

Execution Copy

ASSET PURCHASE AGREEMENT

by and among

**SIMMONS MEDIA GROUP, LLC,
SIMMONS-SLC, LLC and
SIMMONS-SLC, LS, LLC,**

as Sellers

and

**BONNEVILLE INTERNATIONAL CORPORATION and
BONNEVILLE HOLDING COMPANY,**

as Buyers

November 7, 2002

Table of Contents

	Page
<u>ARTICLE 1 ASSETS TO BE CONVEYED</u>	2
1.1 Transfer of Assets of Stations	2
1.2 Excluded Assets	4
1.3 Assumption of Liabilities and Obligations	5
<u>ARTICLE 2 PURCHASE PRICE</u>	5
2.1 Purchase Price	5
2.2 Payment of Purchase Price	6
2.3 Allocation	6
2.4 Prorations	6
<u>ARTICLE 3 CLOSINGS</u>	8
3.1 FM Stations Closing	8
3.2 AM Station Closing	8
<u>ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF SELLERS</u>	8
4.1 Organization and Standing	9
4.2 Authorization and Binding Obligation	9
4.3 Absence of Conflicting Agreements or Required Consents	9
4.4 Litigation	9
4.5 Station and Other Licenses	10
4.6 Title to and Condition of Real and Personal Property	11
4.7 Contracts; AM Station Agreements	11
4.8 Compliance with Laws	12
4.9 Material Consents	12
4.10 Taxes	12
4.11 Reports	12
4.12 Trademarks and Similar Rights	12
4.13 Financial Statements of the Stations	13
4.14 Absence of Changes in Sellers' Business Operations	13
4.15 Personnel	14
4.16 Employee Benefits	14
4.17 Environmental Matters	14
4.18 Broker's Fees	15
4.19 Affiliate Relationships	16
4.20 Disclosure	16
<u>ARTICLE 5 REPRESENTATIONS AND WARRANTIES OF BUYERS</u>	16
5.1 Organization and Standing	16

5.2	Authorization and Binding Obligation.....	16
5.3	Absence of Conflicting Agreements or Required Consents	16
5.4	Absence of Litigation	17
5.5	FCC Qualifications	17
5.6	Financial Qualifications	17
5.7	Seller's Representations and Warranties.....	17
5.8	Broker's Fees	17
<u>ARTICLE 6 GOVERNMENTAL CONSENTS</u>		17
6.1	FCC Application.	17
6.2	Hart-Scott-Rodino Filing, Other Filings and Governmental Consents.....	18
<u>ARTICLE 7 COVENANTS</u>		19
7.1	Conduct of Business.....	19
7.2	Access	22
7.3	No Inconsistent Action.....	22
7.4	Confidentiality	23
7.5	Further Assurances.....	23
7.6	Employees; COBRA; WARN.....	23
7.7	Cooperation Relative to Accounts Receivable.....	24
7.8	Transition Efforts.	25
7.9	Employee Solicitation.	25
7.10	Exclusivity	26
7.11	Press Releases	26
7.12	AM Station Permit, License and Construction	26
7.13	FCC Authorizations.	27
7.14	Consents; Assignments of Agreements; Lease Extensions.....	27
7.15	Estoppel Certificates	27
7.16	Station Operating Status.....	28
7.17	Title Commitments	28
7.18	UCC and Fixture Search	28
7.19	Assignment of Agreement	28
<u>ARTICLE 8 CONDITIONS PRECEDENT</u>		29
8.1	To Buyers' Obligations Regarding FM Closing	29
8.2	To Buyers' Obligations Regarding AM Closing	31
8.3	To Sellers' Obligations	32
<u>ARTICLE 9 DOCUMENTS TO BE DELIVERED AT THE CLOSINGS</u>		33
9.1	Documents to be Delivered by Sellers.....	33
9.2	Documents to be Delivered by Buyers	34
<u>ARTICLE 10 INDEMNIFICATION, SURVIVAL</u>		34
10.1	Sellers' Indemnities.....	34
10.2	Buyers' Indemnities	35
10.3	Procedure for Indemnification	36

10.4	Limitations	37
10.5	Survival of Representations, Warranties and Covenants	37
<u>ARTICLE 11 TERMINATION RIGHTS</u>		37
11.1	Termination	37
11.2	Effect of Termination	38
<u>ARTICLE 12 REMEDIES UPON DEFAULT</u>		39
12.1	Remedies Generally	39
<u>ARTICLE 13 OTHER PROVISIONS</u>		39
13.1	Transfer Taxes and Expenses	39
13.2	Benefit and Assignment	39
13.3	Entire Agreement; Schedules; Amendment; Waiver	39
13.4	Headings	40
13.5	Computation of Time	40
13.6	Governing Law	40
13.7	Attorneys' Fees	40
13.8	Severability	40
13.9	Dispute Resolution	40
13.10	Court Trial	41
13.11	Notices	42
13.12	Counterparts	43
<u>ARTICLE 14 DEFINITIONS</u>		43
14.1	Defined Terms	43
14.2	Miscellaneous Terms	48

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement ("Agreement") is made as of the 7th day of November, 2002, by and among **BONNEVILLE INTERNATIONAL CORPORATION**, a Utah corporation ("BIC"), **BONNEVILLE HOLDING COMPANY**, a Utah non-profit corporation ("Holding") (BIC and Holding are collectively referred to as the "Buyers"), **SIMMONS MEDIA GROUP, LLC**, a Utah limited liability company ("Simmons Media"), **SIMMONS-SLC, LLC**, a Utah limited liability company (together with Simmons Media Group, LLC, the "Operating Companies"), and **SIMMONS-SLC, LS, LLC**, a Utah limited liability company ("License Company"). The Operating Companies and the License Company are collectively referred to in this Agreement as the "Sellers." Reference herein to a "Party" or the "Parties" shall refer, on the one hand, to the Buyers, and on the other hand, to the Sellers. Capitalized terms shall have the meanings ascribed to them in Article 14 of this Agreement.

RECITALS:

A. Operating Companies are the current owners and operators of radio stations KSFI (FM) licensed to Salt Lake City, Utah, KRSP-FM licensed to Salt Lake City, Utah, and KQMB (FM) licensed to Midvale, Utah (the "FM Stations") and License Company is the holder of the licenses and authorizations issued by the Federal Communications Commission (the "FCC") for the operation of such Stations.

B. License Company has entered into that certain Purchase Agreement (the "AM Station Purchase Agreement"), dated August 23, 2002, with Palmetto Radio Group, Inc. ("Palmetto") for the purchase of a construction permit (the "AM Station Permit") issued by the FCC to construct and operate a new commercial AM broadcast station to be licensed to Taylorsville, Utah on 820kHz (Facility ID Number 129372) (the "AM Station," and together with the FM Stations, the "Stations"). In association with the AM Station Purchase Agreement, License Company has also entered into that certain Construction Agreement, dated August 23, 2002, with Lakeshore Media, LLC and Palmetto for the construction of the AM Station proposed in the AM Station Permit (together with the AM Station Purchase Agreement and its other related agreements, the "AM Station Agreements").

C. Subject to the terms and conditions set forth in this Agreement, including consent by the FCC to the assignments of the FCC Licenses contemplated in this Agreement, (i) Operating Company desires to sell and BIC desires to purchase certain assets related to the Stations, and (ii) License Company desires to assign and Holding desires to assume License Company's FCC Licenses of the Stations, now owned or hereafter acquired.

AGREEMENT:

NOW, THEREFORE, in consideration of the mutual covenants contained herein, Sellers and Buyers hereby agree as follows:

ARTICLE 1 ASSETS TO BE CONVEYED

1.1 Transfer of Assets of Stations. Subject to the terms and conditions set forth in this Agreement, (1) License Company hereby agrees to sell, assign, transfer, convey and deliver to Holding on the applicable Closing Date, and Holding agrees to purchase the FCC Licenses (as defined in paragraph (a) below) and the call letters, filings, and records relating to the FCC Licenses, and (2) Sellers hereby agree to sell, assign, transfer, convey and deliver to BIC on the applicable Closing Date, and BIC agrees to purchase all assets (other than those described in (1) above) now or hereafter used or held for use (or ordered but not yet delivered) by Sellers in connection with the operation of the Stations and any websites related thereto, including the following assets, together with any modifications thereto (pursuant to paragraphs (a), (b), and (c) below) between the date of this Agreement and the applicable Closing Date, free and clear of all Liens, except as otherwise provided in this Agreement, but excluding the assets described in Section 1.2 (the assets described in (1) and (2), collectively, the "Assets"):

(a) All licenses, permits, construction permits, and other authorizations issued by the FCC, the Federal Aviation Administration (the "FAA"), or any other federal, state or local governmental authority to the Sellers, currently in effect and used in the conduct of the business or operations of each of the Stations, together with renewals or modifications thereof and any additions thereto between the date hereof and the applicable Closing Date (such additions to specifically include FCC licenses and authorizations that will be obtained by Sellers for the operation of the AM Station), including the licenses, permits and authorizations issued to each Seller as listed on Schedule 1.1(a) attached hereto (the licenses, permits and authorizations issued by the FCC collectively are referred to herein as the "FCC Licenses," and the other licenses, permits and other authorizations issued by any other governmental authority relating to the Stations are collectively referred to herein as the "Non-FCC Licenses");

(b) All towers, transmitters, antennas, equipment, spare parts, furniture, fixtures, computer hardware, supplies, programming libraries, inventories, materials and supplies (including promotional, sales, marketing and format specific programming materials and supplies) and other tangible personal property located at the Stations' transmitters or studio sites and used in the operation of the Stations (and any and all warranty rights relating thereto and post-construction contractual rights relating to the construction of the AM Station), including the tangible personal property of each of the Sellers identified on Schedule 1.1(b), together with such modifications, replacements, improvements and additional items made or acquired collectively between the date hereof and the applicable

Closing Date in accordance with the terms and provisions of this Agreement (the "Personal Property");

(c) All contracts of each of the Sellers related to the operation of the Stations (the "Contracts"); provided, however, that upon the applicable Closing hereof Buyers only agree to assume those Contracts that: (i) are listed on Schedule 1.1(c) hereto and copies of which have been provided to Buyers, including those separately designated thereon as "Barter Agreements;" (ii) involve possible payment or other consideration of less than \$5,000 over the course of their respective term and are entered into in the normal course of the business of the Stations consistent with past practices; (iii) are Barter Agreements not identified in Schedule 1.1(c) but which have been entered into in the normal course of the business of the Stations, have a term that expires less than one (1) year from the applicable Closing Date, and, together with the Barter Agreements identified in Schedule 1.1(c), only require the Stations to provide specific advertising time that, in the aggregate, does not exceed \$50,000 in contracted value; (iv) are for the sale of broadcast advertising on the Stations (but not including Barter Agreements) and are terminable by Sellers upon not more than thirty (30) days prior written notice; or (v) are entered into between the date hereof and the applicable Closing which have been submitted to BIC and which BIC has agreed to assume in writing at the applicable Closing (collectively, the "Assumed Contracts"). Any contracts not identified as Assumed Contracts shall not be assumed hereunder unless the relevant Seller and BIC mutually agree to their assignment and assumption on or after the applicable Closing, with BIC acknowledging that it will, as a general rule, consider in good faith the assumption of those contracts that are similar in nature to those expressly identified for assumption hereunder, are related to the normal operations of the Stations, and of which true and correct copies have been provided to Buyers;

(d) Each of the Stations' public inspection files, filings with the FCC relating to the Stations, and such technical information, engineering data, and rights under manufacturers' warranties as they exist at the applicable Closing and relate in any way to the Assets being conveyed hereunder;

(e) Each of the Sellers' copyrights, logos, slogans, trademarks, trade names, service marks, applicable call letters, websites and other intellectual property used by the Sellers in the business and operation of the Stations, whether or not registered, including those listed on Schedule 1.1(e), together with any associated goodwill (the "Intellectual Property");

(f) Copies of the Assumed Contracts, and all records required by the FCC to be kept by each of the Stations;

(g) Each of the Sellers' proprietary information, technical information and data, operating manuals, books, studies, records, reports, ledgers, files, documents, correspondence, machinery and equipment warranties, maps, computer discs and tapes, plans, diagrams, blueprints and schematics, including filings with the FCC, relating to the business and operation of the Stations; provided, however, that Sellers may provide Buyers copies of any such items; and

(h) Each of the Sellers' right, title and interest in and to the real property listed either as Owned Real Property or Leased Real Property on Schedule 1.1(h), including the fee and/or leasehold interest in the real property, any appurtenant water, easement or other similar rights, and all of the improvements thereon (the "Real Property").

The FCC Licenses and the call letters for the Stations shall be assigned and transferred to Holding. All other items comprising the Assets shall be assigned and transferred to BIC. The Parties contemplate that the transfer of the Assets may occur in two closings as described in Article 3 (Closings) below, the first involving the Assets that relate to the FM Stations (the "FM Assets") and the second involving the Assets that relate to the AM Station (the "AM Assets").

1.2 Excluded Assets. The Assets shall not include the following (collectively, the "Excluded Assets"):

(a) All cash, cash equivalents or similar investments such as certificates of deposit, treasury bills and other marketable securities on hand and/or in banks and deposits of any of the Sellers;

(b) All accounts receivable of each of the Sellers arising from the operation of the Stations prior to the applicable Closing Date (the "Accounts Receivable");

(c) Any insurance policies, promissory notes, amounts due from employees, bonds, letters of credit, or other similar items, and any cash surrender value in regard thereto of any of the Sellers;

(d) Any pension, profit-sharing or cash or deferred (Section 401(k)) plans and trusts and assets thereof, or any other employee benefit plan or arrangement, and the assets thereof of Sellers;

(e) Duplicate copies of such records as may be necessary to enable the Sellers to prepare and file tax returns and reports, all original financial statements and supporting materials, all books and records that Seller is required by law to retain, and all records of Seller relating to the sale of the Assets;

(f) Any interest in and to any refunds of federal, state or local franchise, income or other taxes of the Sellers for periods prior to the applicable Closing;

(g) All tangible and intangible personal property of any of the Sellers disposed of or consumed between the date of this Agreement and the applicable Closing in the ordinary course of business, as permitted under this Agreement;

(h) Any other assets identified on Schedule 1.2(h);

(i) Any personal property leases that are characterized as debt financing under GAAP ("Financing Leases") and reflect aggregate payment obligations in excess of \$50,000;

(j) Any advertising, barter or other agreements with or in any way related to casinos, gambling operations, or lotteries;

(k) The account books of original entry and general ledgers and all limited liability company records of each of the Sellers, including, but not limited to, tax returns and transfer books; and

(l) Assets not identified as Assets under Section 1.1 above and not used or ordered for use by any of the Sellers in the operation of the Stations.

1.3 Assumption of Liabilities and Obligations. As of each Closing Date, BIC shall assume and undertake to pay, discharge and perform all obligations and liabilities of each of the Sellers arising or accruing after each Closing under the Assumed Contracts related to the FM Assets, in the case of the FM Closing, and the AM Assets, in the case of the AM Closing, and Holding shall assume and undertake to pay, discharge and perform all obligations and liabilities of each of the Sellers arising or accruing after each such Closing under the FCC Licenses. Buyers shall not assume any other obligations or liabilities of Sellers or the Stations, including (i) any obligations or liabilities under any contract or agreement not included in the Assumed Contracts, (ii) any obligation or liabilities under the Assumed Contracts relating to the period prior to the applicable Closing, except insofar as an adjustment therefor is made in favor of Buyers under Section 2.4, (iii) any claims or pending litigation or proceedings relating to the operation of the Stations prior to the applicable Closing, (iv) any obligations or liabilities of Sellers which are unrelated to the Stations, (v) any obligations relating to employees or other service providers of the Stations, (vi) any federal, state or local franchise, income or other taxes of the Sellers for periods prior to the applicable Closing, and (vii) any obligations relating to the Excluded Assets.

ARTICLE 2

PURCHASE PRICE

2.1 Purchase Price.

(a) **FM Stations Purchase Price.** The purchase price for the FM Assets shall be One Hundred Twenty Six Million Five Hundred Thousand Dollars (\$126,500,000.00) (the "FM Purchase Price").

(b) **AM Station Purchase Price.** The purchase price for the AM Assets shall be Three Million Five Hundred Thousand Dollars (\$3,500,000.00) (the "AM Purchase Price," and together with the FM Purchase Price, the "Purchase Price").

2.2 Payment of Purchase Price. At the FM Closing, Buyers shall pay Sellers the FM Purchase Price, subject to the prorations set forth in Section 2.4. At the AM Closing, Buyers shall pay License Company the AM Purchase Price, subject to the prorations set forth in Section 2.4. Both such payments shall be by wire transfer of immediately available funds to an account at a bank or other financial institution pursuant to wire transfer instructions that Sellers shall deliver to Buyers at least five (5) days prior to the applicable Closing Date.

2.3 Allocation. The FM Purchase Price and the AM Purchase Price shall be allocated for income tax purposes in a manner as mutually agreed between the Parties based upon an appraisal prepared by Bond & Pecaro, or such other appraiser mutually agreed to by the Parties. Such agreed allocations shall be used by the Parties in preparing all relevant tax returns, information reports and other tax documents and forms. The fees of the appraiser shall be split evenly between the Parties.

2.4 Prorations.

(a) **Income and Expense Prorations.** All income and expenses arising from the conduct of the business and operations of the Stations shall be prorated between Buyers and Sellers as of 12:01 a.m. local time on the applicable Closing Date in accordance with GAAP. Such prorations shall be based upon the principle that the Sellers shall be entitled to all income earned and shall be responsible for all liabilities and obligations accruing in connection with each of the Stations' operations until the applicable Closing Date, and Buyers shall be entitled to such income earned and be responsible for such liabilities and obligations accruing in connection with such operations thereafter. Such prorations shall include all ad valorem and other property taxes (but excluding taxes arising by reason of the transfer of the Assets as contemplated hereby, which shall be paid as set forth in Section 13.1 of this Agreement), deposits, utility expenses, liabilities and obligations under all Assumed Contracts, rents and similar prepaid and deferred items, and all other expenses attributable to the ownership and operations of the Stations; provided, however, that there shall be no adjustment for, and Sellers shall remain solely liable for, any contracts or agreements not included in the Assumed Contracts and any other obligation or liability not being assumed by Buyers in accordance with Section 1.3. All real estate taxes and personal property taxes shall be apportioned on the basis of the number of days that each Party owned the Real Property or Personal Property during the relevant tax year. The aggregate net adjustment amount determined in accordance with this Section is referred to herein as the "Proration Amount."

(b) **Specific Prorations.** Without limiting the generality of the foregoing Section 2.4(a):

(i) The Sellers shall receive a credit for the unapplied portion, as of each applicable Closing, of the security deposits made by the Sellers under the Assumed Contracts;

(ii) The Buyers shall be given a credit equal to the amount of cash consideration that the Sellers have not paid prior to the applicable Closing Date for programming acquired from third parties and run by the Stations prior to such Closing Date;

(iii) Any FCC annual regulatory fees relating to the Stations paid or payable by either Party shall be prorated, treating such payments as though they are paid in arrears;

(iv) If, in their sole discretion, Buyers elect to recognize each vacation day or portion thereof earned but not taken by Covered Employees before the applicable Closing Date, the Buyers shall receive a credit equal to the compensation equivalent thereof;

(v) Sales persons' commissions, chargebacks and allocated bonuses shall be prorated;

(vi) There shall be no proration for sick leave.

(c) GAAP. To the extent not inconsistent with the express provisions of this Agreement, the allocations made pursuant to this Section shall be made in accordance with GAAP.

(d) Proration Notice. Within ninety (90) days after the applicable Closing Date, the Buyers shall deliver to the Sellers in writing and in reasonable detail a good faith determination of the Proration Amount determined as of the applicable Closing Date (the "Proration Notice"). The Sellers shall assist the Buyers in making such determination, and the Buyers shall provide the Sellers and their representatives with reasonable access to the properties, books and records relating to the Stations for the purpose of determining the applicable Proration Amount. The Sellers shall have the right to review the computations and workpapers used in connection with the Buyers' preparation of the Proration Amount. If the Sellers disagree with the Proration Amount determined by the Buyers, the Sellers shall so notify the Buyers in writing (the "Proration Dispute Notice") within thirty (30) days after the date of receipt of the Buyers' Proration Notice, specifying in detail any point of disagreement. After the receipt of any Proration Dispute Notice, the Buyers and the Sellers shall negotiate in good faith to resolve any disagreements regarding the applicable Proration Amount, including, if necessary, through informed discussions between their Presidents and/or CEOs as provided in Section 13.9(a). If agreement is reached within thirty (30) days after the Buyers' receipt of the Proration Dispute Notice, then upon reaching such agreement, the Sellers shall pay to the Buyers or the Buyers shall pay to the Sellers, as the case may be, the Proration Amount in the manner provided in Section 2.4(e) below. If agreement is not reached within such 30-day period with respect to a disputed Proration Amount, then the dispute resolutions of Section 2.4(f) shall apply.

(e) Payment of Proration Amount. Each payment of the Proration Amount required under Sections 2.4(d) or 2.4(f) shall be paid by wire transfer in immediately available funds to the account of the payee at a financial institution in the United States within five (5) business days of its final determination. Any payment not received by the Party entitled thereto within this period shall bear interest from such date until paid in full at a rate per annum equal to the prime rate in effect at the end of such period (as published in the Money Rates column of *The Wall Street Journal*) plus four percent (4%).

(f) Proration Dispute Resolution. If the Sellers and the Buyers do not, within the 30-day period specified in Section 2.4(d), reach an agreement on the Proration Amount, then the dispute will be resolved by an accounting firm mutually acceptable to both Parties or, in the absence of agreement, by a "big-four" accounting firm selected by lot after eliminating the principal outside accountants of Sellers and Buyers and their respective Affiliates. The written determination of any accounting firm so selected, and the Proration Amount (with such modifications therein, if any, as reflect such determination), shall be conclusive and binding upon the Parties. The fees and expenses of such accounting firm in acting under this Section shall be borne equally by Sellers and Buyers.

ARTICLE 3

CLOSINGS

3.1 FM Stations Closing. Subject to (i) the provisions of Section 11.1 and (ii) the satisfaction or, to the extent permissible by law, waiver (by the Party for whose benefit the closing condition is imposed), on or prior to the date scheduled for the FM Closing, of the closing conditions set forth in Sections 8.1 and 8.3 hereof, the closing (the "FM Closing") of the sale and purchase of the FM Assets (as defined in Section 1.1) shall take place in the offices of BIC, at 11:00 a.m. local time on the tenth day following the satisfaction or waiver of the conditions set forth in Section 8.1 and 8.3 (or on the next normal business day if the tenth day is not a normal business day), or at such other place, time or date as Buyers and Sellers may mutually agree in writing (the "FM Closing Date").

3.2 AM Station Closing. Subject to (i) the provisions of Section 11.1 and (ii) the satisfaction or, to the extent permissible by law, waiver (by the Party for whose benefit the closing condition is imposed), on or prior to the date scheduled for the AM Closing, of the closing conditions set forth in Sections 8.2 and 8.3 hereof, the closing (the "AM Closing," and together with the FM Closing, the "Closings") of the sale and purchase of the AM Assets (as defined in Section 1.1) shall take place in the offices of BIC, at 11:00 a.m. local time on the tenth day following the satisfaction or waiver of the conditions set forth in Sections 8.2 and 8.3 (or on the next normal business day if the tenth day is not a normal business day), or at such other place, time or date as Buyers and Sellers may mutually agree in writing (the "AM Closing Date," and together with the FM Closing Date, the "Closing Dates"). References herein such as "each Closing," "each Closing Date" or "the applicable Closing Date" shall mean the FM Closing Date and the transaction relating to the FM Assets, in the one case, and the AM Closing Date and the transaction relating to the AM Assets, in the other case.

ARTICLE 4

REPRESENTATIONS AND WARRANTIES OF SELLERS

Each Seller, as to such Seller and its Assets, represents and warrants to Buyers that, subject to the specific terms herein and to the disclosures in the schedules referenced in this Article 4 (the "Schedule of Exceptions"), the following representations and warranties are true

and correct as of the date of this Agreement and will be true and correct as of the relevant Closing Date:

4.1 Organization and Standing. Each Seller (i) is a Utah limited liability company duly formed, validly existing and in good standing under the laws of the State of Utah, (ii) is qualified to do business in all jurisdictions where failure to do so would have a material adverse effect on the business of such Seller, and (iii) has all necessary power and authority to own, operate and lease its respective Assets and carry on the business of the respective Stations.

4.2 Authorization and Binding Obligation. Each Seller has all necessary power and authority to enter into and perform its respective obligations under this Agreement and the documents contemplated hereby and to consummate the transactions contemplated hereby and thereby. The execution and delivery of this Agreement and the documents contemplated hereby by each Seller and the consummation by each Seller of the transactions contemplated hereby and thereby have been duly authorized by all necessary action on the part of each Seller. This Agreement has been duly executed and delivered by each of the Sellers and is enforceable in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency or similar laws affecting creditors' rights generally or the availability of equitable remedies.

4.3 Absence of Conflicting Agreements or Required Consents. The execution, delivery and performance of this Agreement and the documents contemplated hereby (with or without the giving of notice, the lapse of time, or both) by each of the Sellers, respectively: (a) do not and will not violate any provisions of the organizational documents of Sellers; (b) do not and will not conflict with, result in a material breach of, constitute a material default under, or violate any applicable law, judgment, order, ordinance, injunction, decree, rule, regulation or ruling of any court or governmental authority; (c) do not and will not, either alone or with the giving of notice or the passage of time, or both, conflict with, constitute grounds for termination of, result in a material breach of, constitute a material default under, or accelerate or permit the acceleration of any performance required by the terms of, any material agreement, lease, instrument, license or permit to which the respective Seller is a party or by which any such Seller is bound; and (d) will not create any claim, liability, mortgage, Lien, pledge, condition, charge, or encumbrance upon any of the Assets.

4.4 Litigation. Except as disclosed on Schedule 4.4, there are no claims, actions, counterclaims, suits, litigation, labor disputes, arbitrations, or other legal, administrative or tax proceedings or investigations, nor any orders, decrees or judgments, pending, or, to the Knowledge of the Sellers, each as to itself, threatened, against or relating to such Seller (or basis thereof known to such Seller) with respect to the ownership of its respective operations or otherwise relating to the Assets, or the business or operations of each of the FM Stations and the construction, business or operation of the AM Station.

4.5 Station and Other Licenses.

(a) Schedule 1.1(a) contains a true and complete list of the FCC Licenses and the Non-FCC Licenses necessary for and used in connection with the operation of the Stations, and there are no other licenses, permits or other authorizations required for the lawful operation of the FM Stations in the manner now operated. The License Company has made available to Buyers true and complete copies of the FCC Licenses (including any amendments and other modifications thereto). The License Company is the authorized legal holder of the FCC Licenses as designated on Schedule 1.1 (a) and will be the authorized legal holder of the FCC Licenses relating to the AM Station. The FCC Licenses are in good standing and in full force and effect. The Stations and the facilities of the FM Stations are being operated in accordance with the FCC Licenses and all FCC rules and policies and the AM Station is, as of the date hereof, being constructed in accordance with the AM Station Permit and all FCC rules and policies, and will, as of the AM Closing, be operated in accordance with the FCC Licenses and all FCC rules and policies.

(b) Except as set forth in Schedule 4.5(b) and except for proceedings affecting the radio broadcasting industry generally, there are no applications, petitions, complaints, investigations, notices of violations (NOVs), notice of apparent liabilities (NALs), forfeitures, proceedings or other actions pending or, to the Knowledge of the License Company, threatened from or before the FCC relating to the FM Stations, the AM Station, the FCC Licenses or the AM Station Permit, nor, to the Knowledge of License Company, is there any reasonable basis for such a complaint, investigation, NOV, NAL or other action. Should any such filing be made or action initiated, or if Sellers become aware of any reasonable basis for such a filing or action, the License Company shall promptly notify Buyers thereof. The Stations' transmission towers and equipment have been and are operated and maintained by the Operating Company in compliance with the Communications Act of 1934, as amended (the "Communications Act") and the rules and regulations of the FCC and the FAA, and the towers have been and are properly registered with the FCC and approved by the FAA as necessary.

(c) The License Company is qualified to hold the FCC Licenses.

(d) In addition to the FCC Licenses, each Seller, as may be the case, possesses and will transfer to Buyers (to the extent transferable) all Non-FCC Licenses. The Non-FCC Licenses include all required governmental or official approvals, permits or authorizations, the failure to possess which would have a material adverse effect on the business, financial condition or results of operations of the respective Stations. Such Non-FCC Licenses are in full force and effect, and each Seller as to its respective Non-FCC License is in compliance with the respective requirements thereof, and no proceeding is pending or threatened to revoke or amend any of them. Schedule 1.1(a) contains a complete list of each Stations' Non-FCC Licenses.

4.6 Title to and Condition of Real and Personal Property.

(a) The FM Assets constitute all of the assets and rights associated with, and necessary to operate and conduct, the FM Stations as operated and conducted by Sellers currently and on the FM Closing Date. On the AM Closing Date, the AM Assets will constitute all of the assets and rights associated with, and necessary to operate and conduct, the AM Station under the FCC License to be obtained pursuant to the AM Station Permit. Risk of loss to the Assets shall remain with the Sellers until the applicable Closing. Except as disclosed on Schedule 4.6(a), each Seller has good and marketable title to its respective Personal Property free and clear of all Liens. Except as disclosed on Schedule 4.6(a), each Seller has either (i) good and marketable title to the Real Property which is indicated on Schedule 1.1(h) as designated with respect to each Seller as being owned by the respective Seller ("Owned Real Property"), or (ii) a valid leasehold interest in and to the Real Property which is indicated on Schedule 1.1(h) as being leased as designated by each respective Seller ("Leased Real Property"), in each case free and clear of all Liens.

(b) The Personal Property is (or as it relates to the AM Station, will be at the AM Closing): (i) in a good state of operating condition and repair, ordinary and reasonable wear and tear excepted; (ii) maintained in accordance with a regular preventative maintenance program consistent with industry standards; (iii) adequate for the normal operation of the Stations; and (iv) in material compliance with the published rules and regulations of the FCC and all other applicable federal, state and local statutes, ordinances, rules and regulations.

(c) Both the Personal Property and the Real Property are (or as they relate to the AM Station, will be at the AM Closing) available for immediate use in the operation of the Stations. Except as disclosed on Schedule 4.6(c), none of the Sellers has received written notice of any violation of law, municipal or county ordinances or other legal requirements with respect to the Real Property or with respect to the use, occupancy or construction thereof. Except as disclosed in Schedule 4.6(c), none of the Sellers has received any written notice of any pending or threatened termination or impairment of access to the Real Property or discontinuation of necessary sewer, water, electrical, gas, telephone or other utilities or services.

(d) None of the Sellers has received any written notice (i) that either the whole or any portion of the Real Property is to be condemned, requisitioned or otherwise taken by any public authority, (ii) of violation of restrictive covenants, deed restrictions or governmental requirements on the Real Property which have not been remedied, (iii) of any violation of any zoning or similar land use law or restriction, or of any proceedings which would cause the change, redefinition or other modification of the zoning classification, or (iv) of any proceedings to widen or realign any street or highway adjacent to the Real Property.

4.7 Contracts; AM Station Agreements. To the Knowledge of each of the Sellers, the Contracts and the AM Station Agreements of each Seller are in full force and effect and are legally valid, binding and enforceable by the respective Seller in accordance

with their terms, except as limited by laws affecting creditor's rights or equitable principles generally. To the Knowledge of each Seller, each such Seller or other party thereto is not in any material respect in default under the Contracts or the AM Station Agreements. Neither the Sellers nor the other parties to the Contracts have waived any performance thereof that is not explicit in the amended language of the contract itself. The AM Station Agreements reflect the current agreement between the parties thereto and no amendments or other modifications have been made by such parties that have not been disclosed in writing to Buyers. License Company has provided Buyers with copies of all of the AM Station Agreements and any amendments, modifications or additional agreements relating thereto.

4.8 Compliance with Laws. To the Knowledge of each of the Sellers, each such Seller has complied in all material respects with, and is not in any material respect in violation of, any federal, state or local laws, statutes, rules, regulations or orders relating to the ownership and operation of the FM Stations or the construction, ownership and operation of the AM Station.

4.9 Material Consents. Except for the FCC Consent provided in Section 6.1, the consent required under the HSR Filing provided in Section 6.2, and the consents set forth on Schedule 4.9, no consent, approval, permit, or authorization of, or declaration to, or filing with any governmental or regulatory authority or any other third party is required (a) to consummate the transactions contemplated hereby, (b) to permit the Sellers to assign or transfer the Assets to Buyers, or (c) to permit the assumption by Buyers of the Assumed Contracts.

4.10 Taxes. Each of the Sellers: (i) has duly filed all federal, state, county and local tax returns and reports required to be filed by it with respect to taxes for which successor liability may apply, including payroll, property, withholding, social security, sales and use taxes, to the extent that such taxes relate to the Assets or the Stations, and such tax returns and reports are true, correct and complete in all material respects; (ii) has either paid in full all such taxes that have become due as reflected on any return or report and any interest and penalties with respect thereto or has fully accrued on its books or has established adequate reserves for all taxes payable but not yet due; and (iii) has made required cash deposits with appropriate governmental authorities representing estimated payments of taxes, including employee withholding tax obligations. No extension or waiver of any statute of limitations or time within which to file any return has been granted to or requested by any of the Sellers with respect to any such tax. No unsatisfied deficiency, delinquency or default for any such tax, assessment or governmental charge has been assessed (or, to the Knowledge of any Seller, claimed or proposed) against any of the Sellers, nor has any of the Sellers received notice of any such deficiency, delinquency or default.

4.11 Reports. All reports and statements that any of the Sellers are required to file with the FCC in respect of the Stations have been filed, and all reporting requirements of the FCC have been complied with in all respects.

4.12 Trademarks and Similar Rights. To the Knowledge of each Seller, respectively, the use of the Intellectual Property in connection with the conduct or operation

of the Stations has not infringed and is not infringing upon the rights of any third party in or to such Intellectual Property or the asserted proprietary rights of others, and no notices have been received by any of the Sellers that the use of the Intellectual Property in connection with the conduct or operation of the Stations infringes upon the patent, trademark or copyright rights of a third party in the United States in or to the Intellectual Property or the proprietary rights of others, except as disclosed on Schedule 4.12. Sellers make no representation as to whether or not the Intellectual Property disclosed on Schedule 1.1(e) is in current use by the Stations. Except for the limited warranty regarding infringement set forth in this paragraph, Sellers make no representations or warranties as to any right, claim or interest of Sellers as against any third party in or to the Intellectual Property. Without limiting the generality of the foregoing limitation of warranties, Sellers make no representations or warranties as to the strength, validity, enforceability, or registrability of any Intellectual Property.

4.13 Financial Statements of the Stations. Sellers have previously delivered to Buyers the audited balance sheet and income statement for Simmons Media and the unaudited balance sheets and income statements of each of the Stations as of and for the year ended December 31, 2001, and the unaudited balance sheet and income statement of Simmons Media and of each of the Stations as of and for the nine (9) months ended September 30, 2002 (the "Financial Statements"). These Financial Statements have been prepared in all material respects in accordance with GAAP, including any materiality limitations or qualifications imposed thereby, consistently applied by the Sellers throughout the periods indicated (except that the interim financial statements may omit certain footnotes required by such principles and do not reflect normal year-end adjustments and accruals) and fairly present the financial position of the Stations as of the respective dates of the balance sheets included and the results of their operations for the respective periods indicated.

4.14 Absence of Changes in Sellers' Business Operations. With reference to the Assets and the operations of the Stations by the respective Sellers, from September 30, 2002 to the date hereof and except as disclosed on Schedule 4.14, there has not been any:

- (a) Transaction by any of the Sellers related to the Assets or the operations of the Stations, including the construction of the AM Station, except in the ordinary course of business;
- (b) Material adverse change in the financial condition, liabilities, assets, business or prospects of any of the Stations;
- (c) Destruction, damage, or loss of any Asset (insured or uninsured) that materially and adversely affects the financial condition, business, or prospects of any of the Stations;
- (d) Material change in accounting methods, practices or conventions (including any change in depreciation or amortization policies or rates) by any of the Sellers with respect to the operation of the Stations;

(e) Sale or transfer of any material Asset, except in the ordinary course of business;

(f) Amendment, termination or modification of any contract, agreement, or License related to the operation of the Stations except in the ordinary course of business;

(g) Commencement or notice or threat of commencement of any civil litigation or any governmental proceeding against or investigation of any of the Sellers or the affairs of any of them with respect to the operation of the Stations; or

(h) Labor troubles or claim of wrongful discharge or other unlawful labor practice or action.

4.15 Personnel. Schedule 4.15 sets forth a current list of employees of Sellers or their Affiliates whose duties are related primarily to the business and operations of the Stations, including their hire dates, salary, current standing, and any accrued vacation, sick leave and severance benefits. Sellers have provided Buyers with copies of all employment or other personal service or compensation agreements that they have with such personnel. No Seller is a party or subject to any collective bargaining agreements with respect to its operations. To the Knowledge of each of the Sellers, there is no representation or organizing effort pending or threatened against or involving or affecting it, as the case may be, with respect to employees employed by such Seller. There is no pending or, to the Knowledge of any of the Sellers, threatened labor dispute, strike, or work stoppage affecting the Sellers.

4.16 Employee Benefits.

(a) Compliance with Employee Benefit Plans. Each Employee Benefit Plan that any of the Sellers maintains, to which any of the Sellers contributes or has any obligation to contribute, or with respect to which any of the Sellers has any existing or potential liability or exposure (and each related trust, insurance contract, or fund) has been maintained, funded and administered in accordance with the terms of such Employee Benefit Plan and complies in form and in operation in all material respects with the applicable requirements of ERISA, the Code and other applicable laws, including COBRA.

(b) Plan Liability. Neither of the Sellers nor any ERISA Affiliate has incurred, or will at Closing incur, any liability on account of a "partial withdrawal" or a "complete withdrawal" (within the meaning of ERISA §§4205 and 4203, respectively) from any Multiemployer Plan, no such Liability has been asserted, and there are no events or circumstances which could result in any such partial or complete withdrawal; and neither of the Sellers nor any ERISA Affiliate is bound by any contract or agreement or has any obligation or liability described in ERISA §4204. No event has occurred in connection with any Employee Benefits Plan which has resulted, or will or may result, in any fine, penalty, assessment or other liability for which the Sellers, any ERISA Affiliate or a transferee of the assets of the Sellers may be responsible, whether by reason of operation of law or by contract.

4.17 Environmental Matters. In respect of the Real Property:

(a) None of the Sellers has received any written notice, or has Knowledge of any notices received by any current or prior owners of the Real Property, from any governmental authority that the Sellers (or the current or prior owners) are in violation or alleged violation of any judgment, decree, order, law, license, rule or regulation pertaining to environmental matters, including those arising under the Resource Conservation and Recovery Act, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 as amended ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, the Federal Water Pollution Control Act, the Solid Waste Disposal Act, as amended, the Federal Clean Air Act, the Toxic Substances Control Act, or any state or local statute, regulation, ordinance, order or decree relating to the environment (hereinafter "Environmental Laws");

(b) None of the Sellers has received written notice, or has Knowledge of any notices received by current or prior owners of the Real Property, from any third party, including any federal, state or local governmental authority, that any hazardous waste, as defined by 42 U.S.C. § 6903(5), any hazardous substance, as defined by 42 U.S.C. § 9601(33), or any toxic substance, oil or hazardous material, asbestos containing material or other hazardous chemical or hazardous substance regulated by any Environmental Laws ("Hazardous Substances") which any Seller (or current or prior owner) has generated, transported or disposed of has been found at any site at which a federal, state or local agency or other third party has conducted or has ordered that any Seller (or any current or prior owner) conduct a remedial investigation, removal or other response action pursuant to any Environmental Law;

(c) No portion of any of the Real Property has been used by any of the Sellers for the handling, manufacturing, processing, storage or disposal of Hazardous Substances in material violation of applicable Environmental Laws, and none of the Sellers has any Knowledge of any such use of any portion of the Real Property by current or prior owners; and

(d) To the Knowledge of each Seller, as to itself, there have been no releases (i.e., any past or present releasing, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, disposing or dumping) or threatened releases of Hazardous Substances on, upon, into or from any of the Real Property in material violation of applicable Environmental Laws.

4.18 Broker's Fees. As of the date of this Agreement through the applicable Closing Date, other than a payment owed by Sellers to Star Media Group, none of the Sellers, nor any person or entity acting on any of the Sellers' behalf, has agreed to pay a commission, finder's fee or similar payment in connection with this Agreement or any matter related hereto to any person or entity, and no person or entity is entitled to any such payment from any of the Sellers in connection with the transactions contemplated by this Agreement. The Sellers shall indemnify and hold harmless the Buyers for any payment due to Star Media Group or any other broker pursuant to the transaction contemplated by this Agreement.

4.19 Affiliate Relationships. Except as disclosed on Schedule 4.19, no Affiliates of the Sellers have been involved in any business arrangement or relationship with any of the Sellers or other Affiliates of the Sellers relating to the Stations within the past twelve (12) months, and no Affiliates of Sellers own any asset, tangible or intangible, which is used in the business of any of the Stations.

4.20 Disclosure. No representation or warranty in this Article 4, and no statement contained elsewhere in this Agreement or in any schedule, exhibit, certificate or other document or agreement furnished or to be furnished to Buyers pursuant hereto, contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact or any fact necessary to make the statements contained herein or therein not misleading.

ARTICLE 5

REPRESENTATIONS AND WARRANTIES OF BUYERS

Each Buyer, each as to itself, represents and warrants severally (but not jointly) to Sellers that the following representations and warranties are true and correct as of the date of this Agreement and will be true and correct as of the applicable Closing Date:

5.1 Organization and Standing. Buyer is a corporation duly formed, validly existing and in good standing under the laws of the State of Utah. As of the applicable Closing Date, Buyer or its assignees will be qualified to do business in all jurisdictions where the failure to so qualify would have a material adverse effect on its business.

5.2 Authorization and Binding Obligation. Buyer has all necessary power and authority to enter into and perform its obligations under this Agreement and to consummate the transactions contemplated hereby. This Agreement and all other documents required hereby have been duly executed and delivered by Buyer and constitute valid and binding obligations enforceable against Buyer in accordance with their terms, except as may be limited by applicable bankruptcy, insolvency or similar laws affecting creditors' rights generally or the availability of equitable remedies.

5.3 Absence of Conflicting Agreements or Required Consents. Except for the FCC Consents, the consent required under the HSR Filing, and the consents disclosed by Sellers on Schedule 4.9, the execution, delivery and performance of this Agreement by Buyer: (a) does not and will not violate any provision of such Buyer's organizational documents; (b) does not and will not require the consent of any third party or governmental authority; (c) does not and will not violate any law, judgment, order, injunction, decree, rule, regulation or ruling of any governmental authority; and (d) does not and will not, either alone or with the giving of notice or the passage of time or both, conflict with, constitute grounds for termination or acceleration of, or result in a breach of the terms, conditions or provisions of, or constitute a default under, any agreement, lease, instrument, license or permit to which such Buyer is now subject.

5.4 Absence of Litigation. There is no claim, litigation, arbitration or proceeding pending or, to the Knowledge of Buyer, threatened, before or by any court, governmental authority or arbitrator relating to Buyer, that seeks to enjoin or prohibit, or that might materially hinder or impair such Buyer's performance of its obligations under this Agreement.

5.5 FCC Qualifications. Holding is qualified under the Communications Act of 1934, as amended, and the rules and regulations of the FCC to be an assignee and licensee of radio station licenses authorized by the FCC.

5.6 Financial Qualifications. Buyer is financially qualified to consummate the transactions contemplated by this Agreement and Holding is financially qualified to certify to its financial qualifications on FCC Form 314.

5.7 Seller's Representations and Warranties. Buyer has not relied on or been induced to enter into this Agreement by any statement, representation or warranty other than those expressly set forth in Article 4 of this Agreement.

5.8 Broker's Fees. Neither Buyer nor any person or entity acting on its behalf has agreed to pay a commission, finder's fee or similar payment in connection with this Agreement or any matter related hereto to any person or entity, and no person or entity is entitled to any such payment from such Buyer in connection with the transactions contemplated by this Agreement.

ARTICLE 6

GOVERNMENTAL CONSENTS

6.1 FCC Application.

(a) The assignments of the FCC Licenses as contemplated by this Agreement are subject to the prior consent and approval of the FCC. Prior to the applicable Closing, BIC shall not directly or indirectly control, supervise, direct, or attempt to control, supervise, or direct, the operations of the applicable Stations, and all such operations, including complete control and supervision of all of the applicable Stations' programs, employees, and policies, shall be the sole responsibility of the License Company as to its FCC Licenses until the applicable Closing.

(b) No later than forty-five (45) days after the date of this Agreement, Buyers and Sellers shall prepare and jointly file the FCC Applications requesting a waiver from the FCC of the Daily Newspaper Cross-Ownership Rule set forth in Section 73.3555(d) of the FCC regulations (published at 47 CFR Ch. I) (the "Newspaper Cross-Ownership Rule") as it applies to Buyers in the Salt Lake market, and the Parties shall use reasonable efforts to cause the FCC to accept the FCC Applications for filing as soon as practicable. Sellers and Buyers shall thereafter prosecute the FCC Applications in good faith and with all reasonable diligence and otherwise use their best efforts to obtain the grant of the FCC Applications as expeditiously as practicable; provided, however, that neither Sellers nor Buyers shall have any

obligation to satisfy any complainant or the FCC by taking any steps which would have a material adverse effect upon Sellers or Buyers or upon any Affiliate, but neither the expense nor inconvenience to a Party of defending against a complainant or an inquiry by the FCC shall be considered a material adverse effect on such Party. If any FCC Consent imposes any condition on any Party hereto, such Party shall use its reasonable best efforts to comply with such condition; provided, however, that no Party shall be required to comply with any condition that would have a material adverse effect upon it or any Affiliate. If rehearing, reconsideration or judicial review is sought by a third party or by the FCC on its own motion with respect to the FCC Consent, Buyers and Sellers shall vigorously oppose such efforts for rehearing, reconsideration or judicial review; provided, however, that nothing herein shall be construed to limit either Party's right to terminate this Agreement pursuant to Article 11 (Termination Rights).

(c) Each Party shall pay for its own FCC filing or grant fees with respect to the assignment of the FCC Licenses from Sellers to Holding. Buyers shall be responsible for any and all fees and costs, including legal fees, related to Buyers' request to the FCC for a waiver of the Newspaper Cross-Ownership Rule, and any protests, investigations, or claims based upon the Newspaper Cross-Ownership Rule as may be applicable to Buyers' efforts to consummate the transactions contemplated by this Agreement; provided, however, that Sellers shall be responsible for any and all fees and costs related to filings which Sellers elect to make in conjunction with Buyers' request for waiver of the Newspaper Cross-Ownership Rule. Each Party shall otherwise bear its own costs and expenses (including the legal fees and disbursements of its counsel) in connection with the preparation of the portion of the FCC Applications to be prepared by it and in connection with the processing and defense of the application.

6.2 Hart-Scott-Rodino Filing, Other Filings and Governmental Consents.

Promptly following the submission of an application for the assignment of the FCC Licenses with the FCC, the Parties shall prepare and file with the appropriate governmental authorities any other requests for approval or waiver that are required from such governmental authorities in connection with the transactions contemplated hereby, including a filing ("HSR Filing") under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (the "HSR Act"), and shall diligently and expeditiously prosecute, and shall cooperate fully with each other in the prosecution of, such requests for approval or waiver and all proceedings necessary to secure such approvals and waivers. Each Party shall bear its own costs and expenses in connection with the preparation of any filings, documents or requests to be prepared by it in order to obtain such governmental consents, approvals or waivers and in connection with any prosecution or defense by it of such filings, documents or requests, provided, however, that the Buyers and Sellers agree to share equally the cost of the filing fee for the HSR Filing.

ARTICLE 7

COVENANTS

7.1 Conduct of Business.

(a) Affirmative Covenants. Between the date of this Agreement and the applicable Closing Date, except as expressly prohibited by this Agreement or with the prior written consent of Buyers, which consent shall not be unreasonably withheld, each of the Sellers shall:

(i) Cause the FM Stations to be operated and the business thereof to be conducted in the ordinary course of business and in substantially the same manner in which the FM Stations are being operated and their business conducted on the date hereof and consistently with those practices, policies, customs and usages which were in effect from time to time prior to the date hereof and which remain in effect as of the date hereof. Without limiting the generality of the foregoing, Sellers shall: (1) incur promotional expenses substantially consistent with past history and current practices, (2) make capital expenditures prior to the applicable Closing Date that are necessary to repair and replace assets, including technical equipment, that are damaged (beyond reasonable wear and tear) or destroyed, (3) use commercially reasonable efforts to preserve the FM Stations' present business operations, inventory levels, organization and goodwill and their relationships with their audiences, customers, employees, advertisers, suppliers and other contractors (including independent contractors providing on-air or production services) and to maintain formats and programming consistent with past practice, and (4) continue the FM Stations' usual and customary policies with respect to extending credit, writing sales orders and the collection of accounts receivable, and the maintenance of facilities and equipment;

(ii) Promptly notify Buyers in writing if Sellers have Knowledge prior to the applicable Closing of, and exercise their best efforts to remedy: (1) any representations or warranties contained in Article 4 hereof that are no longer true and correct, (2) the occurrence of any event that would require any changes or amendments to the schedules and exhibits attached to this Agreement, (3) the occurrence of any other event that violates any covenants, conditions or agreements to be complied with or satisfied by Sellers under this Agreement, or (4) the occurrence of any material adverse changes in the business, operations or prospects of the Stations, including any event or condition that, with notice or lapse of time, would constitute an event of material default or breach under any Assumed Contract;

(iii) Use best efforts to promptly propose to Buyers supplements or amendments to the Schedule of Exceptions with respect to any matter arising after the date of this Agreement that would have been required to be set forth or described in the Schedule of Exceptions or which is necessary to correct any information in the Schedule of Exceptions or in any representation or warranty; provided, that if Buyers fail to object within ten (10) days after Buyers' receipt of such proposed modification, Buyers shall be deemed to have waived their right to object to such proposed modification. If Buyers make a timely objection pursuant to this paragraph, any such proposed modification will not be permitted, except as

thereafter agreed to by the Parties after good faith discussion, including informed discussions between their Presidents and/or CEOs as provided in Section 13.9(a). If the Parties continue to disagree on any such proposed modification, then the modification will not be permitted and Buyers may, in their discretion and subject to Sections 8.1 and 8.2, proceed to Closing and seek indemnification pursuant to Article 10 hereof. As a condition to Buyers' acceptance of any proposed modification to the Schedule of Exceptions, Buyers may require that the resolution of the issue raised by such modification be added as a condition to the Closings under this Agreement;

(iv) Furnish to Buyers the following financial statements:

(A) As soon as practicable, and in any event within one hundred twenty (120) days after the end of each fiscal year of Simmons Media, an audited Balance Sheet as of the end of such fiscal year and an audited Income Statement, setting forth in each case in comparative form the figures from the Simmons Media' previous fiscal year, all prepared in accordance with GAAP and certified by an internationally recognized accounting firm;

(B) As soon as practicable, and in any event within thirty (30) days after the end of each fiscal quarter of the Stations (except the last quarter of the Stations' fiscal year), quarterly unaudited financial statements for each Station, including an unaudited Balance Sheet and an unaudited Income Statement, together with a comparison to each Station's operating plan and budget by the Chief Financial Officer of Sellers explaining any significant differences in the statements from each Station's operating plan and budget for the period and stating that such statements fairly present the financial position and results of the Stations for the fiscal quarter covered;

(C) As soon as practicable, and in any case within fifteen (15) days after the end of each calendar month (except the last month of the Station's fiscal year), monthly unaudited financial statements for the Stations, including an unaudited Balance Sheet and an unaudited Income Statement; and

(D) As soon as practicable, and in any event no later than thirty (30) days after the close of each fiscal year of the Stations, an annual, operating plan and budget, prepared on a monthly basis, for the next immediate fiscal year, and any amendments thereto;

(v) Comply in all material respects with all laws applicable to each Sellers' use of the Assets and operate and maintain the Stations and their operations in conformity with the FCC Licenses, the Communications Act, and the rules and regulations of the FCC;

(vi) Maintain the Assets in customary repair, maintenance and condition;

(vii) Use reasonable efforts to obtain the consent of any governmental authority and of any third party necessary for the assignment to BIC, without any material adverse change, of the Contracts;

(viii) Timely make or provide all payments, services or other consideration due for the Contracts so that all payments required to be made as of the applicable Closing Date will have been paid, except for any amounts being contested by any of the Sellers in good faith;

(ix) Maintain in full force and effect the FCC Licenses and the Non-FCC Licenses relating to the Stations and the Assets and take any action necessary before the FCC, including the preparation and prosecution of applications for renewal of the FCC Licenses, if necessary, to preserve such licenses in full force and effect without material adverse change;

(x) Maintain reasonable insurance on the Assets;

(xi) To the extent Sellers may do so without penalty, terminate, or send notice of termination of, such of the Contracts as BIC may request; and

(xii) Use best efforts to complete all of the Sellers' obligations under time sales and/or Barter Agreements prior to the applicable Closing, and to take ownership and title and to transfer to BIC hereunder, free and clear of Liens, any and all of the Personal Property used by Sellers pursuant to Financing Leases.

(b) Negative Covenants. Between the date of this Agreement and the applicable Closing Date, except as expressly permitted by this Agreement or with the prior written consent of Buyers, which consent shall not be unreasonably withheld, Sellers shall not:

(i) Terminate, modify or amend any Contract except as contemplated in Section 7.1(a)(xi) and except in the ordinary course of business consistent with past practice;

(ii) Create any Lien on any of the Assets;

(iii) Sell, assign, lease or otherwise transfer or dispose of any of the material Assets now owned or hereafter acquired, except for assets consumed or disposed of in the ordinary course of business and which are replaced by the Sellers in the ordinary course of business with assets of equivalent or better functionality and value;

(iv) Modify or amend any of the FCC Licenses without Buyers' prior written consent, which consent may be withheld in Buyers' sole and absolute discretion provided that the considerations in withholding the consent relate to the subject FCC License and the proposed modification thereto and consequences thereof;

(v) Enter into, amend, renew or extend any employment or talent contracts related to any relevant Station except on terms comparable to those of such Station now in existence and otherwise in the ordinary course of business consistent with past practices;

(vi) Increase in any manner the compensation (including severance pay or plans) or benefits of any employees, independent contractors, consultants or commission agents of any Station, except in the ordinary course of business consistent with past practice or as required by an employment or consulting agreement or in connection with and commensurate with a change in responsibility;

(vii) Enter into any agreement relating to any Station (other than agreements that will be terminated prior to the applicable Closing) with any Affiliate of the Sellers; and

(viii) Except as required by law, voluntarily enter into or amend any collective bargaining agreement applicable to any employees of any Station or otherwise voluntarily recognize any union as the bargaining representative of any such employees; or enter into or amend any collective bargaining agreement applicable to any employees of any Station to provide that it shall be binding upon any "successor" employer of such employees.

7.2 Access. Between the date hereof and the applicable Closing Date and during regular business hours (so long as it would not unreasonably interfere with the operations of the Sellers), each of the Sellers will afford Buyers, their counsel, accountants, environmental consultants, appraisers and other advisers and representatives to review and inspect the Stations and the Assets, to inspect and copy all Contracts, the AM Station Agreements, financial, business and employee records, environmental and engineering studies and reports, and any other documents and contracts relating to the business and operation of the FM Stations and the construction, business and operation of the AM Station, and to have access to Sellers' employees and customers of the FM Stations. Without limiting the generality of the foregoing, if requested by Buyers, Sellers will provide Buyers and their representatives (including an independent accounting firm selected by Buyers) sufficient access to the books and records of the Stations to conduct a full, GAAP-based audit of the Stations' operations and the Financial Statements, and will cause appropriate personnel of Sellers to assist Buyers and their representatives, at no cost to Buyers, in any review and audit conducted by Buyers.

7.3 No Inconsistent Action. Between the date of this Agreement and the applicable Closing, each Party shall use its reasonable best efforts to cause the fulfillment at the earliest practicable date of all of the conditions to the obligations of the other Party to consummate the sale and purchase and shall take no actions which are inconsistent with its obligations under this Agreement or that would materially hinder or delay the consummation of the transactions contemplated by this Agreement. In particular, neither Party shall take any action that would jeopardize the FCC Licenses or the AM Station Permit, result in its disqualification to hold the FCC Licenses or the AM Station Permit, or in any way delay grant of the FCC Application or consummation of the transactions contemplated by this Agreement, and Buyers shall take no action which would impair their financial or other qualifications to

consummate this transaction in accordance with its terms. Should either Party become aware of any such fact or circumstance, such Party shall promptly inform the other.

7.4 Confidentiality. Each Buyer and each Seller shall each keep confidential all information obtained by it with respect to the other Parties in connection with this Agreement, except where such information is known through other lawful sources or where its disclosure is required in accordance with applicable law, including requirements of the FCC pursuant to the FCC Applications. If the transactions contemplated hereby are not consummated for any reason, Buyers and Sellers shall return to each other, without retaining a copy thereof in any medium whatsoever, any schedules, documents or other written information, including all financial information, obtained from the other in connection with this Agreement and the transactions contemplated hereby. Except as is required for the consummation of the transaction contemplated by this Agreement, including the filing of the FCC Application, during the period from the date hereof through the applicable Closing Date, both Buyers and Sellers shall also keep confidential the fact that the Parties have entered into this Agreement and all other matters relating to this transaction. Notwithstanding the foregoing, Buyers shall be permitted to disclose the terms of this Agreement and information obtained by Buyers from Sellers to any proposed Assignee/Buyer (as such term is defined in Section 7.19 below) who agrees in writing to be bound by the provisions of this Section 7.4.

7.5 Further Assurances. Sellers and Buyers shall cooperate and take such actions, and execute such other documents, at the applicable Closing or subsequently, as may be reasonably requested by the other in order to carry out the provisions and purposes of this Agreement, including, for example, promptly advising each other of all communications relevant to the transactions contemplated by this Agreement received from the FCC after the date of this Agreement and furnishing each other with copies of all such written communications.

7.6 Employees; COBRA; WARN.

(a) **Employment.** BIC may, but is not obligated to, employ any or all employees of the Sellers involved in the operations and management of the Stations in positions and on terms substantially similar to their present employment. To the extent BIC employs employees of the Sellers within one month following the applicable Closing Date ("Covered Employees"), BIC shall pay to any Covered Employee that BIC terminates within one year after the applicable Closing Date severance in accordance with the policy of the Sellers, a copy of which has been provided to Buyers for their review. Sellers agree that they will not modify or amend such policy prior to the applicable Closing. To the extent the employees are not offered employment with BIC and are terminated by Sellers, the Sellers shall pay to any such employee severance in accordance with the applicable Sellers' policy.

(b) **Employee Benefits Generally.** BIC shall provide all Covered Employees the employee benefits currently provided to BIC's employees, as set forth in BIC's employee handbook, a copy of which has been provided Sellers for their review. BIC shall recognize each of the Covered Employee's service with Sellers for purposes of eligibility and vesting under all BIC Employee Benefit Plans (except BIC's long-term

disability plan) at or after the applicable Closing, but not for purposes of benefit accrual, except as BIC may otherwise determine in its discretion.

(c) Medical Benefits. As of the date of hire, BIC shall provide all Covered Employees (and their dependents) with medical benefit coverage under plan(s) maintained or established by BIC. To the extent permitted under BIC's medical benefit plans, BIC shall, with respect to Covered Employees of Sellers, cause such plan(s) to waive any pre-existing conditions, exclusions and waiting periods (except to the extent that such exclusions would have been applied or waiting periods were not satisfied under Sellers' medical plan). BIC shall be responsible for satisfying its obligations under Section 601 *et seq.* of ERISA and Section 4980B of the Code to provide continuation coverage ("COBRA") to any Covered Employee in accordance with law. To the extent required by COBRA, the Sellers shall provide COBRA coverage to any employees (and their dependents) of the Sellers not employed by BIC on the applicable Closing Date. Sellers shall also continue to offer the employee medical benefits coverage that they have historically provided their employees for a period of at least eighteen (18) months following the applicable Closing so that they may fulfill their COBRA obligations to any employees terminated by Sellers on or about the applicable Closing.

(d) WARN. Sellers agree to assume responsibility for providing all notices required by the U.S. Worker Adjustment and Retraining Notification Act of 1988, as amended (the "WARN Act"), or any similar state law or regulation, to assume liability for any alleged failure to give such notice, and to indemnify and hold harmless the Buyers for any and all liabilities asserted under the WARN Act or similar state law or regulation because of a "plant closing" or "mass lay off" occurring on or prior to the applicable Closing Date, including in connection with the consummation of the transactions contemplated herein.

7.7 Cooperation Relative to Accounts Receivable. Following the applicable Closing Date, BIC shall (i) assist the Sellers in the collection of the Accounts Receivable for a period of 120 days, and (ii) endorse (without recourse) and deliver to the Sellers, on or before the 30th, 60th, 90th, and 120th days following the applicable Closing Date (each, a "Turnover Date"), any checks or other instruments payable to the Buyers that are received on the Accounts Receivables. In addition, BIC hereby agrees and acknowledges (a) that the Accounts Receivable are solely the property of the Sellers, (b) that all payments received by BIC or BIC's lender on account of the Accounts Receivable shall be held in trust for the benefit of the Sellers, (c) that payments received from customers of BIC that owe payments to BIC and also owe payments to the Sellers shall be applied first and to the full extent to Accounts Receivable (unless otherwise specified by the payor), and (d) that all such payments shall be delivered to the Sellers, together with any necessary endorsements (without recourse) thereon, on each Turnover Date. To the extent that Sellers have not received payment on any Accounts Receivable as of the 120th day following the applicable Closing Date, BIC shall have no further obligation or right to collect the Accounts Receivable, unless otherwise agreed upon by the Sellers and BIC, and BIC shall promptly return any and all documentation related to the Accounts Receivable to the Sellers.

7.8 Transition Efforts.

(a) General Duty. Beginning at the applicable Closing, Sellers shall use their respective reasonable best efforts to accomplish a timely, smooth, uninterrupted and organized transfer of the Assets, the operations of the Stations, and the customers and contractual relationships so as to avoid any lapse of operations.

(b) Abandonment of Real Property. Each Seller agrees to remove all of its operations, personnel and Excluded Assets from, and abandon to BIC's exclusive use and occupation, the Leased Real Property and the Owned Real Property on or before the applicable Closing. Any damage or modification to such real property resulting from the removal of Sellers' Excluded Assets or otherwise from Sellers' departure, including the removal of signage, shall be repaired at Sellers' sole expense (and the payment of such expenses shall not be subject to the limitations in Section 10.4 below).

(c) Transition Employees. Sellers agree that they will use reasonable efforts to continue the employment for a minimum of sixty (60) days following the applicable Closing of one or more employees of the Stations that BIC does not intend to hire as Covered Employees but from whom BIC desires to receive assistance; provided, however, that BIC shall reimburse Sellers for its incremental out-of-pocket costs associated with assistance provided to BIC by such persons during the transition period.

(d) Shared Assets. Schedule 7.8(d) is a list of Assets acquired by Buyers hereunder that Sellers represent are necessary for Sellers' continued operation of its retained radio stations and are not otherwise divisible (the "Shared Assets"). If, within forty-five (45) days from the date hereof, Sellers determine that certain additional items of the Personal Property listed in Schedule 1.1(b) are necessary for Sellers' continued operation of its retained radio stations, Sellers may propose to BIC that such items be added to Schedule 7.8(d) and BIC may, in its sole discretion, approve or disapprove of such addition. BIC agrees to cooperate in good faith with Sellers to provide Sellers transitional license, lease, or similar non-ownership rights to such Shared Assets pursuant to one or more transition service agreements. Such agreements shall have a term of no more than one (1) year (unless otherwise agreed to by the Parties and set forth in Schedule 7.8(d)) and provide for Sellers' payment to BIC of reasonable fair market value consideration. With respect to Contracts that are included on Schedule 7.8(d) as Shared Assets, BIC agrees to assist with the transfer of the underlying relationships to Sellers or the development of similar contractual relationships between such third parties and Sellers so that Sellers may continue, if they so desire, to enjoy the benefits of such Shared Assets.

7.9 Employee Solicitation.

(a) Sellers' Employee Non-Solicitation and Grant of Rights to Buyers. Each of the Sellers covenant and agree with Buyers that neither it nor its Affiliates will, without the prior written consent of BIC, directly or indirectly, during the period commencing on the date hereof and expiring on the first anniversary of the applicable Closing Date, interfere with or attempt to interfere with any employees who may, as provided herein at

BIC's option, become Covered Employees, or induce or attempt to induce any such employees to leave the employ of BIC or any of its Affiliates, or violate the terms of their relationship with any of them. Sellers hereby grant to Buyers the specific first right (vis-a-vis Sellers, its Affiliates and any third party to whom it may sell radio stations) to negotiate exclusively with those employees who may become Covered Employees during the period commencing on the date hereof and expiring one (1) month after the applicable Closing.

(b) Buyers' Employee Non-Solicitation. Each Buyer covenants and agrees with Sellers that neither it nor its Affiliates will, without the prior written consent of Sellers, directly or indirectly, during the period commencing on the date hereof and continuing until the first anniversary of the Closing Date, induce or attempt to induce any employee of Sellers or Affiliates to leave the employ of Sellers or any of their Affiliates, other than employees that Buyers consider for employment as Covered Employees, or violate the terms of their relationship with any of them.

7.10 Exclusivity. At any time prior to the termination of this Agreement, the Sellers will not (and the Sellers will not cause or permit any of its Affiliates to) (i) solicit, initiate, or encourage the submission of any proposal or offer from any Person relating to the acquisition of any capital stock or other voting securities of the Sellers, or any substantial portion of the assets of any of the Stations (including any acquisition structured as a merger, consolidation, or share exchange) or (ii) participate in any discussions or negotiations regarding, furnish any information with respect to, assist or participate in, or facilitate in any other manner any effort or attempt by any Person to do or seek any of the foregoing. The Sellers will notify the Buyers immediately if any Person makes any proposal, offer, inquiry, or contact with respect to any of the foregoing.

7.11 Press Releases. The Sellers and the Buyers agree that, from the date hereof through the last Closing Date, or, in the event this Agreement is terminated, for a period of one year following termination, no public release or announcement concerning the transactions contemplated hereby shall be issued by either Party without the prior consent of the other Party, except as such release or announcement may be required by any law or the rules or regulations of the United States or any state therein, in which case the Party required to make the release or announcement shall allow the other Party reasonable time to comment on such release or announcement in advance of such issuance.

7.12 AM Station Permit, License and Construction. License Company shall (with the other parties thereto) diligently enforce and fulfill the terms and conditions of the AM Station Agreements and diligently proceed with the construction and completion of the AM Station. License Company shall use its best efforts to ensure that: (1) the facilities for the AM Station are constructed and operated in accordance with the specifications set forth in the AM Station Permit and the underlying application for the AM Station Permit; (2) the transmitting equipment and other items of tangible personal property used in the construction and operation of the AM Station are new and in good operating condition and repair; (3) such transmitting equipment and other items of tangible personal property are of a quality, and are constructed, in compliance with good engineering practices in the radio broadcasting industry;

and (4) the construction and operation of the AM Station is in compliance with the rules, regulations and policies of the FCC. License Company shall also diligently pursue the FCC License and any other necessary FCC authority to operate the AM Station, as well as FCC Consent to the assignment of such FCC License to Holding at the AM Closing.

7.13 FCC Authorizations.

(a) FM Stations. Until the FM Closing, Sellers shall cause the License Company to be the holder of all of the FCC Licenses relating to the FM Stations, and shall not cause or suffer there to be any modification of any FCC License relating to the FM Stations that could have an adverse effect on the conduct of the business and operations of the FM Stations.

(b) AM Station. From transfer of the AM Station to the License Company and thereafter until the AM Closing, Sellers shall cause the License Company to be the holder of all of the FCC Licenses relating to and necessary to the operation of the AM Station in the manner contemplated by the AM Station Permit, and shall not cause or suffer there to be any modification of any FCC License relating to the AM Station that could have an adverse effect on the conduct of the business and operations of the AM Station.

7.14 Consents; Assignments of Agreements; Lease Extensions. The Sellers shall use commercially reasonable efforts (but the Seller shall not be required to make any payment except in connection with the FCC Consents, the HSR Filing, and the release of Liens by the Sellers' senior lender), to obtain all necessary consents and approvals required under Section 4.9. If, with respect to any lease, commitment or agreement to be assigned to either of the Buyers, a required consent to the assignment is not obtained, the Sellers shall use commercially reasonable efforts to keep it in effect and give the applicable Buyer the benefit of it to the same extent as if it had been assigned, and the applicable Buyer shall perform the Sellers' obligations under the agreement relating to the benefit obtained by such Buyer. With respect to the real estate leases assignable hereunder that terminate or are terminable by the lessors thereunder within one (1) year from the date of the applicable Closing, Sellers and Buyers agree to work together, subject to Buyers' ultimate discretion, to contact such lessors prior to any public disclosure of this Agreement and the transaction contemplated herein and use commercially reasonable efforts to execute extensions of the leases in excess of such one-year period. Sellers also agree to use their best efforts, including express inquiries with business managers of the Stations, to identify for and provide copies to BIC of those Assumed Contracts to be assumed by BIC under clauses (ii) and (iii) of Section 1.1(c). Nothing in this Agreement shall be construed as an attempt to assign any agreement or other instrument that is by its terms non-assignable without the consent of the other party. This paragraph shall not diminish or replace the condition that Buyers receive the consents required under Section 8.1(d).

7.15 Estoppel Certificates. The Sellers shall use commercially reasonable efforts to obtain estoppel certificates in favor of BIC with respect to each of the leases covering the Leased Real Property related to the Stations, dated no more than twenty (20) days prior to the FM Closing Date or the AM Closing Date, as the case may be, from the other party to such

lease, in form and substance satisfactory to BIC (the "Estoppel Certificates"). This paragraph shall not diminish or replace the condition that Buyers receive the Estoppel Certificates required under Section 8.1(d).

7.16 Station Operating Status. Prior to the Closing Date, Sellers shall cause and provide Buyers written verification that Stations KRSP-FM and KQMB (FM) are operating with program test authority pursuant to construction permits for use of a new shared antenna (FCC File Nos. BMPH-20020125ABA and BPH-20020125ABB, respectively) and that KSFI(FM) has been granted a license for such shared antenna operation.

7.17 Title Commitments. The Sellers shall obtain for BIC's benefit, no later than twenty (20) days after the execution of this Agreement, a commitment for a standard ALTA Owner's Title Insurance Policy or other form of policy acceptable to BIC for each Owned Real Property relating to the FM Stations, issued by a title insurance company satisfactory to BIC (the "Title Company"), together with a copy of all documents referenced therein (the "Title Commitments"), and shall update the Title Commitments no more than twenty (20) days prior to the FM Closing.

7.18 UCC and Fixture Search. The Sellers shall conduct a search for Lien and fixture filings (at the State and County in which the Personal Property is located and at the state of formation of each Seller) pursuant to the Uniform Commercial Code for any Liens with regard to the Personal Property identified on Schedule 1.1(b) hereof and fixtures relating to the Stations (the "UCC Search"). The Sellers shall obtain and deliver to the Buyers the results of the UCC Search on such Personal Property, dated no more than twenty (20) days prior to the FM Closing Date and the AM Closing Date, as the case may be, and, on or before the applicable Closing Date, shall provide the Buyers reasonable evidence of the release any Liens identified therein (the "Lien Releases").

7.19 Assignment of Agreement. In the event the FCC denies the FCC Application, designates the FCC Application for hearing, or fails to grant or take action on the FCC Application, in all cases due to the Newspaper Cross-Ownership Rule, then Buyers shall assign this Agreement and all of Buyer's rights, obligations and liabilities under this Agreement, to one or more Qualified buyers (collectively, the "Assignee/Buyer"). The Buyers may carry out the foregoing obligation through two or more separate transactions each involving a partial assignment as to fewer than all of the Stations, if in Buyers' reasonable judgment doing so will maximize the total consideration paid for all Stations. The Assignee/Buyer shall be deemed "Qualified" if (i) it is able to reasonably demonstrate to Sellers that it is capable of paying the consideration agreed to be paid by such Assignee/Buyer and otherwise satisfying all of Buyers' obligations hereunder at the applicable Closing; and (ii) it is qualified pursuant to FCC rules and regulations to hold the FCC Licenses at the applicable Closing. Buyers shall provide written notice to Sellers of their proposed Assignee/Buyer, including reasonably satisfactory evidence that the Assignee/Buyer is qualified and a form of proposed Assignment and Assumption Agreement (the "Assignee Notice"). If the Sellers reasonably disagree that the proposed Assignee/Buyer is Qualified, the Sellers shall so notify the Buyers in writing within ten (10) days after the date of receipt of

the Buyers' notice of the Assignee/Buyer, specifying in detail any point of disagreement. Sellers' failure to provide such written notice to Buyers within the 10-day period shall be deemed to be acceptance by Sellers of the Assignee/Buyer proposed by Buyers. If Sellers timely disagree whether the proposed Assignee/Buyer is Qualified, the Buyers and the Sellers shall thereafter negotiate in good faith to resolve any such disagreement, including, if necessary, through informed discussions between their Presidents and/or CEOs as provided in Section 13.9(a). If agreement is not reached within 30-day following Sellers' notice of disagreement, then the further dispute resolutions of Section 13.9 shall apply. Upon Sellers' acceptance of a proposed Assignee/Buyer and Buyers' delivery to Sellers of a fully-executed Assignment and Assumption Agreement executed by Buyers and such proposed Assignee/Buyer, Buyers shall be relieved of all further liability under this Agreement except as provided in the remainder of this paragraph. Notwithstanding any such assignment, Buyers shall be obligated to Sellers for the difference, if any, between the Purchase Price hereunder and the consideration agreed to be paid by the Assignee/Buyer. Buyers' payment of such difference, if any, shall occur on and be subject to the occurrence of the applicable Closing by Sellers and the Assignee/Buyer. The assignment shall be conditioned on such amendments to this Agreement as would be reasonably appropriate to accommodate the change in the Buyers hereunder to the Assignee/Buyer, and Sellers hereby consent to such amendments provided that they do not materially change Sellers' rights or obligations hereunder. To the extent that Buyers pay any portion of the Purchase Price following the assignment of this Agreement as provided in this paragraph, Buyers shall remain as beneficiaries of the indemnification obligations of Sellers in Article 10 of this Agreement notwithstanding the assignment of this Agreement.

ARTICLE 8

CONDITIONS PRECEDENT

8.1 To Buyers' Obligations Regarding FM Closing. The obligations of Buyers hereunder to complete the FM Closing are, at their option, subject to satisfaction or waiver by Buyers (except for Sections 8.1(c) and (e) below, which may not be waived), at or prior to the FM Closing Date, of each of the following conditions:

(a) **Representations, Warranties and Covenants.**

(i) All representations and warranties made by the Sellers that apply to the Sellers, the FM Assets and the FM Stations, each as to itself, in this Agreement shall be true and correct in all material respects (except as otherwise expressly permitted by this Agreement) on and as of the FM Closing Date as if made on and as of that date.

(ii) All of the terms, covenants and conditions to be complied with and performed by each of the Sellers under this Agreement on or prior to the FM Closing Date shall have been complied with or performed by each of the Sellers in all material respects.

(b) No Actions. No action, suit, or proceeding shall be pending or threatened before any court or quasi-judicial or administrative agency of any federal, state, local, or foreign jurisdiction or before any arbitrator wherein an unfavorable injunction, judgment, order, decree, ruling, or charge would (i) prevent consummation of any of the transactions contemplated by this Agreement, (ii) cause any of the transactions contemplated by this Agreement to be rescinded following consummation, (iii) affect adversely the right of the Buyers to own the FM Assets and to operate the FM Stations, or (iv) present the possibility of revocation, failure to renew, suspension or materially adverse modification of any FCC License relating to the FM Stations (other than proceedings affecting the broadcasting industry generally).

(c) FCC Consents. The FCC Consents relating to the FM Stations shall have been obtained, without the imposition of any condition materially adverse to Buyers except those that are customary in the assignment of FCC licenses generally, and such FCC Consents relating to the FM Stations shall have become a Final Order. License Company shall have complied with any conditions imposed on it by such FCC Consents and Final Order. The Parties may mutually agree to waive the requirement of a Final Order of the FCC, in which case a grant order shall be deemed sufficient consent for the FM Closing.

(d) Other Consents, Estoppel Certificates, NDA's and Release of Liens. Consents for the assignment of those Contracts listed on Schedule 8.1(d), Non-Disturbance and Attornment Agreements for those real property leases listed on Schedule 8.1(d), and Estoppel Certificates for all real property leases relating to the FM Stations shall have been obtained, and the Lien identified as item 1 on Schedule 4.6(a) shall have been released.

(e) HSR Approval. All applicable waiting periods (and any extensions thereof) under the HSR Act shall have expired or otherwise been terminated.

(f) Deliveries. Sellers shall have made all deliveries required under Section 9.1.

(g) Title Insurance. At the FM Closing, Sellers shall have delivered to BIC title insurance policies in accordance with the Title Commitments, insuring BIC's fee simple title to the Owned Real Property (the "Title Policies") relating to the FM Stations, free and clear of all Liens, subject only to the delivery of the documents, materials and funds described in Section 9.1, the recordation of the grant deed referred to Section 9.1, and payment by Sellers of the applicable title insurance premiums.

(h) Closing of Western Transactions. Immediately prior to or concurrent with the FM Closing, Buyers and Sellers' Affiliates, Western Communications, Inc., Western Broadcasting, LLC and Western Broadcasting, LS, LLC shall have closed those certain Asset Purchase Agreements, dated of even date herewith, relating to two radio stations in Southern Utah, in one instance, and nine radio stations in Southern Utah and Southern Idaho, in the other instance (the "Western Transactions").

8.2 To Buyers' Obligations Regarding AM Closing. The obligations of Buyers hereunder to complete the AM Closing are, at their option, subject to satisfaction or waiver by Buyers (except for Sections 8.2(c) and (e) below, which may not be waived), at or prior to the AM Closing Date, of each of the following conditions:

(a) Representations, Warranties and Covenants.

(i) All representations and warranties made by the Sellers that apply to the Sellers, the AM Assets and the AM Station, each as to itself, in this Agreement shall be true and correct in all material respects (except as otherwise expressly permitted by this Agreement) on and as of the AM Closing Date as if made on and as of that date.

(ii) All of the terms, covenants and conditions to be complied with and performed by each of the Sellers under this Agreement on or prior to the AM Closing Date shall have been complied with or performed by each of the Sellers in all material respects.

(b) No Legal Actions. No action, suit, or proceeding shall be pending or threatened before any court or quasi-judicial or administrative agency of any federal, state, local, or foreign jurisdiction or before any arbitrator wherein an unfavorable injunction, judgment, order, decree, ruling, or charge would (i) prevent consummation of any of the then-remaining transactions contemplated by this Agreement, (ii) cause any of the then-remaining transactions contemplated by this Agreement to be rescinded following consummation, (iii) affect adversely the right of the Buyers to own the AM Assets and to operate the AM Station, or (iv) present the possibility of revocation, failure to renew, suspension or materially adverse modification of any FCC License relating to the AM Station (other than proceedings affecting the broadcasting industry generally).

(c) FCC Consent. The FCC Consent relating to the AM Station shall have been obtained, without the imposition of any condition materially adverse to Buyers except those that are customary in the assignment of FCC licenses generally, and such FCC Consent relating to the AM Station shall have become a Final Order. License Company shall have complied with any conditions imposed on it by such FCC Consent and Final Order. The Parties may mutually agree to waive the requirement of a Final Order of the FCC, in which case a grant order shall be deemed sufficient consent for the AM Closing.

(d) Other Consents, Estoppel Certificates, NDA's and Release of Liens. Consents for the assignment of those Contracts listed on Schedule 8.2(d), Non-Disturbance and Attornment Agreements for those real property leases listed on Schedule 8.2(d), and Estoppel Certificates for all real property leases relating to the AM Station shall have been obtained, and the Lien identified as item 1 on Schedule 4.6(a) shall have been released.

(e) HSR Approval. All applicable waiting periods (and any extensions thereof) under the HSR Act shall have expired or otherwise been terminated.

(f) Deliveries. Sellers shall have made all deliveries required under Section 9.1.

(g) FM Closing. The FM Closing shall have occurred, or shall occur concurrently with the AM Closing.

(h) Construction and Operation of AM Station. The AM Station shall (i) have been constructed and be operating under an FCC License covering the AM Station Permit; (ii) have been constructed and be operating in compliance with the FCC authorizations issued for such station and in compliance with the rules, regulations and policies of the FCC; and (iii) shall have been constructed and be operating in accordance with good engineering practices in the radio broadcasting industry as determined in the reasonable judgment of BIC.

(i) Radio Station KSOS(AM). Radio station KSOS(AM), Brigham City, Utah, operating on a frequency of 800 kHz, shall have ceased broadcasting operations and the FCC license(s) for such station shall have been surrendered to the FCC.

8.3 To Sellers' Obligations. The obligations of each of the Sellers hereunder to complete each of the Closings are, at its option, subject to satisfaction or waiver by Sellers (except for Sections 8.3(b) and (c) below, which may not be waived), at or prior to the applicable Closing Date, of each of the following conditions as they apply to each of the Closings:

(a) Representations, Warranties and Covenants.

(i) All representations and warranties made by Buyers in this Agreement applicable to the respective Closing shall be true and correct in all material respects (except as otherwise expressly permitted by this Agreement) on and as of the applicable Closing Date as if made on and as of that date.

(ii) All of the terms, covenants and conditions to be complied with or performed by Buyers under this Agreement on or prior to the applicable Closing Date shall have been complied with or performed by Buyers in all material respects.

(b) FCC Consents. The applicable FCC Consents shall have been obtained, without the imposition of any condition materially adverse to Sellers except those that are customary in the assignment of FCC licenses generally, and such FCC Consents shall have become a Final Order. Holding shall have complied with any conditions imposed on it by such FCC Consents and Final Order. The Parties may mutually agree to waive the requirement of a Final Order of the FCC, in which case a grant order shall be deemed sufficient consent for the applicable Closing.

(c) HSR Approval. All applicable waiting periods (and any extensions thereof) under the HSR Act shall have expired or otherwise been terminated.

(d) No Injunction. No order of any court or administrative agency shall be in effect which restrains or prohibits the transactions contemplated by this Agreement in accordance with its terms.

(e) Deliveries. Buyers shall have made all the deliveries required under Section 9.2 and shall have paid the applicable Purchase Price as provided in Section 2.2.

(f) Closing of Western Transactions. Immediately prior to or concurrent with the FM Closing, Buyers and Sellers' Affiliates, Western Communications, Inc., Western Broadcasting, LLC, and Western Broadcasting, LS, LLC and., shall have closed the Western Transactions.

ARTICLE 9

DOCUMENTS TO BE DELIVERED AT THE CLOSINGS

9.1 Documents to be Delivered by Sellers. At each Closing, Sellers shall deliver to Buyers the following:

(a) Copies of resolutions of each Seller authorizing the execution, delivery and performance of this Agreement by each Seller, and the consummation of the transactions contemplated hereby, certified by a duly authorized officer or manager of each such Seller, as being true, correct and complete as of the applicable Closing Date;

(b) Certificate for each Seller, dated as of each Closing Date, executed by an officer or manager of each Seller, certifying that the closing conditions specified in Sections 8.1(a), (b), (c) and (e), in the case of the FM Closing, and Sections 8.2(a), (b), (c) and (e), in the case of the AM Closing, have been satisfied;

(c) Duly executed instruments of conveyance and transfer, in form and substance reasonably satisfactory to Buyers, effecting the sale, transfer, assignment and conveyance of the FM Assets, in the case of the FM Closing, and the AM Assets, in the case of the AM Closing, to Buyers free and clear of all Liens, including the following:

- (i) assignments of the FCC Licenses;
- (ii) bills of sale for all Personal Property;
- (iii) grant deeds for any Owned Real Property;
- (iv) assignments of Sellers' rights under the Contracts;
- (v) assignments of all of Sellers' rights to the Intellectual Property;

and

- (vi) transition agreements, if any, under Section 7.8(d);

(d) Copies of any instruments evidencing receipt of any of the required consents described in Section 8.1(d), in the case of the FM Closing, and 8.2(d), in the case of the AM Closing;

(e) A duly executed non-foreign affidavit dated as of the FM Closing Date and in form and substance required under the Treasury Regulations issued pursuant to Section 1445 of the Code so that the Buyers are exempt from withholding any portion of the FM Purchase Price thereunder (the "FIRPTA Certificate");

(f) The Title Policies, Estoppel Certificates and Lien Releases described in Sections 7.15, 7.17 and 7.18 and as provided for in Section 8.1(d) and (g), in the case of the FM Closing, and Section 8.2(d), in the case of the AM Closing; and

(g) Such other documents, information, certificates and materials as may be required by this Agreement.

9.2 Documents to be Delivered by Buyers. At each Closing, Buyers shall deliver to Sellers the following:

(a) Copies of resolutions of the board of directors of each Buyer and/or its shareholders, if required, authorizing the execution, delivery and performance of this Agreement by such Buyer and the consummation of the transactions contemplated hereby;

(b) A certificate for each Buyer, dated as of each Closing Date, executed on behalf of such Buyer by a duly authorized representative of such Buyer, certifying that the closing conditions specified in Sections 8.3(a) and (d) have been satisfied;

(c) Copy of the FCC Consents approving Holding as the license holder for each of the Stations;

(d) The FM Purchase Price, in the case of the FM Closing, and the AM Purchase Price, in the case of the AM Closing, in immediately available wire transferred federal funds as provided in Section 2.2; and

(e) Such other documents, information, certificates and materials as may be required by this Agreement.

ARTICLE 10

INDEMNIFICATION, SURVIVAL

10.1 Sellers' Indemnities. From and after each Closing, Sellers shall indemnify, defend, and hold harmless each of the Buyers and its Affiliates, and their respective members, managers, partners, shareholders, directors, officers, employees, and representatives, and the successors and assigns of any of them, and any person claiming by or through any of them, from and against, and reimburse them for, all claims, damages, liabilities, losses, costs and

expenses, including interest, penalties, court costs and reasonable attorneys' fees and expenses, resulting from:

(a) The ownership or operation of the FM Stations and/or FM Assets prior to the FM Closing and the construction, ownership and operation of the AM Station prior to the AM Closing, including any liabilities arising under the FCC Licenses or the Contracts which relate to events occurring prior to such Closings;

(b) Any liabilities of Sellers not assumed by Buyers under this Agreement, including any liabilities arising at any time under any contract or agreement not included in the Assumed Contracts;

(c) Any untrue representation, breach of warranty or non-fulfillment of any covenant by Sellers contained in this Agreement or in any certificate, document or instrument delivered by Sellers to Buyers under this Agreement; provided, however, that for purposes of determining the occurrence of a breach of any representation or warranty of the Sellers in connection with any claim made for indemnification under this Section 10.1, as well as for determining the amount of any claims arising therefrom, the "Knowledge," "material," "material adverse effect" and "material adverse change" qualifiers shall be disregarded;

(d) Any failure of Sellers to comply with any "bulk sales" laws applicable to the transactions contemplated hereby; or

(e) Any actions, suits, proceedings, claims, demands, assessments, judgments, costs and expenses, including reasonable legal fees and expenses, incident to any of the foregoing or incurred in investigating or attempting to avoid the same or to oppose the imposition thereof, or in enforcing this indemnity.

10.2 Buyers' Indemnities. From and after each Closing, each Buyer shall indemnify, defend and hold harmless each of the Sellers and its Affiliates, and their respective members, managers, partners, directors, officers, employees, and representatives, and the successors and assigns of any of them, and any person claiming by or through any of them, from and against, and reimburse them for, all claims, damages, liabilities, losses, costs and expenses, including interest, penalties, court costs and reasonable attorneys' fees and expenses, resulting from:

(a) Any untrue representation, breach of warranty or non-fulfillment of any covenant of such Buyer contained in this Agreement or in any certificate, document or instrument delivered by such Buyer to Sellers under this Agreement; provided, however, that for purposes of determining the occurrence of a breach of any representation or warranty of any Buyer in connection with any claim made for indemnification under this Section 10.2, the "Knowledge," "material," "material adverse effect" and "material adverse change" qualifiers shall be disregarded;

(b) The ownership or operation of the FM Stations and/or FM Assets following the FM Closing and the ownership and operation of the AM Station and the AM

Assets following the AM Closing, including any liabilities arising under the FCC Licenses or the Assumed Contracts which relate to events occurring following such Closings, but excluding any Contracts that are not Assumed Contracts;

(c) Any actions, suits, proceedings, claims, demands, assessments, judgments, costs and expenses, including reasonable legal fees and expenses, incident to any of the foregoing or incurred in investigating or attempting to avoid the same or to oppose the imposition thereof, or in enforcing this indemnity; or

(d) Any liability or obligations assumed by such Buyer under this Agreement.

10.3 Procedure for Indemnification. The procedure for indemnification shall be as follows:

(a) The Party seeking indemnification under this Article 10 (the "Claimant") shall give notice to the Party from whom indemnification is sought (the "Indemnitor") of any claim, reasonably specifying (i) the factual basis for the claim; and (ii) the amount of the claim if then known. If the claim relates to an action, suit or proceeding filed by a third party against Claimant, notice shall be given by Claimant within fifteen (15) days after written notice of the action, suit or proceeding was given to Claimant. In all other circumstances, notice shall be given by Claimant within sixty (60) days after Claimant becomes aware of the facts giving rise to the claim. Notwithstanding the foregoing, Claimant's failure to give Indemnitor timely notice shall not preclude Claimant from seeking indemnification from Indemnitor if Claimant's failure has not materially prejudiced Indemnitor's ability to defend the claim or litigation.

(b) The Claimant shall make available to Indemnitor and/or its authorized representatives the information relied upon by the Claimant to substantiate the claim for indemnity.

(c) With respect to any claim by a third party as to which the Claimant is entitled to indemnification hereunder, the Indemnitor shall, without prejudice to its rights to contest the obligation to indemnify, defend against the claim with counsel reasonably acceptable to Claimant, and the Claimant shall cooperate fully with the Indemnitor, subject to reimbursement for reasonable expenses incurred by the Claimant as the result of a request by the Indemnitor. The Claimant shall have the right to participate in the defense of the claim at its own expense. If the Indemnitor does not assume control of the defense of any third party claim, Claimant may, but shall have no obligation to, defend or settle such claim or litigation in such a manner as it deems appropriate, and in such event Indemnitor shall be bound by the results obtained by the Claimant with respect to the claim (by default or otherwise) and shall promptly reimburse Claimant for the amount of all expenses (including the amount of any judgment rendered), legal or otherwise, incurred in connection with such claim or litigation. The Indemnitor shall be subrogated to all rights of the Claimant against any third party with respect to any claim for which indemnity was paid.

10.4 Limitations. Neither Party shall be required to indemnify the other Party under this Article 10 unless (i) written notice of a claim under this Article 10 was received by the Party within the pertinent survival period specified in Section 10.5; and (ii) the aggregate amount of claims against the Party from the other Party to which the other Party (as a Claimant) is entitled to be indemnified under this Agreement exceeds \$250,000, after which the Claimant shall be entitled to recover, and the Indemnitor shall be obligated for, all losses, costs, liabilities, damages and expenses for Claimant, including the first \$250,000 of such losses. In calculating the amount of losses to the Buyers or the Sellers under Section 10.1 and Section 10.2: (a) such losses shall be reduced by any recovery from any third party (including insurance proceeds) as a result of the facts or circumstances giving rise to the losses, (b) no amount shall be included in such losses except for the Party's actual out-of-pocket costs and expenses, (c) no Proration Amounts shall be included in such losses; (d) such losses shall not include losses resulting from claims made by third parties under Sections 10.1(a) or (b); and (e) such losses shall not include losses resulting from Sellers' breach of Sections 4.10, 4.16, 4.17 and 7.6.

10.5 Survival of Representations, Warranties and Covenants. The representations, warranties, covenants, indemnities and other agreements contained in this Agreement or in any certificate, document or instrument delivered pursuant to this Agreement are and will be deemed and construed to be continuing representations, warranties, covenants, indemnities and agreements and shall survive the Closings regardless of any investigation, inquiry or Knowledge on the part of any Party, and the Closings shall not be deemed a waiver by any Party thereof; provided, however, that the period of survival (the "Survival Period") shall, (i) with respect to the representations, warranties and covenant in Sections 4.10, 4.16, 4.17 and 7.6, end at the expiration of the statute of limitations applicable to claims made thereunder (as determined under the laws of the State of Utah or applicable federal law), (ii) with respect to any other representation, warranty and covenant, end two (2) years after the applicable Closing Date, and (iii) continue indefinitely (subject to applicable statute of limitations) with respect to claims made by third parties under Sections 10.1(a) and (b). In the event timely notice of a claim is received prior to the end of the applicable Survival Period, the right to indemnification shall survive the Survival Period until such claim is finally resolved and any obligations thereto are fully satisfied.

ARTICLE 11

TERMINATION RIGHTS

11.1 Termination.

(a) In addition to other available remedies, this Agreement may be terminated by either Buyers or Sellers, if the Party seeking to terminate is not in material default or breach of this Agreement, upon written notice to the other if:

(i) the other Party is in material breach of this Agreement and such breach has been neither cured within thirty (30) days after written notice of such breach nor waived by the Party giving such termination notice;

(ii) a court of competent jurisdiction or governmental, regulatory or administrative agency or commission shall have issued an order, decree or ruling or taken any other action permanently restraining, enjoining or otherwise prohibiting the transactions contemplated by this Agreement and such order, decree, ruling or other action shall have become final and non-appealable; or

(iii) the Closing has not occurred by July 31, 2004 (the "Upset Date").

(b) This Agreement may be terminated by mutual written consent of Buyers and Sellers.

(c) This Agreement may be terminated immediately upon Buyers written notice to Sellers in the event that the U.S. Department of Justice, the U.S. Federal Trade Commission, or any other governmental agency, requires the disclosure of any financial information relating to Buyers' Affiliates as a condition to regulatory approval required as a condition to Closing. Buyers agree to use reasonable efforts to persuade any such government agency that any such required Affiliate information should not be required for approval prior to exercising this right of termination.

(d) If either Party believes the other to be in breach or default of this Agreement, the non-defaulting Party shall, prior to exercising its right to terminate under Section 11.1(a)(i), provide the defaulting Party with notice specifying in reasonable detail the nature of such breach or default. Except for a failure to pay the FM Purchase Price, the defaulting Party shall have thirty (30) days from receipt of such notice to cure such default; provided that, if the breach or default is due to no fault of the defaulting Party and is not capable of cure within such thirty (30) day period, the cure period shall be extended as long as the defaulting Party is diligently and in good faith attempting to effect a cure. Nothing in this Section 11.1(d) shall be interpreted to extend the Upset Date.

(e) The obligations of the Parties with respect to the purchase and sale of the AM Assets may be terminated by Buyers as provided in this Section 11 without impacting the remaining terms and conditions of this Agreement with respect to the FM Assets in the event that Sellers are in material breach under Section 11.1(a)(i) and such breach relates solely to the AM Assets.

11.2 Effect of Termination. The following sections shall survive the termination of this Agreement pursuant to Sections 11.1(a) or (c): 7.4 (Confidentiality), 7.11 (Press Releases), 11.2 (Effect of Termination), 12.1 (Remedies Generally), 13.1 (Transfer Taxes and Expenses), 13.3 (Entire Agreement; Schedules; Amendment; Waiver), 13.4 (Headings), 13.5 (Computation of Time), 13.6 (Governing Law), 13.7 (Attorneys' Fees), 13.9 (Dispute Resolution), 13.10 (Court Trial), 13.11 (Notices), 13.12 (Counterparts), and 14.1 (Defined Terms).

ARTICLE 12

REMEDIES UPON DEFAULT

12.1 Remedies Generally. The Parties acknowledge that the Assets and the transactions contemplated hereby are unique, that a failure by Sellers or Buyers to complete such transactions will cause irreparable injury to the other, and that actual damages for any such failure may be difficult to ascertain and may be inadequate. Consequently, Sellers and Buyers agree that each shall be entitled, in the event of a default by the other, to specific performance of any of the provisions of this Agreement in addition to any other legal or equitable remedies to which the non-defaulting Party may otherwise be entitled.

ARTICLE 13

OTHER PROVISIONS

13.1 Transfer Taxes and Expenses. All recordation, transfer, and documentary fees (but not including sales taxes, if any) imposed on this transaction shall be paid one-half by Buyers and one-half by Sellers. Sales taxes, if any, imposed in connection with the transactions contemplated by this Agreement shall be paid one-half by Buyers and one-half by Sellers. Sellers shall pay the premium for the title insurance referred to in Section 8.1(g). Except as otherwise provided in this Agreement, each Party shall be solely responsible for and shall pay all other costs and expenses (including attorney and accounting fees) incurred by it in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement.

13.2 Benefit and Assignment. This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their respective successors and assigns. Neither Buyers nor Sellers may assign its rights under this Agreement without the prior written consent of the other; provided, however, Buyers may freely assign this Agreement or rights to certain of the Assets, including the FCC Licenses, to each other, to one or more Affiliates of Buyers or to a qualified Assignee/Buyer pursuant to Section 7.19 above. Except as expressly provided in this Agreement, this Agreement is not intended to, nor shall it, create any rights in any other person, including any employees of the Sellers.

13.3 Entire Agreement; Schedules; Amendment; Waiver. This Agreement and the exhibits and schedules hereto and thereto embody the entire agreement and understanding of the Parties hereto and supersede any and all prior agreements, arrangements and understandings relating to the matters provided for herein. Any matter that is disclosed in a schedule hereto shall be deemed to have been included in other pertinent schedules, notwithstanding the omission of an appropriate cross-reference. No amendment, waiver of compliance with any provision or condition hereof or consent pursuant to this Agreement shall be effective unless evidenced by an instrument in writing signed by the Party against whom enforcement of any waiver, amendment or consent is sought. No failure or delay on the part of Buyers or Sellers in exercising any right or power under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right or power, or

any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power.

13.4 Headings. The headings set forth in this Agreement are for convenience only and shall not control or affect the meaning or construction of the provisions of this Agreement.

13.5 Computation of Time. If after making computations of time provided for in this Agreement, a time for action or notice falls on Saturday, Sunday or a federal holiday, then such time shall be extended to the next business day.

13.6 Governing Law. The construction and performance of this Agreement shall be governed by the laws of the State of Utah without regard to any choice or conflicts of law provision or rule (whether of the State of Utah or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Utah.

13.7 Attorneys' Fees. In the event of any dispute between the Parties to this Agreement, Sellers or Buyers, as the case may be, shall reimburse the prevailing Party for its reasonable attorneys' fees and other costs incurred in enforcing its rights or exercising its remedies under this Agreement. Such right of reimbursement shall be in addition to any other right or remedy that the prevailing Party may have under this Agreement.

13.8 Severability. If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each such term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

13.9 Dispute Resolution.

(a) **CEO Discussions.** In the event that the Parties or their assigns have a dispute, controversy or claim relating to this Agreement, any agreements or activities described herein, or this Section 13.9 (the "Dispute"), the parties will first attempt in good faith to resolve the Dispute promptly by informed discussions conducted through a meeting or series of meetings that include the Presidents and/or CEOs of each Party. Such negotiation meetings will be conducted in person whenever possible, but may be conducted by telephone.

(b) **Arbitration.** Any Dispute not resolved under Section 13.9(a) above and not governed by Section 2.4(f) of this Agreement, shall be resolved under the Commercial Arbitration Rules of the American Arbitration Association (the "Administrator"). In this regard:

(i) Such Dispute shall, at the request of either Party, be resolved by binding arbitration in accordance with the applicable arbitration rules of the Administrator. The provisions of this arbitration clause shall survive any termination, amendment or

expiration of this Agreement. If any provision of this arbitration clause should be determined to be unenforceable, all other provisions of this arbitration clause shall remain in full force and effect.

(ii) The arbitration proceedings shall be conducted in Salt Lake City, Utah at a place to be determined by the Administrator. The Administrator and the arbitrator(s) shall have the authority to the extent practicable to take any action to require the arbitration proceeding to be completed and the arbitrator(s)' award issued within one hundred fifty (150) days of the filing of the Dispute with the Administrator.

(iii) A panel of three (3) arbitrators shall be selected in accordance with the rules of the Administrator from panels maintained by the Administrator. The Dispute shall be decided by a majority vote of the three (3) arbitrators, at least two (2) of whom must have expertise in the subject matter of the Dispute and at least one (1) of whom must be a practicing attorney. Each Party shall bear its own fees and expenses with respect to the arbitration and any proceeding related thereto, and the Parties shall share equally the fees and expenses of the American Arbitration Association and the arbitrators. The arbitrators shall award to the prevailing Party recovery of all costs and fees (including attorneys' fees and costs, arbitration administration fees and costs, and arbitrators' fees). The arbitrators, either during the pendency of the arbitration proceeding or as part of the arbitration award, also may grant provisional or ancillary remedies, including an award of injunctive relief, foreclosure, sequestration, attachment, replevin, garnishment, or the appointment of a receiver.

(iv) Judgment upon an arbitration award may be entered in any court having jurisdiction, subject to the following limitation: the arbitration award is binding upon the Parties only if the amount does not exceed Fifteen Million Dollars (\$15,000,000); if the award exceeds that limit, either Party may demand the right to a court trial. Such a demand must be filed with the Administrator within thirty (30) days following the date of the arbitration award; if such a demand is not made within that time period, the amount of the arbitration award shall be binding. The computation of the total amount of an arbitration award shall include amounts awarded for attorneys' fees and costs, arbitration administration fees and costs, and arbitrator(s)' fees.

Notwithstanding the applicability of any other law to this Agreement or this arbitration clause, the Federal Arbitration Act, 9 U.S.C. Section 1 *et seq.*, shall apply to the construction and interpretation of this arbitration clause.

13.10 Court Trial. In the event a right to court trial is filed with the Administrator under Section 13.9(b)(iv), such litigation shall be brought exclusively in the state or federal courts situated in Salt Lake County, Utah. Each of the Parties waives any defense of lack of jurisdiction or inconvenient forum to the maintenance of action or proceeding so brought in the courts in Salt Lake County, Utah, and waives any bond, surety or other security that might be required of any other Party with respect thereto. Any Party may make service on any other Party by sending or delivering a copy of the process to the Party to be serviced at the address and in the manner provided for in the giving of notices in Section 13.11. EACH PARTY

WAIVES ITS RIGHT TO A JURY TRIAL IN ANY LITIGATION RELATIVE TO THIS AGREEMENT OR THE WARRANTIES, REPRESENTATIONS OR COVENANTS RELATED TO THIS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED HEREBY.

13.11 Notices. Any notice, demand or request required or permitted to be given under this Agreement shall be in writing and shall be addressed to the following addresses or to such other address as any Party may request:

If to any of the Sellers: Simmons Media Group, LLC
515 South 700 East, #1C
Salt Lake City, Utah 84102
Attention: David E. Simmons, President
Telephone: 801-322-2500
Telecopier: 801-323-9314
E-mail: dsimmons@simmonsmedia.com

with a copy to: Dorothy C. Pleshe, Esq.
Callister Nebeker & McCullough
Gateway Tower East, Suite 900
10 East South Temple
Salt Lake City, Utah 84133
Telephone: 801-530-7367
Telecopier: 801-364-9127
E-mail: dcpleshe@cnmlaw.com

If to any of the Buyers: Bonneville International Corporation
55 North Third West, 8th Floor
Salt Lake City, Utah 84180
Attention: Bruce Reese, President
Telephone: 801-575-7565
Telecopier: 801-575-7567
E-mail: breesee@bonnint.com

with a copy to: Bonneville Holding Company
50 E. North Temple, 17th Floor
Salt Lake City, Utah 84150
Attention: M. Farrell Benson
Telephone: 801-240-3550
Telecopier: 801-240-1237
E-mail: bensonmf@ldschurch.org

with a copy to: General Counsel
Bonneville International Corporation
55 North Third West, 8th Floor
Salt Lake City, Utah 84180
Telephone: 801-575-7517
Telecopier: 801-575-7509

with a copy to: Ray, Quinney & Nebeker
36 South State Street, Suite 1400
Salt Lake City, Utah 84111
Attention: Bruce Olson
Telephone: 801-532-1500
Telecopier: 801-532-7543
E-mail: bolson@rqn.com

Any such notice, demand or request shall be deemed to have been duly delivered and received (a) on the date of personal delivery, (b) on the date of transmission if sent by facsimile, (c) on the date of receipt if mailed by registered or certified mail, postage prepaid and return receipt requested, or (d) on the date of a signed receipt if sent by an overnight delivery service.

13.12 Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed an original and all of which together will constitute one and the same instrument.

ARTICLE 14

DEFINITIONS

14.1 Defined Terms. Unless otherwise stated in this Agreement, the following terms when used herein shall have the meanings assigned to them below (such meanings to be equally applicable to both the singular and plural forms of the terms defined).

“Accounts Receivable” shall have the meaning set forth in Section 1.2(b).

“Administrator” shall have the meaning set forth in Section 13.9(b).

“Affiliate” shall mean, with respect to any specified Person, another Person which, directly or indirectly controls, is controlled by, or is under common control with, the specified Person.

“Agreement” shall mean this Asset Purchase Agreement.

“AM Assets” shall have the meaning set forth in Section 1.1.

"AM Closing" and "AM Closing Date" shall have the meaning set forth in Section 3.2.

"AM Purchase Price" shall have the meaning set forth in Section 2.1(b).

"AM Station" shall have the meaning set forth in the recitals.

"AM Station Agreements" shall have the meaning set forth in the recitals.

"AM Station Permit" shall have the meaning set forth in the recitals.

"AM Station Purchase Agreement" shall have the meaning set forth in the recitals.

"Assets" shall have the meaning set forth in Section 1.1.

"Assignee/Buyer" shall have the meaning set forth in Section 7.19.

"Assignee Notice" shall have the meaning set forth in Section 7.19.

"Assumed Contracts" shall have the meaning set forth in Section 1.1(c).

"Barter Agreements" shall mean all agreements and arrangements for the exchange of advertising time for consideration other than money.

"BIC" shall have the meaning set forth in the preamble to this Agreement.

"Buyers" shall have the meaning set forth in the preamble to this Agreement.

"CERCLA" shall have the meaning set forth in Section 4.17(a).

"Claimant" shall have the meaning set forth in Section 10.3(a).

"Closings" and "Closing Dates" shall have the meaning set forth in Section 3.2.

"COBRA" shall have the meaning set forth in Section 7.6(c).

"Code" shall mean the Internal Revenue Code of 1986, as amended, and the regulations thereunder, or any subsequent legislative enactment thereof, as in effect from time to time.

"Communications Act" shall have the meaning set forth in Section 4.5(b).

"Contracts" shall have the meaning set forth in Section 1.1(c).

"Covered Employees" shall have the meaning set forth in Section 7.6(a).

"Dispute" shall have the meaning set forth in Section 13.9(a).

"Employee Benefit Plan" means any "employee benefit plan" (as such term is defined in ERISA §3(3)) and any other employee benefit plan, program or arrangement of any kind.

"Environmental Laws" shall have the meaning set forth in Section 4.17(a).

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"ERISA Affiliate" means each entity which is treated as a single employer with the Sellers for purposes of Code §414.

"Estoppel Certificates" shall have the meaning set forth in Section 7.15.

"FAA" shall have the meaning set forth in Section 1.1(a).

"FCC" shall have the meaning set forth in the recitals to this Agreement.

"FCC Applications" shall mean the application or applications that Sellers and Buyers must file with the FCC requesting its consent to the assignment of the FCC Licenses from the License Company to Holding.

"FCC Consents" shall mean the action or actions by the FCC granting the FCC Applications.

"FCC Licenses" shall have the meaning set forth in Section 1.1(a).

"Final Order" shall mean action by the FCC with respect to the FCC Applications (i) which has not been vacated, reversed, stayed, set aside, annulled or suspended, (ii) with respect to which no timely appeal, request for stay or petition for rehearing, reconsideration or review by any Party or by the FCC on its own motion is pending, and (iii) as to which the time for filing any such appeal, request, petition or similar document or for the reconsideration or review by the FCC on its own motion under the Communications Act of 1934, as amended, has expired.

"Financial Statements" shall have the meaning set forth in Section 4.13.

"Financing Leases" shall have the meaning set forth in Section 1.2(i).

"FIRPTA Certificate" shall have the meaning set forth in Section 9.1(e).

"FM Assets" shall have the meaning set forth in Section 1.1.

"FM Closing" and "FM Closing Date" shall have the meaning set forth in Section 3.1.

"FM Purchase Price" shall have the meaning set forth in Section 2.1(a).

"FM Stations" shall have the meaning set forth in the recitals.

"GAAP" shall mean United States generally accepted accounting principles, without considering any materiality limitations or qualifications imposed thereby.

"Hazardous Substances" shall have the meaning set forth in Section 4.17(b).

"Holding" shall have the meaning set forth in the preamble to this Agreement.

"HSR Act" shall have the meaning set forth in Section 6.2.

"HSR Filing" shall have the meaning set forth in Section 6.2.

"Intellectual Property" shall have the meaning set forth in Section 1.1(e).

"Intellectual Property Agreements" shall mean agreements pursuant to which the Stations receive rights from third-parties to certain intellectual property used in the Stations' operation, including rights to software, domain names, Internet addresses, and e-mail addresses.

"Indemnitor" shall have the meaning set forth in Section 10.3(a).

"Knowledge" shall mean, (i) in the case of the Operating Companies, the actual knowledge, after reasonable inquiry, of the President, Chief Executive Officer or the Chief Financial Officer or of any current and former employee of Operating Companies designated as "vice president" or any higher office, and the current and former General Manager, Program Director, Sales Manager or Chief Engineer of each of the Stations, (ii) in the case of the License Company, the actual knowledge, after reasonable inquiry, of the President, Chief Executive Officer or the Chief Financial Officer (iii) in the case of BIC, the actual knowledge, after reasonable inquiry, of the President, Chief Executive Officer or the General Counsel, and (iv) in the case of Holding, the actual knowledge, after reasonable inquiry, of any corporate officer.

"Leased Real Property" shall have the meaning set forth in Section 4.6(a).

"License Company" shall have the meaning set forth in the preamble to this Agreement.

"Liens" shall mean mortgages, deeds of trust, liens, security interests, pledges, collateral assignments, condition sales agreements, leases, encumbrances, claims or other defects of title, but shall not include (i) liens for current taxes not yet due and payable, (ii) other liens imposed by law (such as materialman's mechanic's, carrier's, worker's and repairman's liens) arising in the ordinary course of business (provided that such liens do not interfere in any material respect with the use of the Assets as currently used and that Sellers remain liable for paying such liens), (iii) valid leases or subleases to third parties with respect to property not used in the operation of the Sellers, and which are listed on Schedule 1.1(h); and (iv) in respect of the Real Property, defects in title or other matters that do not materially adversely affect the continued use of the Real Property as currently used by Sellers.

"Lien Releases" shall have the meaning set forth in Section 7.18.

"Multiemployer Plan" has the meaning set forth in ERISA §3(37).

"Newspaper Cross-Ownership Rule" shall have the meaning set forth in Section 6.1(b).

"Operating Companies" shall have the meaning set forth in the preamble.

"Owned Real Property" shall have the meaning set forth in Section 4.6(a).

"Palmetto" shall have the meaning set forth in the recitals.

"Party" or "Parties" shall have the meaning set forth in the preamble.

"Person" shall mean an individual, a partnership, a corporation, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, or a governmental entity (or any department, agency, or political subdivision thereof).

"Personal Property" shall have the meaning set forth in Section 1.1(b).

"Proration Amount" shall have the meaning set forth in Section 2.4(a).

"Proration Dispute Notice" shall have the meaning set forth in Section 2.4(d).

"Proration Notice" shall have the meaning set forth in Section 2.4(d).

"Purchase Price" shall have the meaning set forth in Section 2.1(b).

"Real Property" shall have the meaning set forth in Section 1.1(h).

"Sellers" shall have the meaning set forth in the preamble to this Agreement.

"Shared Assets" shall have the meaning set forth in Section 7.8(d).

"Stations" shall have the meaning set forth in the recitals to this Agreement.

"Survival Period" shall have the meaning set forth in Section 10.5.

"Title Commitments" shall have the meaning set forth in Section 7.17.

"Title Company" shall have the meaning set forth in Section 7.17.

"Title Policies" shall have the meaning set forth in Section 8.1(g).

"Turnover Date" shall have the meaning set forth in Section 7.7.

"UCC Search" shall have the meaning set forth in Section 7.18.

"Upset Date" shall have the meaning set forth in Section 11.1(a)(iii).

"WARN Act" shall have the meaning set forth in Section 7.6(d).

14.2 Miscellaneous Terms. The term "or" is disjunctive; the term "and" is conjunctive. The term "shall" is mandatory; the term "may" is permissive. Masculine terms apply to females as well as males; feminine terms apply to males as well as females. The term "includes" or "including" is by way of example and not limitation.

(Signature page of Bonneville International Corporation/Simmons
Media Group, LLC, et al. Asset Purchase Agreement, dated November 7, 2002)

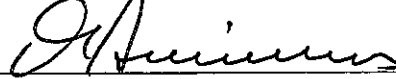
IN WITNESS WHEREOF, the Parties hereto have caused this Asset Purchase
Agreement to be duly executed as of the date first written above.

"Sellers":

SIMMONS MEDIA GROUP, LLC, a Utah
limited liability company

By: 
David E. Simmons, Chairman and Manager

SIMMONS-SLC, LLC, a Utah limited liability
company

By: 
David E. Simmons, Chairman and Manager

SIMMONS-SLC, LS, LLC, a Utah limited
liability company

By: 
David E. Simmons, Manager

"Buyers":

BONNEVILLE INTERNATIONAL
CORPORATION, a Utah corporation

By: _____
Bruce T. Reese, President

BONNEVILLE HOLDING COMPANY, a Utah
non-profit corporation

By: _____
M. Farrell Benson, President

(Signature page of Bonneville International Corporation/Simmons Media Group, LLC, et al. Asset Purchase Agreement, dated November 7, 2002)

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

"Sellers":

SIMMONS MEDIA GROUP, LLC, a Utah limited liability company

By: _____
David E. Simmons, Chairman and Manager

SIMMONS-SLC, LLC, a Utah limited liability company

By: _____
David E. Simmons, Chairman and Manager

SIMMONS-SLC, LS, LLC, a Utah limited liability company

By: _____
David E. Simmons, Manager

"Buyers":

BONNEVILLE INTERNATIONAL CORPORATION, a Utah corporation

By:  _____
Bruce T. Neese, President

BONNEVILLE HOLDING COMPANY, a Utah non-profit corporation

By: _____
M. Farrell Benson, President

(Signature page of Bonneville International Corporation/Simmons Media Group, LLC, et al. Asset Purchase Agreement, dated November 7, 2002)

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

"Sellers":

SIMMONS MEDIA GROUP, LLC, a Utah limited liability company

By: _____
David E. Simmons, Chairman and Manager

SIMMONS-SLC, LLC, a Utah limited liability company

By: _____
David E. Simmons, Chairman and Manager

SIMMONS-SLC, LS, LLC, a Utah limited liability company

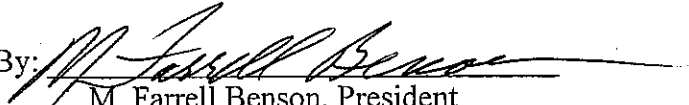
By: _____
David E. Simmons, Manager

"Buyers":

BONNEVILLE INTERNATIONAL CORPORATION, a Utah corporation

By: _____
Bruce T. Reese, President

BONNEVILLE HOLDING COMPANY, a Utah non-profit corporation

By: 
M. Farrell Benson, President

LIST OF SCHEDULES

Schedule 1.1(a)	Licenses, Permits and Authorizations
Schedule 1.1(b)	Personal Property
Schedule 1.1(c)	Assumed Contracts
Schedule 1.1(e)	Intellectual Property
Schedule 1.1(h)	Real Property/Leases
Schedule 1.2(h)	Other Excluded Assets
Schedule of Exceptions:	
Schedule 4.4	Litigation
Schedule 4.5(b)	FCC Proceedings
Schedule 4.6(a)	Real and Personal Property Encumbrances
Schedule 4.6(c)	Notice of Violations or of Impairment to Real Property
Schedule 4.9	Consents
Schedule 4.12	Intellectual Property Infringements
Schedule 4.14	Change in Sellers' Business Operations
Schedule 4.15	Employee List
Schedule 4.19	Affiliates
Schedule 7.8(d)	Shared Assets
Schedule 8.1(d)	Consents Required for FM Closing
Schedule 8.2(d)	Consents Required for AM Closing