

## **Schedule 1.1.1**

### **Licenses and Permits**

Station KKAJ-FM, Ardmore, OK, Facility ID No. 11181

Main License: BLH-6267

Renewal: BRH-19970131L5

STL: WBG-589

RPU: KU-4763

ASRN: 1032131

Station KVSO(AM), Ardmore, OK, Facility ID No. 11182

Main License: BL-19831012AD

Renewal: BR-19970131L4

STL: Phone lines

RPU: KKV-223, KKV-223

ASRN: not required under 200 feet and more than 20,000 feet from nearest runway.

Station KTRX(FM), Dickson, OK, Facility ID No. 88041

Main License: BLH-2001502AAP

Renewal: N/A

STL: None (application filed 7-10-2002)

RPU: None

ASRN: 1213706

Station KYNZ(FM), Lone Grove, OK, Facility ID No. 58333

Main License: BLH-19920611KB

Renewal: BRH-19970131L6

Construction Permit: BPH-20000919ABR

STL: WLO-394

RPU: None

ASRN (License): 1051581

ASRN (CP): 1222346

## **Schedule 1.1.2**

### **Tangible Personal Property**

The following three pages include the Seller's asset list for all assets owned as of December 31, 2001. On the six pages that follow such asset list, the items next to which there is an asterisk are assets that the Seller has acquired since December 31, 2001. All other items on such six pages are items that are not assets and are shown here only to disclose the other costs that the Seller incurred at the time of purchase of such assets.

## **Schedule 1.1.3**

### **Contract Rights**

1. Dallas Cowboy Radio Network - KVSO-AM
2. ABC Radio Network, Inc. - KVSO-AM, KKAJ-FM
3. American Society of Composers, Authors and Publishers - KTRX-FM, KVSO-AM, KKAJ-FM, KYNZ-FM
4. SESAC, Inc. - KVSO-AM, KTRX-FM, KKAJ-FM, KYNZ-FM
5. Robert Parker - KKAJ-FM, KVSO-AM, KYNZ-FM, KTRX-FM
6. Jerry Green d/b/a Green Broadcast Services - KKAJ-FM, KVSO-AM, KYNZ-FM, KTRX-FM
7. U S Government Lease Agreement for Real Property No. TC-1-01-A030- Antenna site rental
8. Central Music Consultants - KYNZ-FM
9. Jones Radio Network Affiliations - KYNZ-FM, KKAJ-FM
10. Southwestern Bell / DCI Lines
11. DCDDS Radio Services Agreement
12. Creatures Great and Small
13. Plainview Public Schools - KYNZ-FM
14. Dickson Public Schools - KTRX-FM
15. Arbitron, Inc. - KKAJ-FM
16. The Texas Rangers Radio Network - KVSO-AM
17. Tivoli, Inc.
18. The Associated Press - KKAJ-FM
19. Christal Radio Sales, Inc. - KVSO-AM, KKAJ-FM, KTRX-FM, KYNZ-FM
20. Broadcast Music, Inc. - KKAJ-FM, KVSO-AM, KTRX-FM, KYNZ-FM

## **Schedule 1.1.4**

### **Intellectual Property**

The following page shows copies of the logos of the Seller being transferred hereunder. No other intellectual property is held by the Seller other than intellectual property excluded by Section 1.2.9 of the Agreement.

TEXOMA COUNTRY  
**KKAJ**  
95.7 FM



**ESPN**



**KVS01240**

*Texoma Sports*

Texoma Rocks

**KTRX**

**92.7FM**



**KYNZ 107.1 FM**

*Texoma's*

**S·U·P·E·R·A·D·I·O**

TEXOMA COUNTRY  
**KKAJ**  
95.7 FM



**ESPN**



**KVS01240**

*Texoma Sports*

Texoma Rocks

**KTRX**

**92.7FM**



**KYNZ 107.1 FM**

*Texoma's*

**S·U·P·E·R·A·D·I·O**

### **Schedule 1.1.7**

#### **Owned Real Estate**

1. 1205 N. Glen,  
Ardmore, OK - Block 1, Lot 5, Spring Addition to the City of Ardmore, Carter County, State of Oklahoma
2. Part of the NW 1/4 of the SE 1/4 of the NE 1/4 Section 27, Township 5 South, Range 1 East (10 acres mol)
3. Part of the West half of the SE 1/4 of the NE 1/4 Section 25, Township 4 South, Range 1 East (3.31 acres mol)

### **Schedule 1.1.8**

#### **Leased Real Estate**

1. Ground Lease with Ardmore Development Authority, A Public Trust dated November 30, 2000.
2. Lease Agreement with James Baxter dated May 1, 2000. A tract of land part of the West 1/2 of the SW 1/4 of the SW 1/4 of Section 16, Township 5 South, Range 3 East, Carter County, Oklahoma.
3. Lease with Ira E. Bridges, Jr. dated August 1, 1996. Part of the South 1/2 of Lot 6, Section 6, Township 4 South, Range 1 East, Carter County, Oklahoma.
4. U S Government Lease Agreement for Real Property No. TC-1-01-A030- Antenna site. Rented from Seller.
5. Nextel – Antenna site rental from Seller.

*Copies of all leases previously provided to Buyer.*

### **Schedule 1.2.10**

#### **Excluded Assets**

1. Ken Taishoff's personal property located in his office including but not limited to books, pictures, and personal effects.
2. Chuckie Escrow Account No. 18083, American National Bank, Mike Hester, Esq.

### **Schedule 6.1.5**

#### **Compliance with Applicable Laws, FCC matters –**

None

### **Schedule 6.1.6**

#### **Litigation**

"There are no actions, suits, inquires..."

### **Schedule 6.1.8**

#### **Real Estate**

NONE

### **Schedule 6.1.11**

#### **Environmental Matters**

NONE

### **Schedule 7.1.3**

#### **Qualification**

None.

### **Schedule 7.1.4**

#### **Conflicting Agreements and Required Consents**

None.

## EXHIBIT A

### INDEMNIFICATION ESCROW AGREEMENT

THIS INDEMNIFICATION ESCROW AGREEMENT (this "Agreement") is made and entered into as of this [\_\_\_] day of [\_\_\_\_], 200\_\_ by and among Nextmedia Operating, Inc., a Delaware corporation ("Operating"), NM Licensing LLC, a Delaware limited liability company ("Licensing," and collectively with Operating, "Buyer"), Chuckie Broadcasting Company, an Oklahoma corporation ("Chuckie"), Dickson Radio, LLC (collectively with Chuckie, "Seller"), and KeyBank National Association, as escrow agent ("Agent").

#### RECITALS

A. Pursuant to that certain Asset Purchase Agreement, dated as of August 16, 2002, by and between Buyer and Seller (the "Purchase Agreement"), Buyer will acquire from Seller all of the Stations Assets (as such term is defined in the Purchase Agreement).

B. It is a condition precedent to the closing of the transactions contemplated by the Purchase Agreement (the "Closing"), that Buyer, Seller and Agent shall execute and deliver this Agreement.

C. Unless otherwise defined herein, any capitalized term used herein shall have the meaning assigned to such term in the Purchase Agreement.

#### AGREEMENTS

In consideration of the recitals and of the respective agreements and covenants contained herein, and intending to be legally bound hereby, the parties agree as follows:

### ARTICLE I

#### Section 1.1 Funds.

(a) At the Closing, and only if the Closing occurs, Buyer shall place into an escrow account with Agent (the "Account") the sum of Five Hundred Fifty Thousand Dollars (\$550,000) out of the Purchase Price payable to Seller pursuant to Section 3.1 of the Purchase Agreement (the "Funds").

(b) The Funds shall be held by Agent in the Account for the benefit of Buyer and Seller as provided in this Agreement. In no event shall Agent disburse or invest the Funds except in accordance with this Agreement.

Section 1.2 Acceptance of Appointment as Agent. Agent, by executing this Agreement, hereby accepts the appointment as Agent and agrees to hold and to deliver the Funds, and to make disbursements from the Account, in accordance with the terms of this Agreement.



Section 1.3     Distribution of Funds to Buyer Indemnitees. Agent shall disburse to Buyer (for its own account, for the account of any Affiliate of Buyer or for the account of any of their respective directors, officers, partners, members, employees, agents or representatives) such portion of the Funds as may be necessary to pay any Indemnifiable Losses for which Buyer, any Affiliate of Buyer or any of their respective directors, officers, partners, members, employees, agents or representatives may be entitled to indemnification under the Purchase Agreement (each a “Buyer Indemnitee” and collectively, the “Buyer Indemnitees”). In the case of any such disbursement, payment shall be made within three (3) Business Days after either: (i) the delivery to Agent of written instructions signed by both Buyer and Seller, specifying an amount to be paid to a Buyer Indemnitee, or (ii) the delivery to each of Agent and Seller of a copy of a Final Determination (as defined below) establishing a Buyer Indemnitee’s right to reimbursement under the Purchase Agreement with respect to such Indemnifiable Losses. A “Final Determination” shall mean a judgment or decision of a court of competent jurisdiction or other entity in an action by either a Buyer Indemnitee against Seller or by Seller against a Buyer Indemnitee having the authority to determine the amount of, and liability with respect to, the determined item, which judgment or decision is not subject to appeal, reconsideration or review. Agent, at its option, shall be entitled to seek and, if received, rely conclusively upon an opinion of legal counsel to the effect that the judgment delivered to Agent pursuant to this Section 1.3 (or pursuant to Section 1.6(b)) is a Final Determination.

Section 1.4     Investment of Funds.

(a)     Pending disbursement of the Funds, Agent shall invest the Funds in Permitted Investments (as defined below). For purposes of this Agreement, “Permitted Investments” shall mean direct obligations of the U.S. government having maturities of 180 days or less, money market funds that invest solely in direct obligations of the U.S. government, and such other investments as may be specified from time to time to Agent by joint written agreement between Buyer and Seller. As and when any payment is to be made from the Funds, or the Funds are to be otherwise disbursed under this Agreement, Agent shall cause a portion of the Permitted Investments sufficient to cover such payment to be converted into cash. None of Agent, Buyer or Seller shall be liable for any loss of principal or income due to the choice of Permitted Investments in which the Funds are invested or the choice of Permitted Investments converted into cash pursuant to this paragraph (a).

(b)     For Tax purposes, the Funds shall be the property of Seller and all interest, dividends and other income earned on the Funds (collectively, the “Earnings”) shall be the income of Seller. Agent hereby acknowledges and agrees that the Earnings on the Funds shall be distributed to Seller by Escrow Agent upon the Expiration Date (as herein defined). Buyer and Seller shall file Tax Returns, and Agent shall file a Form 1099, consistent with such treatment.

Section 1.5     No Distribution of Expenses. Except as is provided in Section 14.3(a) of the Purchase Agreement, and subject to the limitations contained in Section 14.4 thereof, Buyer shall not be entitled to reimbursement out of the Funds for any costs or expenses incurred in connection with exercising its rights under this Agreement or the Purchase Agreement.

## Section 1.6     Segregation of the Funds

(a) Notwithstanding any other provision of this Agreement to the contrary, Agent shall segregate from the Account and shall transfer into a separate sub-account (the “Pending Claim Account”) maintained by Agent for the benefit of Buyer, the portion of the Funds that may be necessary to satisfy in full all Pending Claims (as defined below) and shall hold such portion in accordance with this Section 1.6. For purposes of this Agreement, “Pending Claims” shall mean unresolved claims for indemnification made by any Buyer Indemnitee under the Purchase Agreement that are the subject of a notice of such claim provided to Seller prior to the first anniversary of the Closing Date.

(b) Any portion of the Funds segregated under Section 1.6(a) shall continue to be segregated by Agent until released thereafter to Seller in accordance with Section 1.7 or until Agent is directed to release such Funds by: (i) written instructions signed by Buyer or Seller, which have been agreed to in writing by the other party, (ii) a copy of a Final Determination establishing a Buyer Indemnitee’s right to reimbursement under the Purchase Agreement for indemnifiable claims in an amount set forth in the Final Determination, or (iii) a copy of a Final Determination establishing that a Buyer Indemnitee is not entitled to reimbursement under the Purchase Agreement with respect to any Pending Claim, in which case the funds segregated pursuant to Section 1.6(a) with respect to such Pending Claim will be released from the Pending Claim Account. Following the Expiration Date, as soon as is reasonably practicable following the settlement or disposition of any Pending Claims and the payment of any sums related thereto to Buyer from the Pending Claim Amount, Buyer agrees that it shall provide written instructions to Agent, agreed to in writing by Seller, directing Agent to deliver the residual balance of the Pending Claim Account to Seller.

**Section 1.7     Distribution of Funds to Seller.** Within three (3) Business Days after the Expiration Date (as defined below), Agent shall distribute to Seller from the Account an amount equal to the then-remaining amount of Funds less the total amount of Funds that are then being segregated with respect to Pending Claims under Section 1.6. The “Expiration Date” shall mean one year after the Closing Date. Any amounts segregated as of the Expiration Date with respect to Pending Claims shall be released thereafter as provided in Section 1.6(b)(i) or 1.6(b)(ii) as promptly as is reasonably practicable.

## **ARTICLE II**

### **NOTICES TO AGENT; TIMELINESS OF CLAIMS**

**Section 2.1     Notices to Agent.** For as long as any Funds continue to be held by Agent, Buyer shall, concurrently with the delivery of such notice to Seller, deliver to Agent, or cause to be delivered to Agent, a copy of each and every notice delivered to Seller by any Buyer Indemnitee concerning a claim for indemnification made by such Buyer Indemnitee pursuant to the terms and conditions of the Purchase Agreement.

**Section 2.2     Timeliness of Claims.** After the Expiration Date, no Buyer Indemnitee may attempt to collect any amount due and owing as a result of any claim for indemnification from the Funds.

## ARTICLE III

### AGENT

#### Section 3.1 Rights and Responsibilities of Agent.

(a) The duties and responsibilities of Agent shall be limited to those expressly set forth in this Agreement, and Agent shall not be subject to, nor obligated to recognize, any other agreement between, or direction or instruction of, any or all of the parties to this Agreement concerning the subject matter of this Agreement, unless such other agreement, direction or instruction is in writing and is signed by both Buyer and Seller.

(b) If any controversy arises between the parties to this Agreement, or with any other party, concerning the subject matter of this Agreement, its terms or conditions, Agent will not be required to resolve the controversy or to take any action regarding it. Agent may hold all documents and funds and may wait for settlement of any such controversy by final appropriate legal proceedings or by other means as, in Agent's sole discretion, Agent may require. Furthermore, Agent may, at its option, file an action of interpleader requiring the parties to answer to and litigate any claims and rights among themselves. Agent is authorized to deposit with the clerk of court all documents and funds held in escrow. All costs, expenses, charges and reasonable attorneys fees incurred by Agent due to such interpleader action shall be borne one-half by Buyer and one-half by Seller. Upon initiating such action, Agent shall be fully released and discharged of and from all obligations and liability imposed by the terms of this Agreement.

(c) In performing any duties under this Agreement, Agent shall not be liable to any party for damages, losses, or expenses, except as a result of the gross negligence or willful misconduct on the part of Agent. Agent shall not incur any such liability for any action taken or omitted to be taken in reliance upon any instrument, including any written statement or affidavit provided for in this Agreement, that Agent shall in good faith believe to be genuine, nor will Agent be liable or responsible for forgeries, fraud, impersonations, or any determination of the scope of any representative authority. In addition, Agent may consult with legal counsel in connection with Agent's duties under this Agreement and shall be fully protected in any act taken, suffered, or permitted by it in good faith in accordance with the advice of counsel. In the absence of knowledge that any action taken or purported to be taken hereunder is wrongful, Agent shall not be responsible for determining and verifying the authority of any person acting or purporting to act on behalf of any party to this Agreement.

(d) Agent, or any successor Agent, may resign at any time as escrow agent hereunder by giving at least 30 days' prior written notice to both Seller and Buyer. Upon such resignation and the appointment of a successor escrow agent, the resigning Agent shall be absolved from any and all liability in connection with the exercise of its powers and duties as escrow agent hereunder except for liability arising in connection with its own gross negligence or willful misconduct. Upon their receipt of notice of resignation from Agent, Buyer and Seller shall use their commercially reasonable efforts jointly to designate a successor escrow agent who shall act as Agent hereunder. In the event that Buyer and Seller cannot agree upon a successor escrow agent within 30 days after the receipt of such notice, the Agent so resigning may petition any court of competent jurisdiction for the appointment of a successor escrow agent or for other appropriate relief and any such resulting appointment shall be binding upon the parties hereto. By mutual agreement, Buyer and Seller shall have the right at any time upon not less than ten (10) days' prior written notice to Agent to terminate the appointment of Agent, or any successor Agent, as escrow agent hereunder. Agent and each and every successor escrow agent designated to act as Agent hereunder shall continue to act as Agent under this Agreement until a successor escrow agent is appointed and qualified to act as Agent.

Section 3.2 Fees and Expenses of Agent. Agent shall: (a) be paid a fee (the "Agent Fee") for its services under this Agreement as provided by Exhibit A and (b) be entitled to reimbursement for reasonable expenses actually incurred by it in connection with its duties under this Agreement (the "Agent Expenses"). All Agent Expenses shall be invoiced periodically by Agent. The Agent Fee and all Agent Expenses shall be borne one-half by Buyer and one-half by Seller.

Section 3.3 Indemnification of Agent. The parties hereto and their respective successors and assigns agree to indemnify and hold Agent harmless against any and all losses, claims, damages, liabilities, and expenses, including reasonable costs of investigation, reasonable legal counsel fees and disbursements that may be imposed on Agent or incurred by Agent in connection with the performance of its duties under this Agreement, including, but not limited to, any litigation arising from this Agreement or involving its subject matter; provided, however, that neither Buyer nor Seller nor their respective successors and assigns shall have any obligation to indemnify Agent for any loss, claim, damage, liability or expense caused by Agent's gross negligence or willful misconduct.

## ARTICLE IV

## MISCELLANEOUS

Section 4.1 Notices. Any notice, demand or request required or permitted to be given under the provisions of this Agreement shall be in writing and shall be deemed to have been duly delivered and received when electronically confirmed if sent by telecopy; on the date of personal delivery; on the third day after deposit in the U.S. mail if mailed by registered or certified mail, postage prepaid and return receipt requested; on the day after delivery to a nationally recognized overnight courier service if sent by an overnight delivery service for next morning delivery and shall be addressed to the following addresses (or at such other address which party shall specify to the other party in accordance herewith):

if to the ~~Buyer~~, to:

NextMedia Operating, Inc.  
NM Licensing LLC  
6312 S. Fiddler's Green Circle, Suite 360E  
Englewood, Colorado 80111  
Attention: Sean R. Stover  
Fax: (303) 694-4940

With copies to:

Weil, Gotshal & Manges LLP  
100 Crescent Court, Suite 1300  
Dallas, Texas 75201  
Attention: Glenn D. West  
John E. Quattrocchi  
Fax: (214) 746-7777

if to ~~Seller~~, to:

Ken Taishoff  
Chuckie Broadcasting Company  
1009 Rockford Court  
Ardmore, Oklahoma 73401  
Attention: Douglas G. Eason  
Fax: (405) 841-6006

With copies to:

Douglas G. Eason, Esq.  
4900 Richmond Square, Suite 200  
Oklahoma City, OK 73118  
Fax: (405) 841-6006

if to ~~Agent~~, to:

KeyBank National Association  
P.O. Box 9950  
Canton, Ohio 44711-0950  
Attention: Donald J. Dressler, Vice President  
Fax: (330) 489-5598

Any party by written notice to the other parties pursuant to this Section 4.1 may change the address or the persons to whom notices or copies thereof shall be directed.

Section 4.2 Assignment. This Agreement and the rights and duties hereunder shall be binding upon, and shall inure to the benefit of, the parties hereto and the successors and assigns of each of the parties to this Agreement. No rights, obligations or liabilities hereunder shall be assignable by any party without the prior written consent of the other parties hereto, such consent not to be unreasonably withheld.

Section 4.3 Amendment. This Agreement may be amended or modified only by an instrument in writing duly executed by all of the parties hereto.

Section 4.4 Waivers. Any waiver by any party hereto of any breach of, or failure to comply with, any provision of this Agreement by any other party hereto shall be in writing and shall not be construed as, or constitute, a continuing waiver of such provision, or a waiver of any other breach of, or failure to comply with, any other provision of this Agreement.

Section 4.5 Construction. This Agreement shall be construed and enforced in accordance with, and governed by, the laws of the State of New York without giving effect to the choice of law provisions thereof. The headings in this Agreement are solely for convenience of reference and shall not be given any effect in the construction or interpretation of this Agreement. Unless the context otherwise requires, references to Sections and Exhibits are references to Sections and Exhibits of this Agreement.

Section 4.6 Third Parties. Nothing expressed or implied in this Agreement is intended, or shall be construed, to confer upon or give any person or entity other than Buyer, Buyer Indemnitees, Seller and Agent any rights or remedies under, or by reason of, this Agreement.

Section 4.7 Termination. This Agreement shall terminate at the time of the final resolution of all Pending Claims existing as of the Expiration Date and the disbursement of any Funds remaining in the Account as of the Expiration Date, all in accordance with the provisions of this Agreement.

Section 4.8 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed any original and all of which together shall constitute a single instrument.

Section 4.9 Waiver of Offset Rights. Agent hereby waives any and all rights to offset that it may have against the Funds including, without limitation, claims arising as a result of any claims, amounts, liabilities, costs, expenses, damages, or other losses that Agent may be otherwise entitled to collect from any party to this Agreement.



IN WITNESS WHEREOF, THE PARTIES HERETO HAVE CAUSED THIS AGREEMENT TO BE EXECUTED BY THEIR DULY AUTHORIZED OFFICERS AS OF THE DAY AND YEAR FIRST WRITTEN ABOVE.

BUYER:

NEXTMEDIA OPERATING, INC.

BY:\_\_\_\_\_

NAME:\_\_\_\_\_

TITLE:\_\_\_\_\_

NMLICENSING LLC

BY:\_\_\_\_\_

NAME:\_\_\_\_\_

TITLE:\_\_\_\_\_

CHUCKIE BROADCASTING COMPANY

BY:\_\_\_\_\_

NAME:\_\_\_\_\_

TITLE:\_\_\_\_\_

DICKSON RADIO, LLC

BY:\_\_\_\_\_

NAME:\_\_\_\_\_

TITLE:\_\_\_\_\_



KEYBANK NATIONAL ASSOCIATION

BY:\_\_\_\_\_

NAME:\_\_\_\_\_

TITLE:\_\_\_\_\_

**EXHIBIT A**

**AGENT FEE**

\$1,500