

**ASSET PURCHASE AGREEMENT**

**BETWEEN**

**JOSEPH V. OLSZOWKA, EXECUTOR  
OF THE ESTATE OF STEPHEN M. OLSZOWKA, DECEASED**

**AND**

**CLARION COUNTY BROADCASTING CORP.**

## TABLE OF CONTENTS

DEFINITION OF TERMS .....	2
1. Definition of Terms .....	2
ASSETS TO BE SOLD .....	2
2. Assets to be Conveyed .....	2
PURCHASE PRICE .....	3
3. Purchase Price and Payment Thereof: .....	3
FCC MATTERS.....	4
4. Commission Consent to Assignment of Licenses.....	4
5. Application for Consent-Cooperation of the Parties.....	4
6. Control and Access.....	4
7. Conditions on Assignment Consent .....	4
8. Time for Commission Consent-Termination .....	5
COVENANTS, REPRESENTATIONS AND WARRANTIES.....	5
9. Covenants, Representations and Warranties of Seller.....	5
10. Covenants, Representations and Warranties of Buyer .....	9
INDEMNIFICATION .....	10
11. Indemnification by Seller.....	10
12. Indemnification by Buyer .....	11
ADJUSTMENTS TO PURCHASE PRICE.....	11
13. Proration and Adjustments.....	11
14. Environmental Site Assessment.....	12
RISK OF LOSS.....	15
15. Risk of Loss .....	15
CONDITIONS PRECEDENT TO BUYER’S OBLIGATION TO CLOSE.....	16
16. Conditions Precedent to Buyer’s Obligations.....	16
CONDITIONS PRECEDENT TO SELLER’S OBLIGATION TO CLOSE.....	17
17. Conditions Precedent to Seller’s Obligations .....	17
CLOSING DOCUMENTS .....	18
18. Closing Documents to be Delivered by Seller.....	18
19. Closing Documents to be Delivered by Buyer .....	18

MISCELLANEOUS PROVISIONS.....	19
20. Remedies of Default .....	19
21. Brokerage.....	20
22. Notices .....	20
23. Survival of Terms .....	21
24. Entire Agreement .....	21
25. Successors and Assigns.....	21
26. Other Documents .....	21
27. Headings. ....	21
28. Attorneys Fees .....	21
29. Consent to Jurisdiction.....	22
30. Preparation of Agreement.....	22
APPENDIX A.....	24
Exhibit ‘A’ – Real Property	
Exhibit ‘B’ – Contracts	
Exhibit ‘C’ – Licenses	
Exhibit ‘D’ – Tangible Assets	
Exhibit ‘E’ – Excluded Assets	

ASSET PURCHASE AGREEMENT  
BY AND BETWEEN

JOSEPH V. OLSZOWKA, EXECUTOR  
OF THE ESTATE OF STEPHEN M. OLSZOWKA, DECEASED

AND

CLARION COUNTY BROADCASTING CORP.

THIS ASSET PURCHASE AGREEMENT (the "Agreement"), is made as of the 23rd day of December, 2004, by and between JOSEPH V. OLSZOWKA, EXECUTOR OF THE ESTATE OF STEPHEN M. OLSZOWKA, DECEASED, having a place of business at 10210 Lone Bluff Drive, San Diego, CA 92127 (hereinafter "Seller"), and CLARION COUNTY BROADCASTING CORP., a Pennsylvania corporation, having its principal place of business at 1168 Greenville Pike, Clarion, PA 16214 (hereinafter "Buyer").

**WITNESSETH:**

WHEREAS, Seller is the duly authorized personal representative of the Estate of Stephen M. Olszowka, deceased;

WHEREAS, Seller holds licenses and other authorizations (the "Licenses") from the Federal Communications Commission (the "Commission" or "FCC") for AM broadcast station WKQW and FM broadcast station WKQW-FM (both licensed to Oil City, PA) (hereinafter the "Stations");

WHEREAS, Buyer desires to purchase and Seller desires to assign and sell fixed and intangible assets of Seller used or useful in the operation of the Stations including the Licenses, but excluding certain assets described in paragraph F(8) of Appendix A attached hereto and incorporated by reference herein;

NOW, THEREFORE, with the foregoing recitals being incorporated by reference and deemed an essential part hereof, in consideration of the mutual promises and covenants contained herein, and subject to the following conditions and terms, the parties hereto agree as follows:

### **DEFINITION OF TERMS**

1. **Definition of Terms:**

Definition of particular words, terms and phrases shall have the meaning ascribed to each as shown on Appendix A, attached hereto and incorporated by reference herein.

### **ASSETS TO BE SOLD**

2. **Assets to be Conveyed:**

As of the Effective Time, subject to the terms and conditions of this Agreement, Seller shall:

A. Assign, transfer and deliver or cause to be delivered to Buyer all of the Broadcast Assets and Licenses, along with any and all applications for renewal or modification thereof pending before the Commission, and will execute and deliver to Buyer all such general warranty deeds, bills of sale (with warranty of title free and clear of liens, claims and encumbrances except for Permitted Liens), stock powers, assignments, leases and other documents and instruments as may be required by this Agreement and as Buyer may reasonably request in order to effectuate the assignment, transfer and sale of the Broadcast Assets and Licenses to Buyer as of the Effective Time.

B. Deliver to Buyer all files; records; books of account; program, operating and maintenance logs; and other records relating to the Licenses and the operation of the Stations as Buyer may reasonably request.

### **PURCHASE PRICE**

3. **Purchase Price and Payment Thereof:**

The Purchase Price for the Licenses and Broadcast Assets is the sum of FIVE HUNDRED FORTY THOUSAND DOLLARS, (\$540,000.00), as adjusted pursuant to Paragraph 12 “Proration and Adjustments.” Payment and delivery by the Buyer of the Purchase Price in exchange for delivery of suitable instruments of transfer as hereinafter provided shall be made to Seller as follows:

(A) Upon execution of this Agreement, an escrow account shall be established by the parties with Kozacko Enterprises, Inc. dba Kozacko Media Services (the “Escrow Agent”), as escrow agent pursuant to a separate Escrow Agreement being executed this same day.

(1) Buyer has deposited with Escrow Agent the sum of Twenty Five Thousand Dollars (\$25,000) (the “Escrow Deposit”). The Escrow Deposit shall be held in an escrow account as an earnest money deposit of Buyer toward the Purchase Price to be held and disbursed by the Escrow Agent as set forth in the Escrow Agreement.

(2) The Escrow Agent shall be authorized to invest the deposit in Federally insured short-term interest-bearing obligations or accounts as the Escrow Agent shall deem appropriate. Buyer shall be entitled to all interest earned on the deposit which shall be immediately paid to Buyer from time to time upon its written demand of Escrow Agent.

(B) At Closing, the following shall occur:

(1) Upon written direction of Buyer, Escrow Agent shall pay the Escrow Deposit to Seller; and,

(2) Buyer shall pay to Seller by bank cashier’s check or by Fedwire transfer of immediately available funds the Purchase Price less the Escrow Deposit of Twenty Five Thousand (\$25,000) Dollars, all as adjusted pursuant to Paragraph 12 “Proration and Adjustments”.

## **FCC MATTERS**

4. **Commission Consent to Assignment of Licenses:**

Notwithstanding anything herein to the contrary, Seller's and Buyer's rights and duties under this Agreement are contingent upon a Final Order of the Commission granting consent to the assignment of the Licenses by Seller to Buyer.

5. **Application for Consent-Cooperation of the Parties:**

Buyer and Seller shall file an application requesting the Commission's consent to assignment of the Licenses no later than ten (10) days from the date of this Agreement. Buyer and Seller shall cooperate fully in the prosecution of their application with the Commission. They shall promptly and diligently file and expeditiously prosecute all necessary amendments to that application, briefs, pleadings, documents and supporting data, and take all such actions and give all such notices as may be required or requested by the Commission or as may be appropriate in an effort to expedite the approval of the Commission of the assignment of the Licenses to Buyer.

6. **Control and Access:**

Prior to Closing, Buyer and its agents shall not directly or indirectly (i) control, supervise or direct, or (ii) attempt to control, supervise or direct, the operations of the Stations. Such operations shall be the sole responsibility of and in the complete discretion of Seller. Buyer shall be permitted reasonable observation, access and inspection of the records and property of the Stations during regular business hours and be furnished on a monthly basis such financial statements relating to the Stations as it may reasonably request and which are regularly prepared by Seller in its ordinary course of business.

7. **Conditions on Assignment Consent:**

In the event the Commission's Order consenting to assignment of the Licenses to Buyer contains a condition which either Buyer or Seller reasonably determines in good faith is materially adverse to such party, such party shall have the right to terminate this Agreement upon written notice to the other party within ten (10) days after such Order becomes effective under FCC rules.

8. Time for Commission Consent-Termination:

If the Commission Order does not become a Final Order by December 31, 2005, this Agreement may be terminated at the election of either Seller or Buyer upon the giving of ten (10) days written notice to the other (assuming that the party terminating the Agreement is not then in material breach hereunder) and, in the absence of a material breach by either of the parties, Buyer and Seller shall thereupon be released and discharged of all obligations hereunder.

**COVENANTS, REPRESENTATIONS AND WARRANTIES**

9. Covenants, Representations and Warranties of Seller:

Seller makes the following covenants, representations and warranties:

A. Standing and Authority:

Seller is now and on the Closing Date shall be the duly constituted and recognized personal representative of the Estate of Stephen M. Olszowka, deceased, and has all lawful power and authority to enter into this Agreement and to carry out the transactions contemplated hereby.

B. Conflicts and Consents: None of the execution, delivery, and performance of this Agreement by Seller in accordance with its terms shall, with the provision of notice or the passage of time or both, (1) breach any statute, government regulation, or order of any court or governmental authority, (2) conflict with any agreement to which Seller is a party or by which it is bound, or (3) other than the approval of the FCC as provided herein or parties to contracts being assumed by Buyer hereunder, require the consent any third party.

C. Title To Transferred Assets: Seller on the Closing Date shall have good and marketable title to all of the Broadcast Assets, free and clear of all liens, security interest charges and encumbrances whatsoever (other than Permitted Liens) and shall have the right, power and authority to hold and sell same.

D. Real Property: (1) The real property listed and described on Exhibit "A" (the "Real Property") constitutes all of the real property interests of any nature whatsoever, whether owned or leased, necessary to conduct the business or operations of the Stations as now conducted. Seller has delivered to Buyer true, correct and complete copies of all deeds by which Seller has received an interest in any of the Real Property, and all leases by which Seller is the lessee or lessor of any of the Real Property, together with any title insurance policies and/or surveys which Seller has received or are in possession of the estate with respect to any of the Real Property, and any inspection or environmental reports which Seller has received or are in possession of the estate with respect to the Real Property. All of the Real Property has legal access to public roads or streets and has all utilities and services necessary for the lawful conduct and operation of the Stations as now conducted. All towers, earth receiving dishes and facilities,



and other installations, equipment and facilities owned or held by Seller and utilized in connection with the Stations (including any related buildings and guy anchors) are maintained, placed and located in substantial compliance with the provisions of all applicable laws, rules, regulations, deeds, easements, restrictions, leases, permits or other arrangements, and are located entirely on the Real Property either owned or leased by Seller. On the Closing Date, Seller will have sole, good, valid, indefeasible and marketable fee simple title, insurable at standard rates by a reputable national title insurer, to all of the Real Property owned by Seller (including the buildings or improvements thereon), free and clear of all liens, mortgages, pledges, covenants, options, rights of first refusal, easements, restrictions, encroachments, leases, charges and other claims and encumbrances whatsoever, except for: (i) liens for real estate taxes not yet due and payable, and (ii) easements, rights-of-way and restrictions of record, none of which materially interferes with or affects the present or reasonably expected future use or value of such property for radio broadcasting purposes (the "Permitted Liens").

(2) With respect to each leasehold interest included in the Real Property being conveyed hereunder, Seller is not in material default thereunder (nor to the knowledge of Seller is any other party thereto) and such leasehold interest (i) is valid, subsisting and in full force and effect; (ii) is not subject to any liens or encumbrances other than Permitted Liens and those liens reflected in the lease itself; and (iii) so long as Seller fulfills its obligations under the lease therefor, Seller has enforceable rights to non-disturbance and peaceful and quiet enjoyment, and, to Seller's knowledge, no third party holds any interests in the leased premises with the right to foreclose upon or otherwise terminate or materially impair Seller's leasehold interest in such premises (absent a default by such Seller under the terms of the lease therefor). The rental set forth in each lease included in the Real Property is the actual rental being paid, and there are no separate agreements or understandings with respect to same. Seller currently has any and all rights to exercise any renewal options contained in any of said leases, on the terms and conditions contained therein and, upon due exercise, currently would be entitled to enjoy the use of each leased premises for the full term of such renewal options. The leased premises are occupied under a valid and current occupancy permit or the like to the extent required by law; there are no facts known to Seller which would prevent any leased premises from being occupied after the Closing in substantially the same manner as before; and, to the extent that third-party consents are required to transfer any leases included in the Real Property to Buyer, Seller will use his commercially reasonable efforts to obtain such consents.

(3) All Real Property (including all of the improvements thereon), (i) is available for immediate use in the conduct of the business or operations of the Stations, and (ii) to the best of Seller's knowledge complies in all material respects with all applicable building or zoning codes and the regulations of any governmental authority having jurisdiction. There are no condemnation proceedings or eminent domain proceedings, lawsuits or legal proceedings of any kind pending with respect to the owned Real Property or, to the knowledge of Seller, threatened, in connection with any owned Real Property. To Seller's knowledge, there are no underground storage tanks for fuel of any kind located on any of the owned Real Property. The owned Real Property and the present use and condition thereof do not violate any applicable deed restrictions and to the best of Seller's knowledge do not violate other covenants, restrictions, agreements, existing site plan approvals, or, any zoning or subdivision regulations or urban redevelopment plans applicable to the owned Real Property as modified by any duly issued variances, and to the

knowledge of the Seller no permits, licenses or certificates pertaining to the ownership or operation of the owned Real Property, other than those which are transferable with the Real Property, are required by any governmental agency having jurisdiction over the Real Property or their operation. All improvements made by or constructed for Seller and, to Seller's knowledge with respect to improvements used by Seller but not made by it or constructed for it, on the Real Property, were constructed in compliance in all material respects with all applicable federal, state or other statutes, laws, ordinances, regulations, rules, codes, orders or requirements (including, but not limited to, any building, zoning or environmental laws or codes) affecting such premises. Seller has paid or shall have paid prior to Closing, all amounts owing by Seller to any architect, contractor, subcontractor or materialman for labor or materials performed, rendered or supplied to or in connection with any Real Property.

E. Contracts: Exhibit "B" is a complete list or description of all contracts and understandings, written and oral, relative to the Station in existence at the date of this Agreement that will be assumed by Buyer (the "Contracts"). Each of the Contracts has been duly executed by or assigned to the Seller with the consent of each of the other parties to each of the Contracts. Seller is not a party to any material contract or commitment other than those listed in Exhibit "B", which is not (i) cancelable at Seller's option upon thirty (30) days' notice at no expense to Seller and (ii) entered into in the normal course of business. Seller is not in material breach or default on any of the Contracts, and there is no claim of such breach or default known to Seller. Subject to obtaining any required third party consents, Seller has and on the Closing Date Seller will have the legal right and power to assign its rights under all the Contracts.

F. Licenses: Exhibit "C" is a true and complete list of all Licenses currently held by Seller for the Stations. Other than those conditions on the face of the Licenses or those conditions set forth in the Communications Act of 1934, as amended (the "Act") and Commission rules and policies ("Commission Rules") applicable to stations of the same class or service, the Licenses are free and clear of legal disqualifications or other restrictions of such nature as would materially limit the operation of the Stations as presently conducted. Except as described in Exhibit "C", there are no applications, petitions to deny, material complaints or proceedings known by Seller to be pending before the Commission and relating to the business and operations of the Stations.

G. Employment Contracts: Seller has no written employment contracts with persons employed in the operation of the Stations, and no employee benefit plans for such persons, which will survive the Closing.

H. Insurance: All of the Broadcast Assets which are of an insurable character are insured above reasonable deductible limits by financially sound and reputable insurance companies against loss or damage by fire and other risks to the extent and in the manner customary for such Broadcast Assets. Seller shall maintain or cause to be maintained such insurance until the Closing.

I. Tangible Broadcast Assets: The tangible Broadcast Assets which are among the physical assets listed in Exhibit "D" are now and will, on the Closing Date, be in operating condition, normal wear and tear excepted, and will permit the Stations to operate in material compliance with the rules of the Commission. Seller shall maintain its normal inventory of supplies

and spare parts which are utilized in the operation of the Stations and being conveyed pursuant hereto.

J. Laws and Regulations. At Closing, the Stations will be in substantial compliance with all applicable federal, state and local laws, ordinances and regulations. Seller agrees that prior to the Closing Date, if it becomes aware of any violations of the Act or of the Commission Rules, it shall remove all such violations.

K. Disposition of Assets: Between the date hereof and the Closing Date, Seller shall not transfer, convey or assign to any other person the Licenses or any of the Broadcast Assets unless, in the case of tangible assets included in the Broadcast Assets, the same are replaced by assets of equal quality and usefulness.

L. Litigation: There is not now any litigation of any nature, pending or, to Seller's and Helen Olszowka's knowledge, threatened against Seller or its property which could materially adversely affect the Licenses or the operation or earnings of the business of the Stations, or materially and adversely affect the enjoyment or use thereof by Seller.

M. Taxes: As of the Closing Date, Seller shall have filed all federal, state, and local tax returns required by law in the legally prescribed time and manner and shall have paid and discharged all taxes, assessments, penalties, excises and levies which are then due and payable.

N. Environmental: Neither Seller nor, to Seller's knowledge, his predecessor in interest has disposed of any Hazardous Materials including Polychlorinated Byphenyls ("PCBs") on any of the Real Property. Seller and, to Seller's knowledge, his predecessor in interest each has complied in all material respects with all federal, state and local environmental laws, rules and regulations applicable to the Stations and their operations, including but not limited to the FCC's guidelines regarding radio frequency radiation. To the knowledge of the Seller, no Hazardous Materials including PCBs has been disposed of by any other person on any of the Real Property. As used herein, the term "Hazardous Material" has the same meaning as defined elsewhere in this Agreement.

O. Financial Condition: Seller has previously furnished Buyer with true and complete copies of Seller's financial statements (the "Financial Information"). The Financial Information is correct and complete in all material respects, was prepared in accordance with generally accepted accounting principles applied on a consistent basis throughout the periods involved, and fairly presents the information set forth therein as at the dates thereof and for the periods indicated.

P. Full Disclosure: No representation, warranty or statement by Seller knowingly contains (or will knowingly contain at the time of delivery) any untrue statement of a material fact or knowingly omits (or will knowingly omit at the time of delivery) to state a material fact necessary in order to make the statements contained therein not misleading.

Q. Negative Covenants: From the date hereof through the Closing Date and to the extent allowed by applicable law, except as contemplated by this Agreement, Seller will not, without the prior written consent of Buyer:

(1) Create or assume any mortgage or pledge, or subject to lien or encumbrance any of the Broadcast Assets, whether now owned or hereafter acquired other than Permitted Liens.

(2) Enter into any contract, lease or agreement, or amend, renew or extend any contract involving the Stations in any manner which imposes any liability on Buyer or cannot be cancelled upon thirty (30) days notice without penalty.

(3) Change the Stations' call letters or, except as may be reasonably required by Seller to operate the Stations in accordance with the usual and ordinary course of business, modify the Stations' facilities.

10. Covenants, Representations and Warranties of Buyer

A. Standing and Authority. Buyer is now and on the Closing Date shall be a corporation duly organized and in good standing in the State of Pennsylvania. Buyer has taken any and all actions required by its organizational documents to authorize its execution, delivery and performance of this Agreement, and, when executed by Seller, this Agreement will constitute a valid and binding obligation of Buyer enforceable against Buyer in accordance with its terms except as the same may be limited by bankruptcy, receivership, insolvency and other similar laws and equitable principles affecting the rights of creditors.

B. Qualifications. Buyer has the legal, character, and financial qualifications under the Act and Commission Rules to acquire the Licenses for the Stations.

C. Financing. Buyer has on hand or will have on hand at Closing sufficient cash to fulfill its financial obligations hereunder.

D. Full Disclosure. No representation, warranty or statement by Buyer knowingly contains (or will knowingly contain at the time of delivery) any untrue statement of a material fact or knowingly omits (or will knowingly omit at the time of delivery) to state a material fact necessary in order to make the statements contained therein not misleading.

E. Collection of Accounts Receivable. At the Closing, Seller shall assign to Buyer, for collection purposes only, all of the accounts receivable of the Stations in existence as of the Closing Date (the "Accounts Receivable"). For a period of one hundred twenty (120) days following the Closing (the "Collection Period"), Buyer shall use commercially reasonable efforts to collect all of the Accounts Receivable (which shall not include the institution of any litigation). Buyer shall use its customary procedures to trying to collect the Accounts Receivable and shall not (1) guarantee any collection, (2) other than its obligation to remit monies collected as required by this section, be liable to Seller for any failure to collect any Accounts Receivable not based on Buyer's willful malfeasance or gross negligence, or (3) be responsible for the collection of any Account Receivable from a debtor in bankruptcy, receivership or similar proceeding (and will return such Account Receivable to Seller in the event any account debtor becomes subject to such a proceeding after the Closing Date). Seller shall use commercially reasonable efforts to cooperate with Buyer in the collection of the Accounts Receivable, including the execution of any power of attorney reasonably requested by Buyer in connection therewith. On the tenth day of each month during the Collection

Period, Buyer shall remit a check to Seller for all monies collected on the Accounts Receivable along with a report identifying the Accounts Receivable collected. Buyer shall notify Seller promptly if any Account Receivable debtor objects to any Account Receivable. Such Account Receivable shall be immediately re-assigned to Seller for collection, and Buyer shall have no collection responsibility with respect to such Account Receivable. Within ten (10) days after the expiration of the Collection Period, Buyer shall remit a check to Seller for all monies collected on the Accounts Receivable not previously provided to Seller along with a final report of all Accounts Receivable collected. Upon expiration of the Collection Period, all unpaid Accounts Receivable shall be re-assigned to Seller, and Buyer shall have no responsibility thereafter for the collection of the Accounts Receivable.

F. Conflicts and Consents: None of the execution, delivery, and performance of this Agreement by Buyer in accordance with its terms shall, with the provision of notice or the passage of time or both, (1) breach any statute, government regulation, or order of any court or governmental authority, (2) conflict with any agreement to which Buyer is a party or by which it is bound, or (3) other than the approval of the FCC as provided herein, require the consent any third party.

## INDEMNIFICATION

### 11. Indemnification by Seller:

A. Buyer does not assume, shall not be obligated to pay, any liabilities of Seller of any kind or manner except by reason of the contracts to be expressly assigned and assumed at Closing by Buyer as Shown on Exhibit “B” and, with respect to such contracts, only such obligations which arise after the Effective Time.

B. Seller shall indemnify and hold Buyer, its successors and assigns, harmless from and against:

(1) Any and all claims, liabilities and obligations of any kind or nature, contingent or otherwise, arising from or related to the Licenses, the ownership or holding of the other Broadcast Assets, and the operation of the Stations prior to the Effective Time, including, but not limited to, (a) any and all claims, liabilities and obligations arising or required to be performed on or prior to the Effective Time under any lease, contract or agreement assumed by Buyer except as otherwise provided herein and (b) any failure by Seller to comply with any bulk sales law in Pennsylvania applicable to Seller’s ownership or operation of the Stations; and

(2) Any and all damage or deficiency resulting from any of Seller’s misrepresentation, breach of warranty, or non-fulfillment of any agreement or obligation assumed or retained by Seller under this Agreement, or from any of Seller’s misrepresentation in or omission from any certificate or other instrument furnished to Buyer by Seller pursuant to this Agreement or in connection with any of the transactions contemplated hereby; and

(3) Any and all actions, suits, proceedings, damages, assessments, judgments, costs and expenses, including reasonable attorneys' fees incurred by Buyer as a result of Seller's failure or refusal to compromise or defend any claim incident to the foregoing provisions; and

(4) Any and all claims by creditors of Seller (including taxing authorities) that impose liability on the Buyer or Buyer's assets resulting from claims of creditors of Seller arising from or in connection with the holding or ownership of the Broadcast Assets or operation of the Stations before the Effective Time.

12. Indemnification by Buyer:

A. Seller does not assume, shall not be obligated to pay, and shall not be obligated to perform any liabilities or obligations of Buyer of any kind or manner that relate to the ownership or holding of the Broadcast Assets after the Effective Time.

B. Buyer shall indemnify and hold Seller, his successors and assigns, harmless from and against:

(1) Any and all claims, liabilities and obligations of any kind or nature, contingent or otherwise, arising from or related to the Licenses, the ownership or holding of the other Broadcast Assets, and the operation of the Stations subsequent to the Effective Time, including, but not limited to, any and all claims, liabilities and obligations arising or required to be performed on or after the Closing Date under any lease, contract or agreement assumed by Buyer except as otherwise provided herein; and

(2) Any and all damage or deficiency resulting from any of Buyer's misrepresentation, breach of warranty, or non-fulfillment of any agreement or obligation assumed or required to be assumed by Buyer under this Agreement, or from any of Buyer's misrepresentation in or omission from any certificate or other instrument furnished to Seller by Buyer pursuant to this Agreement or in connection with any of the transactions contemplated hereby; and

(3) Any and all actions, suits, proceedings, damages, assessments, judgments, costs and expenses, including reasonable attorneys' fees incurred by Seller as a result of Buyer's failure or refusal to compromise or defend any claim incident to the foregoing provisions; and

(4) Any and all claims by creditors of Buyer (including taxing authorities) that impose liability on the Seller or Seller's assets resulting from claims of creditors of Buyer arising from or in connection with the ownership or holding of the Broadcast Assets or operation of the Stations after the Effective Time.

ADJUSTMENTS TO PURCHASE PRICE

13. Proration and Adjustments.

State and local taxes, real and personal, upon the Broadcast Assets; rent and insurance; utility charges; Commission annual license or other fees; prepaid expenses and deposits; shall be

prorated and accounted for insofar as practicable as between Seller and Buyer as of the Effective Time. An appropriate payment shall be made by Seller to Buyer or Buyer to Seller, as the case may be, on the basis of such prorations as far as possible at the Closing, with the balance of prorations, if any, to be paid not later than sixty (60) days after the Closing Date. If the parties cannot reach a resolution of any disagreement on any proration at the end of that 60-day period, the parties shall select a mutually-agreeable certified public accountant ("CPA") who shall be asked to render a decision within thirty (30) days after the CPA's selection. The CPA's decision shall be binding on the parties and enforceable in a court of competent jurisdiction. The fees and expenses of the CPA shall be divided equally between the parties.

14. Environmental Site Assessment:

(1) Following the execution of this Agreement, at Buyer's expense, Buyer may engage an engineering environmental assessment firm to perform a Phase I Environmental Assessment for any or all of the Real Property (the "Environmental Assessment") and Seller shall cooperate with Buyer and such firm in performing such Environmental Assessment, provided that the Environment Assessment is completed and a copy thereof provided Seller within thirty (30) days of the date of this Agreement. Delivery of the Environmental Assessment to Buyer shall not relieve Seller of any obligation with respect to any representation, warranty or covenant of Seller in this Agreement or waive any condition to Buyer's obligations under this Agreement. If the Environmental Assessment reveals the existence of material Environmental Conditions or material Environmental Noncompliance (each as defined below) at the Real Property, Buyer shall have the right, exercisable by giving written notice to Seller within fifteen (15) days of the receipt by Buyer of the Environmental Assessment specifying the nature of the Environmental Conditions or Non-Compliance revealed by the assessment, to terminate this Agreement; provided, however, that Buyer's right to terminate this Agreement based upon the findings of the

Environmental Assessment will expire if the Environmental Assessment has not been completed within thirty (30) days after the date of this Agreement. Notwithstanding the foregoing, in the event the Environmental Assessment discloses a material Environmental Condition or material Non-Compliance (“Environmental Problem”) that can be remedied by the expenditure of Twenty-Five Thousand Dollars (\$25,000) or less, at Seller’s election, Seller will either (i) remedy the problem, at his expense, prior to the Closing, and the Closing will otherwise take place in the manner, and at the time, provided for herein, or (ii) agree to reduce the Purchase Price by the full amount estimated in the Environmental Assessment of what it will cost to remedy the problem, in which event the Closing will take place at the reduced price and Buyer shall be responsible for remedying the problem, at its sole cost and expense. In the event that the cost of remedying the Environmental Problem will exceed Twenty-Five Thousand Dollars (\$25,000), this Agreement shall terminate twenty (20) days after Seller receives a copy of the Environmental Assessment unless (a) Seller agrees in the exercise of its sole discretion to remedy the Environmental Problem prior to Closing or (b) Buyer agrees in the exercise of its sole discretion to be responsible for the remediation costs in excess of Twenty-Five Thousand (\$25,000) Dollars, in which event the Closing will take place with a reduction of the Purchase Price in the amount of Twenty-Five Thousand Dollars (\$25,000) and Buyer shall be responsible for remedying the problem at its sole cost and expense.

(2) For purposes of this Agreement:

(i) “Hazardous Materials” means hazardous wastes, hazardous substances, hazardous constituents, toxic substances or related materials, whether solids, liquids or gases, including but not limited to substances defined as “hazardous wastes”, “hazardous substances”, “toxic substances”, “pollutants”, “contaminants”, “radioactive materials”, “petroleum or any



fraction thereof”, or other similar designations in, or otherwise subject to regulation under CERCLA; the Toxic Substance Control Act (“TSCA”), 15 U.S.C. §2601 et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. §1802; the Resource Conservation and Recovery Act (“RCRA”), 42 U.S.C. §9601 et seq.; the Clean Water Act (“CWA”), 33 U.S.C. §1251 et seq.; the Safe Drinking Act, 42 U.S.C. §300f et seq.; the Clean Air Act (“CAA”), 42 U.S.C. §7401 et seq.; or any similar state law; and in the plans, rules, regulations or ordinances adopted, or other criteria and guidelines promulgated pursuant to the preceding laws or other similar laws, regulations, rules or ordinances now or hereafter in effect (collectively the “Environmental Laws”).

(ii) “Environmental Conditions” means conditions of the environment, including the ocean, natural resources (including flora and fauna), soil, surface water, ground water, any present or potential drinking water supply, subsurface strata or the ambient air, relating to or arising out of the use, handling, storage, treatment, recycling, generation, transportation, release, spilling, leaking, pumping, pouring, emptying, discharging, injecting, escaping, leaching, disposal, dumping or threatened release of Hazardous Materials by Seller or Seller’s predecessors in interest. With respect to claims by employees, Environmental Conditions also includes the exposure of persons to Hazardous Materials within a workplace on the Real Property.

(iii) “Environmental Noncompliance” means, but is not limited to: (1) the release or threatened release of any Hazardous Materials into the environment, any storm drain, sewer, septic system or publicly owned treatment works, in violation of any effluent or emission limitations, standards or other criteria or guidelines established by any federal, state or local law,

regulation, rule, ordinance, plan or order; and (2) any facility operations, procedures, designs, etc., which do not conform to the statutory or regulatory requirements of the CAA, the CWA, the TSCA, the RCRA, or any other Environmental Laws intended to protect public health, welfare and the environment.

### RISK OF LOSS

15. Risk of Loss:

The risk of any loss or damage to the Broadcast Assets shall be on Seller at all times prior to the Closing Date. In the event of any loss or damage, Seller shall repair, replace or restore such assets as soon as possible. Subject to the provisions of Paragraph 20 "Remedies of Default" hereof, if any event occurs which prevents broadcast transmission of the Stations in a normal and usual manner in accordance with its licensed parameters and Seller cannot restore the facilities so that such transmission can be resumed before the Closing Date, the Closing Date shall be postponed until such transmissions have been restored and transmission resumed, and, to the extent necessary, the parties shall request that the Commission extend the consummation deadline of the Commission's Order (a) for a period not to exceed sixty (60) days or (b) until expiration of the period specified in paragraph 8, "Time for Commission Consent-Termination," whichever date is later. If any lost or damaged assets shall not have been repaired, replaced or restored by the Closing Date or by any agreed postponed date, Buyer shall have the right, if not in default, by giving written notice of its election so to do, to either (i) terminate this Agreement forthwith without any further obligation hereunder or (ii) proceed with the Closing, in which latter event Seller shall pay or assign to Buyer all insurance proceeds paid or payable to Seller as a result of such loss or damage and not theretofore expended by Seller in repair, replacement or restoration of the lost or damaged assets and the Purchase Price hereunder shall be reduced by any additional amounts agreed to by Seller in writing which Buyer reasonably estimates, in good faith, to expend to fully restore, repair or replace any affected Stations or any of the tangible Broadcast Assets (and, in the absence of any agreement

by Seller on the reduction in the Purchase Price within thirty (30) days after Buyer's request therefor, Seller may terminate the Agreement without any further obligation hereunder).

### **CONDITIONS PRECEDENT TO BUYER'S OBLIGATION TO CLOSE**

16. Conditions Precedent to Buyer's Obligations:

If, as of and at the Closing Date, the following conditions are satisfied, and subject to the provisions of Section 16 hereof, Buyer shall be obligated to purchase the Licenses and the Broadcast Assets to the extent set forth and in accordance with the terms and conditions of this Agreement:

A. Representations, Warranties and Covenants: The representations warranties and covenants of Seller contained herein shall be true as of and at the Closing Date as though made on such date. Seller shall have performed and complied with all obligations and covenants required by this Agreement to be performed or complied with by Seller on or prior to the Closing Date. Seller shall have delivered to Buyer a written statement dated the Closing Date and signed by Seller attesting to the above.

B. Delivery of Closing Documents: Seller shall have delivered to Buyer the Closing Documents described in Section 18 of this Agreement.

C. Litigation: There is not on the Closing Date be any litigation, proceeding or investigation before any administrative or judicial body, federal, state or local, pending or to the knowledge of Seller threatened which might impair materially the ability of Seller to carry out the provisions of this Agreement in accordance with its terms or materially adversely affect the Licenses, the Broadcast Assets or the business of the Seller.

D. Licenses: Seller shall be the holder of the Licenses, which shall be free and clear of conditions (other than those set forth on the Licenses themselves or in the Act and Commission Rules), competing applications, petitions to deny, material complaints, appeals or any restrictions as might limit the operation of the Stations as presently authorized.

E. Consents: On the Closing Date, each person or entity, the consent or approval of which to the sale, conveyance, transfer and assignment of the Licenses and Broadcast Assets or any material part thereof to Buyer, as herein provided, is then required, shall have duly consented or approved such sale, conveyance, transfer and assignment, except insofar as such consent or approval shall have been expressly waived by Buyer.

F. Final Order: The Commission's Order pertaining to the Licenses shall have become a Final Order.

G. No Material Adverse Development. No material adverse development shall have occurred with respect to the Stations that results in a significant impairment to the ability of the Stations to operate as currently operated or represents a substantial impairment of the aggregate value of the Stations or the Licensees and other Broadcast Assets being conveyed.

H. Title Insurance Policy: Buyer shall, after expending reasonable and timely efforts, have received, at its cost, an owner's policy of title insurance as to Seller's owned Real Property naming Buyer as insured with no exceptions to title other than the standard printed exceptions contained in such title policy (the "Title Policy").

**CONDITIONS PRECEDENT TO SELLER'S  
OBLIGATION TO CLOSE**

17. Conditions Precedent to Seller's Obligations:

If, as of the Closing Date, the following conditions are satisfied, Seller shall be obligated to sell the Licenses and the Broadcast Assets to the extent set forth in accordance with the terms and conditions of this Agreement:

A. Purchase Price: All payments under this Agreement which are due and payable by Buyer on or before the Closing Date shall have been paid in accordance with the terms of this Agreement.

B. Delivery of Closing Documents: Buyer shall have delivered to Seller the Closing Documents and shall have completed the actions described in Section 19 of this Agreement.

C. Final Order: The Commission's Order pertaining to the Licenses shall have become a Final Order.

D. Representations, Warranties and Covenants: The representations warranties and covenants of Buyer contained herein shall be true as of and at the Closing Date as though made on such date. Buyer shall have performed and complied with all obligations and covenants required by this Agreement to be performed or complied with by Buyer on or prior to the Closing Date. Buyer shall have delivered to Seller a written statement dated the Closing Date and signed by Buyer's president attesting to the above.

E. Litigation: There shall not on the Closing Date be any litigation, proceeding or investigation before any administrative or judicial body, federal, state or local, pending or to the knowledge of Buyer threatened which might impair materially the ability of Buyer to carry out the provisions of this Agreement in accordance with its terms.

## CLOSING DOCUMENTS

18. Closing Documents to be Delivered by Seller:

On the Closing Date and at the Closing Place, Seller shall deliver to Buyer the following:

A. Bills of Sale, deeds, and other instruments and documents of title in form and substance reasonably satisfactory to Buyer, dated the Closing Date, executed by Seller, in such reasonable detail transferring the Broadcast Assets and Licenses, free and clear of all liens, claims, charges and encumbrances.

B. A written statement signed by the Seller to the effect set forth in paragraph A of Section 16.

C. Such other assignments, documents and instruments as Buyer may reasonably require to evidence Seller's ownership of all property rights hereunder sold wherever located.

D. Seller shall have delivered to Buyer on or prior to the Closing Date an estoppel certificate or status letter from the landlord under each lease of Real Property the consent of whom is required for the assignment of such lease which will certify (i) the lease is valid and in full force and effect; (ii) the amounts payable by Seller under the lease and the date to which the same have been paid; (iii) whether there are, to the knowledge of said landlord, any defaults thereunder, and, if so, specifying the nature thereof; and (iv) a statement that the transactions contemplated by this Agreement will not constitute a default under the lease and that the landlord consents to the assignment of the lease to Buyer.

19. Closing Documents to be Delivered by Buyer:

On the Closing Date and at the Closing Place, Buyer shall deliver or cause to be delivered to Seller the following:

A. The Purchase Price, subject to any adjustments pursuant to Paragraph 11 above.

B. Assignment and Assumption Agreements and other instruments of Buyer, in form and content reasonably satisfactory to Seller, agreeing to assume, pay, perform and discharge the liabilities, obligations and commitments arising from the ownership or holding of the Broadcast Assets after the Effective Time.

C. A written statement signed by the Seller to the effect set forth in paragraph D of Section 17.

## MISCELLANEOUS PROVISIONS

### 20. Remedies of Default:

A. In the event of a material breach by Buyer prior to or at Closing, of any term or condition of this Agreement or any warranty or representation contained herein, Seller may terminate this Agreement and retain, as his sole remedy, the Twenty Five Thousand (\$25,000) Dollars Escrow Deposit as liquidated damages, which is a reasonable estimate of the damages incurred by Seller (which may not be readily quantified) and not a penalty. The rights conferred by the above sentence may not be exercised unless Seller has given Buyer thirty (30) days written notice of the specific nature of the breach and Buyer has failed to correct it within that period.

B. In the event of a material breach by Seller, prior to or at Closing, of any term or condition of this Agreement or any warranty or representation contained herein, Buyer may terminate this Agreement and Seller and Escrow Agent immediately shall return to Buyer all sums of money, including those in escrow, paid by or on account of Buyer if Seller has failed to cure any such breach within thirty (30) days after receipt of notice from Buyer identifying the breach and the action necessary to cure the breach. Further, in the event of a material breach by Seller, prior to or at Closing, of any term or condition of this Agreement or any warranty or representation contained herein which is not cured during that 30-day period, Buyer may, at its option, notwithstanding anything to the contrary and in addition to any remedies provided in this Agreement, pursue all remedies at equity and at law which it may have, including the right to specific performance. Seller acknowledges that specific performance is an appropriate remedy because the Stations are unique and damages at law may be inadequate.

21. Brokerage:

The parties represent to each other that the sole broker, finder or consultant involved in any manner in the negotiations leading up to the execution of this Agreement is Kozacko Enterprises, Inc. dba Kozacko Media Services (for purposes of this section only, "Broker") and that all fees, commissions, charges, compensation and costs of any kind owed or promised to Broker shall be the sole responsibility and be paid by Seller. Each party agrees to indemnify and hold the other party harmless from any other claim made for a broker or finder's fee or other similar payment based upon any agreements, arrangements or understandings with such party.

22. Notices:

All necessary notices, demands and requests required or permitted to be given under the provisions of this Agreement, shall be deemed duly given if sent by overnight courier, charges prepaid, addressed as follows:

If to Seller: Joseph V. Olszowka, Executor of the Estate of  
Stephen M. Olszowka, deceased  
10210 Lone Bluff Drive  
San Diego, CA 92127

With Copy Lewis J. Paper, Esquire  
Dickstein Shapiro Law Offices  
2101 L Street N.W.  
Washington, DC 20037

If to Buyer: William Hearst, President  
Clarion County Broadcasting Corp.  
1168 Greenville Pike  
Clarion, PA 16214

With copy: Frederick A. Polner, Esquire  
Rothman Gordon  
Grant Building, Third Floor  
Pittsburgh, PA 15219

23. Survival of Terms:

The provisions hereof which are to be performed after the Closing Date and the several covenants, representations, warranties and agreements of the parties herein contained shall survive the Closing Date hereunder for twelve (12) months after the Closing Date.

24. Entire Agreement:

This Agreement, the Appendix and all Exhibits hereto, embodies the entire agreement and understanding between the parties hereto with respect to the subject matter hereof. All prior communications, negotiations, arrangements, representations, agreements and understandings whether oral or written between the parties hereto, and their representatives, are merged herein and extinguished, this Agreement superseding and canceling the same. Except as herein otherwise provided, no subsequent alteration, amendment, change or addition to this Agreement shall be binding upon the parties unless reduced to writing and signed by them.

25. Successors and Assigns:

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

26. Other Documents:

The parties shall execute such other documents as may be necessary for the implementation and consummation of this Agreement, including those documents pertaining to Buyer's purchase of the Real Property.

27. Headings:

The headings of the paragraphs of this Agreement are for convenience of reference only and do not form a part hereof and in no way modify, interpret or construe the meanings or intentions of the parties.

28. Attorneys Fees:

In the event legal proceedings are commenced by either party to enforce any rights hereunder, the prevailing party, in addition to which he or it may be entitled pursuant to the terms of



this Agreement, shall also be entitled to collect reasonable attorneys fees and expenses incurred in connection with such action.

29. Consent to Jurisdiction:

(a) The parties hereto irrevocably submit to the jurisdiction of the applicable courts of the Commonwealth of Pennsylvania located in Clarion County, Pennsylvania and the federal courts of the United States of America located in Allegheny County, Pennsylvania, and appropriate appellate courts therefrom, over any dispute arising out of or relating to this Agreement or any of the transactions contemplated hereby and each party hereby irrevocably agrees that all claims in respect of such dispute or proceeding may be heard and determined in such courts, which courts shall be the exclusive courts of jurisdiction and venue. The parties hereby irrevocably waive, to the fullest extent permitted by law, any objection which they may now or hereafter have to the laying of venue of any dispute arising out of or relating to this Agreement or any of the transactions contemplated hereby brought in such court or any defense of inconvenient forum for the maintenance of such dispute. Each of the parties hereto agrees that a judgment in any such dispute may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. This consent to jurisdiction and venue is being given solely for purposes of this Agreement and is not intended to, and shall not, confer consent to jurisdiction or venue with respect to any other dispute in which a party to this Agreement may become involved.

(b) Each of the parties hereto hereby consents to process being served by any party to this Agreement in any suit, action, or proceeding of the nature specified in subsection (a) above the mailing of a copy thereof in the manner specified by the provisions of Section 20.

30. Preparation of Agreement:

All parties to this Agreement have participated equally in its preparation. Accordingly, if a dispute arises regarding or relating to this Agreement, the language or terms of the Agreement shall not be construed more or less favorably against one party over another.

*[Remainder of Page Intentionally Left Blank]*

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound, have hereunto set their hands and seals the day and year first above written.

SELLER:

JOSEPH V. OLSZOWKA, EXECUTOR OF THE ESTATE  
OF STEPHEN M. OLSZOWKA, DECEASED.

\_\_\_\_\_  
Witness

\_\_\_\_\_  
By: Joseph V. Olszowka, Executor

ATTEST:

BUYER:

CLARION COUNTY BROADCASTING CORP.

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
By: William Hearst, President

## APPENDIX A

A. "Commission" or "FCC" means the Federal Communications Commission or any successor federal governmental agency the approval of which is required before a broadcast license, construction permit, or authorization can be assigned.

B. "Commission's Order" means an Order of the Commission consenting to the assignment by Seller to Buyer of the Licenses.

C. "Effective Time" means the point in time when the Closing becomes effective and shall be at 12:01 a.m. on the day after the Closing.

C. "Final Order" means a Commission's Order as to which the time for filing a request for administrative or judicial review or reconsideration has expired without any such filing having been made or any such request for reconsideration or review having been denied in an order for which the time for filing a request for further administrative or judicial review or reconsideration has expired without any such filing having been made, and the time for the Commission to seek administrative review with respect thereto sua sponte having expired without any request for such review having been instituted.

D. "Closing Date" and "Closing" mean the date and time at which the Licenses, Broadcast Assets and the radio broadcasting business of the Seller will be transferred to Buyer. Subject to the provisions of paragraph 8 of the Asset Purchase Agreement, the Closing Date shall be a date mutually agreed to by the parties but in no event sooner than seven (7) days and not more than fourteen (14) days after the Commission's Order has become a Final Order.

E. "Closing Place" means the offices of Buyer or such other place as may be agreed to by the parties.

F. "Broadcast Assets" means:

(1) The Real Property, furniture, fixtures, machinery, equipment, inventory and other real and tangible personal property owned by Seller and used in the operation of the Stations together with any replacements thereof or additions thereto made between the date hereof and the Closing Date, less any retirements thereof made in the ordinary and usual course of business, all as listed and described or attached to the Assets Purchase Agreement;

(2) Leases, contracts and agreements of Seller relating to the Stations which are in effect on the Closing Date, all as listed and described or attached to the Asset Purchase Agreement;

(3) Subject to proration as set forth in this Agreement, prepaid expenses, deposits and deferred charges (including line charges, and prepaid program rental charges) of the Stations determined in accordance with generally accepted accounting principles as of the Closing Date;

(4) Goodwill, privileges, licenses, permits, copyrights, service or trademarks and trade names, investments and other intangible rights, including rights to the call letters "WKQW" and "WKQW" with or without the suffix "FM" owned by Seller and used in the operation of the Stations or in connection with the Broadcast Assets along with any and all pending applications for renewal or modification thereof;

(5) All books, records, and other documents relating to the Stations.

(6) All other things acquired for and used or to be used in the operation of the Stations.

(7) The Broadcast Assets shall not include (a) cash, cash equivalents, and marketable securities, (b) claims (including those relating to tax refunds) based on ownership or holding of the Broadcast Assets prior to the Effective Time, and (c) the furniture and other assets identified in Exhibit "E" annexed hereto.

G. "Licenses" means the licenses, permits or other authorizations issued by the Commission in connection with the Stations, all as listed and described in Exhibit "C" attached to the Asset Purchase Agreement.

## EXHIBIT 'A'

J:\corp\55081\03 Purchase of WKQW am fm\DOCUMENTS\EXHIBIT A.doc

November 16, 2004 2:30 p.m.

BK0930 PG0230

# DEED

MADE the 17th day of October in the year of our Lord, one thousand nine hundred and ninety (1990 ),

BETWEEN GENE B. RICE, single, of Seneca, Pennsylvania, party of the first part and

STEPHEN M. OLSZOWKA, of Oil City, Pennsylvania, as fee simple owner, party of the second part:

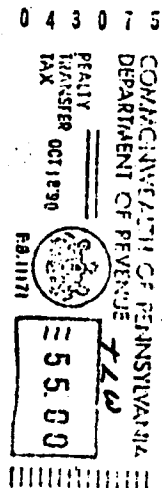
WITNESSETH, that the said party of the first part, in consideration of

FIVE THOUSAND FIVE HUNDRED DOLLARS (\$5,500.00)

in hand paid, the receipt whereof is hereby acknowledged, the said party of the first part does hereby grant and convey to the said party of the second part, his heirs and

assigns, All that certain piece or parcel of land situate in Cranberry Township, Venango County, Pennsylvania, bounded and described as follows:

BEGINNING at the point of intersection of State Highway Route No. 157 with the center line of Township Road No. 558, commonly called Horsecreek Road; thence along the center line of State Highway Route No. 157 North 88° 35' 30" West, three hundred nine and fifty-one hundredths (309.51) feet to a point; thence continuing along the center line of State Highway Route No. 157 by a curve to the right with a radius of one thousand nine



hundred ten and eight-tenths (1,910.8) feet an arc distance of one hundred seventy-four and one tenth (174.1) feet to a point, being the Southeasterly corner of Lot No. 10 as said Lot is shown in the Final Plan of Valley View Village, recorded on December 20, 1978, in the Recorder's Office of Venango County, Pennsylvania, in Cabinet No. 2-57B, being the true place of beginning of the herein described premises; thence continuing along the center line of State Highway Route No. 157, by a curve to the right having a radius of one thousand nine hundred ten and eight-tenths (1,910.8) feet an arc distance of one hundred ninety-nine and twenty-eight hundredths (199.28) feet to a point, being the Southwesterly corner of said Lot No. 10 and the Southeasterly corner of Lot No. 11 as the same are shown on said Plan; thence along the line dividing Lot No. 10 and 11, North 16° 38' East, five hundred ninety-nine and eight tenths (599.8) feet to a point being the Northwesterly corner of said Lot No. 10 and the Northeasterly corner of said Lot No. 11 as the same are shown on said Plan and also being a point on the southerly line of Lot No. 18 as the same is shown on said Plan; thence along the line dividing Lot No. 10 and Lot No. 18 South 73° 22' East one hundred ninety-seven and eight tenths (197.8) feet to a point on the southerly line of Lot No. 18, being the Northeasterly corner of said Lot No. 10 and the Northwesterly corner of Lot No. 9, as the same are shown on said Plan; thence along the line dividing Lot No. 10 and Lot No. 9 South 16° 38' West five hundred seventy-five and four tenths (575.4) feet to a point in the center line of State Highway Route No. 157, the place of beginning.

CONTAINING 2.67 acres and being Lot No. 10 as the same is shown on the Final Plan of Lots of Valley View Village prepared by Irwin Simpson, R.P.E., on July 14, 1978, and approved by the Venango County Planning Commission on December 19, 1978, and recorded in the Recorder's Office of Venango County, Pennsylvania, on December 20, 1978, in Cabinet No. 2-57B.

SUBJECT to that certain building set back line as the same is shown on the aforesaid Plan of Lots.

SUBJECT, ALSO, to the rights of the public in State Highway Route No. 157.

SUBJECT, FURTHER, to reservation for future right-of-way as the same is shown on the aforesaid Plan of Lots.

SUBJECT, HOWEVER, to all exceptions, reservations, restrictions, covenants, agreements, rights-of-way and easements contained in prior instruments of writing of record in the chain of title, insofar as they may still be in force and effect, and to all easements apparent on the premises.

BEING, AND INTENDED TO BE, the same premises conveyed to Gene B. Rice, by deed from Cherrytree Homes, Inc., dated June 28, 1985.

and recorded in the aforesaid Recorder's Office in DBV 869, Page 334.

This conveyance is made under and subject to; all releases, rights-of-way, agreements, restrictions, etcetera, contained in prior instruments recorded in the Venango County Courthouse; and to all statutes or regulations relative to the use of the property.

The party of the first part certify that there is not presently any "hazardous waste", as defined by the Solid Waste Management Act of 1980, being disposed of upon said property; and that the party of the first part have no knowledge that "hazardous waste" has ever been disposed of in or on said property.

#### CERTIFICATE OF RESIDENCE

I, Terrance L. Whitling, Attorney do hereby certify that STEPHEN M. OLSZOWKA's precise residence is 314 Jefferson Street Oil City, PA 16301

Witness my hand this 17th day of October 1990

*Terrance L. Whitling*

Attorney

FILED  
FOR RECORD  
OCT 18 9 13 AM '90  
RECORDER OF DEEDS  
VENANGO COUNTY, PA.

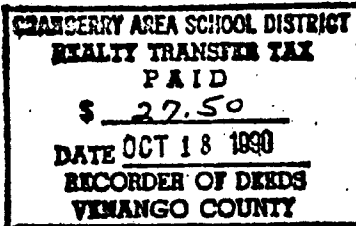
Together with all the appurtenances, for the use of the said party of the second part, his heirs and assigns forever.



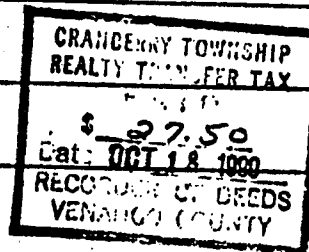
BK0930 PG0233

And the said party of the first part for his heirs and assigns, promises and covenants, to the said party of the second part, his heirs and assigns to WARRANT and FOREVER DEFEND against any person or persons lawfully claiming the entire property above described, or any portion thereof.

WITNESS the HAND AND SEAL of the said party of the first part.



Gene B Rice  
GENE B. RICE

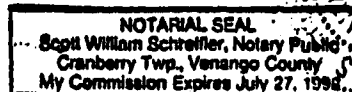


COMMONWEALTH OF PENNSYLVANIA  
COUNTY OF VENANGO

On this the 17th day of October, A.D. 1990, before me, a Notary Public and the undersigned officer, personally appeared GENE B. RICE satisfactorily proven to be the party whose name(s) are subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

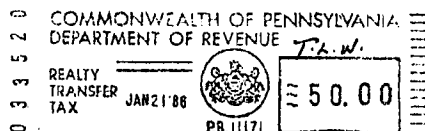
Scott William Schreffler  
Notary Public



# This Indenture

Made the 8th day of JANUARY 1986,

Between LARRY R. REED and PATTY L. REED, husband and wife, of DuBois, Pennsylvania,



parties of the first part and

STEPHEN M. OLSZOWKA, of the City of Oil City, Venango County, Pennsylvania,

party of the second part:

Witnesseth, that the said parties of the first part, in consideration of the sum of Five thousand and 00/100 (\$5,000.00) dollars

to them now paid by the said party of the second part, do grant, bargain, sell and convey unto the said party of the second part, his heirs and assigns,

All that certain piece or parcel of land situate in Cranberry Township, Venango County, Pennsylvania, bounded and described as follows:

BEGINNING at a point in the centerline of State Highway Route No. 157, being the Southeasterly corner of Lot No. 9 as the same is shown on the Final Plan of Valley View Village, recorded in the Recorder's Office of Venango County, Pennsylvania, on December 20, 1978, in Cabinet No. 2-57B; thence along the line dividing said Lot No. 9 and Lot No. 8, North 16° 38' East, five hundred thirty and five tenths (530.5) feet to a point, being the Northeasterly corner of said Lot No. 9 as the same is shown on said Plan; thence along the line dividing said Lot No. 9 and Lot No. 18, North 73° 22' East, one hundred ninety-five and seventy-one hundredths (195.71) feet to a point, being the Northwesterly corner of said Lot No. 9 as the same is shown on said Plan; thence along the line dividing said Lot No. 9 and Lot No. 10, South 16° 38' West, five

hundred seventy-five and four tenths (575.4) feet to a point in the centerline of said State Highway Route No. 157, being the Southwesterly corner of said Lot No. 9 as the same is shown on said Plan; thence along the centerline of said State Highway Route No. 157, by a curve to the left, having a radius of one thousand nine hundred ten and eight tenths (1,910.8) feet, an arc distance of one hundred seventy-four and one tenth (174.1) feet to a point in the centerline of said State Highway Route No. 157; thence continuing along the same, South 88° 35' 30" East, twenty-seven and thirty-one hundredths (27.31) feet to a point in the centerline of said State Highway Route No. 157, the place of beginning.

CONTAINING 2.48 acres and being Lot No. 9 as the same is shown on the Final Plan of Lots of Valley View Village, approved by the Venango County Planning Commission on December 19, 1978, and recorded in the Recorder's Office of Venango County, Pennsylvania, on December 20, 1978, in Cabinet No. 2-57B.

BEING part of the same premises conveyed by Loretta M. Kahle, unmarried, to Larry R. Reed and Patty L. Reed, husband and wife, by deed dated March 15, 1978, and recorded in the Recorder's Office of Venango County, Pennsylvania, in Deed Book No. 790 at page 480.

SUBJECT TO that certain building set-back line as the same is shown on the aforesaid Plan of Lots.

SUBJECT, FURTHER, to reservation for future right-of-way as the same is shown on the aforesaid Plan of Lots.

SUBJECT, ALSO, to the rights of the public in State Highway Route No. 157.

SUBJECT, HOWEVER, to all exceptions, reservations, restrictions, covenants, agreements, rights-of-way and easements contained in prior instruments of writing or record in the chain of title, insofar as they may still be in force and effect, and to all easements apparent on the premises.

The Parties of the First Part do hereby certify that no hazardous waste (as defined in the Solid Waste Management Act of the Commonwealth of Pennsylvania) is presently being disposed on the premises hereby conveyed, and no hazardous waste has ever been disposed by the Parties of the First Part, or to the Parties of the First Part's actual knowledge, on the premises hereby conveyed.

with the appurtenances: **To Have and To Hold** the same unto and for the use of the said  
 part y of the second part his heirs and assigns forever,

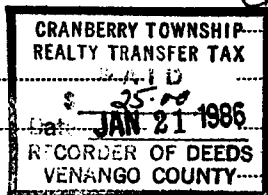
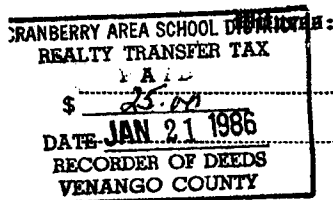
And the said Parties of the First Part,

for their heirs, executors and administrators, with the  
 said party of the second part his heirs and assigns against  
 all lawful claimants

the same and every part thereof to Warrant and Defend.

NOTICE—THIS DOCUMENT MAY NOT DOES NOT SELL, CONVEY, TRANSFER, INCLUDE OR INSURE THE TITLE TO  
 THE COAL AND RIGHT OF SUPPORT UNDERNEATH THE SURFACE LAND DESCRIBED OR REFERRED TO  
 HEREIN, AND THE OWNER OR OWNERS OF SUCH COAL MAY HAVE HAVE THE COMPLETE LEGAL RIGHT TO RE-  
 MOVE ALL OF SUCH COAL AND, IN THAT CONNECTION, DAMAGE MAY RESULT TO THE SURFACE OF THE  
 LAND AND ANY HOUSE, BUILDING OR OTHER STRUCTURE ON OR IN SUCH LAND. THE INCLUSION OF  
 THIS NOTICE DOES NOT ENLARGE, RESTRICT OR MODIFY ANY LEGAL RIGHTS OR ESTATES OTHERWISE  
 CREATED, TRANSFERRED, EXCEPTED OR RESERVED BY THIS INSTRUMENT. [This notice is set forth in the  
 manner provided in Section 1 of the Act of July 17, 1957, P. L. 984, as amended, and is not intended as notice of unrecorded  
 instruments, if any.]

Witness the hand s and seals of the said part ies of the first part.



*Larry R. Reed*  
 Larry R. Reed  
*Patty L. Reed*  
 Patty L. Reed



**NOTICE** THE UNDERSIGNED, AS EVIDENCED BY THE SIGNATURE(S) TO THIS NOTICE  
 AND THE ACCEPTANCE AND RECORDING OF THIS DEED, (IS, ARE) FULLY COGNIZANT OF  
 THE FACT THAT THE UNDERSIGNED MAY NOT BE OBTAINING THE RIGHT OF PROTECTION  
 AGAINST SUBSIDENCE, AS TO THE PROPERTY HEREIN CONVEYED, RESULTING FROM COAL  
 MINING OPERATIONS AND THAT THE PURCHASED PROPERTY, HEREIN CONVEYED, MAY BE  
 PROTECTED FROM DAMAGE DUE TO MINE SUBSIDENCE BY A PRIVATE CONTRACT WITH  
 THE OWNERS OF THE ECONOMIC INTEREST IN THE COAL. THIS NOTICE IS INSERTED  
 HEREIN TO COMPLY WITH THE BITUMINOUS MINE SUBSIDENCE AND LAND CONSERVATION  
 ACT OF 1966.

WITNESS:

The undersigned certifies that the address...  
 of the Grantee is: P.O. Box 1222, Oil City, Pa 16301  
 Date: January 21, 1986  
*Theresa J. [Signature]*  
 Attorney

Commonwealth of Pennsylvania

County of CLEARFIELD

ss.

On this the *eighth* day of January, A.D. 1986,  
 before me the undersigned officer, personally appeared  
 Larry R. Reed and Patty L. Reed, husband and wife, known to me  
 (or satisfactorily proven) to be the persons whose names are subscribed to the within in-  
 strument and acknowledged that they executed the same for the purposes therein contained.  
 In Witness Whereof, I hereunto set my hand and official seal.

*Cheri Reed-Nickel*

(Title of Officer)

My commission expires

CHERRI M. REED, Notary Public  
 DuBois, Clearfield Co., Pa.  
 My Commission Expires May 2, 1988



Commonwealth of Pennsylvania  
County of \_\_\_\_\_

SS.

On this \_\_\_\_\_ day of \_\_\_\_\_  
A.D. 19 \_\_\_\_\_, before me  
in and for said \_\_\_\_\_

came the above named \_\_\_\_\_

State of \_\_\_\_\_  
County of \_\_\_\_\_

On this, the \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_  
before me  
the undersigned officer, personally appeared \_\_\_\_\_

known to me (or satisfactorily proven) to be the  
person whose name \_\_\_\_\_ subscribed to the  
within instrument and acknowledged that he  
executed the same for the purposes therein con-  
tained.

In Witness Whereof, I hereunto set my hand and  
official seal.

and acknowledged the foregoing Indenture to be  
act and deed, to  
the end that it may be recorded as such.

Witness my hand and \_\_\_\_\_

seal.



My Commission Expires \_\_\_\_\_

\_\_\_\_\_  
Title of Officer.

My Commission Expires \_\_\_\_\_

### Certificate of Residence

I,  
precise residence is \_\_\_\_\_

do hereby certify that \_\_\_\_\_

Witness my hand this \_\_\_\_\_

day of \_\_\_\_\_, 19 \_\_\_\_\_.

Recorded 172	Number 249	Page _____
<b>RECORDED</b>		
Vol. _____	(Adopted)	_____
From LARRY R. REED and PATTY L. REED		
To STEPHEN M. OLSZOWKA		
Fees, \$ _____ _____		
GENT, THOMPSON & GENT ATTORNEYS AT LAW 314 WEST PARK STREET FRANKLIN, PA 16323		
1350		

P. O. Nix Co. Law Book Publishers  
427 Fourth Avenue, Pittsburgh, Pa. 15219

JAN 21 1986

Commonwealth of Pennsylvania  
County of \_\_\_\_\_ VENANGO \_\_\_\_\_

SS.

Recorded on this \_\_\_\_\_ 21st \_\_\_\_\_ day of \_\_\_\_\_ January \_\_\_\_\_  
A.D. 1986, in the Recorder's office of the said County, in Deed Book,  
Volume \_\_\_\_\_ 879 \_\_\_\_\_, page \_\_\_\_\_ 481 \_\_\_\_\_.

Given under my hand and the seal of the said office, the day and year  
aforesaid.

*Jennie M. Brandon*  
Recorder.

## EXHIBIT 'B'

### CONTRACTS/LEASE

1. Affiliation Agreement, dated August 8, 2001 by and between WESTWOOD ONE RADIO NETWORKS and STEPHEN OLSZOWKA, an individual Re: CNN Radio News Service (WKQW-AM).
2. Affiliation Agreement, dated May 4, 1995 by and between WESTWOOD ONE RADIO NETWORKS and STEPHEN OLSZOWKA, an individual Re: Oldies Channel (WKQW-FM).
3. Affiliation Agreement, dated May 4, 1995 by and between WESTWOOD ONE RADIO NETWORKS and STEPHEN OLSZOWKA, an individual Re: CNN Radio News (WKQW-FM).
4. Affiliation Agreement, dated April 12, 2002 by and between WESTWOOD ONE RADIO NETWORKS and STEPHEN OLSZOWKA, Re: Fox News (WKQW-AM), as amended February 26, 2003 to replace Fox News with NBC News Radio.
5. License Agreement, dated August 5, 1997 by and between ACCUWEATHER, INC. and STEPHEN OLSZOWKA Re: Web Site Access (WKQW-AM), as amended by letter of June 20, 2003.
6. Exclusive Agreement, dated July 14, 2003 by and between ACCUWEATHER, INC. and STEPHEN OLSZOWKA Re: Radio Service (WKQW-AM/FM).
7. Agreement of Lease, dated January 1, 2004 by and between PENN-VENANGO, INC., as lessor, and WKQW RADIO, as lessee for space situate at 222 Seneca Street, Oil City, PA.

## **EXHIBIT 'C'**

### **LICENSES**

1. **AM Broadcast Station WKQW, Oil City, PA**
2. **FM Broadcast Station WKQW-FM, Oil City, PA**
3. **RPU KPH 303**
4. **RPU KPL 366**
5. **Antenna Registration: 1025329**

**EXHIBIT 'D'**

**TANGIBLE ASSETS**



**LOCATION 1 WKQW AM/FM STUDIO**  
**222 SENECA STREET**  
**OIL CITY, PA**

**AM STUDIO**

1. GATEWAY 80 HARRIS AM BOARD
2. STUDIO MIC
3. PRISTINE SYSTEMS/W MONITOR
4. PIONEER 18 DISC CD PLAYERS
5. COOL EDIT PRO
6. SWITCHER HOME MADE
7. TFT EAS 940 S 10101243R4
8. TFT AM MODMONITOR'S 276
9. MCMARTIN- TBM 2200'S
10. MCMARTIN- TBM 3500 B. MON MONITOR
11. WESTERN ELECTRIC AMP
12. HOME MADE SWITCHER
13. BOGAN HOUSE AMP.
14. EVENTIDE DELAY
15. OLSEN TED OTD 2000
16. MARTI PROGRAM/ LINE AMP (2)
17. WESTWOOD ONE WONECUP
18. STUDIO FURNITURE

**FM STUDIO**

1. ARRAKIS SYSTEM 1200-10'S BOARD
2. PRISTINE AUTOMATION SYSTEM
3. 6 PIONEER 18 DISC CD PLAYERS
4. AM SERVER
5. FM SERVER
6. EAS UNIT
7. COLLINS BOARD – OLD
8. INTERNET EQUIPMENT
9. 2 MONITORS
10. STUDIO FURNITURE

LOCATION 1 WKQW AM/FM STUDIO  
222 SENECA STREET  
OIL CITY, PA

OFFICE EQUIPMENT

1. OFFICE FURNITURE DESK
2. TWO FILES
3. BOOK SHELF
4. 2 FILES
5. PAPER SHREADER
6. COMPAC COMPUTER SYSTEM
7. DARTS COMPUTER
8. 2 DESKS
9. FILES

PRODUCTION ROOM

1. YAMAHA MC1602 BOARD
2. STUDIO MIC/SHURE
3. DG SYSTEM
4. DBX 266 XL PROCESSORS
5. MAIN INTERNET COMPUTER
6. TURNTABLES (2)
7. TWO REEL TO REELS
8. FILES CABINETS
9. 2 CD PLAYERS
10. MUSIC WERGO COMPUTER
11. STUDIO FURNITURE - HOME MADE
12. RACK - HOME MADE
13. RADIO STATION AMP

**LOCATION 2 WKQW AM/FM TRANSMITTER SITE**  
**ROUTE 257**  
**OIL CITY, PA**

**TRANSMITTER BUILDING #1- 20 X 20 FRAME BUILDING**  
**8 X 8 STORAGE SHED**

1. HARRIS 3K TRANS "78"
2. RCA MOD MONITORS
3. MOSELEY STEREO GENERATOR
4. INOVONICS MAP II PROCESSOR
5. CRL SYSTEMS
6. GE FM XMITTER - OLD
7. BURK ARC-16 RC
8. CRL COMPOSITE CONTROLLER
9. (3) CRL FM PROCESSOR
10. HARRIS FM EXCITOR
11. WILKINSON FM 2500 E
12. GATES AM XMITTER (2)

**TRANSMITTER BUILDING #2- 10 X 10 FRAME BUILDING**

1. RAYTHEON AM TRANSMITTER
2. BURK ARC-16 R.C.
3. TFT AM MOD MONITOR
4. (4) CRL PROCESSORS
5. PATCH BAY
6. (4) STAR GUIDES
7. (2) WEGNERS
8. COLLINS AM XMITTER
9. COMREX SATTELITE DISH
10. ARMSTRONG 1000 WATT TRANSMITTER

**BROADCAST TOWERS**

1. 200 FOOT FM TOWER
2. 150 FOOT AM TOWER
3. AM TOWER GROUND SYSTEM

## EXHIBIT E

### MAIN OFFICE

Smith Corona typewriter and stand  
Two lamps – one oak and one glass

### AM STUDIO

One small oak table  
One reel to reel tape deck

### KITCHEN

One dark oak coffee table

### RECEPTION AREA

One three drawer oak cabinet

### STEVE'S OFFICE

One small oak computer stand  
One two drawer oak file cabinet  
Two small book shelves – oak  
One oak printer stand