

ASSET PURCHASE AGREEMENT

This Agreement ("Agreement") is entered into as of January 26, 2000, by and among **Urban Radio Communications, LLC**, a Delaware limited liability company ("Urban"), **Urban Radio Licenses, LLC**, a Delaware limited liability company ("Licenses"; Urban and Licenses are referred to collectively herein as the "**Buyers**"), and **Riverside Broadcasting, Inc.**, a Nevada corporation (the "**Seller**"). The Buyers and the Seller are referred to individually as the "Party" or collectively as the "Parties." Capitalized terms used in this Agreement are defined in Section 8 hereof.

Subject to the terms and conditions of this Agreement, the Buyers hereby agree to purchase substantially all of the assets (and assume certain of the liabilities) of the Seller that are used or useful in the operation of radio Station WIMX-FM, licensed to Gibsonburg, Ohio (the "Station").

Now, therefore, in consideration of the above premises and the mutual promises herein made, and in consideration of the representations, warranties, and covenants herein contained, the Parties agree as follows:

1. **Basic Transaction.**

a. **Purchase and Sale of Assets.** On and subject to the terms and conditions of this Agreement, the Seller agrees to sell, transfer, convey and deliver to (i) Licenses, and Licenses agrees to purchase from the Seller, all of the FCC Licenses listed on Schedule 1(a) attached hereto; and (ii) Seller agrees to sell, transfer, convey and deliver to Urban and Urban agrees to purchase from the Seller, all of the Acquired Assets other than the FCC Licenses. Both such sales shall take place at the Closing for the consideration specified below in this Section 1.

b. **Assumption of Liabilities.** On and subject to the terms and conditions of this Agreement, Urban agrees to assume and become responsible for all of the Assumed Liabilities at the Closing. The Buyers will not assume or have any responsibility, however, with respect to any other obligation or Liability of the Seller not included within the definition of Assumed Liabilities and assumed by Urban, and the Seller agrees to pay and discharge all Liabilities and obligations of the Seller other than the Assumed Liabilities.

c. **Purchase Price.** The Buyers agree to pay to the Seller, as consideration for the Acquired Assets, the purchase price (the "Purchase Price") described in Schedule 1(c) to this Agreement.

d. **Closing.** The closing of the transactions contemplated by this Agreement (the "Closing") shall take place at a mutually agreed location, commencing at 10:00 a.m. local time on the thirtieth day following receipt by the Seller of written notice from the Buyers indicating their intention to close the transactions described herein (the date on which the closing shall occur is referred to as the "Closing Date").

e. **Deliveries at the Closing.** At the Closing, (i) the Seller will deliver to the Buyers the various certificates, instruments, and documents referred to in Section 5(a) below; (ii) the Buyers will deliver to the Seller the various certificates, instruments, and documents referred to in Section 5(b) below; (iii) the Seller will execute, acknowledge (if appropriate), and deliver to the Buyers (A) assignments (including the Leases and other Assumed Contract assignments and Intellectual Property transfer documents), bills of sale and warranty deeds in form reasonably acceptable to the Buyers, (B) such affidavits, transfer tax returns, memorandums of lease, and other additional documents as may be required by the terms of the title insurance commitments described in Section 4(n) hereof, as necessary to furnish title insurance as required by such section or as may be necessary to provide public notice of existence of the Leases, and (C) such other instruments of sale, transfer, conveyance, and assignment as the Buyers and their counsel reasonably may request; (iv) the Buyers will execute, acknowledge (if appropriate), and deliver to the Seller (A) an assumption in the form attached hereto as Exhibit A and (B) such other instruments of assumption as the Seller and its counsel reasonably may request; and (v) the Buyers will deliver to the Seller the consideration specified in Section 1(c) above.

f. **Intentionally Omitted.**

g. **Intentionally Omitted.**

2. **Representations and Warranties of the Seller.**

The Seller represents and warrants to the Buyers that the statements contained in this Section 2 are correct and complete as of the date of this Agreement and will be correct and complete as of the Closing Date, except as set forth in the “Disclosure Schedule” attached hereto and made a part hereof.

a. **Organization of the Seller.** The Seller is a corporation duly organized, validly existing, and in good standing under the laws of Nevada. The Seller has the power and authority to own or lease its properties and to carry on all business activities now conducted by it. The sole shareholder of the Seller is Craig O.Dobler.

b. **Authorization of Transaction.** The Seller has full power and authority to execute and deliver this Agreement and all agreements and instruments to be executed and delivered by Seller pursuant to this Agreement (collectively, the “Ancillary Agreements”) and to perform its obligations hereunder and thereunder. Without limiting the generality of the foregoing, the Board of Directors of the Seller has duly authorized the execution, delivery, and performance of this Agreement and the Ancillary Agreements by the Seller. This Agreement and the Ancillary Agreements constitute valid and legally binding obligations of the Seller, enforceable in accordance with their respective terms and conditions.

c. **Noncontravention.** Assuming the receipt of consents required under this Agreement, neither the execution and the delivery of this Agreement nor the Ancillary Agreements, nor the consummation of the transactions contemplated hereby and thereby

(including the assignments and assumptions referred to in Section 1(e) above), will (i) violate any statute, regulation, rule, judgment, order, decree, stipulation, injunction, charge, or other restriction of any government, governmental agency, or court to which the Seller is subject or any provision of the charter or bylaws of the Seller; or (ii) except as set forth in Section 2(c) of the Disclosure Schedule, conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice or third party consent under any contract, lease, sublease, license, sublicense, franchise, permit, indenture, agreement or mortgage for borrowed money, instrument of indebtedness, Security Interest, or other agreement, arrangement to which the Seller is a party or by which it is bound or to which any of its assets is subject (or result in the imposition of any Security Interest upon any of its assets). Other than with respect to the Assignment Application described in Section 4(b), the Seller does not need to give any notice to, make any filing with, or obtain any Licenses, consent, or approval of any court or government or governmental agency in order for the Parties to enter into this agreement or the Ancillary Agreements or to consummate the transactions contemplated by this Agreement or the Ancillary Agreements (including the assignments and assumptions referred to in Section 1(e) above).

d. **Title to Acquired Assets.** Other than the Security Interests set forth on Section 2(d) of the Disclosure Schedule (which shall be released at or before the Closing) the Seller has good and marketable title to all of the Acquired Assets, free and clear of any Security Interest or restriction on transfer.

e. **Financial Statements.** Included in Section 2(e) of the Disclosure Schedule are the following financial statements (collectively the "Financial Statements"): (i) unaudited balance sheets and statements of income as of and for the fiscal year ended December 31, 1998 for the Seller; and (ii) unaudited balance sheets and statements of income, as of and for each month to date in 1999 for the Seller. The Financial Statements have been prepared in conformity with the Seller's normal accounting policies, practices and procedures applied on a consistent basis, throughout the periods covered thereby, are correct and complete, fairly present the financial condition of the Seller and the results of operation of Seller at the dates and for the periods indicated, and are consistent with the books and records of the Seller (which books and records are correct and complete). The Financial Statements accurately state the revenues of the Station for the period indicated therein and include an accurate breakout of cash and trade revenues.

f. **Events Subsequent to January 1, 1999.** Since January 1, 1999, except as set forth in Section 2(f) of the Disclosure Schedule, there has not been any material adverse change in the assets, Liabilities, business, financial condition, operations, results of operations, or future prospects of the Seller with respect to the operation of the Station. Without limiting the generality of the foregoing and with respect to the Acquired Assets since January 1, 1999:

(i) other than this Agreement, the Seller has not entered into any agreement, contract, lease, sublease, license, or sublicense (or series of related agreements, contracts, leases, subleases, licenses, and sublicenses) outside the Ordinary Course of Business;

(ii) the Seller has not altered its credit and collection policies or its accounting policies;

(iii) the Seller has not entered into or terminated any employment arrangement, employment contract, consulting contract or severance agreement or collective bargaining agreement, written or oral, or modified the terms of any existing such contract or agreement;

(iv) the Seller has not materially altered the programming, format or call letters of the Station, or its promotional and marketing activities;

(v) the Seller has not applied to the FCC for any modification of the FCC Licenses or failed to take any material action necessary to preserve the FCC Licenses and has operated the Station in material compliance therewith and with all FCC rules and regulations;

(vi) the Seller has not terminated or received notice of termination for any syndicated programming; and

(vii) the Seller has not committed to any of the foregoing.

g. **Tax Matters.** The Seller has timely and properly filed all Tax Returns that it was required to file with respect to the Seller's operations. All such Tax Returns were correct and complete and properly reflect the tax liability of the Seller. Except as set forth on Section 2(g) of the Disclosure Schedule, no Tax Deficiencies have been proposed or assessed against the Seller. All Taxes owed and due by the Seller with respect to its operations (whether or not shown on any Tax Return) have been paid. The Seller has withheld and paid all Taxes required to have been withheld and paid in connection with amounts paid or owing to any employee, creditor, independent contractor, or other third party. To the Seller's Knowledge, no claim has ever been made by any authority in any jurisdiction where the Seller does not file Tax Returns that it is or may be subject to taxation by that jurisdiction.

h. **Tangible Assets.** Section 2(h) of the Disclosure Schedule sets forth a listing of all transmitter and Station equipment, vehicles and other tangible personal property used in conducting the operation and business of the Station. The Seller own or leases all tangible assets necessary for the conduct of the operation and business of the Station as presently conducted and as presently proposed to be conducted and all leased assets are specifically identified as such in Section 2(h) of the Disclosure Schedule.

i. **Real Property.** Section 2(i) of the Disclosure Schedule lists and describes briefly all Owned Real Estate and real property leased to the Seller (including, without limitation, complete legal descriptions for all of the Real Estate). The Seller has delivered to the Buyers correct and complete copies of the Leases. With respect to the Real Estate, except as set forth on Section 2(i) of the Disclosure Schedule:

(i) To Seller's Knowledge, it has good and marketable title to all of the Owned Real Estate free and clear of all liens, charges, mortgages, security interests, easements, restrictions or other encumbrances of any nature whatsoever except real estate taxes for the current and subsequent years and any conditions, restrictions, easements and other matters which will be set forth in the title insurance policy for such Owned Real Estate, to be obtained prior to Closing, including without limitation municipal and zoning ordinances and recorded utility easements which do not materially impair the current use, occupancy, or the marketability of title of the property (collectively, the "Permitted Real Estate Encumbrances");

(ii) the Leases are and, following the Closing, will continue to be legal, valid, binding, enforceable, and in full force and effect;

(iii) no party to any Lease is in breach or default (or has repudiated any provision thereof), and no event has occurred which, with notice or lapse of time, would constitute a breach or default thereunder or permit termination, modification, or acceleration thereunder;

(iv) there are no disputes, oral agreements, or forbearance programs in effect as to any Lease;

(v) none of the Owned Real Estate and, to the Seller's Knowledge, none of the properties subject to the Leases is subject to any lease (other than Leases), option to purchase or rights of first refusal;

except for Permitted Real Estate Encumbrances, there are no (i) actual or, to the Seller's Knowledge, proposed special assessments with respect to any of the Real Estate; (ii) pending or, to the Seller's Knowledge, threatened condemnation proceedings with respect to any of the Real Estate; (iii) structural or mechanical defects in any of the buildings or improvements located on the Real Estate, and all such buildings and improvements are in good working order and condition, subject only to ordinary wear and tear; (iv) any pending or, to the Seller's Knowledge, threatened changes in any zoning laws or ordinances which may materially adversely affect any of the Real Estate or Seller's use thereof;

(vii) the Seller has not assigned, transferred, conveyed, mortgaged, deeded in trust, or encumbered any interest in the Leases or its rights thereunder;

(viii) to the Seller's Knowledge, all facilities on the Real Estate have received all approvals of governmental authorities (including licenses, permits and zoning approvals) required in connection with the operation thereof and have been operated and maintained in accordance with applicable laws, rules, and regulations; and

(ix) to the Seller's Knowledge, the owner of each leased facility has good and marketable title to the underlying parcel of real property, free and clear of any Security Interest, easement, covenant, or other restriction, except for Permitted Real

Estate Encumbrances and Seller's leasehold interest in each Lease has priority over any other interest except for the fee interest therein and Permitted Real Estate Encumbrances.

j. **Contracts.** Section 2(j) of the Disclosure Schedule lists any written arrangement (or group of related written arrangements) either involving more than \$1,000 or not entered into in the Ordinary Course of Business. The Seller has delivered to the Buyers a correct and complete copy of each written arrangement listed in Section 2(j) of the Disclosure Schedule (as amended to date). With respect to each written arrangement so listed which constitutes an Assumed Contract: (A) the written arrangement is legal, valid, binding, enforceable, and in full force and effect; (B) the written arrangement will continue to be legal, valid, binding, and enforceable and in full force and effect on identical terms following the Closing (if the arrangement has not expired according to its terms); (C) no party is in breach or default, and no event has occurred which with notice or lapse of time would constitute a breach or default or permit termination, modification, or acceleration, under the written arrangement; and (D) no party has repudiated any provision of the written arrangement. The Seller is not a party to any verbal contract, agreement, or other arrangement which, if reduced to written form, would be required to be listed in Section 2(j) of the Disclosure Schedule under the terms of this Section 2(j). Except for the Assumed Contracts, the Buyers shall not have any Liability or obligations for or in respect of any of the contracts set forth in Section 2(j) of the Disclosure Schedule or any other contracts or agreements of the Seller.

k. **Commission Licenses and Compliance with Commission Requirements.**

(i) Except as set forth in Section 2(k) of the Disclosure Schedule, all licenses, permits, authorizations, franchises, certificates of compliance, and consents of governmental bodies, including, without limitation, the FCC Licenses, used or useful in the operation of the Station as they are now being operated are (A) in full force and effect, (B) unimpaired by any acts or omissions of the Seller or the Seller's employees or agents, (C) free and clear of any restrictions which might limit the full operation of the Station, and (D) detailed in Section 2(k) of the Disclosure Schedule. With respect to the licenses, permits, authorizations, franchises, certificates of compliance and consents referenced in the preceding sentence, Section 2(k) of the Disclosure Schedule also sets forth, without limitation, the date of the last renewal, the expiration date thereof, and any conditions or contingencies related thereto. Except as set forth in Section 2(k) of the Disclosure Schedule, no condition exists or event has occurred that permits, or after notice or lapse of time, or both, would permit, the revocation or termination of any such license, permit, consent, franchise, or authorization (other than pursuant to their express expiration date) or the imposition of any material restriction or limitation upon the operation of the Station as now conducted. Except as set forth in Section 2(k) of the Disclosure Schedule, the Seller is not aware of any reason why the FCC Licenses might not be renewed in the ordinary course or revoked.

(ii) The Station is in compliance with the FCC's policy on exposure to radio frequency radiation. No renewal of any FCC License would constitute a major

environmental action under the FCC's rules or policies. Access to the Station's transmission facilities is restricted in accordance with the policies of the FCC.

(iii) Except as set forth in Section 2(k) of the Disclosure Schedule, to the Seller's Knowledge, the Seller is not the subject of any FCC or other governmental investigation or any notice of violation or order, or any complaint, objection, petition to deny, or opposition issued by or filed with the FCC or any other governmental authority in connection with the operation of or authorization for the Station, and there are no proceedings (other than rule making proceedings of general applicability) before the FCC or any other governmental authority that could adversely affect any of the FCC Licenses or the authorizations listed in Section 2(k) of the Disclosure Schedule.

(iv) The Seller has timely filed with the FCC and all other governmental authorities having jurisdiction over the Station all material reports, applications, documents, instruments, and other information required to be filed, and will continue to make such filings through the Closing Date.

(v) The Seller is not aware of any information concerning the Station that could cause the FCC or any other regulatory authority not to issue to the Buyers all regulatory certificates and approvals necessary for the consummation of the transactions contemplated hereunder or the Buyer's operation and/or ownership of the Station.

l. **Intellectual Property.** The Seller owns or has the right to use pursuant to license, sublicense, agreement or permission all Intellectual Property necessary for the operation of the businesses of the Seller as presently conducted and as presently proposed to be conducted. Each item of Intellectual Property owned or used by the Seller immediately prior to the Closing hereunder is set forth on Section 2(l) of the Disclosure Schedule and each item listed will be owned or available for use by the Buyers on identical terms and conditions immediately subsequent to the Closing hereunder. The Seller has not interfered with, infringed upon, misappropriated, or otherwise come into conflict with any Intellectual Property rights of third parties, and the Seller has never received any charge, complaint, or notice alleging any such interference, infringement, misappropriation, or violation. To the Knowledge of the Seller, no third party has interfered with, infringed upon, misappropriated, or otherwise come into conflict with any Intellectual Property rights of the Seller.

m. **Insurance.** Section 2(m) of the Disclosure Schedule sets forth a complete and accurate description of all Seller's insurance coverage. With respect to each such insurance policy: (A) the policy is legal, valid, binding, and enforceable and in full force and effect; (B) the policy will continue to be legal, valid, binding, and enforceable and in full force and effect on identical terms through the Closing Date.

n. **Litigation.** Section 2(n) of the Disclosure Schedule sets forth each instance in which the Seller: (i) is subject to any unsatisfied judgment, order, decree, stipulation, injunction, or charge; or (ii) is a party or, to the Knowledge of the Seller, is threatened to be made a party to any charge, complaint, action, suit, proceeding, hearing, or investigation of or in any court or quasijudicial or administrative agency of any federal, state, local, or foreign

jurisdiction or before any arbitrator. None of the charges, complaints, actions, suits, proceedings, hearings, and investigations set forth in Section 2(n) of the Disclosure Schedule could result in any adverse change in the assets, Liabilities, business, financial condition, operations, results of operations, or future prospects of the Seller or the Station taken as a whole. The Seller has no Knowledge of any Basis for any such charge, complaint, action, suit, proceeding, hearing, or investigation against the Seller.

o. **Employees.** Section 2(o) of the Disclosure Schedule sets forth a listing of the names, positions, job descriptions, salary or wage rates and all other forms of compensation paid for work at the Station of each employee. To the Knowledge of the Seller, no key employee or group of employees has any plans to terminate employment with the Seller. The Seller is not a party to or bound by any collective bargaining or similar agreement, nor has it experienced any strikes, grievances, claims of unfair labor practices or other collective bargaining disputes. The Seller has no Knowledge of any organizational effort presently being made or threatened by or on behalf of any labor union with respect to the employees of the Seller. The Seller has no Knowledge of any Basis for any claim by past or current employees of the Seller or applicants for employment that the Seller or its management has discriminated based on such individual's race, sex, national origin, religion, ethnicity, handicap or any other protected characteristic under applicable law.

p. **Employee Benefits.** Section 2(p) of the Disclosure Schedule lists all Employee Benefit Plans that the Seller maintains or to which the Seller contributes or is required to contribute for the benefit of any current or former employee of the Seller and true and correct copies of each such Employee Benefit Plan have been delivered to the Buyers. Each Employee Benefit Plan (and each related trust or insurance contract) complies and at all times has complied in form and in operation in all respects with the applicable requirements of ERISA and the Code. The Seller does not have any commitment to create any additional Employee Benefit Plan or modify or change any existing Employee Benefit Plan that would affect any employee or terminated employee of the Seller. There are no pending or, to the Knowledge of the Seller, threatened claims under, by or on behalf of any of the Employee Benefit Plans, by any employee or beneficiary covered by any such Employee Benefit Plan, or otherwise involving any such Employee Benefit Plan (other than routine claims for benefits), nor have there been any Reportable Events or Prohibited Transactions with respect to any Employee Benefit Plan.

q. **Environment, Health, and Safety.**

(i) With respect to the operation of the Station and the Real Estate, to Seller's Knowledge, the Seller is, and at all times in the past has been, in compliance in all material respects with all Environmental Laws and all laws (including rules and regulations thereunder) of federal, state, and local governments (and all agencies thereof) concerning employee health and safety, and the Seller has no Liability (and to Seller's Knowledge there is no Basis related to the past or present operations of the Seller or its predecessors for any present or future Liability) under any Environmental Law. The Seller has no Liability (and to Seller's Knowledge there is no Basis for any present or future charge, complaint, action, suit, proceeding, hearing, investigation, claim, or

demand against the Seller giving rise to any Liability) under the Occupational Safety and Health Act, as amended, or any other law (or rule or regulation thereunder) of any federal, state, local, or foreign government (or agency thereof) concerning employee health and safety, or for any illness of or personal injury to any employee.

(ii) The Seller has obtained and at all times has been in compliance in all material respects with all of the terms and conditions of all material permits, licenses, and other authorizations which are required under, and has materially complied with all other limitations, restrictions, conditions, standards, prohibitions, requirements, obligations, schedules, and timetables which are contained in, all Environmental Laws or law of any federal, state, or local or foreign government relating to worker health and safety.

(iii) To Seller's Knowledge, all properties and equipment used in the Station and the Acquired Assets have been free of asbestos, PCB's, methylene chloride, trichloroethylene, 1, 2-trans-dichloroethylene, dioxins, dibenzofurans, and Extremely Hazardous Substances. To Seller's Knowledge, no pollutant, contaminant, or chemical, industrial, hazardous, or toxic material or waste ever has been buried, stored, spilled, leaked, discharged, emitted, or released on any of the Real Estate. To Seller's Knowledge, no above ground or underground storage tanks have ever been located at, on or under the Real Estate. The Seller has delivered to the Buyers a complete copy of all environmental claims, reports, studies, compliance actions or the like of the Seller or which are available to the Seller with respect to any of the Real Estate or any of the Acquired Assets.

r. **Legal Compliance.** Except as set forth in Section 2(r) of the Disclosure Schedule, the Seller has complied in all material respects with all laws (including rules and regulations thereunder) of federal, state, local and foreign governments (and all agencies thereof). The Seller has filed in a timely manner all material reports, documents, and other materials it was required to file (and the information contained therein was correct and complete in all material respects) under all applicable laws.

s. **Brokers' Fees.** The Seller has no Liability or obligation to pay any fees or commissions to any broker, finder, or agent with respect to the transactions contemplated by this Agreement.

t. **Undisclosed Commitments or Liabilities.** There are no material commitments, liabilities or obligations relating to the Acquired Assets, whether accrued, absolute, contingent or otherwise including, without limitation, guaranties by the Seller of the liabilities of third parties, for which specific and adequate provisions have not been made on the Financial Statements except those incurred in or as a result of the Ordinary Course of Business since January 1, 2000.

u. **Disclosure.** The representations and warranties contained in this Section 2 do not contain any untrue statement of a fact or omit to state any fact necessary in order to make the statements and information contained in this Section 2 not misleading.

3. **Representations and Warranties of the Buyer.**

Buyers represent and warrant to the Seller that the statements contained in this Section 3 are correct and complete as of the date of this Agreement and will be correct and complete as of the Closing Date except as set forth in the Disclosure Schedule.

a. **Organization of the Buyers.** Urban and Licenses are limited liability companies duly organized, validly existing, and in good standing under the laws of Delaware.

b. **Authorization of Transaction.** Buyers have full power and authority to execute and deliver this Agreement and the Ancillary Agreements and to perform their obligations hereunder and thereunder. This Agreement and the Ancillary Agreements constitute legally binding obligations of the Buyers, enforceable against the Buyers in accordance with their respective terms and conditions.

c. **Qualifications.** Buyers have no Knowledge or Basis to believe they will not qualify for all certificates and licenses required to be granted by the FCC in order for Buyers to consummate the transactions contemplated hereunder.

d. **Noncontravention.** Neither the execution and the delivery of this Agreement or the Ancillary Agreements, nor the consummation of the transactions contemplated hereby and thereby (including the assignments and assumptions referred to in Section 1(e) above), will (i) violate any statute, regulation, rule, judgment, order, decree, stipulation, injunction, charge, or other restriction of any government, governmental agency, or court to which the Buyers are subject or any provision of their articles of organization or other charter documents, or (ii) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice or third party consent under any contract, lease, sublease, license, sublicense, franchise, permit, indenture, agreement or mortgage for borrowed money, instrument of indebtedness, Security Interest, or other arrangement to which the Buyers are a party or by which they are bound or to which any of their assets is subject. Other than the Assignment Application described in Section 4(b), the Buyers do not need to give any notice to, make any filing with, or obtain any authorization, consent, or approval of any court or government or governmental agency in order for the Parties to consummate the transactions contemplated by this Agreement or the Ancillary Agreements (including the assignments and assumptions referred to in Section 1 (e) above).

e. **Litigation.** Buyers are not subject to any unsatisfied judgment, order, decree, stipulation, injunction or charge, and are not a party to any charge, complaint, action, suit, proceeding, hearing, or investigation of or in any court or quasijudicial or administrative agency of any federal, state, local, or foreign jurisdiction or before any arbitrator, which would affect their ability to consummate the transaction contemplated herein.

f. **Brokers' Fees.** Buyers have no Liability or obligation to pay any fees or commissions to any broker, finder, or agent with respect to the transactions contemplated by this Agreement for which the Seller could become liable or obligated.

4. **Pre-Closing Covenants.**

The Parties agree as follows with respect to the period between the execution of this Agreement and the Closing:

a. **General.** Each of the Parties will use its reasonable best efforts to take all action and to do all things necessary, proper, or advisable to consummate and make effective the transactions contemplated by this Agreement (including satisfying the closing conditions set forth in Section 5 below).

b. **Assignment Applications.** Upon five (5) business days prior written notice from the Buyers, the Seller and the Buyers shall jointly file with the FCC an application for assignment of the FCC Licenses, permits and authorizations pertaining to the Station from the Seller to Licenses (the "Assignment Application"). The costs of the FCC filing fees in connection with the Assignment Application shall be divided equally between the Parties. Each party shall pay its own attorneys' fees. The Seller and the Buyers shall thereafter prosecute the Assignment Application with all reasonable diligence and otherwise use commercially reasonable efforts to obtain the grant of the Assignment Application as expeditiously as practicable (but neither the Seller nor the Buyers shall have any obligation to satisfy complainants or the FCC by taking any steps which would have a material adverse effect upon the Station or impose significant costs on such party). If the FCC imposes any condition on either party to the Assignment Application, such party shall use commercially reasonable efforts to comply with such condition, provided, that neither party shall be required hereunder to comply with any condition that would have a material adverse effect upon the Station or any Affiliate. The Seller and the Buyers shall jointly oppose any requests for reconsideration or judicial review of FCC approval of the Assignment Application and shall jointly request from the FCC extension of the effective period of FCC approval of the Assignment Application if the Closing shall not have occurred prior to the expiration of the original effective period of the FCC Consent. Nothing in this Section 4(b) shall be construed to limit either party's right to terminate this Agreement pursuant to Section 9 of this Agreement.

c. **Employment Offers.** Upon notice to the Seller, and at mutually agreeable times, the Seller will permit the Buyers to meet with their employees prior to the Closing Date. The Buyers may, at their option, extend offers of employment to all or any of the Seller's employees effective on the Closing Date. From and after the execution of this Agreement, the Seller shall not interfere with Buyers' efforts to retain those employees of the Station which the Buyers wish to hire in connection with the operation of the Station by the Buyers subsequent to the Closing, and the Seller will not take any action to preclude or discourage any of the Seller's employees from accepting any offer of employment extended by the Buyers.

d. **Notices and Consents.** The Seller will give all notices to third parties and shall have obtained all third party consents that the Buyers reasonably may request. Each of the Parties will file any notification and report forms and related material that may be required to file with the Federal Trade Commission and the Antitrust Division of the United States Department of Justice under the Hart-Scott-Rodino Act, will use its best efforts to obtain an early termination

of the applicable waiting period, and will make any further filings pursuant thereto that may be necessary, proper or advisable. Each of the Parties will take any additional action that may be necessary, proper, or advisable in connection with any other notices to, filings with, and authorizations, consents, and approvals of governments, governmental agencies, and third parties that it may be required to give, make, or obtain.

e. **Advertising Obligations.** An adjustment to the Purchase Price for the value of trade time and goods and services shall be made at the Closing 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, Buyers shall be entitled to an adjustment in their favor equal to the aggregate value of the advertising time which remains to be broadcast as of the Closing Date to the extent that such value exceeds the aggregate value of goods yet to be received and services yet to be used by more than \$1,000 in the aggregate for all Barter Agreements. 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. At the Closing, Seller shall deliver a reconciliation of the Barter Agreements as of the Closing Date. In the event of any dispute between the parties as to adjustments under this Section 4(e), 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 by the party who was in error as to the reconciliation figures.

f. **Operating Statements.** The Seller shall deliver to the Buyers, for the Buyers' informational purposes only, monthly unaudited statements of operating revenues and operating expenses of the Station within ten (10) days after the end of each month prior to the Closing Date. The Seller shall provide to the Buyers such written or oral sales, inventory, and pacing reports as Seller may have available and Buyers may reasonably request.

g. **Contracts.** The Seller will not without the prior written consent of the Buyers amend, change, or modify any of the contracts relating to the Acquired Assets and listed on Section 2(k) of the Disclosure Schedule in any material respect. The Seller will not without prior written consent of the Buyers enter into any contract outside the Ordinary Course of Business with respect to the Acquired Assets which involves more than Five Thousand Dollars (\$5,000).

h. **Operation of Station.** The Seller will not engage in any practice, take any action, or enter into any transaction outside the Ordinary Course of Business. The Seller shall operate the Station in material compliance with the FCC Licenses and the rules and regulations of the FCC, and the FCC Licenses shall at all times remain in full force and effect. The Seller shall file with the FCC all reports, applications, documents, instruments and other information required to be filed in connection with the operation of the Station.

i. **Credit and Receivables.** The Seller will follow its usual and customary policies with respect to extending credit for sales of air time and advertising on the Station and with respect to collecting accounts receivable arising from such extension of credit.

j. **Preservation of Station and the Acquired Assets.** Except as may be necessary in accordance with the Seller's Ordinary Course of Business, the Seller will keep the Station and the Acquired Assets and properties substantially intact, including its present operations, physical facilities, working conditions, relationships with lessors, licensors, advertisers, suppliers, customers, and employees, all of the Confidential Information, call letters and trade secrets of the Station, and the FCC Licenses.

k. **Full Access and Consultation.** The Seller will permit representatives of the Buyers to have full access during regular business hours, and in a manner so as not to interfere with the normal business operations of the Station, to all premises, properties, books, records, contracts, Tax records, and documents of or pertaining to the Seller. The Seller will consult with the Buyers' management with a view to informing Buyers' management as to the operations, management and business of the Station.

l. **Notice of Developments.** The Seller will give prompt written notice to the Buyers of any material development affecting business, operations or prospects of the Station or the Acquired Assets or the ability of the Seller to perform hereunder.

m. **Exclusivity.** The Seller will not (i) solicit, initiate, or encourage the submission of any proposal or offer from any person relating to any (A) merger or consolidation, (B) acquisition or purchase of securities or assets, or (C) similar transaction or business combination involving the Seller, or (ii) participate in any discussions or negotiations regarding, furnish any information with respect to, assist or participate in, or facilitate in any other manner any effort or attempt by any person to do or seek any of the foregoing. The Seller will notify the Buyers promptly if any person makes any proposal, offer, inquiry, or contact with respect to any of the foregoing.

n. **Title Insurance, Surveys and Environmental Assessments.** The Buyers will obtain, following the FCC approval of the Assignment Application and not more than sixty (60) days prior to Closing: and (iii) with respect to each parcel of Real Estate, a current Phase I environmental site assessment from (i) with respect to each parcel of Real Estate subject to the Leases, a leasehold owner's policy issued by a title insurer reasonably satisfactory to the Seller, in an amount equal to the fair market value of such Real Estate (including all improvements located thereon), insuring over the standard pre-printed exceptions and insuring leasehold title to such Real Estate in the Buyers as of the Closing subject only to the Permitted Real Estate Encumbrances, together with such endorsements for zoning, contiguity, public access and extended coverage as the Buyers or their lender reasonably request, (ii) a current survey of each parcel of Real Estate certified to the Buyers and its lender, prepared by a licensed surveyor and conforming to current ALTA Minimum Detail Requirements for Land Title Surveys, disclosing the location of all improvements, easements, party walls, sidewalks, roadways, utility lines, and other matters shown customarily on such surveys, and showing access affirmatively to public

streets and roads (the "Surveys") which shall not disclose any survey defect or encroachment from or onto any of the Real Estate which has not been cured or insured over prior to the Closing; an environmental consultant or engineer reasonably satisfactory to the Seller which does not indicate that the Seller and the Real Estate are not in compliance with any Environmental Law and which shall not disclose or recommend any action with respect to any condition to be remediated or investigated or any contamination on the site assessed. The Seller shall pay the cost of such title policies, Surveys, and environmental assessments.

o. **Control of Station.** The transactions contemplated by this Agreement shall not be consummated until after the FCC has given its consent and approval to the Assignment Application, unless the Buyers waive such consent and approval as a condition to Closing. Between the date of this Agreement and the Closing Date, the Buyers and their employees or agents shall not directly or indirectly control, supervise, or direct, or attempt to control, supervise, or direct, the operation of the Station, and such operation shall be the sole responsibility of and in the control of the Seller.

q. **Intentionally omitted.**

r. **Risk of Loss.** The risk of loss, damage, or destruction to any of the Acquired Assets shall remain with the Seller until the Closing. In the event of any such loss, damage, or destruction the Seller will promptly notify the Buyers of all particulars thereof, stating the cause thereof (if known) and the extent to which the cost of restoration, replacement and repair of the Acquired Assets lost, damaged or destroyed will be reimbursed under any insurance policy with respect thereto. The Seller will, at Seller's expense, repair or replace such Acquired Assets to their former condition as soon as possible after loss, damage or destruction thereof and shall use its best efforts to restore as promptly as possible transmissions as authorized in the FCC Licenses; provided, however, that in the event the cost of repairing the Acquired Assets exceeds the proceeds payable to Seller under any insurance policies, and Buyers do not agree to pay the additional cost not covered by insurance, the Seller may elect to terminate this Agreement. The Closing Date shall be extended (with FCC consent, if necessary) for up to sixty (60) days to permit such repair or replacement. If repair or replacement cannot be accomplished within sixty (60) days of the date of the Seller's notice to the Buyers and the Buyers determine that the Seller's failure to repair or replace would have a material adverse effect on the operation of the Station:

(i) the Buyers may elect to terminate this Agreement; or

(ii) the Buyers may postpone the Closing Date until such time as the property has been repaired, replaced or restored in a manner and to an extent reasonably satisfactory to the Buyers, unless the same cannot be reasonably effected within ninety (90) days of the date of the Seller's notice to the Buyers, in which case either party may terminate this Agreement; or

(iii) the Buyers may choose to accept the Acquired Asset in their "then" condition, together with the Seller's assignment to the Buyers of all rights under any insurance claims covering the loss, damage or destruction and payment over to the

Buyers of any proceeds under any such insurance policies, previously received by the Seller with respect thereto. In the event the Closing Date is postponed pursuant to this Section 4(p), the parties hereto will cooperate to extend the time during which this Agreement must be closed as specified in the consent of the FCC.

(r) **Intentionally omitted.**

(s) **Title Matters.** Seller covenants and agrees that it shall cure any defects in title for the Owned Real Estate necessary to ensure that at Closing the Owned Real Estate is free and clear of all liens, charges, mortgages, security interests, easements, restrictions or other encumbrances of any nature whatsoever except real estate taxes for the current and subsequent years, municipal and zoning ordinances and recorded utility easements and other matters of record which do not materially impair the current use, occupancy or value or the marketability of title of the property (collectively, the "Permitted Real Estate Encumbrances"); provided, however, that the cost to cure such title defects shall, in the aggregate, not exceed Ten Thousand Dollars (\$10,000); but provided, further, that in the event the cost to cure such title defects exceeds Ten Thousand Dollars (\$10,000), Buyers at their option may elect (1) to consummate the transaction without acquiring the Owned Real Estate with such title defects which cannot be removed, or (2) to consummate the transaction by accepting title to the Owned Real Estate "as is", and deducting from the Purchase Price the amount of any liens (and/or the cost to cure such title defects) not to exceed Ten Thousand Dollars (\$10,000).

5. **Conditions to Obligation to Close.**

a. **Conditions to Obligation of the Buyers.** The obligation of Buyers to consummate the transactions to be performed by them in connection with the Closing is subject to satisfaction of the following conditions:

(i) the representations and warranties set forth in Section 2 above shall be true and correct in all material respects at and as of the Closing Date as though made on and as of the Closing Date;

(ii) the Seller shall have performed and complied with all of its covenants hereunder in all material respects through the Closing;

(iii) the Seller shall have procured all of the third party consents specified in Section 4(d) above, and the title insurance commitments (and endorsements), Surveys and environmental site assessments obtained as described in Section 4(n) above shall comply with the representations and warranties in that section;

(iv) no action, suit, investigation, inquiry or other proceeding shall be pending or threatened before any court or quasijudicial or administrative agency of any federal, state, local, or foreign jurisdiction wherein an unfavorable judgment, order, decree, stipulation, injunction, or charge would (A) prevent consummation of any of the transactions contemplated by this Agreement or impose damages or penalties upon any of the parties if such transactions are consummated, (B) cause any of the transactions

contemplated by this Agreement to be rescinded following consummation, or (C) affect adversely the right of the Buyers to own, operate, or control the Acquired Assets (and no such judgment, order, decree, stipulation, injunction, or charge shall be in effect);

(v) the Seller shall have delivered to the Buyers a certificate to the effect that each of the conditions specified above in Sections 5(a)(i) through (iv) is satisfied in all material respects;

(vi) each of the Assignment Applications shall have been approved by a Final Order of the FCC, all applicable waiting periods (and any extensions thereof) under the Hart-Scott-Rodino Act shall, if applicable, have expired or been terminated and the Buyers shall have received all governmental approvals required to transfer all other authorizations, consents, and approvals of governments and governmental agencies set forth in the Disclosure Schedule;

(vii) intentionally omitted;

(viii) the Buyers shall have received from FCC counsel to the Seller an opinion with respect to the matters set forth in Exhibit B, addressed to the Buyers and their lender and dated as of the Closing Date;

(x) the Parties shall have agreed to allocate the Purchase Price (and all other capitalizable costs) among the Acquired Assets for all purposes (including financial accounting and tax purposes) in accordance with an allocation schedule to be delivered at closing; and

(xi) all actions required to be taken by the Seller in connection with the consummation of the transactions contemplated hereby and all certificates, opinions, instruments, and other documents required to effect the transactions contemplated hereby will be reasonably satisfactory in form and substance to the Buyers.

b. **Conditions to Obligation of the Seller.** The obligation of the Seller to consummate the transactions to be performed by it in connection with the Closing is subject to satisfaction of the following conditions:

(i) the representations and warranties set forth in Section 3 above shall be true and correct in all material respects at and as of the Closing Date as though made on and as of the Closing Date;

(ii) the Buyers shall have performed and complied with all of their covenants hereunder in all material respects through the Closing;

(iii) no action, suit, investigation, inquiry or other proceeding shall be pending or threatened before any court or quasi judicial or administrative agency of any federal, state, local, or foreign jurisdiction wherein an unfavorable judgment, order, decree, stipulation, injunction, or charge would (A) prevent consummation of any of the

transactions contemplated by this Agreement or impose damages or penalties upon any of the Parties if such transactions are consummated, or (B) cause any of the transactions contemplated by this Agreement to be rescinded following consummation (and no such judgment, order, decree, stipulation, injunction, or charge shall be in effect);

(iv) the Buyers shall have delivered to the Seller a certificate to the effect that each of the conditions specified above in Section 5(b)(i)-(iii) is satisfied in all material respects and the statements contained in such certificate shall be deemed a warranty of the Buyers which shall survive the Closing;

(v) each of the Assignment Applications shall have been approved by a Final Order of the FCC and the Buyers shall have received all governmental approvals required to transfer all other authorizations, consents, and approvals of governments and governmental agencies set forth in the Disclosure Schedule; provided, however, that Buyers may waive any and all such approvals, in which case such approvals shall not be a condition to Closing;

(vi) intentionally omitted; and

(vii) all actions to be taken by the Buyers in connection with the consummation of the transactions contemplated hereby and all certificates, opinions, instruments, and other documents required to effect the transactions contemplated hereby will be reasonably satisfactory in form and substance to the Seller.

6. Post-Closing Covenants.

The Parties agree as follows with respect to the period following the Closing:

a. **General.** In case at any time after the Closing any further action is necessary or desirable to carry out the purposes of this Agreement, each of the Parties will take such further action (including the execution and delivery of such further instruments and documents) as any other Party reasonably may request, at the sole cost and expense of the requesting Party (unless the requesting Party is entitled to indemnification therefor under Section 7 below).

b. **Litigation Support.** In the event and for so long as any Party actively is contesting or defending against any charge, complaint, action, suit, proceeding, hearing, investigation, claim, or demand in connection with (i) any transaction contemplated under this Agreement or (ii) any fact, situation, circumstance, status, condition, activity, practice, plan, occurrence, event, incident, action, failure to act, or transaction on or prior to the Closing Date involving the Station, each of the other Parties will reasonably cooperate with the contesting or defending Party and its counsel in the contest or defense, make available his or its personnel, and provide such testimony and access to its books and records as shall be necessary in connection with the contest or defense, all at the sole cost and expense of the contesting or defending Party (unless the contesting or defending Party is entitled to indemnification therefor under Section 7 below); provided, however, that such access and cooperation does not unreasonably disrupt the normal operations of the cooperating party.

c. **Adjustments.** Operation of the Station and the income and expenses attributable thereto up through the close of business on the day before the Closing Date shall be for the account of the Seller and thereafter for the account of the Buyers. Such items as employee salaries, vacation, sick day and personal time accruals, and fringe benefits, power and utilities charges, insurance, real and personal property taxes, prepaid expenses, deposits, music license fees, and rents and payments pertaining to the Assumed Contracts (including any contracts for the sale of time for cash, trade or barter so assigned) shall be prorated between the Seller and the Buyers as of the Closing Date in accordance with the foregoing principle. In addition, all commissions payable with respect to the accounts receivable of the Seller (whether due before or after Closing) shall be solely for the account and responsibility of the Seller. Contractual arrangements that do not reflect an equal rate of compensation to the Station over the term of the agreement shall be equitably adjusted as of the Closing Date. The prorations and adjustments hereunder shall be made and paid insofar as feasible on the Closing Date, with a final settlement sixty (60) days after the Closing Date. In the event of any disputes between the Parties as to such adjustments, the amounts not in dispute shall nonetheless be paid at such time and such disputes shall be determined by an independent accounting firm mutually acceptable to both parties and the fees and expenses of such accounting firm shall be paid by the party who was in error as to the majority (in dollars) of disputed amounts.

d. **Consents.** In the event any of the Assumed Contracts are not assignable or any consent to such assignment is not obtained on or prior to the Closing Date, and the Buyers elect to consummate the transactions contemplated herein despite such failure or inability to obtain such consent, the Seller shall continue to use commercially reasonable efforts to obtain any such assignment or consent after the Closing Date. Until such time as such assignment or approval has been obtained, the Seller will cooperate with Buyers in any lawful and economically feasible arrangement to provide that the Buyers shall receive the Seller's interest in the benefits under any such Assumed Contract, including performance by the Seller as agent, if economically feasible; provided, however, that in the event Buyer receives the benefit of such Assumed Contracts the Buyers shall undertake to pay or satisfy the corresponding liabilities for the enjoyment of such benefit to the extent that Buyers would have been responsible therefor if such consent or assignment had been obtained.

e. **Intentionally omitted.**

7. Remedies for Breaches of this Agreement.

a. **Survival.** All of the representations and warranties of the Seller contained in Section 2 of this Agreement (other than the representations and warranties of the Seller contained in Sections 2(a), 2(b), 2(c), and 2(d) hereof or relating to the Seller's title to the Acquired Assets) shall survive the Closing and continue in full force and effect for a period until one (1) year after the applicable statute of limitations has expired with respect to any claim by the Buyers based on a claim or action by a third party and for a period of one (1) years following Closing with respect to any claim by the Buyers not based on a claim or action by a third party. All of the other representations and warranties of Seller and Buyer (including the representations and warranties of Seller contained in Sections 2(a), 2(b), 2(c), and 2(d) hereof or relating to the

Seller' title to the Acquired Assets) shall survive the Closing and continue in full force and effect forever thereafter.

b. **Indemnification Provisions for the Benefit of the Buyers.** The Seller agree to indemnify the Buyers from and against the entirety of any Adverse Consequences the Buyers may suffer resulting from, arising out of, relating to, in the nature of, or caused by:

(i) any misrepresentation or breach of any of the Seller's representations or warranties, and covenants contained in this Agreement or in any Ancillary Agreement executed and/or delivered by the Seller (so long as the Buyers make a written claim for indemnification within the applicable survival period);

(ii) any breach or nonfulfillment of any agreement or covenant of the Seller contained herein or in any Ancillary Agreement; and

(iii) any Liability of the Seller which is not an Assumed Liability.

c. **Indemnification Provisions for the Benefit of the Seller.** The Buyers agree to indemnify the Seller from and against the entirety of any Adverse Consequences the Seller may suffer resulting from, arising out of, relating to, in the nature of, or caused by (i) any misrepresentation or breach of any of the Buyers' representations or warranties contained in this Agreement or in any Ancillary Agreement executed and/or delivered by the Buyers (so long as the Seller makes a written claim for indemnification within the applicable survival period) or (ii) any breach or nonfulfillment of any agreement or covenant of the Buyers contained herein or in any Ancillary Agreement, or (iii) any Assumed Liability.

d. **Specific Performance.** Each of the Parties acknowledges and agrees that the Buyers would be damaged irreparably in the event any of the provisions of this Agreement are not performed in accordance with their specific terms or otherwise are breached. Accordingly, each of the Parties agrees that the Buyers shall be entitled to an injunction or injunctions to prevent breaches of the provisions of this Agreement and to enforce specifically this Agreement and the terms and provisions hereof in any action instituted in any court of the United States or any state thereof having jurisdiction over the Parties and the matter (subject to the provisions set forth in Section 10(n) below), in addition to any other remedy to which it may be entitled, at law or in equity. Each of the Parties acknowledges and agrees that money damages would not be an adequate remedy for Buyers for a breach of any provision of this Agreement.

e. **Matters Involving Third Parties.** If any third party shall notify any Party (the "Indemnified Party") with respect to any matter which may give rise to a claim for indemnification against any other Party (the "Indemnifying Party") under this Section 7, then the Indemnified Party shall notify the Indemnifying Party thereof promptly; provided, however, that no delay on the part of the Indemnified Party in notifying the Indemnifying Party shall relieve the Indemnifying Party from any liability or obligation hereunder unless (and then solely to the extent) the Indemnifying Party thereby is damaged as a result of such failure. In the event any Indemnifying Party notifies the Indemnified Party within 15 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 reasonably concludes that the counsel the Indemnifying Party has selected has a conflict of interest), (iii) the Indemnified Party will not consent to the entry of any judgment or enter into any settlement with respect to the matter without the written consent of the Indemnifying Party (not to be withheld unreasonably), and (iv) the Indemnifying Party will not consent to the entry of any judgment with respect to the matter, or enter into any settlement which does not include a provision whereby the plaintiff or claimant in the matter releases the Indemnified Party from all Liability with respect thereto, without the written consent of the Indemnified Party (not to be withheld unreasonably). In the event the Indemnifying Party does not notify the Indemnified Party within 15 days after the Indemnified Party has given notice of the matter that the Indemnifying Party is assuming the defense thereof, however, and/or in the event the Indemnifying Party shall fail to defend such claim actively and in good faith, then the Indemnified Party may defend against, or enter into any settlement with respect to, the matter in any manner it reasonably may deem appropriate.

f. **Limitation of Liability.** Notwithstanding anything in this Agreement to the contrary, after the Closing neither party shall indemnify or otherwise be liable to the other party from and after the Closing Date except to the extent that the Adverse Consequences suffered by the Identified Party, in the aggregate from all indemnifiable events shall exceed Ten Thousand Dollars (\$10,000) and indemnification shall be made by the indemnifying party only to the extent of such excess over Ten Thousand Dollars (\$10,000); provided however that the foregoing limitation shall not be applicable to: (i) the obligations of the Buyer to pay and discharge any Liability of the Seller to third parties from and after the Closing Date assumed by the Buyer under the terms of this Agreement; (ii) the obligation of the Seller to pay and discharge any Liability to third parties not assumed by the Buyer under the terms of this Agreement, or (iii) the Seller's obligation to deliver clear title to the Acquired Assets; and provided, further, that the Seller's aggregate liability hereunder shall not exceed the Purchase Price.

8. **Definitions.**

"**Acquired Assets**" means all right, title, and interest in and to all of the assets of the Seller, other than Retained Assets that are used or useful in the operation of the Station, wherever located, including but not limited to all of its (a) leaseholds and other interests of any kind therein, improvements, fixtures, and fittings thereon (such as towers and antennae), and easements, rights-of-way, and other appurtenances thereto; (b) tangible personal property (such as fixed assets, computers, data processing equipment, electrical devices, monitoring equipment, test equipment, switching, terminal and studio equipment, transmitters, transformers, receivers, broadcast facilities, furniture, furnishings, inventories of compact disks, records, tapes and other supplies, vehicles) and all assignable warranties with respect thereto; (c) Intellectual Property, goodwill associated therewith, licenses and sublicenses granted and obtained with respect thereto, and rights thereunder, remedies against infringements thereof, and rights to protection of

interests therein under the laws of all jurisdictions; (d) rights under orders and agreements (including those Barter Agreements and Advertising Contracts identified on the Disclosure Schedule) now existing or entered into in the Ordinary Course of Business for the sale of advertising time on the Station; (e) Assumed Contracts, indentures, Security Interests, guaranties, other similar arrangements, and rights thereunder; (f) call letters of the Station, jingles, logos, slogans, and business goodwill of the Station; (g) claims, causes of action, chooses in action, rights of recovery (including rights under policies of insurance), rights of set off, and rights of recoupment; (h) Licenses and similar rights obtained from governments and governmental agencies; and (i) FCC logs and records and all other books, records, ledgers, logs, files, documents, correspondence, advertiser lists, all other lists, plats, architectural plans, drawings, and specifications, creative materials, advertising and promotional materials, program production materials, studies, reports, and other printed or written materials; and (j) goodwill of the Station.

"Adverse Consequences" means all charges, complaints, actions, suits, proceedings, hearings, investigations, claims, demands, judgments, orders, decrees, stipulations, injunctions, damages, dues, penalties, fines, costs, amounts paid in settlement, Liabilities, obligations, Taxes, liens, losses, expenses, and fees, including all attorneys' fees and court costs.

"Affiliate" means with reference to any person or entity, another person or entity controlled by, under the control of or under common control with that person or entity.

"Assignment Application" has the meaning set forth in Section 4(b) above.

"Assumed Contracts" means the Leases, the Barter Agreements, the Advertising Contracts and those contracts identified on Section 2(j) of the Disclosure Schedule as those to be assumed by Urban.

"Assumed Liabilities" means (a) obligations of the Seller which accrue after the Closing Date under the Assumed Contracts either: (i) to furnish services, and other non-Cash benefits to another party after the Closing; or (ii) to pay for goods, services, and other non-Cash benefits that another party will furnish to it after the Closing. The Assumed Liabilities shall not include any Retained Liabilities.

"Basis" means any past or present fact, situation, circumstance, status, condition, activity, practice, plan, occurrence, event, incident, action, failure to act, or transaction that forms or could form the basis for any specified consequence.

"Buyers" has the meaning set forth in the preface above.

"Cash" means cash and cash equivalents determined in accordance with GAAP applied on a basis consistent with the preparation of the Financial Statements.

"Closing" has the meaning set forth in Section 1(d) above.

"Closing Date" has the meaning set forth in Section 1(d) above.

"Code" means the Internal Revenue Code of 1986, as amended.

"Confidential Information" means any information concerning the businesses and affairs of the Seller.

"Disclosure Schedule" has the meaning set forth in Section 1 above.

"Employee Benefit Plan" means any (a) nonqualified deferred compensation or retirement plan or arrangement which is an Employee Pension Benefit Plan, (b) qualified defined contribution retirement plan or arrangement which is an Employee Pension Benefit Plan, (c) qualified defined benefit retirement plan or arrangement which is an Employee Pension Benefit Plan (including any Multi-employer Plan), or (d) Employee Welfare Benefit Plan or material fringe benefit plan or program.

"Employee Pension Benefit Plan" has the meaning set forth in ERISA Sec. 3(2).

"Employee Welfare Benefit Plan" has the meaning set forth in ERISA Sec. 3(1).

"Environmental Laws" means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Resource Conservation and Recovery Act of 1976, the Federal Water Pollution Control Act of 1972, the Clean Air Act of 1970, the Safe Drinking Water Act of 1974, the Toxic Substances Control Act of 1976, the Refuse Act of 1899, or the Emergency Planning and Community Right-to-Know Act of 1986 (each as amended), or any other law of any federal, state, local, or foreign government or agency thereof (including rules, regulations, codes, judgments, orders, decrees, stipulations, injunctions, and charges thereunder) relating to public health and safety, or pollution or protection of the environment, including, without limitation, laws relating to emissions, discharges, or releases of pollutants, contaminants, or chemical, industrial, hazardous or toxic materials or wastes into ambient air, surface water, ground water, or lands or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of pollutants, contaminants, or chemical, industrial, hazardous, or toxic materials or wastes

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

"Extremely Hazardous Substance" has the meaning set forth in Section 302 of the Emergency Planning and Community Right-to-Know Act of 1986, as amended.

"FCC" means the Federal Communications Commission of the United States.

"FCC Licenses" means the licenses, permits and other authorizations, including any temporary waiver or special temporary authorization, issued by the FCC to the Seller in connection with the conduct of the business and operation of the Station.

"Final Order" means an action by the FCC as to which: (a) no request for stay by the FCC is pending, no such stay is in effect, and any deadline for filing a request for any such stay has passed; (b) no appeal, petition for rehearing or reconsideration, or application for review is

pending before the FCC and the deadline for filing any such appeal, petition or application has passed; (c) the FCC has not initiated reconsideration or review on its own motion and the time in which such reconsideration or review is permitted has passed; and (d) no appeal to a court, or request for stay by a court, of the FCC's action is pending or in effect, and the deadline for filing any such appeal or request has passed.

"Financial Statements" has the meaning set forth in Section 2(e) above.

"GAAP" means United States generally accepted accounting principles as in effect from time to time.

"Hart-Scott-Rodino Act" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

"Indemnified Party" has the meaning set forth in Section 7(e) above.

"Indemnifying Party" has the meaning set forth in Section 7(e) above.

"Intellectual Property" means all (a) patents, patent applications, patent disclosures, and improvements thereto, (b) trademarks, service marks, trade dress, call letters, logos, trade names, and corporate names and registrations and applications for registration thereof, (c) all programs, programming materials, copyrights and registrations and applications for registration thereof, (d) mask works and registrations and applications for registration thereof, (e) computer software, data, and documentation, (f) trade secrets and confidential business information (including ideas, formulas, compositions, inventions (whether patentable or unpatentable and whether or not reduced to practice), know-how, market and other research information, drawings, specifications, designs, plans proposals, technical data, copyrightable works, financial, marketing, and business data, pricing and cost information, business and marketing plans, and customer and supplier lists and information), (g) other proprietary rights, and (h) copies and tangible embodiments thereof (in whatever form or medium).

"Knowledge" means actual knowledge after reasonable investigation triggered by such knowledge.

"Leases" means those real estate leases to which Seller are a party governing Seller's studios and tower sites, as described in Section 2(i) of the Disclosure Schedule.

"Liability" means any liability (whether known or unknown, whether absolute or contingent, whether liquidated or unliquidated, and whether due or to become due), including any liability for Taxes.

"Licenses" means all FCC and other governmental licenses, franchises, approvals, certificates, authorizations and rights of the Seller with respect to the operations of the Station and all applications therefor, together with any renewals, extension or modifications thereof and additions thereto.

"**LMA**" shall mean the Local Marketing Agreement entered into by and between Seller and an affiliate of the Buyers dated January 26, 2000.

"**Multi-employer Plan**" has the meaning set forth in ERISA Sec. 3(37).

"**Ordinary Course of Business**" means the ordinary course of business of Seller consistent with past custom and practice (including with respect to quantity and frequency).

"**Owned Real Estate**" means the real property owned by the Seller as described in Section 2(i) of the Disclosure Schedule and all buildings, fixtures, and improvements located thereon.

"**Party**" has the meaning set forth in the preface above.

"**Permitted Real Estate Encumbrances**" shall mean any liens, charges, mortgages, security interests, easements, restrictions or other encumbrances either arising from real estate taxes for the year of Closing, or which do not impair the current use, occupancy or value or marketability of the title of the property and which are disclosed in Section 2(i) of the Disclosure Schedule.

"**Prohibited Transaction**" has the meaning set forth in ERISA Section 406 and Code Section 4975.

"**Purchase Price**" has the meaning set forth in Section 1(c) above.

"**Real Estate**" means the Owned Real Estate and the real estate, building, fixtures and improvements which are the subject of the Leases.

"**Reportable Event**" has the meaning set forth in ERISA Section 4043.

"**Retained Assets**" means (i) the corporate charter, qualifications to conduct business as a foreign corporation, arrangements with registered agents relating to foreign qualifications, taxpayer and other identification numbers, seals, minute books, stock transfer books, blank stock certificates, and other documents relating to the organization, maintenance, and existence of the Seller as a corporation; (ii) any of the rights of the Seller under this Agreement (or under any side agreement between the Seller on the one hand and the Buyers on the other hand entered into on or after the date of this Agreement); (iii) **accounts, notes and other receivables of the Seller; and (iv) Cash.**

"**Retained Liabilities**" means any other obligations or Liabilities of the Seller, including but not limited to: (i) any Liability relating to the ownership or operation of the Station prior to the Closing; (ii) any Liability of the Seller for income, transfer, sales, use, and other Taxes arising in connection with the consummation contemplated hereby; (iii) any Liability of the Seller for costs and expenses incurred in connection with this Agreement or the consummation of the transactions contemplated hereby (except as set forth in Section 4(i) relating to Surveys, title commitments and environmental audits and Section 4(b) with regard to the Assignment

Application; or (iv) any Liability or obligation of the Seller under this Agreement (or under any side agreement between the Seller on the one hand and the Buyers on the other hand entered into on or after the date of this Agreement).

"Security Interest" means any mortgage, pledge, security interest, encumbrance, charge, or other lien, other than (a) liens for Taxes not yet due and payable; and (b) liens arising under worker's compensation, unemployment insurance, social security, retirement, and similar legislation.

"Seller" has the meaning set forth in the preface above.

"Station" means the radio broadcast Station WIMX-FM, licensed to Gibsonburg, Ohio.

"Subsidiary," with respect to any person, means any corporation, partnership, joint venture, limited liability company, trust or estate of which (or in which) 50% or more of (i) the outstanding capital stock or other equity interest having voting power to elect a majority of the Board of Directors of such corporation or persons having a similar role as to an entity that is not a corporation, (ii) the interest in the profits of such partnership or joint venture, or (iii) the beneficial interest of such trust or estate are at such time directly or indirectly owned by such person or one or more of such person's Subsidiaries.

"Surveys" has the meaning set forth in Section 4(n) above.

"Tax" means any federal, state, local, or foreign income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental (including taxes under Code Sec. 59A), customs duties, capital stock, franchise, profits, withholding, social security (or similar), unemployment, disability, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated, or other tax of any kind whatsoever, including any interest, penalty, or addition thereto, whether disputed or not.

"Tax Return" means any return, declaration, report, claim for refund, or information return or statement relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

9. Termination.

a. **Termination of Agreement.** Certain of the Parties may terminate this Agreement as provided below:

(i) the Buyers and the Seller may terminate this Agreement by mutual written consent at any time prior to the Closing;

(ii) the Buyers may terminate this Agreement by giving written notice to the Seller at any time prior to the Closing in the event the Buyers are not in material breach of any representation, warranty, or covenant contained in this Agreement or the

LMA, and Seller is in material breach of any representation, warranty, or covenant contained in this Agreement or the LMA; provided, however, that if such breach is capable of being cured, such breach also remains uncured for twenty (20) days after notice of breach is received by the Seller from the Buyers; and provided further that such cure period shall be extended by an additional thirty (30) days in the event such breach is capable of being cured and Seller is working diligently to cure the breach;

(iii) the Seller may terminate this Agreement by giving written notice to the Buyers at any time prior to the Closing in the event the Buyers are in material breach of any representation, warranty, or covenant contained in this Agreement or the LMA, and the Seller is not in material breach of any representation, warranty, or covenant contained in this Agreement or the LMA; provided, however that if such breach is capable being cured, such breach remains uncured for twenty (20) days after notice of breach is received by the Buyers from the Seller; and provided, further that such cure period shall be extended by an additional thirty (30) days in the event such breach is capable of being cured and the Buyers are working diligently to cure the breach;

(iv) the Buyers may terminate this Agreement by giving written notice to the Seller at any time prior to the Closing if the Closing shall not have occurred on or before February 1, 2005 by reason of the failure of any condition precedent under Section 5(a) hereof (unless the Buyers themselves are also in material breach of any representation, warranty, or covenant contained in this Agreement);

(v) the Seller may terminate this Agreement by giving written notice to the Buyers at any time prior to the Closing if the Closing shall not have occurred on or before February 1, 2002 by reason of the failure of any condition precedent under Section 5(b) hereof (unless the Seller themselves are also in material breach of any representation, warranty, or covenant contained in this Agreement); or

(vi) the Buyers or the Seller may terminate this Agreement if any Assignment Application is denied by Final Order or is "Designated for Hearing" by the FCC.

b. Effect of Termination. If any Party terminates this Agreement pursuant to Section 9(a) above, all obligations of the Parties hereunder shall terminate without any Liability of any Party to any other Party (except for any Liability of any Party then in breach).

10. Miscellaneous.

a. **Press Releases and Announcements.** No Party shall issue any press release or announcement relating to the subject matter of this Agreement prior to the Closing without the prior written approval of the other Party; provided, however, that any Party may make any public disclosure it believes in good faith is required by law or regulation (in which case the disclosing Party will advise the other Party prior to making the disclosure).

b. **No Third Party Beneficiaries.** This Agreement shall not confer any rights or remedies upon any person other than the Parties and their respective successors and permitted assigns.

c. **Entire Agreement.** This Agreement (including the documents referred to herein) constitutes the entire agreement between the Parties and supersedes any prior understandings, agreements, or representations by or between the Parties, written or oral, that may have related in any way to the subject matter hereof.

d. **Succession and Assignment.** This Agreement shall be binding upon and inure to the benefit of the Parties named herein and their respective successors and permitted assigns. No Party may assign either this Agreement or any of its rights, interests, or obligations hereunder without the prior written approval of the other Party, *provided* that (i) the Buyers may assign all or any part of their right, title and interest in, to and under this Agreement to any party, provided, such party is capable of fulfilling the obligations of the Buyers hereunder; and (ii) Buyers may assign their indemnification claims and their rights under the warranties and representations of the Seller to the financial institution(s) providing financing to the Buyers in connection with this transaction.

e. **Counterparts.** This Agreement may be executed in one or more counterparts, and by facsimile copy, each of which shall be deemed an original but all of which together will constitute one and the same instrument.

f. **Headings.** The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

g. **Notices.** All notices, requests, demands, claims, and other communications hereunder will be in writing and shall be considered to be given and received in all respects when hand delivered, when delivered via prepaid express or courier delivery service, when sent by facsimile transmission actually received by the receiving equipment or three (3) days after deposited in the United States mail, certified mail, postage prepaid, return receipt requested, in each case addressed to the intended recipient as set forth below:

If to the Buyers:

Urban Radio Communications, LLC
Urban Radio Licenses, LLC
c/o Greenberg Traurig, P.A.
1221 Brickell Avenue
Miami, FL 33131
Attn: Marshall R. Pasternack, Esq.
T: (305) 579-0748
F: (305) 579-0717

Copies to:

Fletcher, Heald & Hildreth, P.L.C.

1300 North 17th Street, 11th Floor
Arlington, VA 22209
Attn: Howard Weiss, Esquire
T: (703) 812-0414
F: (703) 812-0486

Greenberg Traurig, P.A.
1221 Brickell Avenue
Miami, FL 33131
Attn: Marshall Pasternack, Esquire
T: (305) 579-0748
F: (305) 961-5748

(neither of which copies shall constitute notice to Buyers)

If to the Seller:

Riverside Broadcasting, Inc.
3750 University Avenue
Suite 610
Riverside, CA 92501
Attn: Craig O. Dobler, President
T: (909) 274-7777
F: (909) 274-7770

Any Party may give any notice, request, demand, claim or other communication hereunder using any other means (including telex, ordinary mail, or electronic mail), but no such notice, request, demand, claim or other communication shall be deemed to have been duly given unless and until it actually is received by the party for whom it is intended. Any party may change the address to which notices, requests, demands, claims, and other communications hereunder are to be delivered by giving the other party notice in the manner herein set forth.

h. **Governing Law.** This Agreement shall be governed by and construed in accordance with the internal laws (and not the law of conflicts) of the State of Delaware.

i. **Amendments and Waivers.** No amendment of any provision of this Agreement shall be valid unless the same shall be in writing and signed by the Buyers and the Seller. No waiver by any Party of any default, misrepresentation, or breach of warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

j. **Severability.** Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of

the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction. If the final judgment of a court of competent jurisdiction declares that any term or provision hereof is invalid or unenforceable, the Parties agree that the court making the determination of invalidity or unenforceability shall have the power to reduce the scope, duration, or area of the term or provision, to delete specific words or phrases, or to replace any invalid or unenforceable term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision, and this Agreement shall be enforceable as so modified after the expiration of the time within which the judgment may be appealed.

k. **Expenses.** The Buyers and the Seller, will each bear their own costs and expenses (including legal fees and expenses) incurred in connection with this Agreement and the transactions contemplated hereby, other than as set forth in Section 4(b) with regard to the Assignment Applications and as set forth in Section 4(o) with respect to Surveys, title commitments and environmental audits. The Seller will pay all income taxes. The Seller and the Buyers will each pay one-half (1/2) of any transfer or sales taxes and other recording or similar fees necessary to vest title to each of the Acquired Assets in the Buyers.

l. **Construction.** The language used in this Agreement will be deemed to be the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party. Any reference to any federal, state, local, or foreign statute or law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise. Nothing in the Disclosure Schedule shall be deemed adequate to disclose an exception to a representation or warranty made herein unless the Disclosure Schedule identifies the exception with reasonable particularity and describes the relevant facts in reasonable detail. The Parties intend that each representation, warranty, and covenant contained herein shall have independent significance. If any Party has breached any representation, warranty, or covenant contained herein in any respect, the fact that there exists another representation, warranty, or covenant relating to the same subject matter (regardless of the relative levels of specificity) which the Party has not breached shall not detract from or mitigate the fact that the Party is in breach of the first representation, warranty, or covenant.

m. **Incorporation of Exhibits and Schedules.** The Exhibits and Schedules identified in this Agreement are incorporated herein by reference and made a part hereof.

n. **Submission to Jurisdiction.** Each of the Parties submits to the jurisdiction of any state or federal court sitting in Wilmington, Delaware in any action or proceeding arising out of or relating to this Agreement, agrees that all claims in respect of the action or proceeding may be heard and determined in any such court, and agrees not to bring any action or proceeding arising out of or relating to this Agreement in any other court. Each of the Parties waives any defense of inconvenient forum to the maintenance of any action or proceeding so brought and waives any bond, surety, or other security that might be required of any other Party with respect thereto. Any Party may make service on the other Party by sending or delivering a copy of the process to the Party to be served at the address and in the manner provided for the giving of notices in Section 10(g) above. Nothing in this Section 10(n), however, shall affect the right of

any Party to serve legal process in any other manner permitted by law. Each Party agrees that a final judgment in any action or proceeding so brought shall be conclusive and may be enforced by suit on the judgment or in any other manner provided by law.

* * * * *

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on as of the date first above written.

“SELLER”

RIVERSIDE BROADCASTING, INC.

By: _____
Craig O. Dobler, President

“BUYERS”

URBAN RADIO COMMUNICATIONS, LLC

By: _____
Kevin Wagner, Manager

URBAN RADIO LICENSES, LLC

By: _____
Kevin Wagner, Manager

SCHEDULE A

Purchase Price. The Buyers agree to pay to the Seller, as consideration for the Acquired Assets, on the Closing Date, (1) the amount of Two Million and no/100 Dollars (\$2,000,000); plus (2) the amount of the interest accrued on the loans owed by the Seller to Cumulus Broadcasting, Inc., a Nevada Corporation ("Cumulus") (which loans are evidenced by that certain Credit Agreement by and between the Seller and Cumulus, dated as of January 27, 1998), from the period beginning on February 1, 2000 and ending on the Closing Date. The Purchase Price will be paid by Buyers to Seller at Closing by wire transfer of immediately available funds, with adjustments as provided specifically in this Agreement.