of any of the Sellers is a multiple employer welfare arrangement as defined in Section 3(40) of ERISA.

(d) No assets of the Sellers are subject to any lien under Section 412(n) of the Code or Section 4068 of ERISA.

(e) The consummation of the transaction contemplated by this Agreement will not entitle any employee to severance pay, accelerate the time of payment of compensation due to any employee, result in an excess parachute

payment within the meaning of Section 280G(b) of the Code or constitute a prohibited transaction under ERISA.

4.16 Labor Matters. None of the Sellers have been the subject of any union activity or labor dispute, nor have there been any strikes of any kind called or threatened to be called against the Sellers in respect of the Stations. To Sellers' knowledge, Sellers have not violated any applicable federal or state law or regulation relating to labor or labor practices, including, without limitation, the provisions of Title VII of the Civil Rights Act of 1964 (race, color, religion, sex and national origin discrimination), 42 U.S.C. § 1981 (discrimination), 41 U.S.C. § 621-634 (the Age Discrimination in Employment Act), 29 U.S.C. § 206 (equal pay), Executive Order 11246 (race, color, religion, sex, and national origin discrimination), Executive Order 11141 (age discrimination), § 503 of the Rehabilitation Act of 1973 (handicap discrimination), 42 U.S.C. §§ 12101-12213 (Americans with Disabilities Act), 29 U.S.C. §§ 2001-2654 (Family and Medical Leave Act), and 29 U.S.C. §§ 651-678 (occupational safety and health). Schedule 4.16 sets forth a true, correct, and complete list of employer loans or advances from Sellers, if any, to their employees. Sellers are, and as of the Closing Date will be, in compliance with all applicable requirements of the Immigration and Nationality Act of 1952, as amended by the Immigration Reform and Control Act of 1986 and the regulations promulgated thereunder.

4.17 Absence of Undisclosed Liabilities. Except as and to the extent reflected or reserved against on the Balance Sheet as at December 31, 2005 included in the Financial Statements (excluding the notes thereto), or set forth in Schedule 4.17 hereto, neither the Sellers in connection with the Stations, nor the Stations have any material debts, liabilities or obligations (whether absolute, accrued, contingent or otherwise) relating to or arising out of any act, transaction, circumstance or state of facts which has heretofore occurred or existed, due or payable, other than current liabilities permitted under clause (i) of Section 4.11 hereof arising since the date of such Balance Sheet and other than contract obligations disclosed pursuant to Section 4.9 hereof (or not required to be disclosed pursuant to said Section 4.9).

4.18 Taxes. All taxes, fees, assessments and charges, including, without limitation, income, property, sales, use, franchise, added value, employees' income withholding and social security taxes, imposed by the United States or by any foreign country or by any state, municipality, subdivision or instrumentality of the United States or of any foreign country, or by any other taxing authority, which are due and payable by Sellers, or for which Sellers may be liable, (including any for which Sellers may be liable by reason of their being members of an affiliated, consolidated or combined group with any other company at any time on or prior to the Closing Date), and all interest and penalties thereon (collectively, "Taxes" or "Tax"), have been paid in full, all Tax returns required to be filed in connection therewith have been accurately prepared and filed, and all deposits required by law to be made by any of the Sellers with respect to employees' and other withholding Taxes have been duly made. No deficiency for any Tax or claim for additional Taxes has been proposed, asserted, or assessed against any of the Sellers, and Sellers have not granted any waiver of any statute of limitations in respect of Taxes or agreed to any extension of time with respect to Tax assessment or deficiency. Sellers have not been a United States real property holding corporation within the meaning of Code §897(c)(2). Sellers are not parties to any Tax allocation or sharing agreement. Sellers do not have any liability for the Taxes of any person as a transferee or successor, by contract or otherwise.

4.19 Records. The FCC Logs of the Stations are complete and correct, and there have been no transactions involving the Stations which properly should have been set forth therein and which have not been accurately so set forth in all material respects.

4.20 Antitrust Matters. Sellers have conducted and are conducting the operation of the Stations in compliance with all federal and state antitrust and trade regulation laws, statutes, rules, and regulations, including without limitation, the Sherman Act, the Clayton Act, the Robinson Patman Act, the Federal Trade Commission Act, state law patterned after any of the above, all laws forbidding price-fixing, collusion, or bid-rigging, and rules and regulations issued pursuant to authority set forth in any of the above.

4.21 Commissions or Finder's Fee. Buyer and Sellers mutually represent that other than Kalil & Co., Inc., there are no finders, consultants or brokers involved in this transaction and that neither any of the Sellers nor Buyer has agreed to pay any broker's commission or finder's fee in connection with this transaction other than a fee to Kalil & Co., Inc. The payment of a fee to Kalil & Co., Inc. shall be the sole responsibility of the Sellers.

## **ARTICLE 5**

### **REPRESENTATIONS AND WARRANTIES OF BUYER**

Buyer represents and warrants to Sellers that:

5.1 Organization and Standing. Buyer is a corporation validly existing and in good standing under the laws of the State of Wisconsin.

5.2 Authority of Buyer. Buyer has all requisite power and authority to enter into this Agreement and each other agreement, document, and instrument to be executed or delivered by Buyer in connection with this Agreement (the "Buyer Documents") and to carry out the transactions contemplated hereby and thereby. This Agreement constitutes, and, when executed and delivered at the Closing, each other Buyer Document will constitute, the legal, valid, and binding obligation of Buyer. All proceedings and action required to be taken by Buyer relating to the execution, delivery, and performance of this Agreement and the Buyer Documents and the consummation of the transactions contemplated hereby and thereby shall have been duly taken by the time of Closing.

5.3 Litigation. As of the date hereof, there is no action, suit or proceeding pending, or to the knowledge of Buyer, threatened against Buyer which adversely affects the ability of Buyer to consummate the transactions contemplated hereby.

5.4 FCC Qualifications. To Buyer's knowledge, Buyer is legally, financially and otherwise qualified to be an FCC licensee. There are no facts currently known to Buyer which, under the Communications Act and rules and regulations promulgated thereunder, would (i) disqualify Buyer from becoming the holder of the Commission Authorizations or an owner or operator of the Stations; or (ii) disqualify Buyer from consummating the transactions contemplated by this Agreement.

5.5 No Conflict; Consents. Except for the filing of the Assignment Applications and the granting of the Initial Order and the Final Order, and except as indicated in Schedule 5.5 hereto, the execution, delivery and performance of this Agreement and the Buyer Documents and the consummation of the transactions contemplated hereby and thereby, will not (i) conflict with or violate any provision of its Articles or Bylaws, (ii) with or without the giving of notice or the passage of time, or both, result in a breach of, or violate, or be in conflict with, or constitute a default under, or permit the termination of, or cause or permit acceleration under, any agreement or instrument of any debt or obligation to which Buyer is a party or to or by which it is subject or bound, (iii) require the consent of any party to any agreement or commitment to which Buyer is a party or (iv) violate any law, rule or regulation or any order, judgment, decree or award of any court, governmental authority or arbitrator to or by which Buyer is subject or bound; no consent, approval or authorization of, or declaration, filing or registration with, or notice to, any governmental or regulatory authority or any other third party is required to be obtained or made by Buyer in connection with the execution, delivery and performance of this Agreement or the Buyer Documents or the consummation of the transactions contemplated hereby and thereby.

## ARTICLE 6

### CERTAIN COVENANTS

6.1 Conduct of Business. During the period from the Execution Date to and including the Closing Date, Sellers shall cause the Stations to be operated and conducted in the ordinary and usual course of business and consistent with past practices.

(a) Without limiting the foregoing, prior to the Closing, Sellers, without the prior written consent of Buyer, shall not and shall not permit the Stations to:

(i) by any act or omission surrender, modify adversely, forfeit, or fail to renew under regular terms any of the Authorizations, or give the FCC grounds to institute any proceeding for the revocation, suspension, or modification of any of the Authorizations, or fail to prosecute with due diligence any pending application with respect to any of the Authorizations;

(ii) prior to Closing, perform, take any action, or incur or permit to exist any of the acts, transactions, events, or occurrences of the type described in Section 4.11 hereof which would have been inconsistent with the representations and warranties set forth in Section 4.11 hereof, had the same occurred after the Balance Sheet Date and prior to the date hereof.

(b) Without limiting the foregoing, prior to Closing, Sellers, without the prior written consent of Buyer, shall not and shall not permit the Stations to:

(i) dissolve, liquidate, merge, or consolidate or sell, transfer, lease, or otherwise dispose of any of the Purchased Assets, other than supplies consumed in the ordinary and customary course of business, or obligate itself to do so, and Sellers shall not sell, transfer or otherwise dispose of any of the Real Property;

(ii) amend, modify, change, alter, terminate, rescind, or waive any rights or benefits under any contract, agreement, or commitment required to be listed, or enter into any contract, agreement, or commitment which, if in existence as of the date of this Agreement would have been required to be listed under Schedule 4.9(a)-(d) hereto;

(iii) fail to maintain the Purchased Assets in good repair and operating condition, reasonable and ordinary wear and tear excepted; and Sellers shall not fail to maintain the Real Property in good repair and condition and Sellers shall not cancel or fail to renew any of the current insurance policies or any of the coverage thereunder maintained for the protection of any of the Real Property, the Stations, or Purchased Assets; and

## 6.2 Operations.

(a) During the period from the Execution Date to the Closing Date, Sellers shall have sole responsibility for the Stations and their operations, and during such period, shall:

(i) operate the Stations in accordance with the rules and regulations of the FCC and Authorizations, pay all annual FCC regulatory fees if and when due, and file all ownership reports, employment reports, applications, responses, and other documents required to be filed during such period and maintain and promptly deliver to Buyer true and complete copies of the Stations' required filings; and

(ii) deliver to Buyer within five (5) days after filing thereof with the FCC copies of any and all reports, applications, and/or responses relating to the Stations which are filed with the FCC on or prior to the Closing Date, and deliver to Buyer within five (5) days of Sellers' receipt thereof, copies of any FCC inquiries with respect to any of the Stations (and in the event of an oral FCC inquiry, Sellers will furnish a written summary thereof).

(b) During the period from the Execution Date to the Closing Date, Sellers shall:

(i) maintain all of the material Purchased Assets of Seller in a manner consistent with past practices and maintain the types and levels of insurance currently in effect in respect of the Purchased Assets, including Real Property and Sellers shall maintain the Real Property in a manner consistent with past practices;

(ii) upon any damage, destruction or loss to any material Purchased Asset, apply any insurance proceeds received with respect thereto to the prompt repair, replacement, and restoration thereof to the condition of such Purchased Asset or other property of Sellers before such event or, if required, to such other (better) condition as may be required by applicable laws;

(iii) maintain in full force and effect all material permits which are presently held and are required for the operation of the Stations as presently conducted;

(iv) use its commercially reasonable best efforts to retain the services of all of the employees of the Stations, but shall require all employees of the Stations to use their accrued vacation time and any other personal leave to which they are entitled prior to the Closing Date; and

(v) promptly following the end of each calendar month provide the Buyer with an income statement and balance sheet for each Station, prepared in accordance with generally accepted accounting principles;

(vi) following the Execution Date, upon reasonable advance notice from Buyer, allow representatives of the Buyer to visit the Stations, and related facilities, to talk with employees of the Stations, and discuss current operations.

6.3 Changes in Information. During the period from the Execution Date to the Closing, Sellers shall give Buyer prompt written notice of any material change in, or any of the information contained in, the representations and warranties made in or pursuant to this Agreement or of any event or circumstance which, if it had occurred on or prior to the date hereof, would cause any of such representations or warranties not to be true and correct.

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

6.5 Going Off the Air. If prior to the Closing any of the Stations goes off the air for any engineering reason, act of God, or any other reason not caused by Buyer, the Seller shall immediately notify Buyer and shall take all reasonable steps to begin broadcasting as soon as possible. If three or more Stations go off the air and are unable to begin and to continue broadcasting on a normal and customary basis within two hundred forty (240) hours, Buyer may, at its option, terminate this Agreement without incurring any liability to the Seller, provided that to be effective such notice from Buyer to terminate this Agreement must be delivered to the Seller within fifteen (15) business days after Buyer shall receive written notice from the Seller that normal operations of such Stations shall have resumed.

6.6 Access to Information. During the period from the Execution Date to the Closing Date, Buyer and its accountants, counsel, and other representatives, shall upon prior written or telephone notice be given reasonable and continuing access during normal business hours to all of the facilities, properties, books, and records of Sellers relating to the Stations, and they shall be furnished with such documents and information with respect to the affairs of the Stations as from time to time may reasonably be requested, and in furtherance thereof, Buyer may retain, at its expense, an engineering firm of its own choosing to conduct engineering studies regarding the Stations.

6.7 Sales and Other Taxes. Sellers shall pay all sales taxes, transfer taxes, and intangibles taxes and similar government charges, filing fees, and recording and registration fees applicable to the transactions contemplated by this Agreement, including, without limitation, all taxes and similar charges, if any, payable upon the transfer of title to any Purchased Assets except the Real Property. The foregoing shall not apply to taxes, document stamps, governmental charges, or fees incurred upon the granting or recording of mortgages or deeds of trust by Buyer to Buyer's lenders, which shall be the responsibility of Buyer. Buyer and Seller will cooperate to prepare and file with the proper public officials, as and to the extent necessary, all appropriate sales tax exemption certificates or similar instruments as may be necessary to avoid the imposition of sales, transfer, and similar taxes on the transfer of Purchased Assets pursuant hereto. The provisions of this Section 6.7 shall not apply to filing fees associated with the Assignment Applications. The payment of such fees shall be governed by Section 3.2(b) hereof.

6.8 No Shop. Sellers agree that from after the date hereof and until the termination of this Agreement, Sellers will not sell, transfer, or otherwise dispose of any direct or indirect interest in Seller or any assets (except for dispositions of assets in the ordinary course of business as expressly permitted elsewhere in this Agreement) of Sellers to be included in the Purchased Assets (or any rights in any such assets), and Sellers will not respond to inquiries or proposals, other than responses limited to a statement that Sellers are subject to a contractual no-shop provision and cannot further respond, or enter into or pursue any discussions, or enter into any agreements (oral or written), with respect to, the sale or purchase of any direct or indirect interest in Sellers, or any option or warrant with respect to such interest, or the merger, consolidation, sale, lease or other disposition of all or any portion of the assets, business, rights or Authorizations of Sellers or the Stations. The provisions of this Section 6.8 shall not be deemed to limit or negate any other obligations of Sellers under this Agreement.

6.9 Bulk Transfer Laws. The parties do not believe that any bulk transfer or fraudulent conveyance statute applies to the transactions contemplated by this Agreement. Buyer therefore waives compliance by Sellers with the requirements of any such statutes, and Sellers agree to indemnify and hold Buyer harmless against any claim by any creditor of Sellers or claimant against Buyer as a result of a failure to comply with any such statute.

6.10 Preservation of Business. During the period from the date of this Agreement to the Closing, Sellers shall use their commercially reasonable best efforts to preserve intact the goodwill and staff of Sellers relative to the Stations and the relationships of Sellers with advertisers, customers, suppliers, employees, contracting parties, governmental authorities and others having business relations with Sellers relative to the Stations. During the period from the date of this Agreement and the Closing, Sellers shall use their best efforts to preserve intact the relationship of Sellers with governmental authorities.

6.11 Satisfaction of Liens. At the Closing, Sellers shall cause all Liens other than Permitted Liens on or relating to any of the Purchased Assets, to be released, extinguished, and discharged in full and shall deliver to Buyer instruments releasing, extinguishing, and discharging all such Liens, and all rights and claims of any holder(s) of any of such Liens with respect to any of the Purchased Assets, all in such form and substance as Buyer shall reasonably require (collectively the "Lien Release Instruments").

6.12 Non-solicitation. For a period from the Execution Date and for two (2) years from the Closing Date, Sellers shall not and shall not permit any Person directly or indirectly (alone or together with others) controlling or controlled by, or affiliated with or employed or engaged by Sellers, without the express prior written consent of Buyer to employ or attempt to employ or knowingly arrange or solicit to have any other person employ any person currently employed by the Sellers or any of the Stations, or any Transferred Employees in a position involving services for a radio broadcast station.

6.13 COBRA. Sellers shall comply with all applicable requirements (including requirements concerning the furnishing of notices) of health care coverage continuation provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985 (contained in Sections 601 through 608 of ERISA and section 4980B of the Code), with regard to the termination of employment prior to, or in connection with, the transaction contemplated by this Agreement.

6.14 Real Property. No later than fifteen (15) business days prior to the Closing, MRG shall at MRG's sole cost and expense, except as otherwise provided for in this Section 6.14, deliver the following items to Buyer for each parcel of Real Property owned by MRG described in Schedule 4.13(a) hereof:

(i) a current commitment issued by Chicago Title Insurance Company or another nationally recognized title company reasonably acceptable to Buyer (the "Title Company") for a 1992 ALTA fee owner's title insurance policy, insuring marketable fee simple title to the Property (individually, the "Title Policy" and collectively, the "Title Policies"), together with legible and complete copies of all exceptions and matters referred to therein; provided that Buyer shall be responsible for any title insurance premiums for the issuance of the Title Policies;

(ii) an up-to-date ALTA Land Title Survey certified within ninety (90) days of the date of this Agreement, prepared by a surveyor licensed in the jurisdiction where the Real Property is located, completed in accordance with the "Minimum Standard Detail Requirements for ALTA/ACSM Land Title Surveys" jointly established and adopted by ALTA, ACSM and NSPS in 1999, and including items 1, 2, 3, 4, 6, 7, 8, 9, 10, 11, 13, 14, 15 and 16 of Table A thereof, and certified to the Title Company, Buyer and any other parties designated by Buyer; and

(iii) a copy of a current certificate issued from the applicable local jurisdiction indicating the zoning classification of the relevant property (or if such a certificate is not obtainable, then, in that event, a letter from the applicable local jurisdiction setting forth such information) and a copy of all special use permits and certificates of occupancy and/or completion (collectively the "Compliance Information"); and

(iv) At the Closing, MRG shall deliver to Buyer a special warranty deed for the parcel of Real Property owned by it in form reasonably acceptable to Buyer and its counsel conveying good and marketable fee simple title, free and clear of all Liens, except for the Permitted Liens and those acceptable to Buyer in its sole but reasonable discretion (the "Warranty Deed").

6.15 Environmental Audits. Prior to the Closing, Buyer may, at Buyer's expense, perform a geographical survey, engineering studies, a Phase I and/or Phase II environmental audit and/or a NEPA study (collectively the "Environmental Audit") of the Real Property site owned or leased by MRG. To the extent that the Environmental Audit discloses or assesses any condition(s) that cause or could cause Sellers' representations contained in this Agreement to be deemed inaccurate or could be deemed to make Sellers in breach of this agreement, Buyer hereby agrees that such disclosure shall not be considered a misrepresentation or breach by Sellers. In addition, to the extent that an Environmental Audit discloses any condition that needs correction, Sellers agree to correct such condition provided the cost for such correction does not exceed \$100,000. If the cost of correction exceeds \$100,000, either the Sellers or Buyer shall have the right to cancel this Agreement, in which case all obligations herein shall be null and void.

6.16 Public Announcements. Prior to the Execution Date, no party hereto shall publicly disclose the existence of this Agreement or any of the terms or conditions of this Agreement and of any of the transactions contemplated hereby, except as required by law. On or after the Execution Date, the Sellers shall not announce or issue a press release in connection with the transactions contemplated hereunder, without the express prior written consent from Buyer and Buyer shall consult with Sellers regarding any public announcement or press release it intends to issue and shall provide copies of such announcements and press releases to Sellers prior to issuance.

6.17 Buyer Litigation. During the period from the date of this Agreement to the Closing Date, Buyer shall give Sellers prompt written notice of any action, suit, proceeding to the knowledge of Buyer threatened or initiated against Buyer seeking to restrain, prevent, enjoin, prohibit or obtain substantial damages by reason of any of the transactions contemplated hereby.

6.18 Sellers Litigation. During the period from the date of this Agreement to the Closing Date, Sellers shall give Buyer prompt written notice of any action, suit, proceeding to the knowledge of Sellers threatened or initiated against Sellers seeking to restrain, prevent, enjoin, prohibit or obtain substantial damages by reason of any of the transactions contemplated hereby

6.19 Maintenance of Seller. MRG covenants and agrees to maintain its existence for a period of not less than two (2) years after the Closing, and during the first year following the Closing covenants and agrees to maintain liquid assets that are valued at least \$175,000 more than the aggregate post-Closing debt obligations of MRG.

## **ARTICLE 7**

### **CLOSING CONDITIONS**

7.1 Conditions Precedent to the Obligations of the Buyer. The obligations of the Buyer under this Agreement to consummate the transactions contemplated hereby are subject to the satisfaction at or prior to Closing of each of the following conditions all of which may be waived, in whole or in part, by Buyer for purposes of consummating such transactions, but without prejudice to any other right or remedy which Buyer may have hereunder as a result of

any misrepresentation by or breach of any covenant or warranty of Sellers contained herein or any other certificate or instrument furnished by or on behalf of the Sellers hereunder:

(a) other than a frivolous action, suit or proceeding, no action, suit, or proceeding to restrain, prevent, enjoin, or prohibit, or to obtain substantial damages by reason of, any of the transactions contemplated hereby shall have been instituted against any of the Sellers or against Buyer by, in or before any court, tribunal, or governmental body or agency, and be unresolved, and no order shall have been issued, to restrain, prevent, enjoin, or prohibit, or to obtain substantial damages by reason of, any of the transactions contemplated hereby;

(b) the representations and warranties of Sellers contained in this Agreement, and any exhibits hereto, or any certificates or documents delivered in connection with this Agreement shall be true and correct when made, and shall also be true and correct in all material respects at the time of Closing with the same force and effect as though such representations and warranties were made at that time;

(c) each covenant, agreement, and obligation required by the terms of this Agreement to be complied with and performed by Sellers, at or prior to the Closing shall have been duly and properly complied with and performed, and the managers of Sellers shall deliver certificates dated as of the Closing Date certifying to the fulfillment of this condition and the condition set forth under Section 7.1(b) above;

(d) the FCC's Initial Order shall have been granted without any condition which is adverse to Buyer (as reasonably determined by Buyer), and shall have become a Final Order, and the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby, shall have been approved by all other regulatory authorities whose approvals are required by law;

(e) all consents necessary to the assignment to Buyer of those Assumed Contracts listed in Schedule 2.1(e) hereto shall have been obtained, and there shall have been delivered to Buyer executed counterparts reasonably satisfactory in form and substance to Buyer of such consents (the "Consents");

(f) there shall have been no material adverse change in the assets, liabilities, business, results of operations, financial condition or prospects of the Stations since December 31, 2005, other than changes in the general economy affecting similar radio companies in a like manner. Material adverse change, with respect to the financial condition of the Stations shall mean that the gross operating revenues of the Stations has decreased more than ten percent (10%) for the twelve full months preceding Closing compared to the twelve full months immediately prior thereto;

(g) Buyer shall have received an opinion of Seller's counsel dated the Closing Date, addressed to Buyer (and Buyer's lenders if so requested by Buyer), in the form attached hereto as Exhibit 7.1(g);

(h) Buyer shall have received an opinion of Sellers' FCC counsel dated the Closing Date and addressed to Buyer (and Buyer's lenders if so requested by Buyer), in the form attached hereto as Exhibit 7.1(h);

(i) Sellers shall have executed and/or delivered to Buyer the documents specified in Section 8.2 hereof; and,

(j) Buyer shall have been issued, the Title Policy for the parcel of Real Property owned by MRG (provided that Buyer is responsible for paying any premium in respect of such policy or policies), insuring good and marketable title, free and clear of all Liens except the Permitted Liens, with such affirmative coverage and endorsements as Buyer may reasonably require.

7.2 Sellers' Conditions Precedent. The obligations of Sellers under this Agreement to proceed with the transactions contemplated hereby are subject to the satisfaction at or prior to Closing of each of the following conditions, all of which may be waived in whole or in part by Sellers for purposes of consummating such transactions, but without prejudice to any other right or remedy which Sellers may have hereunder as a result of any misrepresentation by or breach of any covenant or warranty of Buyer contained herein or any other certificate or instrument furnished by or on behalf of Buyer hereunder:

(a) no action, suit, or proceeding shall have been instituted against any of the Sellers or against Buyer by, in or before any court, tribunal, or governmental body or agency, and be unresolved, and no order shall have been issued, to restrain, prevent, enjoin, or prohibit, or to obtain substantial damages by reason of, any of the transactions contemplated hereby;

(b) the representations and warranties of Buyer contained in this Agreement or any exhibits hereto or any certificates or documents delivered by it to Sellers in connection with this Agreement shall be true and correct when made and shall also be true and correct in all material respects at the time of the Closing with the same force and effect as though such representations and warranties were made at that time;

(c) each covenant, agreement, and obligation required by the terms of this Agreement to be complied with and performed by Buyer at or prior to the Closing shall have been duly and properly complied with and performed, and an officer of Buyer shall deliver a certificate dated as of the Closing Date certifying to the fulfillment of this condition and the condition set forth under Section 7.2(b) above;

(d) the Initial Order shall have been granted and shall have become a Final Order and the execution and delivery of this Agreement and the

consummation of the transactions contemplated hereby, shall have been approved by all regulatory authorities whose approvals are required by law; and

(e) Buyer shall have executed and/or delivered to Sellers the documents and payments specified in Section 8.3 hereof.

## ARTICLE 8

### CLOSING; DELIVERIES

8.1 Closing. The consummation of the sale and purchase of assets provided for in this Agreement (the “Closing”) shall take place on the last day of the month in which the FCC Initial Order (as defined in Section 3.1 hereof ) becomes a Final Order (as defined by Article 1 hereof), subject to the satisfaction or waiver of the last of the conditions required to be satisfied or waived pursuant to Article 7 hereof (other than those requiring a delivery of a certificate or other document, or the taking of other action, at the Closing). Alternatively, the Closing may take place at such other place, time or date as the parties may mutually agree upon in writing after the date of the FCC Initial Order. The date on which the Closing is to occur is referred to herein as the “Closing Date.” All proceedings to be taken and all documents to be executed and delivered by the parties at the Closing shall be deemed to have been taken and executed simultaneously and no proceedings shall be deemed taken nor any documents executed or delivered until all have been taken, executed and delivered..

8.2 Sellers' Deliveries. At the Closing, Sellers shall deliver to Buyer all of the documents set forth below:

(a) a Bill of Sale, in form attached hereto as Exhibit 8.2(a), duly executed by Sellers;

(b) the Assignment and Assumption Agreement, duly executed by Sellers;

(c) an opinion of Seller's counsel dated the Closing Date, addressed to Buyer (and Buyer's lenders if so requested by Buyer), in form attached hereto as Exhibit 7.1(g);

(d) an opinion of Seller's FCC counsel dated the Closing Date, addressed to Buyer (and Buyer's lenders if so requested by Buyer) in the form attached hereto as Exhibit 7.1(h);

(e) the certificate described in Section 7.1(c) hereof;

(f) instruments of assignment and transfer of all the Commission Authorizations executed by Sellers, in form reasonably required by Sellers;

(g) instruments of assignment and transfer of all Intangibles, executed by Sellers, in form reasonably required by Buyer;

- (h) all Assumed Contracts (which shall be delivered at the Stations);
- (i) all FCC Logs (which shall be delivered at the Stations);
- (j) certified copies of resolutions of MRG authorizing the execution and delivery of this Agreement and the documents contemplated hereby and the consummation of the transactions contemplated hereby and thereby;
- (k) certificates of good standing with respect to MRG, issued as of a recent date by the Secretaries of State of the States of Nebraska, Colorado and Kansas;
- (l) all Lien Release Instruments;
- (m) all Consents;
- (n) such other good and sufficient instruments of conveyance, assignment, and transfer, as Buyer shall reasonably require, each in form and substance reasonably required by Buyer, and as shall be effective to vest in Buyer title to the Purchased Assets as contemplated by this Agreement and physical possession of the Purchased Assets;
- (o) a special Warranty Deed with respect to each parcel of owned Real Property duly executed by Seller;
- (p) the Title Policies or marked title insurance binders insuring Buyer's ownership of the owned Real Property free and clear of all Liens (including, without limitation, any and all of the Title Company's standard printed exceptions), except the Permitted Liens and those otherwise acceptable to Buyer in its sole but reasonable discretion (provided that Buyer is responsible for paying any premium in respect of such policy or policies, including any additional premium required for the deletion of the Title Company's standard printed exceptions);
- (q) the Survey with respect to the owned Real Property;
- (r) all required real estate transfer declaration or exemption certificates and any other documents as may be otherwise necessary or appropriate to transfer title of the owned Real Property;
- (s) all affidavits and other statements as may be reasonably required by the Title Company, including, without limitation, any document, affidavits or other certificates required, at the Title Company's expense, to delete the Title Company's standard printed exceptions;
- (t) the Consulting Agreements in the form of Exhibit 8.2(t) which will have been executed by David M. Stout and Connie M. Stout; and

(u) all other documents required by the terms of this Agreement to be delivered to Buyer at the Closing.

8.3 Buyer's Deliveries. At the Closing, Buyer shall deliver to Sellers the Purchase Price and the documents and other items set forth in paragraphs (a) - (e) below:

(a) the Assignment and Assumption Agreement, duly executed by Buyer;

(b) the certificate described in Section 7.2(c) hereof;

(c) certificate of good standing with respect to Buyer, issued as of a recent date by the Secretary of State of Wisconsin;

(d) the Consulting Agreements in the form of Exhibit 8.2(t), duly executed by Buyer for delivery to David M. Stout and Connie M. Stout, and the payments due thereunder in the aggregate amount of Seventy-Five Thousand Dollars (\$75,000.00); and.

(e) all other documents required by the terms of this Agreement to be delivered to Sellers at the Closing

8.4 Further Assurances. At any time and from time to time after the Closing, at Buyer's request, and without further consideration, Sellers will execute and deliver such other instruments of sale, transfer, conveyance, assignment, and confirmation, and take such actions, as Buyer may reasonably deem necessary or desirable in order more effectively to transfer, convey, and assign to Buyer, and to confirm Buyer's title to, all of the Purchased Assets, to put Buyer in actual possession and operating control thereof, and to assist Buyer in exercising all rights with respect thereto.

## **ARTICLE 9**

### **SPECIFIC PERFORMANCE**

Seller agrees that the Purchased 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 the performance of Seller under this Agreement without the necessity of posting any bond or other security, and Seller hereby waives the defense in any such suit that Buyer has an adequate remedy at law and agrees not to interpose any opposition, legal, or otherwise, as to the propriety of specific performance as a remedy. The remedy of specifically enforcing any or all of the provisions of this Agreement in accordance with this Article 9 shall not be exclusive of any other rights and remedies which Buyer may otherwise have under this Agreement or otherwise, all of which rights and remedies shall be cumulative.

## ARTICLE 10

### TERMINATION

#### 10.1 Termination.

This Agreement may be terminated at any time prior to the earlier to occur of the Closing as follows:

- (a) by mutual written consent of Buyer and Sellers;
- (b) by written notice from a party that is not then in material breach of this Agreement if the other party has continued in material breach of this Agreement for thirty (30) days after written notice of such breach from the terminating party is received by the other party, and such breach is not cured by the last day of such 30-day period (the “Cure Period”);
- (c) as provided in Section 6.5;
- (d) by written notice from Sellers to Buyer, or from Buyer to Sellers pursuant to Section 6.15 hereto; or
- (e) by operation of automatic termination should the FCC dismiss or deny the Assignment Applications and such dismissal or denial has become a Final Order of the Commission.

#### 10.2 Effect of Termination.

(a) If this Agreement is terminated prior to Closing by either Seller or Buyer pursuant to Section 10.1(a), (c), (d) or (e), no party to this Agreement shall have any liability to any other party to this Agreement except as otherwise expressly provided herein, and this Agreement shall be deemed null and void and of no further force and effect (except for the provisions of Section 13.5, which shall survive termination), and the parties hereto agree that the Escrow Agreement shall terminate and the Letter of Credit shall be canceled.

(b) If Buyer terminates this Agreement pursuant to and in accordance with Section 10.1(b) hereof or any of the Sellers is otherwise in material breach of this Agreement prior to Closing, Buyer shall retain all rights and remedies available to it, and the parties hereto agree that the Escrow Agreement shall terminate and the Letter of Credit shall be canceled, unless extended pursuant to and in accordance with the terms of the Escrow Agreement.

(c) If Sellers terminate this Agreement pursuant to and in accordance with Section 10.1(b) hereof or Buyer is otherwise in material breach of this Agreement prior to Closing, then Sellers shall be entitled to receive the Escrow Amount pursuant to the terms of the Escrow Agreement as the sole and exclusive remedy and as liquidated damages. It is understood and agreed that such liquidated damages amount represents Buyer’s and Sellers’ reasonable estimate of actual damages and does not constitute a penalty.

## ARTICLE 11

### INDEMNIFICATION

#### 11.1 Obligation to Indemnify.

(a) The representations, warranties and pre-Closing covenants, and indemnification obligations with respect thereto shall survive Closing for a period of one (1) year from the Closing Date whereupon they shall expire and be of no further force or effect, except those for which written notice is given by the indemnified party to the indemnifying party prior to the expiration, which shall survive until resolved. The post-Closing covenants contained herein, and indemnification obligations with respect thereto, shall survive Closing until performed.

(b) Subject to the provisions of Section 11.1(a) above, from and after the Closing, Buyer hereby agrees to save, indemnify and hold harmless Seller from and against, and shall on demand reimburse Sellers for all loss, liability, claim, damage, deficiency, injury and all costs and expenses (including all attorney fees and other defense costs) (collectively "Losses") suffered by Sellers or incurred in respect of any misrepresentation or breach of warranty by Buyer or nonfulfillment of any covenant or agreement to be performed or complied with by Buyer under this Agreement or in any agreement, certificate, document, or instrument executed by Buyer and delivered to Sellers pursuant to or in connection with this Agreement; provided, however, that the maximum liability of Buyer for a breach of representations and warranties or nonfulfillment of any covenant or agreement to be performed or complied with by Buyer under this Agreement or in any agreement, certificate, document, or instrument executed by Buyer and delivered to Seller pursuant to or in connection with this Agreement hereunder shall be One Hundred Seventy-Five Thousand and no/100 Dollars (\$175,000.00).

(c) Subject to the provisions of Section 11.1(a) above, from and after the Closing, Sellers hereby agree to save, indemnify, and hold harmless Buyer from, against and in respect of, and shall on demand reimburse Buyer for all Losses suffered or incurred by Buyer in respect of (i) any misrepresentation, breach of warranty, or nonfulfillment of any covenant or agreement to be performed or complied with by Sellers under this Agreement or any agreement, certificate, document, or instrument executed by Seller and delivered to Buyer pursuant to or in connection with this Agreement; and (ii) the Excluded Liabilities; provided, however, that the maximum liability of Sellers for any misrepresentation, breach of warranty, or nonfulfillment of any covenant or agreement to be performed or complied with by Seller under this Agreement or any agreement, certificate, document, or instrument executed by Seller and delivered to Buyer pursuant to or in connection with this Agreement hereunder shall be One Hundred Seventy-Five Thousand and no/100 Dollars (\$175,000.00).

11.2 Provisions Regarding Indemnification. If, within the applicable survival period, any third party shall notify any party (the "Indemnified Party") with respect to any third party claim which may give rise to a claim for indemnification against any other party (the "Indemnifying Party") under this Article 11, then the Indemnified Party shall notify the Indemnifying Party thereof promptly; provided, however, that no delay on the part of the Indemnified Party in notifying the Indemnifying Party shall relieve the Indemnifying Party from any liability or obligation hereunder unless (and then solely to the extent) the Indemnifying Party

thereby is prejudiced. In the event any Indemnifying Party notifies the Indemnified Party within 20 days after the Indemnified Party has given notice of the matter that the Indemnifying Party is assuming the defense thereof, (i) the Indemnifying Party will defend the Indemnified Party against the matter with counsel of its choice reasonably satisfactory to the Indemnified Party, (ii) the Indemnified Party may retain separate co-counsel at its sole cost and expense (except that the Indemnifying Party will be responsible for the fees and expenses of the separate co-counsel to the extent the Indemnified Party concludes reasonably that the counsel the Indemnifying Party has selected has a conflict of interest), and (iii) without the written consent of the Indemnified Party, the Indemnifying Party will not consent to the entry of any judgment with respect to the matter, or enter into any settlement unless the judgment or settlement can be satisfied solely by the payment of money and no equitable or other relief is sought, the Indemnifying Party pays the judgment or settlement in full, and such judgment or settlement includes, a provision whereby the plaintiff or claimant in the matter releases the Indemnified Party from all liability with respect thereto.

## **ARTICLE 12**

### **RISK OF LOSS**

The risk of loss, damage or destruction to the Purchased Assets and/or the Real Property from fire or other casualty or cause, shall be borne by Sellers at all times up to the Closing. It shall be the responsibility of Sellers to repair or cause to be repaired and to restore the affected property to its condition prior to any such loss, damage or destruction. In the event of any such loss, damage or destruction, the proceeds of any claim for any loss payable under any insurance policy with respect thereto shall be used to repair, replace or restore any such property to its former condition subject to the conditions stated below. In the event that property reasonably required for the normal operation of any of the Stations is not repaired, replaced, or restored prior to the Closing, Buyer, at its sole option, upon written notice to Sellers: (a) may elect to postpone the Closing until such time as the property has been repaired, replaced, or restored, or (b) may elect to consummate the Closing and accept the property in its then condition, in which event Sellers shall assign to Buyer all proceeds of insurance received theretofore, or to be, received, covering the property involved.

## **ARTICLE 13**

### **MISCELLANEOUS**

13.1 Binding Agreement. All the terms and provisions of this Agreement shall be binding upon, inure to the benefit of, and be enforceable by, the parties hereto and their respective heirs, legal representatives, successors, and permitted assigns.

13.2 Assignment. With the prior written consent of Sellers, this Agreement and any and all rights of Buyer may be assigned by Buyer to a third party designated by Buyer, so long as Buyer's assignee has the legal, technical and financial qualifications required by the FCC to consummate the transactions contemplated hereby ("Qualified Buyer"). This Agreement shall not be assignable by Sellers without the prior written consent of Buyer.

13.3 Law To Govern. This Agreement shall be construed and enforced in accordance with the internal laws of the State of Nebraska, without regard to principles of conflict of laws.

13.4 Notices. All notices shall be in writing (including facsimile transmission) and shall be deemed to have been duly given if delivered personally, when received by facsimile communications equipment or when deposited in the mail if mailed via registered or certified mail, return receipt requested, postage prepaid to the other party hereto at the following addresses:

***If to Sellers, to:***

McCook Radio Group, LLC  
PO Box 333  
1811 West O St.  
McCook, NE 69001  
Attn: David M. Stout  
Phone: (308) 340-9741  
Fax: (202) 295-1120  
Email: dave@kicx.net

***with a copy to:***

Katten Muchin Rosenman LLP  
1025 Thomas Jefferson St., NW  
Suite 700 East Lobby  
Washington, DC 20007-5201  
Attn: Shelley Sadowsky, Esq.  
Phone: 202-625-3710  
Fax: 202-295-1120  
Email: shelly.sadowsky@kattenlaw.com

***If to Buyer, to:***

Armada Media Corporation  
4201 North Oakland Avenue  
Second Floor  
Milwaukee, WI 53211  
Attn: Chris Bernier, its Chief Operating Officer  
Phone: (920) 251-9700  
Fax: (320) 296-6317  
E-mail: cbernier@armadamedia.com

***with copies to:***

Messerli & Kramer P.A.  
150 South Fifth Street  
Suite 1800  
Minneapolis, MN 55402  
Attn: John R. Larson, Esq.

Phone: (612) 672-3602  
Fax: (612) 672-3777  
E-mail: jlaron@MANDKLAW.com

or to such other addresses as any such party may designate in writing in accordance with this Section 13.4.

13.5 Fees and Expenses. Except as expressly set forth in this Agreement, each of the parties shall pay its own fees and expenses with respect to the transactions contemplated hereby.

13.6 Entire Agreement. This Agreement, including the Schedules and Exhibits hereto, sets forth the entire understanding of the parties hereto in respect of the subject matter hereof and may not be modified or amended except by a written agreement specifically referring to this Agreement signed by all of the parties hereto. This Agreement supersedes all prior agreements and understandings among the parties with respect to such subject matter.

13.7 Waivers. Any failure by any party to this Agreement to comply with any of its obligations hereunder may be waived by any of the Sellers in the case of a default by Buyer and by Buyer in case of a default by any of the Sellers. No waiver shall be effective unless in writing and signed by the party granting such waiver, and no such waiver shall be deemed a waiver of any subsequent breach or default of the same or similar nature.

13.8 Severability. Any provision of this Agreement which is rendered unenforceable by a court of competent jurisdiction shall be ineffective only to the extent of such prohibition or invalidity and shall not invalidate or otherwise render ineffective any or all of the remaining provisions of this Agreement.

13.9 No Third-Party Beneficiaries. Nothing herein, express or implied, is intended or shall be construed to confer upon or give to any person, firm, corporation or legal entity, other than the parties hereto, any rights, remedies or other benefits under or by reason of this Agreement or any documents executed in connection with this Agreement.

13.10 Affiliate. For purposes of this Agreement, the term “affiliate” when used with respect to any person or entity, shall mean any person or entity which directly or indirectly, alone or together with others, controls, is controlled by or is under common control with such person or entity.

13.11 Drafting. No party shall be deemed to have drafted this Agreement but rather this Agreement is a collaborative effort of the undersigned parties and their attorneys.

13.12 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which shall constitute one and the same agreement.

13.13 Headings. The Section and paragraph headings contained herein are for the purposes of convenience only and are not intended to define or limit the contents of said Sections and paragraphs.

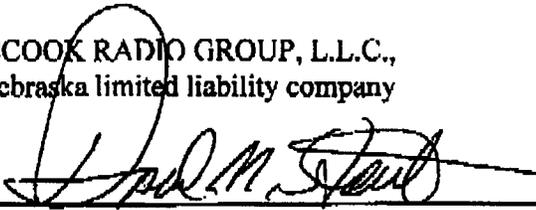
13.14 Use of Terms. Whenever required by the context, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns, pronouns and verbs shall include the plural and vice versa. The use of the words “include” or “including” in this Agreement shall be by way of example rather than by limitation. Reference to any agreement, document or instrument means such agreement, document or instrument as amended or otherwise modified from time to time in accordance with the terms thereof. Unless otherwise indicated, reference in this Agreement to a “Section” or “Article” means a Section or Article, as applicable, of this Agreement. When used in this Agreement, words such as “herein”, “hereinafter”, “hereof”, “hereto”, and “hereunder” shall refer to this Agreement as a whole, unless the context clearly requires otherwise. The use of the words “or,” “either” and “any” shall not be exclusive. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

**[SIGNATURES BEGINNING ON NEXT PAGE]**

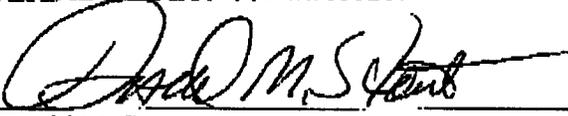
**IN WITNESS WHEREOF**, the parties have duly executed this Agreement as of the date first above written.

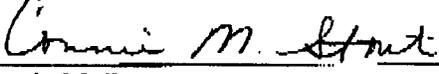
**SELLERS:**

MCCOOK RADIO GROUP, L.L.C.,  
a Nebraska limited liability company

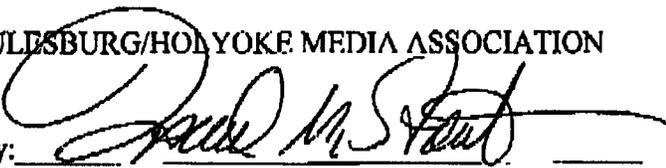
By:   
David M. Stout, Managing Member

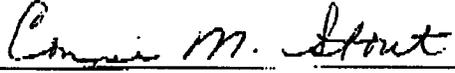
IMPERIAL MEDIA ASSOCIATION

By:   
David M. Stout, owner

By:   
Connie M. Stout, owner

JULESBURG/HOLYOKE MEDIA ASSOCIATION

By:   
David M. Stout, owner

By:   
Connie M. Stout, owner

**BUYER:**

ARMADA MEDIA CORPORATION,  
a Wisconsin corporation

By: \_\_\_\_\_  
John R. Larson  
Chief Financial Officer and Secretary

**IN WITNESS WHEREOF**, the parties have duly executed this Agreement as of the date first above written.

**SELLERS:**

MCCOOK RADIO GROUP, L.L.C.,  
a Nebraska limited liability company

By: \_\_\_\_\_  
David M. Stout, Managing Member

IMPERIAL MEDIA ASSOCIATION

By: \_\_\_\_\_  
David M. Stout, owner

By: \_\_\_\_\_  
Connie M. Stout, owner

JULESBURG/HOLYOKE MEDIA ASSOCIATION

By: \_\_\_\_\_  
David M. Stout, owner

By: \_\_\_\_\_  
Connie M. Stout, owner

**BUYER:**

ARMADA MEDIA CORPORATION,  
a Wisconsin corporation

By:  \_\_\_\_\_  
John R. Larson  
Chief Financial Officer and Secretary

## **SCHEDULES/EXHIBITS**

Schedule 2.1(e) - Assumed Contracts  
Schedule 2.2 - Excluded Assets  
Schedule 2.5 - Allocation Schedule  
Schedule 2.6 – Closing Prorations and Adjustments  
Schedule 2.7 – Potential Claim Related to Sellers  
Schedule 4.1(a) – Jurisdictions in Good Standing  
Schedule 4.1(b) - Subsidiaries of Seller  
Schedule 4.3 - Seller Conflicts  
Schedule 4.4 - Financial Statements  
Schedule 4.6(a) - Governmental Compliance  
Schedule 4.6(b)(i) - FCC Authorizations  
Schedule 4.6(b)(ii) - Other Authorizations  
Schedule 4.8 - Tangible Personal Property  
Schedule 4.9(a) - Contracts  
Schedule 4.9(b) - Agency/Independent Contractor Contracts  
Schedule 4.9(c) - Intangible Contracts  
Schedule 4.9(d) – Trade-Outs  
Schedule 4.10 - Insurance  
Schedule 4.11 – Change  
Schedule 4.12 - Intangibles  
Schedule 4.13(a) - Real Property  
Schedule 4.13(b) - Hazardous Substances/Environmental Conditions  
Schedule 4.14 – Employees  
Schedule 4.15(a) - Employee Benefits  
Schedule 4.16 - Employee Loans  
Schedule 4.17 - Undisclosed Liabilities  
Schedule 5.5 - Buyer Conflicts

Exhibit 2.7 – Form of Assignment and Assumption Agreement  
Exhibit 2.10 – Form of Escrow Agreement and Letter of Credit  
Exhibit 7.1(g) - Form of Opinion of Corporate Counsel  
Exhibit 7.1(h) - Form of Opinion of FCC Counsel  
Exhibit 8.2(a) - Form of Bill of Sale  
Exhibit 8.3(t) – Forms of Consulting Agreements