

## PURCHASE AGREEMENT

This PURCHASE AGREEMENT (this "Agreement") is dated December 15, 2008, by and between MAPLETON RADIO HOLDINGS, LLC, a Delaware limited liability company ("Buyer"), and MAPLETON COMMUNICATIONS, LLC, a Delaware limited liability company ("Seller"). Seller and Buyer are sometimes referred to herein as the "Parties" and each as a "Party."

### RECITALS:

A. Prior to or concurrently with the consummation hereof, Seller will form two new, wholly owned Delaware limited liability companies, Mapleton of Visalia, LLC ("MV"), and Mapleton License of Visalia, LLC ("MLV"), and transfer the operating assets for KBLO(FM), Corcoran, CA ("KBLO") to MV and the FCC licenses for KBLO to MLV.

B. Seller holds all of the issued and outstanding limited liability company ownership interests in the following Delaware limited liability companies:

Mapleton of Chico, LLC  
Mapleton License of Chico, LLC  
Mapleton of San Francisco, LLC  
Mapleton License of San Francisco, LLC  
Mapleton of San Luis Obispo, LLC  
Mapleton License of San Luis Obispo, LLC

The six, above-listed companies, together with MV and MLV, are each referred to herein as a "Company", and, collectively, as the "Companies".

C. MV and MLV will hold as of the consummation hereof, and the other Companies currently hold, substantially all of the assets used in connection with the operation of the following radio stations (each, a "Station" and, collectively, the "Stations"):

<u>Radio Market</u>	<u>Call Sign</u>	<u>Facility ID No.</u>	<u>Community of License</u>
Chico	KFMF(FM)	51637	Chico, CA
	KALF(FM)	40919	Red Bluff, CA
	KQPT(FM)	51638	Colusa, CA
	KZAP(FM)	56714	Paradise, CA
San Francisco	KPIG(AM)	40137	Piedmont, CA
San Luis Obispo	KPYG(FM)	9851	Cayucos, CA
	KXTZ(FM)	30108	Pismo Beach, CA
	KXDZ(FM)	70781	Templeton, CA
	KWWV(FM)	25960	Santa Margarita, CA
Visalia	KYNS(AM)	73039	San Luis Obispo, CA
	KBLO(FM)	54541	Corcoran, CA

D. Seller desires to convey, and Buyer wishes to acquire, all of the LLC Interests on the terms and conditions hereinafter set forth.

### AGREEMENTS:

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties agree as follows:

#### Section 1: DEFINITIONS

1.1 Terms Defined in this Section. The following terms, as used in this Agreement, have the meanings set forth in this Section:

“Action” means, for any Person, any action, counterclaim, suit, litigation, arbitration, governmental investigation or other legal, administrative or Tax proceeding, or Judgment, claim, or complaint by or against such Person, excluding any litigation affecting the radio broadcasting industry generally in which such Person is not a named party, and any rule-making proceedings.

“Affiliate” of a Person means any Person, which directly or indirectly controls, is controlled by or is under common control with, such Person. The term “control” (including, with correlative meaning, the terms “controlled by” and “under common control with”), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

“Assets” means all tangible and intangible, real and personal property of Seller or the Companies used or held for use in the operation of the Stations, including the Real Property, Tangible Personal Property, Licenses, Assumed Contracts, Intellectual Property, Receivables, Books and Records, proprietary information, technical information and data, equipment and other warranties, computer drives and disks, blueprints, schematics, working drawings, plans, projections, engineering records, and other intangible assets of Seller relating primarily to the Business or the Stations, including filings with the FCC relating to the Business and operation of the Stations and the goodwill of the Stations, if any; *provided, however*, that the Assets shall exclude the Excluded Assets.

“Assignment Application” means the application filed jointly by Seller and Buyer with the FCC relating to the assignment or transfer of control of the FCC Licenses by Seller to Buyer in the manner contemplated by this Agreement.

“Assumed Contract” means each Contract, including any Group Contract partially assigned to Buyer, if and to the extent that Buyer specifically agrees in writing to assume such Contract at Closing.

“Books and Records” means all of the books and records of Seller or the Companies related to the Business or the operation of the Stations (other than any included in the Excluded Assets).

“Business” means the business and operations of Seller and the Companies relating to the Stations.

“Business Day” means any weekday of the year on which banks are not required or authorized to be closed in the State of California.

“Closing” means the consummation of the transactions contemplated by this Agreement, including the assignment, transfer and conveyance of the LLC Interests and the delivery of the Purchase Price as contemplated hereunder.

“Closing Date” means the first Business Day after the date on which the FCC Consent has become a Final Order; *provided* that Buyer and Seller may mutually agree to close on another Business Day not later than ten (10 ) Business Days after the date on which the FCC Consent has become a Final Order, and that the consummation of the Closing on the designated Closing Date is subject to satisfaction or waiver of all conditions precedent to the holding of the Closing.

“Closing Place” means the offices of Seller in Los Angeles, CA, or such other location agreed upon by the Parties.

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

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

“Compensation Arrangement” means any plan or compensation arrangement related to the Business other than an Employee Plan, whether written or unwritten, which provides to Employees, former Employees, officers, managers and members of Seller or any entity related to Seller (under the terms of Sections 414(b), (c), (m) or (o) of the Code), any compensation or other benefits, whether deferred or not, in excess of base salary, sales commissions or wages (excluding overtime pay), including any bonus or incentive plan, stock rights plan, deferred compensation arrangement, stock purchase plan, severance pay plan and any other employee fringe benefit plan.

“Consents” means the consents, permits or approvals of Government Authorities and other third parties required by Seller or the Companies to transfer the KBLO Assets to MV or MLV, or the LLC Interests to Buyer, or otherwise for Seller and the Companies to consummate the transactions contemplated hereby, including any consent, permit or approval of the partial assignment and assumption of any Group Contract as set forth on Schedule 3.8.

“Contracts” means the leases, contracts, commitments, understandings and agreements whether written or oral (including any amendments and other modifications thereto), to which Seller or the Companies are a party or which are binding upon Seller or the Companies, and which relate to the conduct of the Business or the operations of the Stations.

“Credit Agreement” means the Credit Agreement dated as of December 3, 2007, as amended, among Seller, the Companies (other than MV and MLV), certain other Affiliates of Seller, and the Lenders.

“Employee Plan” means, with respect to the Business, any pension, retirement, profit-sharing, deferred compensation, vacation, severance, bonus, incentive, medical, vision, dental, disability, life insurance or other employee benefit plan as defined in Section 3(3) of ERISA to which Seller or any entity related to Seller (under the terms of Sections 414 (b), (c), (m) or (o) of the Code) contributes or which Seller or any entity related to Seller (under the terms of Sections 414 (b), (c), (m) or (o) of the Code) sponsors or maintains, or by which Seller or any such entity is otherwise bound.

“Employees” means the persons employed by Seller on a full or part-time basis with respect to the Business, excluded any headquarters’ personnel of Seller.

“Enforceability Exceptions” means the exceptions or limitations to the enforceability of contracts under bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors’ rights generally, and by the application of general principles of equity.

“Environmental Laws” means the Legal Requirements relating to health, safety or the environment, including the Handling of Hazardous Substances, the presence of Hazardous Substances on any Real Property, or any antipollution requirements.

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

“Excluded Assets” means (i) all refunds or credits (including interest thereon or claims therefrom) of Taxes paid by Seller prior to the Closing Date, (ii) Seller’s Employee Plans, Compensation Arrangements, insurance Contracts and other Contracts except for those Contracts that are included in the Assumed Contracts or the KBLO Assets, and (iii) Group Contracts, except to the extent that Schedule 3.8 specifically provides for the partial assignment and assumption of any such Group Contract, in which case such Group Contract will be considered an Assumed Contract only to the extent it relates to the operation of the Business or the Stations.

“FCC” means the Federal Communications Commission.

“FCC Consent” means action by the FCC granting its consent to the assignment of the FCC Licenses for KBLO by Seller to MLV and the transfer of control of the License Companies to Buyer as contemplated by this Agreement.

“FCC Licenses” means the Licenses (including auxiliary facilities) issued or granted to Seller and the Companies by the FCC, as set forth on Schedule 3.7.

“Final Order” means the FCC Consent that has not been vacated, reversed, stayed, enjoined, set aside, annulled or suspended, and with respect to which no requests or applications are pending for administrative or judicial review, reconsideration, appeal or stay, and the time period for filing any such request or application, and the time period for the FCC to set aside the action on its own motion, have expired.

“GAAP” means generally accepted accounting principles as currently in effect.

“Governmental Authority” means any court or any federal, state, county, local or foreign governmental, legislative or regulatory body, agency, department, authority, instrumentality or other subdivision thereof, including the FCC.

“Group Contracts” means Contracts that contemplate the provision of products or services either (i) by a third party to another station or business of Seller or any of its Affiliates in addition to one or more of the Stations, or (ii) to a third party by another station or business of Seller or any of its Affiliates, in addition to one or more of the Stations.

“Handling” means the production, use, generation, storage, treatment, recycling, disposal, discharge, release or other handling or disposition of any kind of any Hazardous Substances.

“Hazardous Substance” means any pollutant, contaminant, hazardous or toxic substance, material, constituent or waste or any pollutant that is labeled or regulated as such by any Governmental Authority pursuant to any Environmental Law.

“Intellectual Property” means all trademarks, service marks, trade names, copyrights, licenses and other intellectual property rights applied for, issued to, or owned by Seller or the Companies or under which Seller or the Companies are licensed or franchised and which are used or held for use in the Business or the operation of the Stations.

“Judgment” means any judgment, writ, order, injunction, determination, award or decree of or by any court, judge, justice or magistrate, including any bankruptcy court or judge, and any order of or by a Governmental Authority.

“KBLO Assets” means the Assets used or held for use by Seller with respect to the business or operation of KBLO, which Assets shall be transferred by Seller to MV or MLV at or prior to Closing.

“knowledge” or “to the knowledge” of a Party (or similar phrases) means actual knowledge of a fact, or constructive knowledge if a reasonably prudent person in a like position would have known or should have known the fact.

“Legal Requirement” means any statute, ordinance, code, law, rule, regulation, permit or permit condition, Judgment, or other requirement, standard or procedure enacted, adopted or applied by any Governmental Authority.

“Lenders” means General Electric Capital Corporation and Wells Fargo Foothill, Inc.

“Liabilities” means claims, obligations, commitments or liabilities of a Person of any nature, absolute, accrued, contingent or otherwise, known or unknown, whether matured or unmatured.

“License Companies” means Mapleton License of Chico, LLC, Mapleton License of San Francisco, LLC, Mapleton License of San Luis Obispo, LLC, and MLV.

“Licenses” means all licenses, permits, registrations and other authorizations issued by the FCC or other Governmental Authorities to Seller or the Companies in connection with the

conduct of the Business or operations of the Stations, together with any pending applications therefor.

“Lien” means any lien, pledge, charge, easement, security interest, mortgage, deed of trust, right-of-way or other encumbrance.

“LLC Interests” means all of the issued and outstanding limited liability company ownership interests in and to the Companies, and all rights, title and interest therein.

“Management Agreement” means the Management Agreement to be entered into between Buyer and Seller at Closing pursuant to which Seller will provide management services to Buyer with respect to the Stations subsequent to Closing.

“Permitted Liens” means the following: (i) statutory landlord’s liens and liens for current Taxes not yet due and payable (or being contested in good faith); (ii) zoning laws and ordinances and similar Legal Requirements; (iii) rights reserved to any Governmental Authority to regulate the affected property; (iv) as to interests in Real Property, any easements, rights-of-way, servitudes, permits, restrictions and minor imperfections or irregularities in title that are reflected in the public records and that do not individually or in the aggregate materially interfere with the right or ability to own, use, lease or operate the Real Property as presently utilized; (v) the Liens held by the Lenders pursuant to the Credit Agreement that as a condition of Closing, the Lenders shall agree to release upon payment by Seller to Lenders of an amount agreed to by Seller, with Buyer’s concurrence; and (vi) any Liens set forth in Schedule 1.1A.

“Person” means any person or entity, whether an individual, trustee, corporation, general partnership, limited partnership, trust, unincorporated organization, business association, firm, joint venture or Governmental Authority.

“Real Property” means all real property and interests in real property, including fee estates, leaseholds and subleaseholds, purchase options, easements, licenses, rights to access, and rights of way, and all buildings, other improvements or fixtures located thereon, and all other real property interests that are used or held for use in the Business or the operation of the Stations.

“Receivables” means all accounts receivable and other receivables arising from the operation of the Business prior to or on the Closing Date.

“Seller Assets” means the Assets held by Seller and not by the Companies, including the KBLO Assets prior to their contribution and transfer by Seller to MV or MLV.

“Tangible Personal Property” means all studio, office and transmitter site equipment, transmitters, antennas, computer hardware, machinery, tools, vehicles, furniture, furnishings, fixtures, inventory, spare parts, and other tangible personal property that are used or held for use in the conduct of the Business or the operation of the Stations.

“Taxes” means any taxes, charges, fees, levies or other assessments, including income, excise, use, transfer, payroll, occupancy, property, sales, franchise, unemployment and withholding taxes, penalties and interest imposed by the United States or any state, county, local or foreign government or subdivision or agency thereof.

1.2 [Terms Defined Elsewhere in this Agreement](#). In addition to (i) the defined terms in the preamble, recitals and Section 1.1 hereof, or (ii) certain defined terms used solely within a single section hereof, the following is a list of terms used in this Agreement and a reference to the section hereof in which such term is defined:

<u>Term</u>	<u>Section</u>
Assumed Liabilities	2.3
Claimant	10.4
Claim Notice	10.4
Closing Balance Sheets	5.1(d)
Financial Statements	3.11
Indemnitor	10.4
Indemnity Period	10.1
Losses	10.2
Non-Assumed Liabilities	2.3
Purchase Price	2.2
Real Property	3.5

1.3 [Clarifications](#). Words used in this Agreement, regardless of the gender and number specifically used, shall be deemed and construed to include any other gender and any other number as the context requires. As used in this Agreement, the word “including” is not limiting, and the word “or” is both conjunctive and disjunctive. Except as specifically otherwise provided in this Agreement in a particular instance, a reference to a section, schedule or exhibit is a reference to a section of this Agreement or a schedule or exhibit hereto, and the terms “hereof,” “herein,” and other like terms refer to this Agreement as a whole, including the Schedules and Exhibits to this Agreement, and not solely to any particular part of this Agreement. The descriptive headings in this Agreement are inserted for convenience of reference only and are not intended to be part of or to affect the meaning or interpretation of this Agreement.

## Section 2: [PURCHASE OF LLC INTERESTS AND ASSETS](#)

2.1 [Agreement to Sell and Buy](#). Subject to the terms and upon satisfaction of the conditions contained in this Agreement, at the Closing, Seller shall sell, convey, transfer, assign and deliver to Buyer all of Seller’s right, title and interest in and to the LLC Interests and the Assets, and Buyer shall purchase, acquire and accept from Seller all of Seller’s right, title and interest in and to the LLC Interests and the Assets, free and clear of all Liens other than Permitted Liens.

2.2 [Purchase Price](#). The purchase price for the LLC Interests and Assets shall be the following sum (the “[Purchase Price](#)”): (i) Eight Million Dollars (\$8,000,000), plus (ii) an amount equal to the interest that shall have accrued from and including January 1, 2009, to the Closing Date on Eight Million Dollars (\$8,000,000) at the interest rate applicable, from time to time, to the outstanding principal amount owed by Seller to Lenders pursuant to the terms of the Credit Agreement, plus (iii) a management expense reimbursement equal to the product of \$1,164.38, multiplied by the number of days from and including January 1, 2009, to the Closing Date. The Purchase Price shall be paid by Buyer at the Closing by wire transfer of immediately

available funds in U.S. dollars, to Seller or a designee of Seller and to an account thereof designated in writing by Seller.

2.3 Assumed Liabilities. At and after the Closing, Buyer shall assume and timely pay, discharge and perform all Liabilities arising out of or relating to Buyer's ownership of the LLC Interests or Buyer's assumption of the Assumed Contracts, attributable to the time period after the Closing Date (the "Assumed Liabilities"). All Liabilities of Seller not expressly assumed by Buyer in accordance with the preceding sentence are referred to herein as "Non-Assumed Liabilities" and shall remain and be the obligations and liabilities solely of Seller. Buyer acknowledges that each Company shall at Closing have certain Liabilities as shall be set forth on the Closing Balance Sheet of such Company, *provided, however*, that such Liabilities shall exclude any amounts due Lenders or Seller.

### Section 3: REPRESENTATIONS AND WARRANTIES OF SELLER

Seller hereby represents and warrants to Buyer as follows, *provided, however*, that the representations and warranties in this Section 3 that are being made with respect to the Companies only apply to MV and MLV as of Closing:

3.1 Standing, Authority, Authorization and Binding Obligations. Seller and each Company is a limited liability company validly existing and in good standing under the laws of the State of Delaware, and qualified to do business in the State of California. Seller has all requisite limited liability company power and authority (i) to execute, deliver and perform this Agreement and to consummate the transactions contemplated hereby, and (ii) to hold the LLC Interests, to own, lease and operate the Seller Assets, and to carry on the Business as now being conducted. The Companies have all requisite limited liability power and authority to own and operate the Stations and the Assets owned by them and to carry on the Business as now being conducted. The execution, delivery and performance of this Agreement by Seller have been duly and validly authorized by all necessary limited liability company action by Seller and its members. This Agreement has been duly executed and delivered by Seller and constitutes a valid and binding agreement of Seller enforceable against it in accordance with its terms, except as its enforceability may be limited by Enforceability Exceptions.

3.2 Capitalization. All of the issued and outstanding LLC Interests of the Companies are held, beneficially and of record, by Seller, free and clear of all Liens except for Permitted Liens. The LLC Interests have been duly and validly issued, are fully paid and non-assessable and have been issued in compliance with all federal and state securities laws. There are no, and have not been any, options, warrants or other rights to subscribe for or purchase any limited liability company ownership interests in any Company or securities convertible into or exchangeable for, or which otherwise confer on the holder any right to acquire, any limited liability company ownership interests in any Company, nor is any Company committed to issue any such option, warrant or other right. Seller has provided to Buyer a correct and complete copy of the limited liability company agreement of each Company, in each case including all amendments thereto made on or prior to the date hereof.

3.3 No Contravention; Consents. Subject to obtaining the Consents, the execution, delivery and performance of this Agreement, the consummation of the transactions contemplated

hereby and the compliance with the provisions hereof by Seller will not (i) violate any provisions of the organizational documents of Seller or the Companies, (ii) result in the breach of, constitute a default under, or result in the creation of any Lien upon any of the Assets under the provisions of, any Contract, or (iii) violate any Legal Requirements applicable to Seller or the Companies. Except for the Consents set forth in Schedule 3.3, no consent, approval, or authorization of any Governmental Authorities or other third party is required in connection with the execution, delivery and performance of this Agreement by Seller or the consummation by Seller of the transactions contemplated hereby.

#### 3.4 Seller Assets; Title to Assets.

(a) Schedule 3.4 sets forth an accurate and complete list of all Seller Assets other than non-material items of Tangible Personal Property that are included in the KBLO Assets. The Assets include all assets necessary to conduct the Business and operations of the Stations as presently conducted, except for any necessary assets included in the Excluded Assets. Except as set forth on Schedule 3.4, Seller and the Companies do not have any Contracts with any of their Affiliates, and no Affiliate of Seller or the Companies holds any tangible or intangible properties or rights with respect to the Assets or the Business or operation of the Stations.

(b) Seller has good and marketable title to all of the Seller Assets, free and clear in each case of any Liens except for Permitted Liens. The Companies have good and marketable title to all of the Assets other than the Seller Assets, free and clear in each case of any Liens except for Permitted Liens.

3.5 Real Property. Schedule 3.5 sets forth an accurate and complete list of all Real Property included in the Assets, including the street address and a description of the use thereof. All Real Property (including the improvements thereon) (i) is in good condition and repair consistent with its present use, (ii) is available for immediate use in the conduct of the Business and the operations of the Stations, and (iii) complies with all applicable building or zoning codes and the regulations of any governmental authority having jurisdiction. The Real Property includes no fee estates. Each Real Property lease is in full force and effect, and Seller or each Company party to any lease has complied in all material respects with all commitments and obligations on its part to be performed or observed under each Real Property lease. All towers, guy anchors, and buildings and other improvements related to the Stations are located entirely on the Real Property listed in Schedule 3.5. Seller and the Companies have full legal and practical access to the Real Property. With respect to each leasehold or subleasehold interest included in the Real Property, so long as Seller and each Company with such leasehold or subleasehold interest fulfills its obligations under the lease therefor, such Seller or such Company has enforceable rights to nondisturbance and quiet enjoyment, and no third party holds any interest in the leased premises with the right to foreclose upon such Seller's or such Company's leasehold or subleasehold interest.

3.6 Tangible Personal Property. Schedule 3.6 describes each lease to which Seller or any Company is a party with respect to any items of Tangible Personal Property and accurately identifies the Tangible Personal Property leased pursuant thereto. Except as specified on Schedule 3.6, all Tangible Personal Property is in good condition and repair, normal wear and

tear excepted, and available for immediate use in the operation of the Stations and the conduct of the Business as presently conducted. All items of transmitting and studio equipment included in the Tangible Personal Property (i) have been maintained in a manner consistent with generally accepted standards of good engineering practice, and (ii) will permit the Stations and any auxiliary broadcast facilities related to the Stations to operate in accordance with the terms of the FCC Licenses and any applicable Legal Requirements of the FCC and other Governmental Authorities.

3.7 [Licenses](#). [Schedule 3.7](#) is a list of all FCC Licenses and other material Licenses. All FCC Licenses and other material Licenses are validly issued in the name of Seller or any Company set forth on [Schedule 3.7](#), are in full force and effect, are not subject to any conditions that would require operation of the Stations in a manner materially different than their operations as of the date of this Agreement, and are not subject to any conditions outside the ordinary course other than those set forth on the face of such FCC Licenses or on [Schedule 3.7](#), or that generally affect the radio broadcast industry or substantial segments thereof. No waiver of FCC rule or policy is required for Seller or any Company to be the holder of any of the FCC Licenses. Except as set forth in [Schedule 3.7](#), Seller and each Company have complied in all material respects with all the terms of the Licenses, and there are no pending applications filed by Seller or any Company seeking to modify any License and no pending revocations of any License.

3.8 [Contracts](#). [Schedule 3.8](#) is a true and complete list of all Contracts, including Group Contracts, except (i) Contracts with advertisers for the sale of advertising time on the Stations in the ordinary course of business for cash at rates consistent with past practices, that may be canceled by Seller or any Company without penalty on not more than thirty (30) days' notice, (ii) oral employment agreements terminable at will, and (iii) miscellaneous service Contracts entering into in the ordinary course of business that may be canceled without breach, fee, payment or penalty on thirty (30) days' or less notice. Seller will make available to Buyer prior to Closing true and complete copies of all written Contracts, true and complete memoranda of all oral Contracts (including any amendments and other modifications to such Contracts), and a schedule summarizing Seller's and any Company's obligations under trade and barter agreements relating to the Stations. Other than the Contracts listed on [Schedule 3.8](#) and those Contracts described in clauses (i) through (iii) above, neither Seller nor any Company requires any contract, lease or other agreement to enable it to carry on the Business as now conducted. Except as set forth on [Schedule 3.3](#) and except for any Contracts included in the Excluded Assets, no Contract requires the Consent of any other contracting party to the transactions contemplated by this Agreement. Neither Seller nor any Company is (and, to Seller's knowledge, no other party is) in breach or default in any material respect under any of the Contracts, except for any Contracts included in the Excluded Assets.

3.9 [Intellectual Property](#). [Schedule 3.9](#) contains a description of the material items of Intellectual Property (exclusive of those required to be listed in [Schedule 3.7](#)), which are valid and in full force and effect and, to Seller's knowledge, uncontested. Seller is not aware that it or any Company is infringing upon or otherwise acting adversely to any trademarks, trade names, copyrights or similar intellectual property rights owned by any other Person.

3.10 [Personnel Matters](#).

(a) [Employees](#). [Schedule 3.10](#) contains a complete and accurate list of all Employees, together with each such Employee's present position and annual salary.

(b) [Employee Plans and Compensation Arrangements](#). [Schedule 3.10](#) contains a list of all Employee Plans and Compensation Arrangements. Except as described in [Schedule 3.10](#), Seller has no written or oral contracts of employment with any Employee of the Stations other than oral employment agreements terminable at will without penalty. Seller is not required to contribute to any "multiemployer plan," as defined in ERISA Section 3(37), nor has Seller withdrawn from such a "multiemployer plan." Except as required under Code Section 4980B or ERISA Sections 601-609, no Employee Plan provides health or medical coverage to former Employees of Seller. Seller will make available to Buyer prior to Closing true and complete copies of all Employee Plans and all Compensation Arrangements listed in [Schedule 3.10](#) and all employee handbooks, employee rules and regulations, if any.

(c) [Qualified Plans](#). With respect to each Employee Plan, (i) such Employee Plan that is intended to be tax-qualified, and each amendment thereto, is the subject of a favorable determination letter except as described in [Schedule 3.10](#), and no Employee Plan amendment that is not the subject of a favorable determination letter would affect the validity of such Employee Plan's letter; (ii) no material liability to the Pension Benefit Guaranty Corporation has been or is expected by Seller to be incurred with respect to any Employee Plan; (iii) no Employee Plan is subject to Title IV of ERISA; and (iv) no prohibited transaction, within the definition of Section 4975 of the Code or Title 1, Part 4 of ERISA, has occurred which would subject Seller to any material liability.

(d) [Labor Unions](#). Seller is not a party to any collective bargaining agreement. To Seller's knowledge, (i) none of the Employees is presently a member of any collective bargaining unit related to his or her employment, and (ii) no collective bargaining unit has filed a petition for representation of any of the Employees.

3.11 [Financial Information](#). Seller has provided Buyer true and complete copies of unaudited balance sheets, income statements and cash flow statements of each Company (except MV and MLV) and of Seller's operation of KBLO (Visalia), as at and for the year ended December 31, 2007, and for the nine-month period ended September 30, 2008 (the "[Financial Statements](#)"). The Financial Statements have been prepared in accordance with GAAP applied on a consistent basis throughout the periods covered and present fairly in all material respects the financial condition of the Companies (except MV and MLV) and of Seller's operation of KBLO, as at their respective dates and the results of operations for the calendar year or interim period then ended, except as otherwise stated therein and for the lack of footnotes and other presentation items required under GAAP and subject to year-end adjustments. The Financial Statements are consistent with the books and records of Seller, the Companies (except MV and MLV) and the Stations, which books and records are correct and complete in all material respects.

3.12 [Taxes](#). Seller has filed, or caused to be filed, with the appropriate Governmental Authority, all required Tax returns, and Seller has paid, caused to be paid or accrued all Taxes shown to be due and payable or claimed to be due and payable thereon. Seller has no Liability

for any Taxes excepting Taxes that are not yet due and payable that are accrued as Liabilities on the Financial Statements or the Closing Balance Sheets, and there are no proceedings pending relating to any Taxes, penalties, interest, or other charges relating to Taxes.

3.13 [Claims and Litigation](#). Except as set forth on [Schedule 3.13](#), there are no Actions pending or, to Seller's knowledge, threatened by or against Seller or any Company relating to the Assets, the Business, the Stations or the transactions contemplated by this Agreement. Except as described on [Schedule 3.7](#), there is (i) no complaint or other proceeding pending, outstanding, or to Seller's knowledge threatened, before the FCC as a result of which an investigation, notice of apparent liability or order of forfeiture may be issued from the FCC relating to the Stations, (ii) no FCC notice of apparent liability or order of forfeiture pending, outstanding, or to Seller's knowledge threatened, against Seller, any Company or the Stations, and (iii) no investigation pending, outstanding, or to Seller's knowledge threatened, with respect to any violation or alleged violation of the Communications Act or any FCC rule, regulation or policy by Seller or any Company.

3.14 [No Interference With Signal](#). On the date hereof there is no interference to any Station's signals from other broadcast stations, or to Seller's knowledge, by any Station's signals to other broadcast stations, in each case beyond that permitted by the FCC's rules and, to Seller's knowledge, there are no applications pending at the FCC the grant of which would cause objectionable interference to any Station. As of Closing there will be no such interfere to any Station's signals that could reasonably be expected to have a material adverse effect on Buyer's operation of the Business with respect to such Station.

3.15 [Compliance with Laws](#). As of the date hereof, except as set forth in [Schedule 3.15](#), and as of the Closing Date, except for such noncompliance that could not reasonably be expected to have, individually or in the aggregate, a material adverse effect on the Companies or Buyer's operation of the Business subsequent to Closing, (i) Seller and the Companies are in compliance with all applicable Legal Requirements and Licenses relating to the Assets, the Business or the Stations, (ii) no event has occurred, and, to Seller's knowledge, no condition or circumstance exists, that might in any material respect (with or without notice or lapse of time) constitute, or result directly or indirectly in, a default under, a breach or violation of, or a failure to comply with any Legal Requirement, (iii) all material reports and other filings required by the FCC with respect to the FCC Licenses or by other Governmental Authorities with respect to Seller, the Companies, the Assets, the Business or the operation of the Stations have been timely filed with the appropriate Governmental Authorities, and all such reports and other filings are substantially complete and correct as filed, and (iv) all FCC regulatory fees assessed with respect to the FCC Licenses have been timely paid.

3.16 [Environmental Matters](#). Except in compliance in all material respects with Environmental Laws, there is no (and there has not previously been any) (i) Handling of any Hazardous Substances at, on, from or around any Real Property or on any properties surrounding or adjacent to any Real Property, (ii) presence of Hazardous Substances on or around any Real Property, (iii) underground tanks, PCBs or asbestos-containing materials located on or around any Real Property, and (iv) asbestos, mold, or other indoor air quality issues on or, to Seller's knowledge, nearby any Real Property. No Liens have been, or are, imposed on any of the Assets under any Environmental Laws. Seller and the Companies have obtained any permits, licenses,

registrations and other approvals and have filed all reports and notifications required under any Environmental Laws in connection with the Assets. Neither Seller nor any Company has received any notice of or, to Seller's knowledge, is not the subject of, any Action by any person alleging liability under or noncompliance with any Environmental Law. Seller will make available to Buyer prior to Closing copies of all reports, notices, or other documentation in Seller's possession relating to Hazardous Substances on or around the Real Property.

3.17 [Insurance](#). [Schedule 3.17](#) hereto sets forth a true and correct list of all insurance policies maintained by or for the benefit of Seller or any Company related to the Business or the Stations, all of which are in full force and effect as of the date hereof.

3.18 [Conduct of Business in Ordinary Course](#). Since January 1, 2008, Seller and the Companies have conducted the Business and the operation of the Stations in the ordinary and usual course consistent with past practice in all material respects.

3.19 [No Undisclosed Liabilities](#). To Seller's knowledge, the Companies have no Liabilities other than (i) the Liabilities reflected on the unaudited balance sheets of the Companies as of September 30, 2008, included in the Financial Statements, and (ii) Liabilities of the type reflected on the Financial Statements arising after September 30, 2008, in the ordinary course of business and consistent with past practices, both in nature and amount, none of which relates to any claim for breach of contract, warranty, tort, fraud, criminal conduct or infringement. The Companies shall have no Liabilities as of the Closing Date other than the Liabilities reflected on the Closing Balance Sheets, except for such Liabilities arising in the ordinary course of business consistent with past practices that in the aggregate for all of the Companies do not exceed \$25,000.

#### Section 4: [REPRESENTATIONS AND WARRANTIES OF BUYER](#)

Buyer hereby represents and warrants to Seller as follows:

4.1 [Standing and Authority](#). Buyer is a limited liability company, validly existing and in good standing under the laws of Delaware. Buyer has all requisite limited liability company power and authority to execute, deliver and perform this Agreement and to consummate the transactions contemplated hereby.

4.2 [Authorization and Binding Obligations](#). The execution, delivery and performance of this Agreement by Buyer have been duly and validly authorized by all necessary limited liability company action. This Agreement has been duly executed and delivered by Buyer and constitutes a valid and binding agreement of Buyer, enforceable against Buyer in accordance with its terms, except as its enforceability may be limited by Enforceability Exceptions.

4.3 [No Contravention; Consents](#). Subject to obtaining the Consents, the execution, delivery and performance of this Agreement, the consummation of the transactions contemplated hereby and the compliance with the provisions hereof by Buyer will not (i) violate any provisions of the organizational documents of Buyer, (ii) violate any Legal Requirements applicable to Buyer, or (iii) require the consent of any third party, or violate, or be in conflict with, or constitute a default under any contract or agreement to which Buyer is a party, such that Buyer cannot perform its obligations hereunder in all material respects. Except for the Consents

set forth in Schedule 3.3, no material consent, approval, license or authorization of any Governmental Authorities is required by Buyer in connection with the execution, delivery and performance of this Agreement by Buyer or the consummation by Buyer of the transactions contemplated hereby.

Section 5: PRE-CLOSING COVENANTS OF THE PARTIES

5.1 Covenants of Seller. Seller covenants and agrees from and after the execution and delivery of this Agreement to and including the Closing Date as follows; *provided, however*, that each of such covenant or agreement is subject to the terms of any prior written consents that may be given by Buyer with respect thereto:

(a) Commercially Reasonable Efforts. Seller shall use its commercially reasonable efforts to cause the transactions contemplated by this Agreement to be consummated in accordance with the terms hereof, and, without limiting the generality of the foregoing, use its commercially reasonable efforts to obtain all necessary Consents required in connection with this Agreement and the transactions contemplated hereby, including the FCC Consent, any required Consents of other Governmental Authorities with lawful jurisdiction over Seller or any Company, and the Consent of the Lenders under the Credit Agreement. Seller shall make all filings with and give all notices to third parties that may be reasonably necessary of Seller in order to consummate the transactions contemplated hereby. Seller shall not be required to make any payments to any Person which is a party to any Contract in order to obtain its Consent, except that Seller shall pay any administrative or application fees customarily payable to such Person, or other fees or amounts specifically required by the terms of the Contract therewith, in connection with requests for its Consent.

(b) Preparation of Schedules. Buyer and Seller confirm that the only Schedule that has been completed, in part, is Schedule 3.7, which lists all of Seller's FCC Licenses. Seller shall in good faith complete the preparation of the rest of the Schedules no later than December 22, 2008, which Schedules shall be acceptable to Buyer in its reasonably exercised discretion.

(c) Access. Seller shall give Buyer and its counsel, accountants, engineers, and other authorized representatives reasonable access to the Assets and to all other properties, equipment, books, records, Contracts, and documents relating to the Stations for the purpose of audit and inspection and will furnish or cause to be furnished to Buyer or its authorized representatives all information with respect to the Business or the operation of the Stations that Buyer may reasonably request (including any financial reports and operations reports produced with respect to the Business or the operation of the Stations).

(d) Transfer of Seller Assets. Prior to or at Closing, Seller shall assign and transfer (i) the FCC Licenses for KBLO to MLV and the other KBLO Assets to MV, and (ii) any other Seller Assets to the respective Company to which they pertain, other than any Contracts, including Group Contracts (to be assigned in part as they pertain to more than one Company), that are included in the Assumed Contracts to be assigned to Buyer at Closing.

(e) [Closing Balance Sheets](#). Prior to Closing Seller shall prepare and deliver to Buyer the “[Closing Balance Sheet](#)” for each Company (in the case of MV and MLV, after giving effect to the transfer of KBLO Assets pursuant to Section 5.1(d)), which shall be (i) the estimated balance sheet of such Company as of the Closing Date, (ii) prepared by Seller in good faith, (iii) as true and complete as practicable under the circumstances, and (iv) accompanied by all information reasonably requested by Buyer with respect to the assets and Liabilities listed thereon. Other than changes in the ordinary course of business since September 30, 2008, the items and amounts on such Closing Balance Sheets shall not differ materially from the items and amounts on the unaudited balance sheets of the Companies as of September 30, 2008, except that as a bookkeeping adjustment prior to Closing Seller shall increase the amount of its “Capital Contributions” to each Company by the amount of the “Intercompany Account” for such Company to reduce each “Intercompany Account” to zero.

(f) [Ordinary Course](#). Seller shall use its, and shall cause the Companies to use their, commercially reasonable efforts to operate the Stations and preserve and maintain the Assets in the ordinary course of business consistent with past practice, including maintaining appropriate insurance on the Assets. Seller shall use, and shall cause the each Company to use, commercially reasonable efforts to keep its organizations intact, to preserve the Business, and to preserve the goodwill of suppliers, customers, Governmental Authorities and others dealing with Seller and the Companies. Seller’s financial Books and Records shall be maintained in accordance with GAAP, in the usual manner on a basis consistent with prior years.

(g) [Licenses](#). Seller shall not cause or permit, by any act or failure to act, any of the Licenses to expire or to be revoked, suspended, or modified, or take any action that could cause the FCC or any other governmental authority to institute proceedings for the suspension, revocation, or adverse modification of any of the Licenses. Seller shall not fail to prosecute with due diligence, or cause the Companies to prosecute with due diligence, any applications to any Governmental Authority in connection with the operation of the Stations.

(h) [Contracts and Liens](#). Seller shall use its, and shall cause the Companies to use their, commercially reasonable efforts to (i) not default under, or breach any term or provision of, or suffer or permit to exist any condition or event that, after notice or lapse of time, or both, would constitute a default under, any material Contract of Seller or any Company, (ii) not cause or permit the termination, modification or amendment of any material Contract of Seller or any Company, and (iii) not create, assume, consent to or suffer to exist any Lien on any of the Assets or the assets of the Companies (other than Permitted Liens), in each case other than in the ordinary course of business. Unless Buyer shall have given its prior written consent, no Company nor Seller shall enter into any new Contract or incur any obligation (including obligations arising from the amendment of any existing Contract) that will be binding on such Company or Buyer after the Closing, except as entered into in the ordinary course of business consistent with Seller’s past practices. Seller shall cause each oral Contract described on [Schedule 3.4](#) to be documented by a written Contract, the terms of which shall be acceptable to Buyer.

(i) [Compliance with Laws](#). Seller shall, and shall cause the Companies to, comply in all material respects with all Licenses held by Seller and the Companies and all Legal Requirements applicable to Seller, the Companies, the Stations or the conduct of the Business.

(j) [Control of the FCC Licenses and the Stations](#). Notwithstanding any provision of this Agreement to the contrary, pending the Closing, Seller and the Companies shall maintain actual (*de facto*) and legal (*de jure*) control over the FCC Licenses and the Stations. Seller and the Companies shall retain responsibility for the operation of the Business and the Stations pending the Closing, including responsibility for the following matters: access to and use of the facilities of and equipment owned by Seller and the Companies; control of the daily operation of the Stations; creation and implementation of policy decisions; employment and supervision of Employees; payment of financing obligations and expenses incurred in the operation of the Stations prior to the Closing; receipt and distribution of moneys and profits derived from the operation of the Stations; and execution and approval of all contracts and applications prepared and filed before the FCC or any other Governmental Authority.

(k) [No Inconsistent Action](#). Seller shall not take any action that is inconsistent with its obligations under this Agreement, that could reasonably be expected to cause any of its representations or warranties set forth herein to be untrue as of Closing in any material respect, or that could hinder or delay the consummation of the transactions contemplated by this Agreement.

5.2 [Covenants of Buyer](#). Buyer covenants and agrees that from and after the execution and delivery of this Agreement to and including the Closing Date as follows:

(a) [Commercially Reasonable Efforts](#). Buyer shall use its commercially reasonable efforts to cause the transactions contemplated by this Agreement to be consummated in accordance with the terms hereof, and, without limiting the generality of the foregoing, use its commercially reasonable efforts to obtain all necessary Consents, FCC Consents, and any other consents of any other Governmental Authorities with lawful jurisdiction over Buyer and other authorizations required in connection with this Agreement and the transactions contemplated hereby. Notwithstanding the foregoing, Buyer shall have no obligation (i) to expend funds to obtain any of the Consents except as provided in Section 12.2 with respect to the FCC Consent, or (ii) to agree to any adverse change in any License or Contract to obtain a Consent required with respect thereto.

(b) [Execution of LLC Agreement](#). Buyer shall use its commercially reasonable efforts to complete, no later than December 31, 2008, the negotiation, preparation and execution of the definitive limited liability company with its prospective members, with all requisite investment approvals of such members, pursuant to which such members would commit, subject to the terms thereof, to contribute sufficient capital to Buyer prior to or on the Closing Date to enable Buyer to pay the Purchase Price and all fees and expenses that it has agreed to pay pursuant to the terms hereof.

(c) [No Control](#). Notwithstanding any provision of this Agreement to the contrary, pending the Closing, Buyer shall do nothing to interfere with Seller's and the Companies' actual (*de facto*) and legal (*de jure*) control over the FCC Licenses and the Stations. Buyer acknowledges and agrees that the responsibility for the operation of the Business and the Stations shall, pending the Closing, reside with Seller and the Companies, including responsibility for those matters set forth in Section 5.1(j).

(d) [No Inconsistent Action](#). Buyer shall not take any action that is inconsistent with its obligations under this Agreement, that could reasonably be expected to cause any of its representations or warranties set forth herein to be untrue as of Closing in any material respect, or that could hinder or delay the consummation of the transactions contemplated by this Agreement.

## Section 6: [JOINT COVENANTS](#)

6.1 [Consultations regarding Consents of Governmental Authorities](#). The Parties shall consult with one another as to the approach to be taken with any Governmental Authority with respect to obtaining any necessary Consent of such Governmental Authority to the transactions contemplated hereby, including the FCC Consent, and each Party shall keep the other Party reasonably informed as to the status of any communications by it with any Governmental Authority. No Party hereto shall make any material commitments relating to any Consent of any Governmental Authority, including the FCC Consent that would alter in any material way any application or request filed jointly by the Parties with respect to the transactions contemplated hereby without the other Party's prior written consent.

6.2 [Joint Filings](#). Seller and Buyer shall cooperate in the preparation of the Assignment Application to be filed by Seller with the FCC no later than two Business Days after the date hereof, and with any other applicable Governmental Authority as soon as practicable following the date hereof, requesting the approval of the assignment or transfer of control of the Licenses (as appropriate) and the LLC Interests, the Seller Assets and the Business to Buyer. Each of the Parties hereto shall diligently take or cooperate in the taking of all steps that are reasonably necessary or appropriate to expedite the prosecution and favorable consideration of such applications.

6.3 [Employee Matters](#). Buyer and Seller acknowledge that the Employees shall continue to be employed by Seller and to provide services at the Stations after Closing pursuant to the terms of the Management Agreement, subject to their subsequent transition to employment by the Companies pursuant to the terms of Section 5.2 of the Management Agreement.

6.4 [Confidentiality](#). Except as necessary for the consummation of the transaction contemplated by this Agreement, and except as and to the extent required by applicable Legal Requirements, each Party will keep confidential all information obtained from the other Party in connection with the transactions contemplated by this Agreement (unless such information thereafter becomes generally available to the public, is otherwise available to it on a non-confidential basis from another source, or has been developed independently by it). If this Agreement is terminated, each Party will, upon request, return to the other Party all information obtained by the first Party from the other Party in connection with the transactions contemplated by this Agreement. Notwithstanding the above, after Closing, the requirements in this Section 6.4 shall not apply to Buyer with respect to any information related to the Business.

6.5 [Allocation of Purchase Price](#). Buyer and Seller shall use commercially reasonable good faith efforts to agree on the allocation of the Purchase Price in accordance with the rules under Section 1060 of the Code; *provided, however*, that if the Parties are unable to agree to such allocation, each Party may make such allocation as it may determine in its sole discretion.

Subject to such agreement on the allocation of the Purchase Price, no filings made by either Party with any taxing or other authority shall reflect an allocation other than in the manner agreed upon and each Party shall timely make all filings required by any taxing authority, including the filing of Internal Revenue Service Form 8594.

6.6 [Risk of Loss](#). The risk of any loss, damage, impairment, confiscation or condemnation of any of the tangible Assets and assets of the Companies shall be borne by Seller at all times prior to Closing, and by Buyer at all times after Closing. In the event that any such loss or damage occurring prior to Closing shall be sufficiently substantial so that any representation or warranty of Seller shall not be true and correct in all material respects at Closing (after giving consideration to any repairs, restoration or replacement to occur prior to Closing), Seller shall promptly notify Buyer in writing of the circumstances, and Buyer, at any time within ten (10) days after receipt of such notice, may elect by written notice to Seller either to (i) proceed toward consummation of the transactions contemplated by this Agreement in accordance with the terms hereof, and subject to the occurrence of Closing, complete the restoration and replacement of the Assets or the assets of the Companies after Closing, in which event Seller shall deliver to Buyer all insurance proceeds received in connection with such damage, destruction or other event, or (ii) terminate this Agreement.

6.7 [Benefits and Obligations under Non-Assumed Contracts](#). To the extent that any Contract of Seller, including the rights and obligations under any Group Contract, may not be assigned without the Consent of a third party, and such Consent is not obtained prior to Closing, this Agreement and any assignment executed pursuant to this Agreement shall not constitute an assignment of such Contract; *provided, however*, subject to the terms of the Management Agreement, with respect to each such Contract, Seller and Buyer shall cooperate to the extent feasible in effecting a lawful and commercially reasonable arrangement under which Buyer shall receive the benefits under the Contract from and after Closing, and to the extent of the benefits received, Buyer shall pay and perform Seller's obligations arising under the Contract from and after Closing in accordance with its terms.

6.8 [Bulk Sales](#). Seller and Buyer hereby waive compliance by the other with bulk sales Legal Requirements applicable to the transactions contemplated hereby.

6.9 [Further Assurances](#). On and after the Closing Date, the Parties will take all appropriate and commercially reasonable actions and execute all documents, instruments or conveyances of any kind that may be reasonably necessary or advisable to put Buyer in possession and control of the LLC Interests and the Seller Assets, or to otherwise carry out any of the provisions hereof.

#### Section 7: [CONDITIONS PRECEDENT TO OBLIGATION OF SELLER TO CLOSE](#)

The obligations of Seller to sell and transfer the LLC Interests and the Seller Assets and to otherwise consummate the transactions contemplated by this Agreement are subject to the satisfaction or waiver, on or prior to the Closing Date, of each of the following conditions:

7.1 [Representations, Warranties and Covenants](#). All representations and warranties of Buyer contained in this Agreement shall be true and complete in all material respects at and as of

the Closing Date as if such representations and warranties were made at and as of the Closing Date except for (i) any representation or warranty that is expressly stated only as of a specified earlier date, in which case such representation or warranty shall be true as of such earlier date, or (ii) changes in any representation or warranty that are contemplated by this Agreement; and Buyer shall have performed in all material respects all agreements and covenants required hereby to be performed by Buyer prior to or on the Closing Date, disregarding any nonperformance that results from an act or omission of Seller, the Companies or their agents.

7.2 [Closing Deliveries](#). Seller shall have received from Buyer the documents and other items to be delivered to Seller by Buyer pursuant to Section 9.3 of this Agreement, in form and substance reasonably satisfactory to Seller.

7.3 [FCC Consent](#). The FCC Consent shall have been issued and become a Final Order.

7.4 [Lenders Consent](#). The Consent of the Lenders to the consummation hereof, including to the release of their Liens upon the LLC Interests and the Assets, and to the release of the Companies from all obligations and liabilities under the Credit Agreement, upon payment by Seller to Lenders of a specified amount, shall have been obtained on terms acceptable to Seller.

7.5 [No Injunction](#). No material Legal Requirement shall have been promulgated, enacted, entered or enforced, and no other action in any court proceeding shall have been taken, by any Governmental Authority that has the effect of making illegal or of restraining or prohibiting the consummation of the transactions contemplated hereby.

#### Section 8: [CONDITIONS PRECEDENT TO OBLIGATION OF BUYER TO CLOSE](#)

The obligations of Buyer to purchase the LLC Interests and the Seller Assets and to otherwise consummate the transactions contemplated by this Agreement are subject to the satisfaction or waiver, on or prior to the Closing Date, of each of the following conditions:

8.1 [Representations, Warranties and Covenants](#). All representations and warranties of Seller contained in this Agreement shall be true and complete in all material respects at and as of the Closing Date as if such representations and warranties were made at and as of the Closing Date except for (i) any representation or warranty that is expressly stated only as of a specified earlier date, in which case such representation or warranty shall be true as of such earlier date, or (ii) changes in any representation or warranty that are contemplated by this Agreement, and Seller shall have performed in all material respects all agreements and covenants required hereby to be performed by Seller prior to or on the Closing Date, disregarding any nonperformance that results from an act or omission of Buyer or its agents.

8.2 [Closing Deliveries](#). Buyer shall have received from Seller the documents and other items to be delivered by Seller pursuant to Section 9.2 of this Agreement, in form and substance reasonably satisfactory to Buyer.

8.3 [FCC Consent](#). The FCC Consent shall have been issued and become a Final Order, without the imposition of any condition that could adversely affect the financial condition

of Buyer, and Seller and the Companies shall have complied with any conditions imposed on them by the FCC Consent. The balance of the current license term of each of the FCC Licenses shall be what is applicable generally to radio stations licensed to communities in the State of California.

8.4 Lenders Consent. The Consent of the Lenders to the consummation hereof, including to the release of their Liens upon the LLC Interests and the Assets, and to the release of the Companies from all obligations and liabilities under the Credit Agreement, upon payment by Seller to Lenders of an amount agreed to by Seller, shall have been obtained on terms acceptable to Buyer.

8.5 Funding of Buyer by Investors. The members of Buyer shall have received all requisite investment approvals and contributed sufficient capital to Buyer prior to or on the Closing Date to enable Buyer to pay the Purchase Price and all fees and expenses that it has agreed to pay pursuant to the terms hereof.

8.6 Material Consents. Each Consent that is designated by Buyer on Schedule 3.3 as being a “required consent” shall have been obtained without any adverse change in the terms or conditions of each License or Contract to which such Consent relates from those in effect on the date hereof.

8.7 No Injunction. No material Legal Requirement shall have been promulgated, enacted, entered or enforced, and no other action in any court proceeding shall have been taken, by any Governmental Authority that has the effect of making illegal or of restraining or prohibiting the consummation of the transactions contemplated hereby.

## Section 9: THE CLOSING

9.1 The Closing. On the Closing Date and at the Closing Place, Seller shall make such deliveries as are set forth in Section 9.2, and Buyer shall make such deliveries as are set forth in Section 9.3. All transactions at the Closing are deemed to have taken place simultaneously, effective as of 11:59 pm, Pacific time, on the Closing Date, and no transaction shall be deemed to have been completed, nor shall any document be deemed to have been delivered, until all transactions shall have been completed and all documents, delivered.

9.2 Deliveries by Seller to Buyer. Seller shall deliver to Buyer:

(a) Officer’s Certificate. A certificate dated as of the Closing Date, executed on behalf of Seller by an officer of Seller, attesting to its fulfillment of the conditions set forth in Section 8.1;

(b) Resolutions. A copy of the resolutions of Seller, approving the transactions contemplated by this Agreement;

(c) Assignments of LLC Interests. Assignments of the LLC Interests, sufficient to effectuate the transfer of the LLC Interests to Buyer, free and clear of all Liens other than any legal restrictions imposed by, or arising under, securities laws;

(d) Assignment of Assumed Contracts. One or more assignments duly executed by Seller, assigning the Assumed Contracts to Buyer;

(e) Consents. A copy of each instrument evidencing each Consent that shall have been obtained prior to Closing, including the FCC Consent and the Lenders' Consent, in form and substance reasonably satisfactory to Buyer;

(f) Management Agreement. The Management Agreement, duly executed by Seller; and

(g) Licenses, Contracts, Books and Records. Copies of all Licenses, Assumed Contracts, blueprints, schematics, working drawings, plans, projections, engineering records, and other Books and Records included in the Assets.

9.3 Deliveries by Buyer to Seller. Buyer shall deliver to Seller:

(a) Purchase Price Payment. The Purchase Price, paid in accordance with the provisions of Section 2.2 hereof;

(b) Officer's Certificate. A certificate dated as of the Closing Date, executed on behalf of Buyer by an officer of Buyer, attesting to its fulfillment of the conditions set forth in Section 7.1;

(c) Resolutions. A copy of the resolutions of Buyer approving the transactions contemplated by this Agreement;

(d) Assumption of Assumed Contracts. One or more assumptions duly executed by Buyer, assuming the Assumed Contracts; and

(e) Management Agreement. The Management Agreement, duly executed by Buyer.

## Section 10: INDEMNIFICATION

10.1 Survival. The representations and warranties of either Party contained in this Agreement or in any document delivered in connection herewith shall (i) be deemed to have been made on the date of this Agreement, and on the Closing Date, subject to any changes in any representation or warranty that are contemplated by this Agreement, (ii) be deemed to be material and to have been relied upon by the Parties notwithstanding any investigation made by the Parties and (iii) survive the Closing and remain operative and in full force and effect for a period of six (6) months, *provided, however*, that the representations and warranties set forth in Sections 3.2 and 3.4(b) shall survive until the expiration of the applicable statute of limitations, and *provided, further*, that the representations and warranties set forth in Section 3.19 shall survive for a period of three (3) years except that with respect to Claim Notices given after the end of the six-month period following the date hereof, indemnity shall only be for Losses arising from insurable claims under any insurance policies of Seller to the extent that Seller shall be entitled to receive proceeds, expense reimbursements or other amounts under such insurance

policies with respect to such claims. (The applicable period of such survival of each Party's representations or warranties subsequent to Closing is referred to as the "Indemnity Period.")

10.2 Seller's Indemnity. Subsequent to and contingent upon Closing Seller shall indemnify and hold harmless Buyer, its Affiliates and its representatives from and against any and all demands, losses, Liabilities, Actions, assessments, damages, fines, Taxes, penalties, reasonable costs and expenses (including reasonable expenses of investigation and reasonable fees and disbursements of counsel, accountants and other experts) (the "Losses") incurred or suffered by Buyer, its Affiliates or its representatives, arising out of, resulting from or relating to:

- (a) Any breach of any of the representations or warranties made by Seller in this Agreement or in any document delivered in connection herewith;
- (b) Any failure by Seller to perform any of its covenants or agreements contained in this Agreement or in any document delivered in connection herewith; or
- (c) The Non-Assumed Liabilities.

10.3 Buyer's Indemnity. Subsequent to and contingent upon Closing Buyer shall indemnify and hold harmless Seller, its Affiliates and its representatives from and against any and all Losses incurred or suffered by Seller, its Affiliates or its representatives, arising out of, resulting from or relating to:

- (a) Any breach of any of the representations or warranties made by Buyer in this Agreement or in any document delivered in connection herewith;
- (b) Any failure by Buyer to perform any of its covenants or agreements contained in this Agreement or in any document delivered in connection herewith; or
- (c) The Assumed Liabilities and any Liabilities arising from events occurring after Closing relating to Buyer's or the Companies' ownership and operation of the Assets, the Business and the Stations following Closing.

10.4 Procedures. In the event that any Party hereto shall sustain or incur any Losses in respect of which indemnification may be sought by such Party pursuant to this Section 10.4, the Party seeking such indemnification (the "Claimant") shall assert a claim for indemnification by giving prompt written notice thereof (a "Claim Notice") which shall describe in reasonable detail the facts and circumstances upon which the asserted claim for indemnification is based, along with a copy of, if applicable, any claim or complaint by a third party related thereto, to the Party providing indemnification (the "Indemnitor"). For purposes of this paragraph, any Claim Notice that is sent within fifteen (15) days of the date upon which the Claimant actually learned of such Loss shall be deemed to have been "prompt notice"; *provided* that failure of the Claimant to give the Indemnitor prompt notice as provided herein shall not relieve the Indemnitor of any of its obligations hereunder except to the extent that the Indemnitor is materially prejudiced by such failure.

- (a) Upon the receipt of a Claim Notice regarding a claim or complaint by a third party against Claimant for which it seeks indemnification, the Indemnitor and the Claimant

shall cooperate in the good faith defense, compromise or settlement to be undertaken with respect to such claim or complaint, shall provide each other with all information and assistance reasonably necessary to permit settlement and/or defense of any such claim or complaint and shall keep each other reasonably informed with respect thereto. Any indemnity for Losses relating to the claim disclosed in the Claim Notice shall not be deemed an admission of liability on the part of the Indemnitor as against any such third party. To the extent any claim or complaint by a third party against Claimant is determined to be subject to indemnification hereunder, the Indemnitor shall reimburse the Claimant for all reasonable costs associated with such defense, if any.

(b) Notwithstanding the foregoing, in connection with any such settlement or compromise negotiated by the Indemnitor, no Claimant shall be required by an Indemnitor to (i) enter into any settlement that does not include as an unconditional term thereof the delivery by the Claimant or plaintiff to the Claimant of a release from all liability in respect of such claim or litigation, or (ii) enter into any settlement that attributes by its terms any non-indemnified liability to the Claimant.

10.5 [Limitations on Indemnity](#). Notwithstanding any provision contained in this Agreement to the contrary, the Indemnitor's obligations to indemnify the Claimant pursuant to Section 10.2(a) or 10.3(a) shall be subject to the following qualifications and limitations:

(a) The indemnity rights of Buyer under Section 10.2(a) or of Seller under Section 10.3(a), as Claimant, with respect to any breach of a representation or warranty by the other Party as Indemnitor expire upon the expiration of the Indemnity Period except with respect to any claim for indemnification for which a Claim Notice shall have been given prior to the expiration of the Indemnity Period.

(b) In no event shall either Buyer or Seller, as Claimant, as the case may be, under Section 10.2(a) or 10.3(a) have any right to indemnity exceeding, in the aggregate, the amount of Two Million Dollars (\$2,000,000).

(c) Unless the Lenders shall have given their prior written consent, the collection by Buyer from Seller of any Losses to which Buyer shall be entitled to indemnity pursuant to Section 10.2 shall be subordinate to Seller's obligations to the Lenders pursuant to the terms of the Credit Agreement, and not be paid until Seller shall have satisfied and discharged such obligations in full; *provided, however*, that the foregoing limitation shall not apply to any Losses incurred by Buyer that relate to insurable claims under any insurance policies of Seller to the extent that Seller shall have received proceeds, expense reimbursements or other amounts under such insurance policies with respect to such claims, if and when such proceeds may be permitted to be paid by Seller to Buyer under the terms of the Credit Agreement.

## Section 11: [TERMINATION](#)

11.1 [Termination by Seller](#). This Agreement may be terminated by Seller and the purchase and sale of the LLC Interests and the Seller Assets abandoned, if Seller is not then in material default, upon written notice to Buyer, upon the occurrence of any of the following:

(a) [Conditions](#). If on the date that would otherwise be the Closing Date, any of the conditions precedent to the obligations of Seller set forth in Section 7 has not been satisfied, or waived in writing by Seller.

(b) [Judgments](#). If there shall be in effect on the date that would otherwise be the Closing Date any Judgment that would prevent or make unlawful the Closing.

(c) [Failure to Close](#). If the Closing shall not have occurred prior to May 31, 2009.

11.2 [Termination by Buyer](#). This Agreement may be terminated by Buyer and the purchase and sale of the LLC Interests and the Seller Assets abandoned, if Buyer is not then in material default, upon written notice to Seller, upon the occurrence of any of the following:

(a) [Conditions](#). If on the date that would otherwise be the Closing Date, any of the conditions precedent to the obligations of Buyer set forth in Section 8 has not been satisfied, or waived in writing by Buyer.

(b) [Judgments](#). If there shall be in effect on the date that would otherwise be the Closing Date any Judgment that would prevent or make unlawful the Closing.

(c) [Failure to Close](#). If the Closing shall not have occurred prior to May 31, 2009.

(d) [Damage to Assets](#). If Buyer shall elect to exercise its termination right pursuant to Section 6.6.

11.3 [Effect of Termination](#). Upon termination: (i) if neither Party hereto is in material breach of any provision of this Agreement, the Parties hereto shall not have any further liability to each other; (ii) if Seller shall be in material breach of any provision of this Agreement, Buyer shall have the rights and remedies available at law or equity; or (iii) if Buyer shall be in material breach of any provision of this Agreement, Seller shall have the rights and remedies available at law or equity.

11.4 [Surviving Obligations](#). The rights and obligations of the Parties described in Section 6.4, Section 12, and this Section 11.4 shall survive any termination.

## Section 12: [MISCELLANEOUS](#)

12.1 [Notices](#). All notices, demands, and requests required or permitted to be given under the provisions of this Agreement shall be (i) in writing, may be delivered by personal delivery, sent by commercial delivery service or certified mail, return receipt requested, or sent by email (with, if available under email options, a “delivery receipt” and a “read receipt” being requested), (ii) deemed to have been given on the date of actual receipt, which may be presumptively evidenced by the date set forth in the records of any commercial delivery service or on the return receipt, or on the date of the sender’s receipt of a “read receipt” from recipient or sender’s confirmation by phone of recipient’s receipt, and (iii) addressed to the recipient at the

address specified below, or with respect to any party, to any other address that such party may from time to time designate in a writing delivered in accordance with this Section 12.1:

If to Buyer:

Mapleton Radio Holdings, LLC  
c/o Mapleton Investments, LLC  
Attn: Michael K. Menerey, President  
10900 Wilshire Blvd, Suite 1500  
Los Angeles, CA 90024  
Phone: 310-209-7326  
Email: [mmenerey@mapletoninvestments.com](mailto:mmenerey@mapletoninvestments.com)

with a copy (which shall not constitute notice) to:

Corporate Partners II AIV LP  
c/o Lazard Alternative Investments LLC  
Attn: Jonathan H. Kagan, Managing Director  
30 Rockefeller Plaza  
New York, NY 10020  
Phone: 212-332-5820  
Email: [jonathan.kagan@lazardai.com](mailto:jonathan.kagan@lazardai.com)

If to Seller:

Mapleton Communications, LLC  
Attn: Adam Nathanson, President & CEO  
10900 Wilshire Blvd, Suite 1500  
Los Angeles, CA 90024  
Phone: 310-209-7253  
Email: [adamn@mapletoncommunications.com](mailto:adamn@mapletoncommunications.com)

12.2 Expenses. Except as otherwise expressly provided in this Agreement, Seller and Buyer shall each be liable for its own fees and expenses incurred in connection with the performance of this Agreement and the consummation of the transactions contemplated herein; *provided, however*, that (x) Seller shall be responsible for and pay any sales and transfer Taxes and fees arising from the purchase and sale of the LLC Interests; (y) Seller shall be responsible for and pay any legal and other fees and expenses arising in connection with obtaining the Lenders' Consent, including the negotiation, preparation, execution and performance of an amendment to the Credit Agreement with Lenders relating thereto; and (z) subject to the foregoing, Buyer shall be responsible for and pay the FCC filing fees for the Assignment Applications, and its own, its members and Seller's legal fees and expenses incurred with respect to the period prior to and on the Closing Date in connection with the negotiation, preparation, execution and performance of this Agreement and the consummation of the transactions contemplated herein.

12.3 Choice of Law. THIS AGREEMENT SHALL BE CONSTRUED, INTERPRETED AND THE RIGHTS OF THE PARTIES DETERMINED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA, WITHOUT GIVING EFFECT TO THE PRINCIPLES OF CONFLICTS OF LAW OF SUCH STATE.

12.4 Assignment. Neither this Agreement nor any of the rights or obligations hereunder may be assigned by Seller or Buyer without the prior written consent of the other

Party hereto; *provided, however*, that Seller may collaterally assign its rights and interests hereunder to the Lenders without seeking or obtaining Buyer's prior approval. Upon any permitted assignment by Buyer or Seller in accordance with this Section 12.4 (other than a collateral assignment by Seller), all references to "Buyer" herein shall be deemed to be references to Buyer's assignee and all references to "Seller" herein shall be deemed to be references to Seller's assignee, as the case may be. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns, and no other person shall have any right, benefit or obligation hereunder except as provided in Sections 10.2 and 10.3.

12.5 [Entire Agreement](#). This Agreement, all schedules and exhibits hereto, and all documents and certificates to be delivered by the Parties pursuant hereto, collectively represent the entire understanding and agreement between the Parties hereto with respect to the subject matter of this Agreement. All schedules and exhibits attached to this Agreement shall be deemed part of this Agreement and are incorporated herein, where applicable, as if fully set forth herein. This Agreement supersedes all prior negotiations, letters of intent or other writings between the Parties and their respective representatives with respect to the subject matter hereof and cannot be amended, supplemented, or modified except by an agreement in writing that makes specific reference to this Agreement or an agreement delivered pursuant hereto, as the case may be, and which is signed by the Party against which enforcement of any such amendment, supplement, or modification is sought.

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

12.7 [Severability](#). In the event that any one or more of the provisions contained in this Agreement or in any other instrument referred to herein, shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement or any other such instrument and this Agreement shall be construed in a manner that, as nearly as possible, reflects the original intent of the Parties.

12.8 [Counterparts](#). This Agreement may be executed in two counterparts, each of which, when so executed and delivered, shall be an original, and both of which counterparts together shall constitute one and the same fully executed instrument. Delivery of counterpart signature pages may be effected by email of scanned copies of executed signature pages.

*[END OF PAGE. SIGNATURES FOLLOW.]*

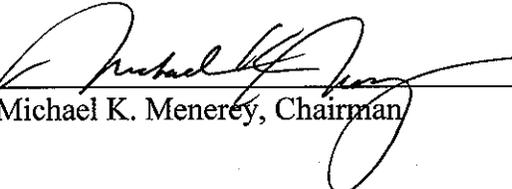
IN WITNESS WHEREOF, this Agreement has been executed by the Parties hereto as of the date first above written.

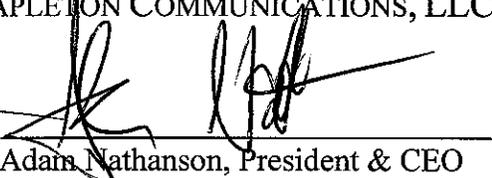
BUYER:

SELLER:

MAPLETON RADIO HOLDINGS, LLC

MAPLETON COMMUNICATIONS, LLC

By:   
Michael K. Menerey, Chairman

By:   
Adam Nathanson, President & CEO

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