

AGREEMENT OF PURCHASE AND SALE OF ASSETS

BETWEEN

CUMULUS BROADCASTING, INC.,

CUMULUS LICENSING CORPORATION

AND

WILKS BROADCASTING, LLC,

WILKS LICENSE CO., LLC

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AGREEMENT OF PURCHASE AND SALE OF ASSETS

This Agreement, dated as of July 10, 2001, by and among Cumulus Broadcasting, Inc., a Nevada corporation (“Seller”), Cumulus Licensing Corporation, a Nevada corporation (“Cumulus Licensing” and together with Seller being hereinafter sometimes referred to as “Sellers”), and Wilks Broadcasting LLC, a Delaware limited liability company (“Buyer”), and Wilks License Co., LLC, a Delaware limited liability company (“License Co.” and together with Buyer being hereinafter sometimes referred to as “Buyers”).

WITNESSETH:

WHEREAS, Sellers are the owner of radio station WTLZ-FM, serving the Saginaw, Michigan market (the “Station”), pursuant to certain authorizations issued by the Federal Communications Commission (the “Commission” or “FCC”) and Seller owns or leases certain assets used or useful in connection with the operation of the Station;

WHEREAS, Sellers desire to sell, assign and transfer the Station, its FCC authorizations for the Station and the assets and business of the Station, and Buyers desires to acquire the Station, the FCC authorizations for the Station, and the assets and business of the Station, all on the terms and subject to the conditions hereinafter set forth; and

WHEREAS, concurrently with the execution and delivery of this Agreement, Buyer and Seller have entered into a Time Brokerage Agreement dated as of the date hereof (the “TBA”).

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

DEFINITIONS

As used herein, the terms used in Appendix A shall have the meanings set forth therein unless the context otherwise requires.

ARTICLE 1

Purchase and Sale of Business and Assets

1.1 Purchased Assets. Subject to and upon the terms and conditions of this Agreement, Sellers shall sell, transfer, convey, assign, grant and deliver to Buyers, and Buyers shall purchase, at the Closing (as hereinafter defined) all right, title and interest in and to all business, properties, assets, machinery, equipment, furniture, fixtures, franchises, goodwill and rights of Seller, of every nature, kind and description, tangible and intangible, owned or leased, wheresoever located and whether or not carried or reflected on the books or records of Sellers, that are used or held for use, in connection with the operation of the Station including, without limitation, all properties, assets, rights, licenses, permits and franchises of and/or pertaining principally to the Station, and all properties, assets and rights described in the form of Bill of

Sale annexed as Exhibit 1.1 hereto (the “Bill of Sale”) (but excluding the “Excluded Assets”, as hereinafter defined). All of the foregoing are herein collectively referred to as the “Purchased Assets” and include without limitation all of the following (it being understood that License Co. shall acquire all right, title and interest in and to the Commission Authorizations (as hereinafter defined) and Buyer shall acquire all of the other Purchased Assets):

(a) Commission Authorizations. All right, title and interest of Sellers in and to all licenses, permits, approvals, construction permits and authorizations issued or granted by the FCC for the operation of, or used principally in connection with, the operation of, the Station, and any and all auxiliary and/or supportive transmitting and/or receiving facilities, boosters and repeaters associated with the Station (hereinafter the “Commission Authorizations”), including, without limitation, all of those listed in Schedule 5.7(b) of the Disclosure Schedule (as such term is hereinafter defined).

(b) Other Authorizations. All right, title and interest of Seller in and to all licenses, permits, variances, franchises, certifications, approvals, construction permits and authorizations issued or granted by any administrative body or licensing authority or governmental or regulatory agency, other than Commission Authorizations, used principally in connection with the operation of the Station and/or the ownership and/or use of the Purchased Assets (hereinafter the “Other Authorizations” and, collectively with the Commission Authorizations, the “Authorizations”).

(c) Tangible Personal Property. All fixed and tangible personal property used, or held for use, principally by or for the Station and/or Seller principally in connection with the business or operation of the Station, including, but not limited to, all physical assets and equipment, leasehold improvements, machinery, vehicles, furniture, fixtures, transmitting towers, transmitters, antennae, office materials and supplies, spare parts and music libraries, including, without limitation, those listed in Schedule 5.8 of the Disclosure Schedule, together with all replacements thereof, additions and alterations thereto, and substitutions therefor, made between the date hereof and the Closing Date (hereinafter collectively the “Tangible Personal Property”).

(d) Real Property. All land, buildings, improvements, fixtures, and transmitting towers (to the extent they constitute fixtures or other interests in real property and not Tangible Personal Property) and other real property owned by Seller, and all leaseholds and other interests in real property and the buildings and improvements thereon and appurtenances thereto, including, without limitation, easements, variances, air rights and the like, and all security deposits with respect to any of the foregoing, used, or held for use, principally by or for the Station and/or Seller solely in connection with the business or operation of the Station (the foregoing, including without limitation, the land, building, improvements and transmitting towers used or leased by Seller, hereinafter collectively called the “Real Properties”).

(e) Advertising Contracts. All right, title and interest of Seller in and to all orders and agreements for the sale of advertising time on the Station for cash and all trade, barter and similar agreements for the sale of advertising time on the Station other than for cash, and all such orders and agreements for advertising time entered into between the date hereof and the Closing Date, each in the ordinary course of business, and to the extent the foregoing have

not been performed as of the Closing Date, in each case to which Seller or the Station is a party and to be assumed by Buyer pursuant to this Agreement (hereinafter collectively “Advertising Contracts”).

(f) Agreements. Except for Excluded Contracts (as defined hereinafter), all right, title and interest of Seller in and to the contracts, agreements, and leases, including, without limitation, all program licenses, and agreements and contracts to broadcast product or programs on the Station, to which Seller or the Station is a party and to be assumed by Buyer pursuant to this Agreement (hereinafter, together with the Advertising Contracts, collectively, “Contracts”), and all rights under all confidentiality and indemnification agreements in favor of Seller and/or the Station and/or relating to the Station.

(g) Intangibles. All right, title and interest in and to the call letters “WTLZ-FM”, and together with all copyrights, trademarks, trade names, logos, slogans, jingles, service marks, applications for any of the foregoing, telephone numbers and listings, trade secrets, confidential or proprietary information and other intangible property used, or held for use, principally by or for the Station and/or Seller principally in connection with the business or operation of the Station, and any and all universal resource locators (“URLs”), domain names, of or maintained principally by or for the Station, including without limitation, the URL “hotwltz.com”, and, any web site or home page of or maintained by or for the Station, and all property and assets (tangible and intangible) used or necessary to create and publish any such web site or home page (collectively the “Site”) and all goodwill associated with any of the above (hereinafter collectively the “Intangibles”).

(h) Insurance Proceeds. All insurance proceeds and rights thereto derived from loss, damage or destruction of or to any properties or assets of the type described in paragraph (c) or (d) above, to the extent not utilized prior to the Closing to repair or replace the lost, damaged or destroyed items (collectively “Insurance Proceeds”).

(i) Deposits and Prepaid Items. All right, title and interest in and to all deposits and prepaid items principally relating to any of the Purchased Assets or the operation or business of the Station (other than unearned insurance premiums).

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

(k) Documentation. All documentation, records and software, whether in electronic or print form, in the possession or under the control of any of the Seller evidencing,

representing or containing or relating to any Program or principally used in the Business, including, without limitation, any manuals, functional and design specifications, user and programmer instructions, coding, testing notes, error reports and logs, patches and patch instructions, itemizations of development tools, and all other similar writings (collectively, “Documentation”).

(l) FCC Logs. All FCC logs and similar records that relate to the operation of the Station (“FCC Logs”).

(m) Business Records. All reports, statements, books, financial records, engineering and advertising reports, programming studies, consulting reports, marketing data, technical information, specifications, research and development information, engineering drawings, manuals, computer programs, tapes and software, business and personnel records, mailing and listener lists, lists of vendors or other suppliers and any other information in tangible form, used, or held for use, principally by or for the Station and/or Seller principally in connection with the business or operation of the Station or relating to any of the Purchased Assets (hereinafter collectively “Business Records”).

(n) Goodwill. All goodwill in and going concern value of the Station.

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

(a) All cash, cash equivalents or similar type investments of Sellers, such as certificates of deposit, Treasury bills and other marketable securities on hand and/or in banks, and unearned insurance premiums and security deposits, excluding, however, Insurance Proceeds or an amount representing the aggregate amount of Insurance Proceeds to the extent such Insurance Proceeds have not been utilized prior to Closing in the manner contemplated in Section 1.1(h) hereof.

(b) All supplies and similar items of tangible personal property consumed in the ordinary course of business between the date of this Agreement and the Closing Date and in conformity with the terms and provisions of this Agreement.

(c) Certain personal effects identified in Schedule 1.2(c) of the Disclosure Schedule.

(d) Sellers’ Tax records, corporate seal, minute books, organizational documents, and such books and records as pertain solely to the organization, existence and capitalization and Taxes of Sellers.

(e) All accounts receivable of Seller and/or the Station, as of 11:59 p.m., local time, on the day prior to the TBA Commencement Date (as herein defined), in respect of air time broadcast by Seller prior to the Effective Date (as herein defined) (“Receivables”).

(f) Any assets of any compensation or benefit plan, contract or arrangement in effect as of the Closing Date including, without limitation, all pension, retirement, welfare, profit sharing, stock option or stock purchase, savings and thrift, bonus,

incentive or deferred compensation, severance pay, vacation, sick pay, personal day and medical, vision, dental, accident, disability, life and other health and hospitalization insurance plans in which any current or former employee (or dependent of any such employee) of Seller or the Station participates or is entitled to benefits (the "Employee Benefit Plans").

(g) The contracts identified on Schedule 1.2(g) of the Disclosure Schedule (the "Excluded Contracts").

(h) Any and all assets of Sellers not used principally in connection with the Station or the Business and all contracts which are not Contracts as defined in Section 1.1(f) hereof.

1.3 Title to Purchased Assets. Title to all of the Purchased Assets shall be transferred to Buyers free and clear of any liens, pledges, charges, mortgages, security interests, restrictions, easements, liabilities, claims, title defects, encumbrances or rights of others of every kind and description (collectively, "Liens"), except for those Liens listed in Schedule 1.3 of the Disclosure Schedule, said Liens so listed being herein called the "Permitted Liens."

1.4 The Business. The business, operations, obligations and activities of Sellers principally in connection with the Station and the use of the Purchased Assets in connection with the operation of the Station are herein collectively referred to as the "Business."

1.5 Assignments of Contracts. Buyer and Seller acknowledge that certain of the Contracts to be included in the Purchased Assets, and the rights and benefits thereunder necessary or appropriate or relating to the conduct of the business and activities of Seller and/or the Station, may not, by their terms, be assignable. Anything in this Agreement or in the Obligations Undertaking (as hereinafter defined) to the contrary notwithstanding, this Agreement shall not constitute an agreement to assign any such Contract and Buyer shall not be deemed to have assumed the same or to be required to perform any obligations thereunder, if an attempted assignment thereof, without the consent of a third party thereto, would constitute a breach thereof or in any way affect the rights under any such Contract of Buyer or Seller thereunder. In such event, Seller will cooperate with Buyer to provide for Buyer all benefits to which Seller is entitled under such Contracts, and any transfer or assignment to Buyer by Seller of any such Contract or any right or benefit arising thereunder or resulting therefrom which shall require the consent or approval of any third party shall be made subject to such consent or approval being obtained. Seller will use its best efforts prior to, and if requested by Buyer after, the Closing Date to obtain all necessary consents to the transfer and assignment of Contracts, which shall not require the payment by Seller of any sum to the other party thereto to obtain such consent.

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

1.7 Receivables. At Closing, Seller shall appoint Buyer its sole and exclusive agent for collecting Receivables. In such regard, at Closing Seller shall deliver to Buyer a complete and detailed statement showing the name, amount and age of each Receivable. From the Closing Date until 120 days thereafter (the "Collection Period"), Buyer shall use reasonable efforts to collect Receivables, as agent for Seller and on Seller's behalf, but in accordance with Buyer's normal collection procedures as in effect from time to time (and without being required to incur any out-of-pocket cost or expense or resort to litigation or collection proceedings), and, unless and until a Receivable has been returned to Seller, Seller agrees that during such period of time it shall refrain from taking action (whether in connection with collection or otherwise) in respect of such Receivable. Buyer shall have the right and authority to endorse with the name of Seller, any checks received in respect of any Receivables. Buyer shall not compromise any Receivables without the written consent of Seller, and shall cease collection efforts as to any particular receivable upon written notice from Seller. As soon as practicable, but in no event later than the 15th day of each calendar month following the end of the first full month after the Closing Date or the next business day thereafter if the 15th is not a business day, Buyer will furnish Seller with an accounting of the Receivables collected during the preceding calendar month, and, on such day or as soon as practicable thereafter, Buyer shall remit to Seller the net amount of all Receivables collected on Seller's behalf by Buyer during such calendar month after deducting therefrom (i) any applicable agency, sales and other commissions paid by Buyer with the consent of Seller and (ii) the amount of any reasonable out-of-pocket expenses incurred, by Buyer with the consent of Seller in connection with, or for the purpose of, collecting any of the Receivables. Within 20 business days after the end of the Collection Period, Buyer will furnish Seller with a final and up-to-date accounting of the Receivables, and thereafter Seller shall be solely responsible for the collection of any remaining Receivables; provided, however, that any funds received by Buyer subsequent to the Collection Period on account of any Receivables paid or payable to Seller, less any applicable agency, sales or other commissions, shall be remitted to Seller as soon as practicable after the receipt of such funds. Seller acknowledges and agrees that all accounts receivable of the Station that are earned from and after the Closing Date are the sole and exclusive property of Buyer. Buyer shall not be obligated to use any extraordinary efforts, retain counsel or a collection agency or expend any sums to collect any Receivable. To the extent that any amounts are received by Buyer from an obligor on both a Receivable and any other receivable of Buyer, such amounts, unless specifically allocated by the obligor, shall be allocated to payment of the oldest of such receivables first. Seller shall be responsible for all agencies, sales and other commissions which are attributable to the Receivables, provided, that, Seller shall provide Buyer with a schedule of agency, sales and other commission rates, and during the Collection Period, Buyer shall deduct the amount of such commissions from the amount to be remitted to Seller and pay such commissions in accordance with such rate schedule.

ARTICLE 2

Purchase Price; Payment; Assumption of Obligations

2.1 Purchase Price. Subject to and upon the terms and conditions of this Agreement, in reliance on the representations, warranties, covenants and agreements of Sellers contained herein, and in full payment and consideration for the sale, conveyance, assignment, transfer and delivery of the Purchased Assets by Sellers, Buyer will pay a total amount of Three

Million Seven Hundred Fifty Thousand United States Dollars (U.S. \$3,750,000), subject to adjustment as herein provided (the “Purchase Price”), and payable as hereinafter provided.

2.2 Payment. (a) The Purchase Price shall be paid as follows:

(i) Upon the execution and delivery of this Agreement, Buyer shall deposit with an escrow agent agreeable to Buyer and Seller (the “Escrow Agent”), as a good faith deposit, the sum of One Hundred Eighty Seven Thousand Five Hundred United States Dollars (U.S. \$187,500) (“the Escrow Initial Deposit”, such amount deposited with the Escrow Agent, together with all interest and income earned thereon while in escrow, being referred to herein as the “Escrow Proceeds”). The Escrow Proceeds shall be held and disbursed by the Escrow Agent, pursuant to the terms of an escrow agreement in the form of Exhibit 2.2(a) hereto (the “Escrow Agreement”), which Escrow Agreement shall be executed and delivered by Seller, Buyer and the Escrow Agent simultaneously with the execution and delivery of this Agreement. The parties’ rights and obligations with respect to the Escrow Proceeds shall be governed by the terms and conditions of the Escrow Agreement and clauses (a)(ii) and (b) of this Section 2.2.

(ii) At Closing (x) the Escrow Proceeds shall be disbursed by the Escrow Agent to the Seller, and (y) the sum of Three Million Seven Hundred Fifty Thousand United States Dollars (U.S. \$3,750,000) less the Escrow Proceeds, shall be paid by Buyer to Seller by wire transfer. If Closing does not occur, the Escrow Proceeds shall be delivered to Seller or returned to Buyer in accordance with Section 8.2 hereof and the terms and conditions of the Escrow Agreement.

(b) The Escrow Proceeds shall at all times be and remain the property of Buyer unless and until disbursed to Seller in accordance with the terms and subject to the conditions of this Section 2.2 and of the Escrow Agreement, and such funds are not and shall not become subject to the debts, obligations, liens, charges, claims or encumbrances of Seller or the Escrow Agent.

2.3 Allocation. Seller and Buyer agree to allocate the Purchase Price among the Purchased Assets in accordance with the allocation schedule to be attached hereto as Schedule 2.3, which allocation schedule will be determined after the date hereof (the “Allocation Schedule”). If the parties are unable to agree on the final Allocation Schedule within 90 days after the date hereof, a third-party appraiser selected by Buyer, and reasonably acceptable to Seller, the fees of which shall be borne equally by Buyer and Seller, shall resolve the allocation of the consideration to any items with respect to which there is a dispute between the parties. In the event that the Purchase Price shall be adjusted pursuant to this Agreement, the Allocation Schedule shall be appropriately modified, on such basis as Buyer shall reasonably require, to reflect such adjustment. Seller and Buyer will each file an IRS Form 8594 consistent with the Allocation Schedule.

2.4 Certain Closing Prorations and Adjustments. (a) All utilities charges, real estate and personal property taxes, monthly rental payments under leases of Real Properties to be assumed by Buyer pursuant to this Agreement, accrued employee salary, vacation and sick pay time, monthly equipment rental payments under Personal Property Leases (as hereinafter defined) assumed by Buyer pursuant to this Agreement, amounts payable in respect of contracts

and agreements assumed by Buyer pursuant to this Agreement, association dues, business, license and annual FCC fees and similar prepaid items (to the extent included in the Purchased Assets) and similar accrued expenses, shall be prorated between Seller and Buyer as of Midnight on the day immediately preceding the Closing Date, and the net amount resulting from the foregoing in favor of Buyer or Seller, as the case may be, shall then be paid to such party at the Closing or credited against the Purchase Price in the event Seller is to pay Buyer any such amount. If all the apportionments set forth above are not accomplished at the Closing, then, as soon as practicable thereafter, representatives of Seller and Buyer shall examine all appropriate books and records in order to make the determination of said apportionments. Payments in respect thereof shall be made within ten (10) days after each such determination, provided that if payments with respect to real or personal property taxes are based in whole or in part on the previous year's taxes, there shall be a later adjustment to reflect the current year's taxes when the bills are finally rendered.

(b) All amounts paid prior to the Closing under all contracts, orders or commitments of the Station for the sale of air time to be performed or aired on or after the Closing Date shall be paid by Seller to Buyer or, at Buyer's option, credited against the Purchase Price, at the Closing.

(c) An adjustment to the Purchase Price for the value of such trade time and goods and services shall be made as of the Effective Date of (and as defined in) the TBA (the "TBA Commencement Date") as follows: on all agreements or arrangements pursuant to which advertising is exchanged for goods and services ("Barter Agreements") for which an obligation to broadcast advertising time remains as of the TBA Commencement Date, Buyer shall be entitled to an adjustment in its favor equal to the value of the advertising time which remains to be broadcast as of the TBA Commencement Date to the extent that such value exceeds the value of goods yet to be received and services yet to be used by more than \$5,000. The amount to be attributed to the value of remaining broadcast advertising time and goods and services hereunder shall be the amount specified in the Barter Agreement in question, as established at the time the Barter Agreement was entered into. Promptly after the date hereof, Seller shall deliver a reconciliation of the Barter Agreements as of the TBA Commencement Date for review and approval by Buyer.

(d) In the event of any dispute between the parties as to prorations or adjustments under this Section 2.4, the amounts not in dispute shall nonetheless be paid and adjusted for at the Closing and such disputes shall be promptly presented for resolution to an independent certified public accountant mutually acceptable to the parties. The accountant's resolution of the dispute shall be final and binding on the parties and a judgment may be entered thereon, provided, however, that any such accountant shall have no authority to assess damages or award attorney's fees or costs. The fees and expenses of such accountant shall be paid one-half (1/2) by Seller and one-half (1/2) by Buyer.

2.5 Assumed Obligations. (a) Buyer shall, at the Closing, execute and deliver to Seller an Obligations Undertaking (the "Obligations Undertaking"), substantially in the form of Exhibit 2.5 hereto. Except as expressly provided in the Obligations Undertaking, Buyer shall not and does not assume any liability or obligation of Seller, fixed or contingent, disclosed or undisclosed, and assumes no liability for any claim, debt, default, duties, obligations or

liabilities of Seller of any kind or nature, whether known or unknown, contingent or fixed, including without limitation any obligations described in the Obligations Undertaking as “Excluded Liabilities” (collectively the “Excluded Liabilities”), all of which, to the extent that they exist from and after the Closing shall be retained and discharged by Seller.

ARTICLE 3

Application to and Consent By Commission

3.1 Commission Consent. Consummation of the purchase and sale provided for herein and the performance of the obligations of Seller and Buyers to close under this Agreement are subject to the condition that the Commission shall have issued its approval, without any condition which Buyers reasonably determine to be adverse to Buyers, of the assignment (the “Assignment”) of the Commission Authorizations to License Co. in accordance with the terms of this Agreement (the “Initial Order”).

In the event any such Commission approval fails, or is expected not, to cover any particular Commission Authorization, Buyer may, at its option, elect to waive such failure by written notice to Seller, and in such event such approval shall nevertheless be deemed an Initial Order for purposes of this Agreement.

3.2 Application For Commission Consent. (a) Seller and Buyers agree to proceed expeditiously and with due diligence and to use their reasonable efforts and to cooperate with each other in seeking and applying (the “Assignment Application”) for the Final Order (as hereinafter defined). Within five (5) business days after the date of this Agreement, each party shall prepare and file with the Commission the Assignment Application and all information, data, exhibits, resolutions, statements, and other materials necessary and proper in connection with such Assignment Application. Each party further agrees to expeditiously prepare and file with the FCC any Assignment Application amendments whenever such amendments are required by the Commission or its rules. For purposes of this Agreement, each party shall be deemed to be using its reasonable efforts with respect to obtaining the Final Order, and to be otherwise complying with the foregoing provisions of this Section 3.2, so long as it expeditiously and truthfully provides information necessary in completing the application process, expeditiously provides its comments on any filing materials, and uses its reasonable efforts to oppose attempts by third parties to resist, modify or overturn the grant of the Final Order without prejudice to the parties’ termination rights under this Agreement, it being further understood that neither the Selling Parties nor Buyer shall be required to expend any funds or efforts contemplated under this Article 3 unless the other of them is concurrently and likewise complying with its obligations under this Article 3.

(b) Except as otherwise provided herein, each party will be solely responsible for the expenses incurred by it in the preparation, filing and prosecution of its respective portion of the Assignment Application. All filing fees and grant fees imposed shall be paid one-half (½) by Seller and one-half (½) by Buyer.

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

3.3 Notice of Application. Seller shall, at its expense, give due notice of the filing of the Assignment Application by such means as may be required by the rules and regulations of the Commission.

3.4 Absence of Commission Consent. This Agreement, prior to the Closing, may be terminated by Seller, on the one hand, or Buyers on the other hand, upon written notice to the other(s), if an Initial Order as to the assignment of the Station has not come into existence and effect within nine (9) months after the date hereof, or the Final Order as to the assignment of the Station has not come into existence and effect within twelve (12) months after the date hereof; provided, however, that neither Seller nor Buyers, as the case may be, may terminate this Agreement if Seller, or any of Buyers, as the case may be, is in material default or breach under this Agreement, or if a delay in any decision or determination by the Commission respecting the Assignment Application has been caused or materially contributed to (i) by any failure of Seller, or any of Buyers, as the case may be, to furnish, file or make available to the Commission information within its control; (ii) by the willful furnishing by Seller, or any of Buyers, as the case may be, of incorrect, inaccurate or incomplete information to the Commission; or (iii) by any other action taken by Seller, or any of Buyers, as the case may be, for the purpose of delaying the Commission's decision or determination respecting the Assignment Application.

3.5 Designation For Hearing. In the event the Commission shall, prior to the Closing, designate for hearing any aspect of the Assignment Application, Seller, on the one hand, or Buyers, on the other hand, shall be entitled, upon notice to the other(s), which notice must be given within twenty (20) days after the terminating parties' receipt of notice of such designation for hearing, to terminate this Agreement; provided, however, that neither Seller, nor any of Buyers, as the case may be, shall be entitled to terminate this Agreement if Seller or any of Buyers, as the case may be, is in material default or breach of this Agreement.

3.6 Definition of Final Order. For purposes of this Agreement, the term "Final Order" shall mean a final order of the Commission which is not reversed, stayed, enjoined or set aside, and with respect to which no timely request for stay, reconsideration, review, rehearing or notice of appeal or determination to reconsider or review is pending, and as to which the time for filing any such request, petition or notice of appeal or for review by the Commission, and for any reconsideration, stay or setting aside by the Commission on its own motion or initiative, has expired.

3.7 Effect of Termination. No termination under this Article 3 shall affect any rights or obligations under this Agreement arising by reason of any breach or default by any party under this Agreement prior to such termination or any remedy to which any party hereto may be entitled by reason of such breach or termination, each of which shall survive such termination.

ARTICLE 4

Closing; Deliveries; Conditions Precedent

4.1 Closing. (a) The Closing under this Agreement (the "Closing") shall take place at the offices of Buyer's counsel, at 10:00 a.m., local time, on the fifth (5th) business day after the Initial Order becomes a Final Order, or such other date, place or time as the parties

hereto shall mutually agree upon, except that, at Seller's option, exercisable upon written notice to Buyer, deliverable any time after Initial Order is obtained, the Closing shall take place on the fifth (5th) business day after the delivery of such notice, but in no event prior to September 9, 2001. The date of the Closing is herein called the "Closing Date".

(b) All proceedings to be taken and all documents to be executed and delivered by the parties at the Closing shall be deemed to have been taken and executed simultaneously and no proceedings shall be deemed taken nor any documents executed or delivered until all have been taken, executed and delivered.

4.2 Sellers' Deliveries. At the Closing, Sellers shall deliver to Buyers:

(a) the Bill of Sale, executed by Seller;

(b) an assignment of lease in the form of Exhibit 4.2(b) hereto (the "Lease Assignment") which respect to the Ground Lease between Stephen and Deborah Popp and WTL, Incorporated, dated September 3, 1998, as assigned, executed by the lessee thereunder, together with the written consent and estoppel agreement of the landlord, in form and substance reasonably required by Buyer and Buyer's lending bank;

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

(d) all Contracts, FCC Logs and Business Records;

(e) copies of corporate resolutions of Sellers authorizing by approval of the board of directors of Sellers, the execution and delivery of this Agreement and each exhibit hereto and the consummation of the transactions contemplated hereby and thereby, certified by the President of each of Seller and Cumulus Licensing;

(f) certificates of good standing with respect to Seller, issued as of a recent date by the Secretary of State of the State of Michigan and the Secretary of State of the State of Nevada and with respect to Cumulus Licensing, issued as of a recent date by the Secretary of the State of Nevada;

(g) such other good and sufficient instruments of conveyance, assignment and transfer, as Buyers shall reasonably require, each in form and substance reasonably required by Buyers, and as shall be effective to vest in Buyers title to the Purchased Assets as contemplated by this Agreement; and

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

4.3 Buyers' Deliveries. At the Closing, Buyers will deliver:

(a) the Purchase Price, as the same may be adjusted in accordance with the terms of this Agreement, less the Escrow Proceeds;

- (b) instructions to the Escrow Agent authorizing the Escrow Agent to deliver the Escrow Proceeds to Seller;
- (c) the Lease Assignment, duly executed by Buyer;
- (d) the Obligations Undertaking, duly executed by Buyer;
- (e) certificates of good standing with respect to each of Buyers, each issued as of a recent date by the Secretary of State of Delaware;
- (f) copies of all necessary limited liability company resolutions of Buyer authorizing the execution and delivery of this Agreement and each exhibit hereto and the consummation of the transactions contemplated hereby and thereby, certified by an officer of Buyer;
- (g) the letter to Seller described in Section 7.15 hereof; and
- (h) all other documents required by the terms of this Agreement to be delivered to Sellers at the Closing.

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

4.5 Buyers' Conditions Precedent. The obligations of the Buyers under this Agreement to proceed with the transactions contemplated hereby are, at the option of the Buyer, subject to the fulfillment of the following conditions at or prior to the Closing:

- (a) no order shall have been issued, and no action shall be pending, to restrain, prevent, enjoin or prohibit, or to obtain substantial damages by reason of, any of the transactions contemplated hereby;
- (b) the representations and warranties of Sellers contained in this Agreement, any Schedules and Exhibits hereto and/or any certificates or documents delivered in connection with this Agreement shall be true and correct in all material respects when made, and, except for changes expressly permitted by this Agreement, shall also be true and correct in all material respects at the time of Closing with the same force and effect as though such representations and warranties were made at that time;
- (c) each covenant, agreement and obligation required by the terms of this Agreement to be complied with and performed by Seller, at or prior to the Closing shall have been duly and properly complied with and performed;

(d) the Final Order shall have been granted by the Commission and License Co. shall be entitled to be the holder of the Commission Authorizations or, alternatively, Seller shall have given notice to Buyer in accordance with Section 4.1 hereof;

(e) all consents necessary to the assignment to Buyer of those Material Contracts (as hereinafter defined) listed in Schedule 4.5(e) of the Disclosure Schedule, and there shall have been delivered to Buyer executed counterparts reasonably satisfactory in form and substance to Buyer of such consents (the "Consents");

(f) Buyer shall have received an opinion of Sellers' special communications counsel Paul Hastings, Janofsky & Walker or other communications counsel reasonably acceptable to Buyer, dated the Closing Date, addressed to Buyers and Buyers' lenders and favorably opining as to the matters included in Exhibit 4.5(f) hereto, in form and substance reasonably satisfactory to Buyer;

(g) there shall be delivered to and for the benefit of Buyers and Buyers' lenders a certificate of Seller executed on the Closing Date that the conditions set forth in subsections (b) and (c) of this Section 4.5 have been fulfilled.

4.6 Sellers' Conditions Precedent. The obligations of Sellers under this Agreement to proceed with the transactions contemplated hereby are, at the option of Seller, subject to the fulfillment of each of the following conditions at or prior to the Closing:

(a) no order shall have been issued, and no action shall be pending, to restrain, prevent, enjoin or prohibit, or to obtain substantial damages by reason of, any of the transactions contemplated hereby;

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

(c) each covenant, agreement and obligation required by the terms of this Agreement to be complied with and performed by Buyers at or prior to the Closing shall have been duly and properly complied with and performed;

(d) there shall be delivered to Seller a certificate of Buyer executed on the Closing Date that the conditions set forth in subsections (b) and (c) of this Section 4.6 have been fulfilled; and

(e) the Final Order shall have been granted by the Commission and License Co. shall be entitled to be the holder of the Commission Authorizations or, alternatively, Seller shall have given notice to Buyer in accordance with Section 4.1 hereof.

ARTICLE 5
Representations and
Warranties of Sellers

Sellers hereby makes each of the following representations and warranties:

5.1 Organization, Standing and Qualification. (a) Seller is a corporation validly existing and in good standing under the laws of the State of Nevada and is qualified to conduct business and is in good standing in the State of Michigan. Cumulus Licensing is a corporation validly existing and in good standing under the laws of the State of Nevada. Except as set forth in Schedule 5.1 of the disclosure schedule delivered by Sellers to Buyers concurrently with the execution and delivery hereof and making express reference to this Agreement (the “Disclosure Schedule”), the operations of the Station and the Business, have not been conducted through any direct or indirect subsidiary, shareholder or affiliate of Seller, and none of the business, assets, properties or rights of or related to the Station or the Business is held, owned, used or conducted by any shareholder or affiliate of Seller.

5.2 Authority of Sellers. Each Seller has all requisite power and authority to execute, deliver and perform this Agreement and each other agreement, document and instrument to be executed, delivered or performed by such Seller in connection with this Agreement (the “Seller Documents”) and to carry out the transactions contemplated hereby and thereby. This Agreement constitutes, and, when executed and delivered at the Closing, each other Seller Document will constitute, the legal, valid and binding obligation of each such Seller as is party thereto. All corporate and shareholder proceedings and action required to be taken by each such Seller relating to the execution, delivery and performance of this Agreement and the Seller Documents and the consummation of the transactions contemplated hereby and thereby have been duly taken.

5.3 No Violation. Except for the filing of the Assignment Application and the granting of the Initial Order and the Final Order, and except as indicated in Schedule 5.3 of the Disclosure Schedule:

(a) The execution, delivery and performance of this Agreement and the Seller Documents and the consummation of the transactions contemplated hereby and thereby, will not (i) conflict with or violate any provision of the Certificate of Incorporation or By-Laws of either Seller, (ii) with or without the giving of notice or the passage of time, or both, result in a breach of, or violate, or be in conflict with, or constitute a default under, or permit the termination of, or cause or permit acceleration under, any Material Contract to which either Seller is a party or to or by which it or any of the Purchased Assets is subject or bound, (iii) require the consent of any party to any Material Contract to which either Seller is a party, or to or by which it or the Purchased Assets is subject or bound, (iv) result in the creation or imposition of any Lien upon any of the Purchased Assets, or (v) violate any law, rule or regulation or any order, judgment, decree or award of any court, governmental authority or arbitrator to or by which either Seller or any of the Purchased Assets is subject or bound.

(b) No consent, approval or authorization of, or declaration, filing or registration with, or notice to, any governmental or regulatory authority or any other third party

is required to be obtained or made by either Seller in connection with the execution, delivery and performance of this Agreement or the Seller Documents or the consummation of the transactions contemplated hereby and thereby.

5.4 Financial Statements. (a) Seller has delivered to Buyer copies of the balance sheets and related statements of income and cash flow of the Station as at and for the fiscal years ended December 31, 2000 and 1999, and as at and for the four-month period ended April 30, 2001 (the "Financial Statements"). Except for the variations expressly noted in said Schedule 5.4 of the Disclosure Schedule, all of the Financial Statements have been prepared in accordance with generally accepted accounting principles (except for the absence of footnotes and normal and customary year-end adjustments), consistently applied and maintained throughout the periods indicated, and fairly present the financial condition of the Station as at their respective dates and the results of operations of the Station for the periods covered thereby. Such Financial Statements do not contain any items of special or nonrecurring income or any other income not earned in the ordinary course of business, and reflect no operations or business other than those of the Station, except as expressly specified therein.

(b) The revenue pacing reports for the Station heretofore or hereafter delivered to Buyer are and shall be true and accurate in all material respects.

5.5 Title to and Condition of Purchased Assets. Except for the assets and properties leased to Seller pursuant to the leases identified in Schedule 5.8 of the Disclosure Schedule hereto, Seller has good and marketable title to all of the assets and properties which it owns or uses or purports to own or use in connection with the Station. Except as set forth on Schedule 5.5 of the Disclosure Schedule, none of the Purchased Assets is subject to any Lien other than the Permitted Liens and none of the Real Properties is subject to or affected by any reservation or exclusion of mineral, timber, air or other rights or interests other than those recorded and identified on Schedule 5.5. The Purchased Assets are in good operating condition and repair, are reasonably suitable for the purposes used, and are reasonably adequate and sufficient for the operations of the Station subject to ordinary wear and tear and normal maintenance. Seller enjoys peaceful possession of all real and personal property, including the buildings and improvements thereon, owned or held under lease and used in the Business.

5.6 Litigation. Except as set forth in Schedule 5.6 of the Disclosure Schedule, and except for administrative rule making or other proceedings of general applicability to the broadcast industry and except for the Assignment Application contemplated by this Agreement, there is no action, suit, proceeding, arbitration or investigation pending, or to the Knowledge of Seller threatened, against or affecting Seller in connection with its operation of the Station or the Station or any assets, properties, business or employees of the Station or the transactions contemplated by this Agreement. There is not outstanding any order, writ, injunction, award or decree of any court or arbitrator or any federal, state, municipal or other governmental department, commission, board, agency or instrumentality to which the Station or either Seller in connection with its operation of the Station is subject or otherwise applicable to the Business or the Purchased Assets, nor is any of them in default with respect to any such order, writ, injunction, award or decree.

5.7 Compliance; Properties; Authorizations. (a) Except as set forth in Schedule 5.7(a) of the Disclosure Schedule, each Seller and the Station have complied, and all of the Real Properties are in compliance, in all material respects, with all laws, rules, regulations, ordinances, orders, judgments and decrees applicable to each Seller in respect of the Station, any of the employees thereof, the Station, or the Real Properties and/or any aspect of the Station's operations, including, without limitation, any laws, rules, regulations, ordinances, codes, orders, judgments or decrees as to zoning, building requirements or standards, hiring, employment, or environmental, health and/or safety matters.

(b) Cumulus Licensing is the holder of the Commission Authorizations listed on Schedule 5.7(b) of the Disclosure Schedule. The Commission Authorizations are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated and have not expired. There is not pending any action by or before the FCC to revoke, suspend, cancel, rescind or materially adversely modify any of the Commission Authorizations (other than proceedings to amend FCC rules of general applicability), and there is not now issued or outstanding, by or before the FCC, any order to show cause, notice of violation, notice of apparent liability, or notice of forfeiture against Cumulus Licensing with respect to the Station. The Station is operating in compliance in all material respects with the Commission Authorizations, the Communications Act, and the rules, regulations and policies of the FCC including the FCC's guidelines regarding RF radiation. All FCC regulatory fees for the Station have been paid, and, to the Knowledge of Sellers, all broadcast towers from which the Station operates have been duly registered with the FCC. The Station is not shortspaced to any present or proposed broadcast station or frequency/channel allotment. The Station is neither causing, nor receiving, any interference which the FCC would deem to be objectionable.

5.8 Schedules. Schedule 5.8 of the Disclosure Schedule contains a true, complete and accurate list of the following:

(a) all Real Properties, together with each lease, sublease or license related to the Station under which Seller holds any leasehold or other interest or right to the use thereof (the "Real Property Leases") or pursuant to which Seller has leased, assigned, sublet or granted any rights therein or with respect thereto;

(b) all items of machinery, equipment, vehicles, furniture, fixtures, transmitting towers, transmitters, antennae, office materials and supplies, spare parts, music libraries and other tangible personal property owned, leased or used by Seller and included in the Purchased Assets, except for items having a value of less than \$5,000 in connection with the Business which do not, in the aggregate, have a total value of more than \$10,000, setting forth with respect to all such listed property all leases relating thereto (the "Personal Property Leases");

(c) all trademarks, trademark registrations, and applications therefor, service marks, service mark registrations, and applications therefor, trade names, patents and patent applications, copyright registrations, and applications therefor, domain names, names of web sites, wholly or partially owned, held or used by Seller and solely related to the Station; and all contracts, agreements, commitments or licenses relating to patents, trademarks, trade names, copyrights, software, know-how, trade secrets, proprietary information and other Intangibles to

which Seller in connection with the Station is a party or by which Seller in connection with the Station is bound;

(d) all agency and representative agreements and all agreements providing for the services of an independent contractor relating to the Station and to which Seller is a party or by which Seller is bound;

(e) all licenses, Internet or web-site agreements, (including, without limitation, all interactive service, portal, web site management, hosting, server, content licensing, advertising, branding, and link or hyperlink agreements), development agreements, royalty agreements, and software agreements, all guarantees, loan agreements, indentures, mortgages and pledges, all conditional sale or title retention agreements, security agreements, equipment obligations, leases or lease purchase agreements as to items of personal property, in each case to which Seller is a party or by which Seller is bound in relation to and for the benefit of the Station;

(f) all Contracts but excluding (A) purchase orders for necessary supplies or services and air time sales orders for cash made in the ordinary course of business (on customary terms and conditions and consistent with past practice) involving payments or receipts by Seller of less than \$15,000 in any single case or series of related orders, and (B) contracts entered into in the ordinary course of business on customary terms and conditions which are terminable by Seller on less than 30 days' notice without any penalty or consideration and involving payments or receipts during the entire life of such contracts of less than \$15,000 in the case of any single contract but not more than \$50,000 in the aggregate;

(g) all collective bargaining agreements, all employment and consulting agreements, and all Employee Benefit Plans and any other employee benefit plan, agreement, arrangement, commitment and/or practice, to which Seller is a party or bound and which covers or relates to any of the employees of the Station;

(h) as of a date no earlier than April 30, 2001, all receivables of the Station, together with an aging thereof;

(i) the names and current annual salary rates and commission schedules of all persons (including independent commission agents) employed or engaged by Seller at the Station, and showing separately for each such person the amounts paid or payable as salary, bonus payments and direct and indirect compensation for the year ended December 31, 2000 and for the three months ended March 31, 2001; and

True and complete copies of all contracts, agreements, plans, arrangements, commitments and documents required to be listed pursuant to this Section 5.8 (to the extent in writing or if not in writing, an accurate summary thereof), together with any and all amendments thereto, have been delivered to Buyer.

Except as set forth in Schedule 5.8 of the Disclosure Schedule, all of the contracts, agreements and commitments required to be listed pursuant to this Section 5.8 (other than those which have been fully performed) (the "Material Contracts") are in full force and effect. To the best of the Seller's Knowledge, there is not under any Material Contract any

existing material default or event which, after notice or lapse of time, or both, would constitute a material default or result in a right to accelerate or loss of material rights.

Except as set forth in Schedule 5.8 of the Disclosure Schedule, Seller is not a party to any agreement, contract or commitment outside the ordinary course of business which obligates it or could obligate it to provide advertising time on the Station on or after the Closing Date as a result of the failure of the Station to satisfy specified ratings or any other performance criteria, guarantee or similar representation or warranty.

5.9 Insurance. The properties and assets of Seller, which are of an insurable character and are used or useful in the Business, are insured at full replacement cost against loss or damage by fire or other risks in accordance with customary industry practices, and Seller maintains liability insurance, to the extent and in the manner and covering such risks as is customary for companies engaged in a business similar to the Business or owning assets similar to the Purchased Assets.

5.10 Absence of Changes or Events. Except as set forth in Schedule 5.10 of the Disclosure Schedule, since April 30, 2001 (the "Balance Sheet Date") Seller has conducted the business of the Station only in the ordinary course in a manner consistent with past practices. Without limiting the foregoing, since such date, neither Seller in respect of the Station nor the Station has, except as set forth on said Schedule 5.10:

(i) incurred any obligation or liability, absolute, accrued, contingent or otherwise, whether due or to become due, except current liabilities for trade or business obligations incurred in the ordinary course of business and consistent with its prior practice, none of which liabilities, in any case or in the aggregate, materially and adversely affects the condition (financial or otherwise), assets, liabilities or operations of the Business or the Station;

(ii) mortgaged, pledged or subjected to lien, charge, security interest or any other encumbrance or restriction any of its property, business or assets, tangible or intangible;

(iii) sold, transferred, leased to others or otherwise disposed of any of its assets, except for supplies consumed and inoperative, obsolete equipment disposed of in the ordinary course of business;

(iv) accepted any prepayment for the sale of air time or canceled or compromised any substantial debt or claim, or waived or released any right of substantial value or collected or compromised any accounts receivable other than in the ordinary course of business consistent with past practice;

(v) received any written notice of actual or threatened termination of any contract, lease or other agreement, or suffered any damage, destruction, loss, change, event or condition, financial or otherwise (whether or not covered by insurance), received any written notice from any advertiser that it, nor has Knowledge that any advertiser, intends to cease doing business with the Station, which, in any case or in the aggregate, has had, or could have, a materially adverse effect on the condition (financial or otherwise), assets or operations of the Business or the Station;

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

(vii) made any change or changes (in excess of 5% per annum, and then only in the ordinary course of business, consistent with past practice) in the rate of compensation, commission, bonus or other direct or indirect remuneration payable, conditionally or otherwise, and whether as bonus, extra compensation, pension or severance or vacation pay or otherwise, to any director, officer, employee, salesman, distributor or agent;

(viii) made any capital expenditures or capital additions or betterment in excess of an aggregate of \$25,000;

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

(x) entered into any transaction, contract or commitment other than in the ordinary course of business on customary terms and conditions; or

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

5.11 Intangibles. Seller owns or possesses all rights necessary to use the call letters "WTLZ-FM", together with all copyrights, trademarks, trade names, logos, slogans, jingles, service marks and other proprietary rights and Intangibles currently used in connection with the operation of the Station as presently operated. Seller has no Knowledge of any infringement or unlawful, unauthorized or conflicting use of any of the foregoing, or of the use of any call letters, slogan or logo by any broadcast station in the areas served by the Station which may be confusingly similar to any of the call letters, slogans and logos currently used by the Station. Seller has received no notice that Seller is infringing upon or otherwise acting adversely to any copyrights, trademarks, trademark rights, service marks, service mark rights, trade names, service names, slogans, call letters, logos, jingles, licenses or any other proprietary rights owned or used by any other person or entity.

5.12 Environmental Matters.

(a) Except as set forth in Schedule 5.12 of the Disclosure Schedule, to Seller's Knowledge, (i) no Hazardous Substance (as hereinafter defined) has been stored, treated, released, disposed of or discharged on, about, from or affecting any of the Real Properties in any material amounts, and (ii) Seller has no liability which is based upon or related to the environmental conditions under or about any of the Real Properties. To Seller's Knowledge, it has complied in all material respects with all environmental, health and safety laws applicable to the Real Properties. The term "Hazardous Substance" as used in this Agreement shall include, without limitation, gasoline, oil and other petroleum products, explosives, radioactive materials and related and similar materials, and any other substance or material defined as a hazardous, toxic or polluting substance or material by any federal, state or local law, ordinance, rule or regulation, including asbestos and asbestos-containing materials.

(b) Except as set forth in Schedule 5.12 of the Disclosure Schedule, Seller in connection with the Business and/or Station has not (i) given any report or notice to any governmental agency or authority involving the use, management, handling, transport, treatment, generation, storage, spill, escape, seepage, leakage, spillage, emission, release, discharge, remediation or clean-up of any Hazardous Substance on or about any of the Real Properties or caused by Seller or any affiliate thereof (a “Hazardous Discharge”), or (ii) received any complaint, order, citation or notice with regard to a Hazardous Substance or any other environmental, health or safety matter affecting any of the Real Properties or the Business or operations conducted thereat (an “Environmental Complaint”), under the federal Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”) or under any other federal, state or local law, ordinance, rule or regulation.

5.13 Employee Benefits. All Employee Benefit Plans in which any employee or former employee of the Station participates are listed in Schedule 5.8 of the Disclosure Schedule. None of the Employee Benefit Plans is a “qualified” plan pursuant to Section 401 of the Code and all required filings have been, are or will be made in respect of such Employee Benefit Plans with the U.S. Internal Revenue Service or the U.S. Department of Labor. To the Knowledge of Seller, Seller has not violated any provisions of ERISA or any other applicable law in relation to such Employee Benefit Plans. Buyer and the Purchased Assets will not be subject to any lien or liability in respect of the Employee Benefit Plans.

5.14 Absence of Undisclosed Liabilities. Except as and to the extent reflected or reserved against on the Balance Sheet as at December 31, 2000 included in the Financial Statements, or set forth in Schedule 5.14 of the Disclosure Schedule, Seller in respect of the Station does not have any material debts, liabilities or obligations (whether absolute, accrued, contingent or otherwise) relating to or arising out of any act, transaction, circumstance or state of facts which has heretofore occurred or existed, due or payable, required by GAAP to be reflected on a balance sheet or in the notes thereto, other than current liabilities permitted under clause (i) of Section 5.10 hereof arising since the date of such Balance Sheet and other than contract obligations disclosed pursuant to Section 5.8 hereof (or not required to be disclosed pursuant to said Section 5.8), which in each case conform to the representations and warranties with respect thereto in this Agreement.

5.15 Taxes. All taxes, fees, assessments and charges, including, without limitation, income, property, sales, use, franchise, added value, employees’ income withholding and social security taxes, imposed by the United States or by any foreign country or by any state, municipality, subdivision or instrumentality of the United States or of any foreign country, or by any other taxing authority, which are due and payable by Seller in respect of or in connection with any of the Business, and all interest and penalties thereon (collectively, “Taxes” or “Tax”), have been paid in full, all Tax returns required to be filed in connection therewith have been accurately filed, and all deposits required by law to be made by Seller with respect to employees’ and other withholding Taxes have been duly made. No deficiency for any Tax or claim for additional Taxes has been proposed, asserted or assessed against Seller.

5.16 Barter. Schedule 5.16 hereto sets forth as of the date set forth therein, all agreements and arrangements relating to the Station pursuant to which advertising is exchanged

for goods and services for which an obligation to broadcast advertising time is outstanding and indicating the balances thereof.

5.17 Receivables. Except as set forth in Schedule 5.17 of the Disclosure Schedule, all accounts receivable of Seller in respect of the Station have arisen only from bona fide transactions with unrelated third parties.

5.18 Disclosure. The representations and warranties contained in this Article 5 and the Disclosure Schedule do not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements herein or therein contained under the circumstances under which made, not misleading.

ARTICLE 6 Representations and Warranties of Buyer

Buyer represents and warrants to Seller that:

6.1 Organization and Standing. Each of Buyer and License Co. is a limited liability company validly existing and in good standing under the laws of the State of Delaware.

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

6.3 Litigation. Except for administrative rule making or other proceedings of general applicability to the broadcast industry and except for the Assignment Application contemplated by this Agreement and matters pertaining thereto, and except for any matter or item covered by Section 5.7 hereof: there is no action, suit or proceeding pending, or to the Knowledge of Buyers threatened, against Buyers, which, in any case or in the aggregate, materially adversely affects the ability of Buyers to consummate the transactions contemplated hereby.

6.4 No Violation. Except for the filing of the Assignment Application and the granting of the Initial Order and the Final Order:

(a) The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby, will not (i) conflict with or violate any provision of the Certificate of Formation or Limited Liability Company Agreement, (ii) with or without the giving of notice or the passage of time, or both, result in a breach of, or violate, or be in conflict with, or constitute a default under, or permit the termination of, or cause or permit acceleration under, any material contract or instrument or any debt or obligation to which Buyer

is a party or subject, however, to Buyer obtaining the consent of its lenders which will be obtained in connection with the Closing, or (iii) violate any law, rule or regulation or any order, judgment, decree or award of any court, governmental authority or arbitrator to or by which Buyer is subject or bound.

(b) No consent, approval or authorization of, or declaration, filing or registration with, or notice to, any governmental or regulatory authority or any other third party is required to be obtained or made by Buyer in connection with the execution, delivery and performance of this Agreement or the Buyer Documents or the consummation of the transactions contemplated hereby and thereby, subject, however, to Buyer's obtaining the consent of Buyer's lenders as aforesaid.

6.5 Buyer's Qualification. Upon its deposit of the Escrow Deposit with the Escrow Agent, the License Co. will be legally, technically and financially qualified to become a licensee of the FCC and to complete the transactions contemplated by this Agreement, and Buyer knows of no facts regarding either of the Buyers that would, under existing law and the existing rules, regulations, policies and procedures of the FCC, disqualify License Co. as an assignee of the Commission Authorizations. Notwithstanding the foregoing, Buyers make no representation or warranty with respect to any existing or pending law, rule, regulation, policy or practice of the FCC which relates to multiple ownership in view of the fact that the full complement of FCC commissioners has not been identified and the FCC is currently considering a rule making proceeding which could have the effect of changing, inter alia, a "radio market" as well as affect the processing of assignment or transfer applications filed before the full complement of FCC commissioners have been appointed.

ARTICLE 7 Certain Covenants

7.1 Conduct of Business. During the period from the date of this Agreement to and including the Closing Date, Seller shall, subject to the provisions of the TBA and except for any conduct under Buyer's direction or by Buyer under the TBA, cause the Station and the Business to be operated and conducted in the ordinary and usual course of business and consistent, in all material respects, with past practices. Without limiting the foregoing, prior to the Closing, Seller, without the prior written consent of Buyer, shall not and shall not permit the Station to, except for any conduct directed, requested or caused by Buyer:

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

(b) dissolve or liquidate or sell, transfer, lease or otherwise dispose of any Purchased Assets, other than (i) assets, which individually or collectively are not material to the Business, or (ii) supplies consumed in the ordinary and customary course of business, or obligate itself to do so;

(c) amend, modify, change, alter, terminate, rescind or waive any material rights or benefits under any Material Contract, or enter into any contract, agreement or commitment which, if in existence as of the date of this Agreement would have been required to be listed, under Schedule 5.8 of the Disclosure Schedule other than non-material amendments or other actions undertaken in the ordinary course of business of the Station;

(d) fail to maintain the Purchased Assets and the Real Properties in good repair and condition, reasonable and ordinary wear and tear excepted; or cancel or fail to renew any of the current insurance policies or any of the coverage thereunder maintained for the protection of any of the Real Properties, the Station or Purchased Assets; and

(e) except as expressly contemplated by the TBA, perform, take any action or incur or permit to exist any of the acts, transactions, events or occurrences of the type described in clauses (i), (ii), (iii), (iv), (vii), (viii), (ix), (x) or (xi) of Section 5.10 hereof which would have been inconsistent with the representations and warranties set forth in Section 5.10 hereof had the same occurred after the Balance Sheet Date and prior to the date hereof.

7.2 Operations. Subject to the operating procedures contemplated by the TBA, during the period from the date of this Agreement to the Closing Date, Seller shall have sole responsibility for the Station and its operations, and during such period, Seller shall:

(a) Operate the Station in a manner consistent with the normal and prudent operation of commercial broadcast radio station of similar size and format and in accordance with the rules and regulations of the Commission and Authorizations and the TBA, and file all ownership reports, employment reports and other documents required to be filed during such period and maintain and promptly deliver to Buyer true and complete copies of the Station's required filings.

(b) Deliver to Buyer within five (5) days after filing thereof with the Commission copies of any and all reports, applications, and/or responses relating to the Station which are filed with the Commission on or prior to the Closing Date, including a copy of any Commission inquiries to which the filing is responsive (and in the event of an oral Commission inquiry, Seller will furnish a written summary thereof).

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

7.4 Going Off the Air. If the Station goes off the air for any engineering reason, act of God, or any other reason not caused by Buyer, Seller shall immediately notify Buyer and shall take all reasonable steps to begin broadcasting as soon as possible. If the Station is unable to begin and to continue broadcasting on a normal and customary basis within one hundred twenty (120) hours, Buyer may, at its option, terminate this Agreement without incurring any liability to Seller, provided that to be effective such notice from Buyer to terminate

this Agreement must be delivered to Seller within ten (10) business days after Buyer shall receive written notice from Seller that normal operations of the Station shall have resumed.

7.5 Restrictions on Buyers. Except as provided in the TBA, nothing contained in this Agreement shall give Buyers any right to control the programming or operations of the Station prior to the Closing Date and Seller shall have complete control of the programming and operation of the Station between the date hereof and the Closing Date and shall operate the Station in conformity with the public interest, convenience and necessity and with all other applicable requirements of law.

7.6 Access to Information. During the period from the date of this Agreement to the Closing Date, Buyer and its accountants, counsel and other representatives, shall upon prior written or telephone notice be given reasonable and continuing access during normal business hours to all of the facilities, properties, books and records of Seller, and they shall be furnished with such documents and information with respect to the affairs of Seller and the Station as from time to time may reasonably be requested, and in furtherance thereof, Buyer may retain an engineering firm of its own choosing to conduct engineering due diligence into the adequacy, operation and condition of the Station, and the transmission, receiving, broadcast, studio and production machinery, equipment, towers and facilities of and/or relating to the Station, and their compliance with the standards of applicable law.

7.7 Preservation of Business. During the period from the date of this Agreement to the Closing Date, Seller shall use its commercially reasonable efforts to preserve intact the goodwill and staff of Seller, and the relationships of Seller with advertisers, customers, suppliers, employees, contracting parties, governmental authorities and others having business relations with Seller.

7.8 Brokerage or Finder's Fee. Buyer represents and warrants to Seller, and Seller represents and warrants to Buyer, that no person or entity is entitled to any brokerage commissions or finder's fees in connection with the transactions contemplated by this Agreement as a result of any action taken by the representing party or any of the affiliates, officers, directors or employees thereof. Seller shall be solely and exclusively responsible for all commissions, finders fees or other compensation claimed by any person or entity claiming to have dealt with or for Seller. Buyer shall be solely and exclusively responsible for all commissions, finder's fees or other compensation claimed by any person or entity claiming to have dealt with or for Buyer.

7.9 Sales and Other Taxes. [Buyer] shall pay all sales taxes, transfer taxes and intangibles taxes and similar government charges, filing fees and recording and registration fees applicable to the transactions contemplated by this Agreement, including, without limitation, all taxes and similar charges, if any, payable upon the transfer of title to any Purchased Assets. Buyer and Seller will cooperate to prepare and file with the proper public officials, as and to the extent necessary, all appropriate sales tax exemption certificates or similar instruments as may be necessary to avoid the imposition of sales, transfer and similar taxes on the transfer of Purchased Assets pursuant hereto. The provisions of this Section 7.9 shall not apply to filing and grant fees associated with the Assignment Application. The payment of such fees shall be governed by Section 3.2 hereof.

7.10 No Shop. Seller agrees that from after the date hereof and until the earlier of the termination of this Agreement in accordance with the terms hereof or twelve (12) months after the date hereof, the Seller will not sell, transfer or otherwise dispose of any direct or indirect interest in Seller or any assets (except for dispositions of assets in the ordinary course of business as expressly permitted elsewhere in this Agreement) of Seller to be included in the Purchased Assets (or any rights in any such stock or assets), and the Seller will not respond to inquiries or proposals, or enter into or pursue any discussions, or enter into any agreements (oral or written), with respect to, the sale or purchase of any direct or indirect interest in Seller, or any option or warrant with respect to such interest, or the merger, consolidation, sale, lease or other disposition of all or any portion of the assets, business, rights or Authorizations of Seller or the Station. The provisions of this Section 7.10 shall not be deemed to limit or negate any other obligations of Seller under this Agreement.

7.11 Bulk Transfer Laws. The parties do not believe that any bulk transfer or fraudulent conveyance statute applies to the transactions contemplated by this Agreement. Buyers therefore waive compliance by Seller with the requirements of any such statutes, and Seller agrees to indemnify and hold Buyers harmless against any claim by any creditor of Seller or claimant against either or both of Buyers as a result of a failure to comply with any such statute.

7.12 Environmental Notices. In the event that, on or prior to the Closing, Seller receives any notice or advice from any governmental agency or authority or any other source with respect to a Hazardous Discharge or presence of a Hazardous Substance, they shall immediately notify Buyer and furnish to Buyer a copy of all such notices, correspondence and other documentation. Seller shall promptly conduct all investigations, studies, sampling and testing which may be appropriate in connection with any such notice or advice and in accordance with all applicable federal, state and local laws, ordinances, rules and regulations.

7.13 Limited Audit Financial Statements. Seller shall cooperate in all respects reasonably requested by Buyer in connection with the preparation promptly after the date hereof of financial statements ("Limited Audited Financial Statements") to be prepared in accordance with the limited audit procedures outlined in Schedule 7.13 hereto (the "Limited Audit Procedures"), for Seller, for the twelve-month period ended May 31, 2001, together with the report thereon (unqualified in any respect) consistent with said Limited Audit Procedures, of independent certified public accountants selected by Buyer (the "Auditors"), which report shall be addressed directly to Buyer. The fees, costs and expenses of such Auditors for such limited audit of such Limited Audited Financial Statements shall be borne by Buyer. In the event that it becomes apparent that the Closing will not be effected before September 1, 2001, Buyer may request, and upon such request Seller shall cooperate with Buyer and the Auditors, at Buyer's cost, to update the Limited Audit Financial Statements and the report thereon to include the twelve (12) month period through the last day of the last calendar month ending not later than forty-five (45) days prior to the expected Closing Date.

7.14 Premises and Facilities. (a) From and after the Closing Date and through and including the last business day prior to the day that certain Sublease between Seller and Citadel Broadcasting Company, dated March 16, 2001 expires, including by early termination or such sooner date as the parties may agree to (the "Premises and Facilities Usage Services

Period”), Seller shall grant to Buyer a full and continuing license for unlimited access to, and the right to use and occupy all portions of Seller’s premises in Saginaw, Michigan (the “Premises”), as currently used and occupied by and for the Station and all office and other equipment, systems, services and facilities (including, but not limited to, telephones, telephone systems, facsimile equipment, copiers), and general office services at the Premises customarily and currently used by the Station in connection with the conduct of the Station.

(b) In consideration for access to the Premises, Buyer shall pay to Seller on a monthly basis during the Premises and Facilities Usage Services Period an amount equal to the monthly rental payment and maintenance and utility expenses of the Premises, such amount to be set forth in an invoice from Seller and accompanied by reasonable documentation in support thereof.

(c) Buyer covenants and agrees that it will comply with all rules and policies set forth in that certain Sublease Agreement between Seller and Citadel Broadcasting Company, dated March 16, 2001 and any such other rules and policies set forth by Seller or its affiliates with respect to such Premises and applicable to its own personnel.

7.15 Nonsolicitation. For a period of one (1) year from the Closing Date Sellers shall not and shall not permit any person or entity directly or indirectly (alone or together with others) controlling, controlled by, affiliated with or related to, Sellers to, without the express prior written consent of Buyer, directly or indirectly employ or attempt to employ or knowingly arrange or solicit to have any other person or entity employ any person, who is, on the Closing Date employed or hired by Buyer, with each such person to be listed as an employee of Buyer as of the Closing Date in a letter from Buyer to Seller to such effect and to be delivered to Seller on the Closing Date.

ARTICLE 8 Termination

8.1 Termination. This Agreement may be terminated at any time prior to Closing as follows:

- (a) by mutual written consent of Buyer and Seller;
- (b) by written notice from a party that is not then in material breach of this Agreement if the other party has continued in material breach of this Agreement for thirty (30) days after written notice of such breach from the terminating party is received by the other party and such breach is not cured by the earlier of (i) the last day of such 30-day period or (ii) the Closing Date (the “Cure Period”); provided, however, that if such breach cannot be reasonably cured within such period but can be cured before the Closing Date, and if diligent efforts to cure promptly commence, then the Cure Period shall continue as long as such diligent efforts to cure continue, but not beyond the Closing Date;
- (c) by written notice of Buyer to Seller, or by Seller to Buyer, if the FCC denies the Assignment Application;
- (d) as provided in Section 3.4; or

(e) by written notice of Seller to Buyer if the Closing shall not have been consummated on or before the date nine months after the date of this Agreement provided that Sellers are not then in breach or default.

8.2 Effect of Termination

(a) Upon termination of this Agreement, each party shall thereafter remain liable for (i) breach of this Agreement prior to such termination subject however to Section 8.4 herein and (ii) payment and performance of the party's obligations under Section 9.2 hereof.

(b) If this Agreement is terminated prior to Closing for any reason other than by Seller pursuant to Section 8.1(b) of this Agreement, as provided in, and subject to the terms and conditions of the Escrow Agreement, Buyer shall be entitled to the return of the Escrow Proceeds by Escrow Agent.

(c) If this Agreement is terminated prior to Closing by Seller pursuant to Section 8.1(b) of this Agreement, as provided in, and subject to the terms and conditions of the Escrow Agreement, Seller shall be entitled to the Escrow Initial Deposit and Buyer shall be entitled to the balance of the Escrow Proceeds in which case Escrow Agent shall deliver the Escrow Initial Deposit to Seller and the balance of the Escrow Proceeds to Buyer.

8.3 Specific Performance. Seller agrees that the Purchased Assets include unique property that cannot be readily obtained on the open market and that Buyers will be irreparably injured if this Agreement is not specifically enforced. Therefore, Buyers shall have the right specifically to enforce the performance of Seller under this Agreement without the necessity of posting any bond or other security, and Seller hereby waives the defense in any such suit that Buyers have an adequate remedy at law and agree not to interpose any opposition, legal or otherwise, as to the propriety of specific performance as a remedy. The remedy of specifically enforcing any or all of the provisions of this Agreement in accordance with this Section 8.3 shall not be exclusive of any other rights and remedies which Buyers may otherwise have under this Agreement or otherwise, all of which rights and remedies shall be cumulative.

8.4 Liquidated Damages. If Seller terminates this Agreement due to Buyer's failure to consummate the Closing on the Closing Date in accordance with this Agreement or if this Agreement is otherwise terminated by Seller pursuant to Section 8.1(b), then Buyer shall pay Seller as the sole and exclusive remedy and as liquidated damages an amount equal to 10% of the Purchase Price, which payment is inclusive of the Escrow Initial Deposit to the extent remitted to Seller. It is understood and agreed that such liquidated damages amount represents Buyer's and Seller's reasonable estimate of actual damages and does not constitute a penalty.

ARTICLE 9 Indemnification

9.1 Obligation to Indemnify. (a) Seller hereby agrees to save, indemnify and hold harmless Buyers from and against, and shall on demand reimburse Buyer for:

(i) any and all loss, liability, damage or deficiency suffered or incurred by any of Buyers by reason of any misrepresentation, breach of warranty or nonfulfillment of any covenant or agreement to be performed or complied with by Sellers under this Agreement or any agreement, certificate, document or instrument executed by Sellers and delivered to any of Buyers pursuant to or in connection with this Agreement;

(ii) any loss, liability, damage or deficiency suffered or incurred by any of Buyers by reason of or in connection with any of the Excluded Liabilities;

(iii) any and all actions, suits, proceedings, claims, demands, assessments, judgments, costs and expenses, including, without limitation, reasonable attorneys' fees, 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 any of the obligations under this Section 9.1(a), provided that if in enforcing any of such obligations, a court awards only partial recovery from that originally sought then only a portion of such attorneys' fees, in proportion to such partial reward, shall be recoverable.

(b) Following the Closing, Buyer hereby agrees to save, indemnify and hold harmless Sellers from, against and in respect of, and shall on demand reimburse Sellers for:

(i) any and all loss, liability, damage or deficiency suffered or incurred by Sellers by reason of any misrepresentation or breach of warranty by Buyers or nonfulfillment of any covenant or agreement to be performed or complied with by Buyers under this Agreement or in any agreement, certificate, document or instrument executed by any of Buyers and delivered to Seller pursuant to or in connection with this Agreement;

(ii) any failure by Buyer to comply with the Obligations Undertaking;
and

(iii) any and all actions, suits, proceedings, claims, demands, assessments, judgments, costs and expenses, including reasonable attorneys' fees, 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 any of the obligations under this Section 9.1(b), provided that if in enforcing any of such obligations, a court awards only partial recovery from that originally sought then only a portion of such attorneys' fees, in proportion to such partial reward, shall be recoverable.

9.2 Survival and Other Matters. (a) Each representation, warranty, indemnity, covenant and agreement of each of the parties hereto shall survive the Closing; provided, however, that no party shall be entitled to assert claims against any other for misrepresentations or breach of warranty under or pursuant to this Agreement unless the party asserting such claim shall notify the other in writing of such claim within two (2) years after the Closing Date; provided, however, (i) that the foregoing limitations on the survival of representations and warranties shall not apply to any of the representations and warranties in or pursuant to Section 5.2, or the first sentence of Section 5.5, and (ii) the representations and warranties in or pursuant to Section 5.15 hereof shall survive for the applicable statute of

limitations. Notwithstanding the foregoing, in no event shall Seller on the one hand or Buyer on the other hand, have any liabilities under or pursuant to this Agreement for any misrepresentations or breaches of warranties hereunder (a) until such liabilities shall exceed in the aggregate \$50,000, at which time such indemnifying party shall be fully liable for all such liabilities, in excess of \$50,000 and (b) in excess of the Purchase Price.

(b) Anything to the contrary in this Agreement notwithstanding, Buyer shall be solely and exclusively responsible and liable for all obligations of any of Buyers, and License Co. shall not have or incur any liability whatsoever, arising out of this Agreement or any of the transactions contemplated hereby.

9.3 Provisions Regarding Indemnification. If, within the applicable survival period, any third party shall notify any Party (the “Indemnified Party”) with respect to any third party claim which may give rise to a claim for indemnification against any other party (the “Indemnifying Party”) under this Article 9, then the Indemnified Party shall notify the Indemnifying Party thereof promptly; provided, however, that no delay on the part of the Indemnified Party in notifying the Indemnified Party shall relieve the Indemnifying Party from any liability or obligation hereunder unless (and then solely to the extent) the Indemnifying Party thereby is prejudiced. In the event any Indemnifying Party notifies the Indemnified Party within 20 days after the Indemnified Party has given notice of the matter that the Indemnifying Party is assuming the defense thereof, (i) the Indemnifying Party will defend the Indemnified Party against the matter with counsel of its choice reasonably satisfactory to the Indemnified Party, (ii) the Indemnified Party may retain separate co-counsel at its sole cost and expense (except that the Indemnifying Party will be responsible for the fees and expenses of the separate co-counsel to the extent the Indemnified Party concludes reasonably that the counsel the Indemnifying party has selected has a conflict of interest), (iii) the Indemnified Party will not consent to any settlement with respect to the matter without the written consent of the Indemnifying Party (not to be withheld unreasonably), and (iv) without the written consent of the Indemnified Party, the Indemnifying Party will not consent to the entry of any judgment with respect to the matter, or enter into any settlement unless the Indemnifying Party pays all amounts in full and such judgment or settlement includes a provision whereby the plaintiff or claimant in the matter releases the Indemnified Party from all liability with respect thereto.

ARTICLE 10 Risk of Loss

10.1 Risk of Loss. Except to the extent expressly provided otherwise in the TBA, the risk of loss, damage or destruction to the Purchased Assets and/or the Real Properties from fire or other casualty or cause, shall be borne by Seller at all times up to the earlier of the Closing and the time such Purchased Assets are removed by Buyer from their current location, unless such damage was caused by Buyer’s use of such assets at the Station under the TBA. Except as expressly provided otherwise in the TBA, it shall be the responsibility of Seller to repair or cause to be repaired and to restore the affected property to its condition prior to any such loss, damage or destruction. In the event of any such loss, damage or destruction, the proceeds of any claim for any loss payable under any insurance policy with respect thereto shall be used to repair, replace or restore any such property to its former condition subject to the conditions stated below. In the event that property reasonably required for the normal operation

of the Station is not repaired, replaced or restored prior to the Closing, unless such damage was directly caused pursuant to Buyer's use of the Station under the TBA, Buyer, at its sole option, upon written notice to Seller: (a) may elect to postpone Closing until such time as the property has been repaired, replaced or restored, or (b) may elect to consummate the Closing and accept the property in its then condition, in which event Seller shall assign to Buyer all proceeds of insurance theretofore, or to be, received, covering the property involved; and if Buyer shall extend the time for Closing pursuant to clause (a) above, and the repairs, replacements or restorations are not completed within sixty (60) days after the date on which Final Order for the Station has come into existence and effect, Buyer may terminate this Agreement by giving written notice thereof to Seller.

ARTICLE 11
Miscellaneous

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

11.2 Assignment. This Agreement and all rights of Buyers shall be assignable by Buyers to one or more subsidiaries or affiliates of Buyer, prior to the Closing upon prior notice to Seller, and to lenders to Buyer, and after the Closing may be assigned by Buyers in any manner they deem appropriate, in each case without the consent of Seller, although Buyer shall remain liable for the performance of any assignee in respect thereof. This Agreement shall not be assignable by Seller without the prior written consent of Buyer. No assignment shall relieve the assigning party of its obligations hereunder.

11.3 Law To Govern. This Agreement and the Obligations Undertaking shall be construed and enforced in accordance with the internal laws of the State of Delaware.

11.4 Notices. All notices shall be in writing and shall be deemed to have been duly given if delivered personally or when deposited in the mail if mailed via registered or certified mail, return receipt requested, postage prepaid to the other party hereto at the following addresses:

if to Seller, to:

Cumulus Media Inc.
3535 Piedmont Road
Building 14, 14th Floor
Atlanta, GA 30305
Attn: Lewis W. Dickey, Jr.

with a copy to:

Jones, Day, Reavis & Pogue
3500 SunTrust Plaza
303 Peachtree Street
Atlanta, GA 30308-3242
Attn: John E. Zamer, Esq.

if to any of Buyers, to:

Wilks Broadcasting LLC
35 Highland Circle, Suite 309
Needham, MA 02494
Attn: Mr. Jeffrey Wilks

with copies to:

The Wicks Group of Companies, L.L.C.
405 Park Avenue
New York, NY 10022
Attn: Mr. Jamie M. Weston

and

Golenbock, Eiseman, Assor & Bell
437 Madison Avenue
New York, NY 10022
Attn: Nathan E. Assor, Esq.

or to such other addresses as any such party may designate in writing in accordance with this Section 11.4.

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

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

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

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

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

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

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

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

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

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

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

CUMULUS BROADCASTING, INC.

By: _____
Name:
Title:

CUMULUS LICENSING CORPORATION

By: _____
Name:
Title:

WILKS BROADCASTING LLC

By: _____
Name:
Title:

WILKS LICENSE CO., LLC

By: _____
Name:
Title:

Appendix A

“**Advertising Contracts**” has the meaning set forth in Section 1.1(e) hereof.

“**Allocation Schedule**” has the meaning set forth in Section 2.4 hereof.

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

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

“**Assumed Obligations**” has the meaning set forth in Section 2.5(a) hereof.

“**Auditors**” has the meaning set forth in Section 7.13 hereof.

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

“**Balance Sheet Data**” has the meaning set forth in Section 5.10 hereof.

“**Barter Agreements**” has the meaning set forth in Section 2.5(c) hereof.

“**Bill of Sale**” has the meaning set forth in Section 1.1 hereof.

“**Breaching Party**” has the meaning set forth in Section 8.2 hereof.

“**Business**” has the meaning set forth in Section 1.4 hereof.

“**Business Records**” has the meaning set forth in Section 1.1(m) hereof.

“**Buyer**” means Wilks Broadcasting LLC, a Delaware limited liability company.

“**Buyer Documents**” has the meaning set forth in Section 6.2 hereof.

“**Buyers**” means Buyer and License Co.

“**CERCLA**” means the Comprehensive Environmental Response, Compensation and Liability Act.

“**Closing**” has the meaning set forth in Section 4.1 hereof.

“**Closing Date**” has the meaning set forth in Section 4.1 hereof.

“**Collection Period**” has the meaning set forth in Section 1.7 hereof.

“**Commission**” has the meaning set forth in the recitals hereto.

“**Commission Authorizations**” has the meaning set forth in Section 1.1(a) hereof.

“Consents” has the meaning set forth in Section 4.5(e) hereof.

“Contracts” has the meaning set forth in Section 1.1(f) hereof.

“Cure Period” has the meaning set forth in Section 8.1 hereof.

“Deposit” has the meaning set forth in Section 2.2 hereof.

“Documentation” has the meaning set forth in Section 1.1(k) hereof.

“Employee Benefit Plans” has the meaning set forth in Section 1.2(f) hereof.

“Environmental Complaint” has the meaning set forth in Section 5.12(b) hereof.

“Escrow Agent” has the meaning set forth in Section 2.2 hereof.

“Escrow Agreements” has the meaning set forth in Section 2.2 hereof.

“Escrow Initial Deposit” has the meaning set forth in Section 2.2(i) hereof.

“Escrow Proceeds” has the meaning set forth in Section 2.2(c) hereof.

“Excluded Assets” has the meaning set forth in Section 1.2 hereof.

“Excluded Liabilities” has the meaning set forth in Section 2.6 hereof.

“FCC” has the meaning set forth in the recitals hereto.

“FCC Logs” has the meaning set forth in Section 1.1(l) hereof.

“Final Order” has the meaning set forth in Section 3.6 hereof.

“Financial Statements” has the meaning set forth in Section 5.4 hereof.

“Hazardous Discharge” has the meaning set forth in Section 5.12(b) hereof.

“Hazardous Substance” has the meaning set forth in Section 5.12(a) hereof.

“Indemnified Party” has the meaning set forth in Section 9.3 hereof.

“Indemnifying Party” has the meaning set forth in Section 9.3 hereof.

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

“Insurance Proceeds” has the meaning set forth in Section 1.1(h) hereof.

“Intangibles” has the meaning set forth in Section 1.1(g) hereof.

“Issuing Bank” has the meaning set forth in Section 2.2 hereof.

“Knowledge” means with respect to any representation, warranty or statement of Seller or Buyer the actual knowledge of any of the individuals identified on Schedule 1.1 respectively.

“L/C” has the meaning set forth in Section 2.2 hereof.

“Lease” has the meaning set forth in Section 4.2 hereof.

“Lease Assignment” has the meaning set forth in Section 4.2 hereof.

“License Co.” means Wilks License Co., LLC, a Delaware limited liability company.

“Lien Release instruments” has the meaning set forth in Section 1.6 hereof.

“Liens” has the meaning set forth in Section 1.3 hereof.

“Limited Audit Procedures” has the meaning set forth in Section 7.13 hereof.

“Limited Audited Financial Statements” has the meaning set forth in Section 7.13 hereof.

“Material Contracts” has the meaning set forth in Section 5.8.

“Non-Breaching Party” has the meaning set forth in Section 8.2 hereof.

“Obligations Undertaking” has the meaning set forth in Section 2.6 hereof.

“Other Authorizations” has the meaning set forth in Section 1.1(b) hereof.

“Permitted Liens” has the meaning set forth in Section 1.3 hereof.

“Personal Property Leases” has the meaning set forth in Section 5.8(b) hereof.

“Premises” has the meaning set forth in Section 7.14(a) hereof.

“Premises and Facilities Usage Services Period” has the meaning set forth in Section 7.14(a) hereof.

“Programs” has the meaning set forth in Section 1.1(j) hereof.

“Purchase Price” has the meaning set forth in Section 2.1 hereof.

“Purchased Assets” has the meaning set forth in Section 1.1 hereof.

“Real Properties” has the meaning set forth in Section 1.1(d) hereof.

“Real Property Leases” has the meaning set forth in Section 5.8(a) hereof.

“Receivables” has the meaning set forth in Section 1.2(e) hereof.

“Seller” means Cumulus Broadcasting, Inc., a Nevada corporation.

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

“Site” has the meaning set forth in Section 1.1(g) hereof.

“Station” has the meaning set forth in the recitals hereto.

“Tangible Personal Property” has the meaning set forth in Section 1.1(c) hereof.

“Taxes” or **“Tax”** has the meaning set forth in Section 5.15 hereof.

“TBA” means the Time Brokerage Agreement between the parties to this Agreement of even date herewith.

“TBA Commencement Date” has the meaning set forth in Section 2.4(b) hereof.

“URLS” has the meaning set forth in Section 1.1(g) hereof.