

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement is made this 2nd day of November, 2001, by and between Mortenson Broadcasting Company, an Ohio corporation ("Seller"), and Nashville Public Radio, a Tennessee not for profit corporation ("Buyer").

W I T N E S S E T H:

WHEREAS, Seller is the Federal Communications Commission ("FCC") licensee of standard radio station WNSG (AM) , 1240 kHz, in Nashville, Tennessee (the "Station"); and

WHEREAS, Seller desires to sell and assign the Assets (as hereinafter defined) to Buyer, and Buyer desires to buy and acquire such Assets from Seller;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, Buyer and Seller, intending to be legally bound, hereby agree as follows:

1. **Assets Sold and Purchased.** Subject to the approval of the FCC and to the terms and conditions hereof, Seller agrees to sell and Buyer agrees to purchase the following (collectively referred to in this Agreement as the "Assets"), free and clear of any and all liens, mortgages and encumbrances of any nature whatsoever:

a. **FCC Authorizations.** The FCC authorizations issued by the FCC to Seller in connection with the business or operations of the Station, as listed in Exhibit A hereto, as well as any pending applications and authorizations obtained prior to the Closing Date; and

b. **Tangible Assets.** All tangible assets owned and used or held for use by Seller in connection with the operations of the Station, including the transmitter, real and personal property (including the lease for the transmission tower and easements for the related ground system), machinery and equipment, and vehicles, as listed in Exhibit B hereto; and

c. **Intangible Assets.** All intangible assets owned and used or held for use by Seller in connection with the operations of the Station, including copyrights, trademarks, tradenames, service marks, technical information and data and other similar intangible property rights and interests, including the call signs of the Station (and any goodwill associated with any of the foregoing), as listed on Exhibit C hereto; and

d. **Assumed Contracts.** All contracts, leases and other agreements, written or oral, to which Seller is a party or which are binding upon Seller and which relate to or affect the Assets or the business or operations of the Station, and that Buyer agrees in writing to assume upon its purchase of the Assets, as listed in Exhibit D hereto as such Exhibit is modified by Buyer in its sole discretion from time to time, and other contracts entered into by Seller between the date of this Agreement and the Closing Date that Buyer agrees in writing to assume; and

e. **Records.** All records required by the FCC to be kept by the Station and copies of all other business records which relate to or affect the Assets or the business and operations of the Station and which belong to Seller and are within its possession and control, other than books and records relating solely to the financial aspects of the Station's operations.

2. **Items Not Sold and Purchased**

a. **Excluded Assets.** Notwithstanding anything else herein to the contrary, Seller is not selling and Buyer is not purchasing any of Seller's cash, accounts receivable, contracts of insurance, contracts relating to programming or advertising, books and records relating solely to the financial operations of the Station, or any pension, profit sharing or retirement plans, trusts or related assets (collectively, the "Excluded Assets").

b. **Liabilities.** Buyer is not assuming any liabilities of Seller other than obligations relating to the contracts listed in Exhibit D pursuant to Section 1(d).

3. **Purchase Price; Down Payment.**

a. The purchase price ("Purchase Price") to be paid by Buyer for the Assets shall be Two Million Five Hundred Thousand Dollars (\$2,500,000), payable on the Closing Date by certified check or wire transfer.

b. Concurrently with the mutual execution and delivery of this Agreement, Buyer will deposit with John Pierce & Company, LLC (the "Escrow Agent") Sixty Two Thousand Five Hundred Dollars (\$62,500; the "Down Payment"). The Escrow Agent will deposit the Down Payment in a segregated, interest-bearing account.

i. At Closing, the Down Payment plus all interest accrued thereon will be credited toward the Purchase Price.

ii. If Closing does not occur, or if this Agreement is terminated, as a result of Buyer's breach hereof, Buyer will transfer to Seller another Sixty Two Thousand Five Hundred Dollars (\$62,500; the "Additional Payment"). In such event, the parties, within five (5) days of the determination that Closing will not occur, or the termination hereof, as a result of Buyer's breach, will notify the Escrow Agent to remit the Down Payment and all interest accrued thereon to Seller. Seller shall retain the Down Payment, all interest accrued thereon, and the Additional Payment as its sole damages for Buyer's breach hereof.

iii. If Closing does not occur, or if this Agreement is terminated, for a reason other than Buyer's breach hereof, the parties, within five (5) days of the determination that Closing will not occur or the termination of the Agreement, will notify the Escrow Agent to remit the Down Payment and all interest accrued thereon to Buyer

4. **FCC Approval.**

a. **FCC Approval Required.** Consummation of the purchase and sale provided for herein is conditioned upon the FCC having given its consent in writing, without any condition materially adverse to Buyer or Seller, to the assignment from Seller to Buyer of all FCC authorizations of Seller relating to the Station and said consent having become a "Final Order." For purposes of this Agreement, "Final Order" means an action by the FCC that has not been reversed, stayed, enjoined, set aside, annulled, or suspended, and with respect to which no requests are pending for administrative or judicial review, reconsideration, appeal, or stay, and the time for filing any such requests and the time for the FCC to set aside the action on its own

motion have expired. The parties may mutually agree to waive the requirement that said consent shall have become a Final Order.

b. **Filing of FCC Application.** The parties agree to proceed as expeditiously as practical to prepare an application requesting FCC consent to the transaction herein set forth, and to file said application (i.e., FCC Forms 314 and 340) with the FCC promptly following the execution of this Agreement and in no event later than three (3) business days after the date of this Agreement. The parties agree that said Application will be prosecuted in good faith and with due diligence. Each party will be solely responsible for the expenses incurred by it in the preparation, filing, and prosecution of the assignment application, although filing fees paid to the FCC, if any, will be shared equally by Buyer and Seller.

5. **Closing Date and Place.** The Closing shall take place within five (5) days after the date of the FCC's consent to the assignment of the Station to Buyer becomes a Final Order (as defined in paragraph 4.a. herein), provided the conditions specified in this Agreement shall have been met, such date to be mutually agreed on by the parties, but within the effective period of the FCC's consent (the "Closing Date"). The Closing will take place at the offices of Buyer's legal counsel, or at such other place as Buyer and Seller may select by mutual agreement.

6. **Seller Covenants.**

a. From the date hereof to the Closing Date, Seller will continue to operate the Station in the ordinary course of business.

b. Seller covenants that from the date hereof to the Closing Date it will (i) maintain, preserve and keep the Assets and the technical facilities of the Station in good repair, working order and condition; (ii) pay all liabilities and obligations pertaining to the Station, the Assets and the technical facilities of the Station that become due and payable in the ordinary course of business, including all valid and due taxes, assessments and government charges upon or against the Assets, technical facilities or the operations of the Station; (iii) comply with all valid and applicable statutes, rules and regulations, the violation of which would materially and adversely affect the Assets, technical facilities or operations of the Station; and (iv) cooperate with Buyer in obtaining the extension of the Station's tower lease as described in Section 9(b) hereof.

c. Seller covenants that from the date hereof to the Closing Date it will not, without the prior written consent of Buyer: (i) make any sale, assignment, transfer, or other conveyance of any of the Assets or technical facilities of the Station; (ii) subject any of the Assets or any part thereof or the technical facilities of the Station to any mortgage, pledge, security interest, or lien; or (iii) enter into any agreement, license, lease or other arrangements with respect to the Assets, its technical facilities or the Assets, or amend any existing agreements, licenses or leases with respect thereto.

7. **Seller's Representations and Warranties.** Seller represents, warrants, and covenants to Buyer as follows:

a. Organization and Standing. Seller is a duly formed and validly existing corporation, in good standing under the laws of the State of Ohio, and possesses all corporate power necessary to own and operate Station and to carry out the provisions of this Agreement.

b. Authorization and Binding Obligation. The execution, delivery, and performance of this Agreement by Seller have been duly authorized by all necessary actions on the part of Seller. This Agreement has been duly executed and delivered by Seller and constitutes the legal, valid, and binding obligation of Seller, enforceable against Seller in accordance with its terms except as the enforceability of this Agreement may be affected by bankruptcy, insolvency, or similar laws affecting creditors' rights generally and by judicial discretion in the enforcement of equitable remedies.

c. Current and Valid FCC Authorizations. Seller holds and on the Closing Date will hold current and valid authorizations from the FCC which are necessary for Seller to own and operate the Station. No action or proceeding is pending or, to the knowledge of the Seller, threatened, or on the Closing Date will be threatened or pending, before the FCC or other governmental or judicial body, for the cancellation, or material and adverse modification, of Station's authorizations.

d. Absence of Conflicting Agreements. Subject to obtaining FCC approval and any required consent of other parties to contracts being assigned to Buyer, the execution, delivery, and performance by Seller of this Agreement and the documents contemplated hereby (with or without the giving of notice, the lapse of time, or both): (i) will not conflict with the Certificate of Incorporation or Bylaws of Seller; (ii) will not conflict with, result in a breach of, or constitute a default under, any law, judgment, order, injunction, decree, rule, regulation, or ruling of any court or governmental instrumentality applicable to Seller; (iii) will not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by the terms of, any agreement, instrument, license, or permit to which Seller is a party or by which Seller may be bound, such that Seller could not sell and convey the Assets to Buyer.

e. Good Title to, and Condition of, Assets. Seller on the Closing Date will have clear title and ownership, free of all liens, mortgages, encumbrances or hypothecations, of all Assets. The Assets are in good working order, are suitable to use for the purposes for which they are intended to be used, and are in complete compliance with all FCC, environmental and other applicable governmental regulations.

f. Real Property. All material easements, rights-of-way and other rights which are necessary in any material respect for Seller's current use of any Assets are valid and in full force and effect, and Seller has not received any notice with respect to the termination or breach of any of those rights. With respect to each leasehold interest included in the Assets, Seller has a valid and enforceable leasehold interest. No default exists under any such lease, and there exists no fact or circumstance which, with the passage of time or the giving of notice or both, would constitute a default under any such lease or permit any party thereto to cancel or terminate the rights thereunder, except upon the expiration of the full term thereof. All buildings, towers, guy wires and anchors and other facilities included in the Assets are located entirely on the property being leased. All easements, rights-of-way, and real property licenses

included in the Assets and any and all deeds, leases, assignments or other transfer documents evidencing Seller's interest in real property have been properly recorded (if required by applicable law) in the appropriate public recording offices. Seller has received no written notices, citations or complaints from governmental or non-governmental parties regarding any aspect of the use and enjoyment of such real property. There are no pending or, to Seller's knowledge, threatened, condemnation proceedings, lawsuits, or administrative actions relating to the real property, or other matters affecting adversely Seller's current use, occupancy or value thereof.

g. Environmental Matters. To Seller's knowledge, Seller has no liability (and there is no basis for any claim giving rise to any such liability) under any law, rule or regulation of any federal, state or local government (or agency thereof) concerning the release or threatened release of hazardous substances, public or employee health and safety or pollution or protection of the environment. To Seller's knowledge, all properties and equipment used in the business and operations of the Station or otherwise relating to the Assets are and have been free of asbestos and asbestos-related products, PCB's, and other hazardous or toxic materials. No pollutant, contaminant, or chemical, industrial, hazardous, or toxic material or waste has ever been manufactured, buried, stored, spilled, leaked, discharged, emitted, or released by Seller or, to the best of Seller's knowledge after due investigation, by any other party on any real property.

h. Claims and Litigation. There is no claim or litigation or proceeding pending or, to the Seller's knowledge, threatened which affects the title or interest of Seller to or in any of the Assets being sold or assigned to Buyer, or which would prevent or adversely affect the ownership, use, or operation of the Station by Buyer.

i. Disclosure. No representation or warranty made by Seller in this Agreement, or any statement or certificate furnished by, or to be furnished by, Seller to Buyer pursuant hereto, or in connection with the transaction contemplated hereby, contains, or will contain, any untrue statement of a material fact, or omits, or will omit, to state a material fact necessary to make the statements contained therein not misleading.

8. Buyer's Representations and Warranties. Buyer represents, warrants, and covenants as follows:

a. Organization and Standing. Buyer is a duly formed and validly existing not for profit corporation, in good standing under the laws of the State of Tennessee, and possesses all corporate power necessary to purchase the Assets and to carry out the provisions of this Agreement.

b. Authorization and Binding Obligation. The execution, delivery, and performance of this Agreement by Buyer have been duly authorized by all necessary actions on the part of Buyer. This Agreement has been duly executed and delivered by Buyer and constitutes the legal, valid, and binding obligation of Buyer, enforceable against Buyer in accordance with its terms except as the enforceability of this Agreement may be affected by bankruptcy, insolvency, or similar laws affecting creditors' rights generally and by judicial discretion in the enforcement of equitable remedies.

c. Absence of Conflicting Agreements. Subject to obtaining FCC approval, the execution, delivery, and performance by Buyer of this Agreement and the documents contemplated hereby (with or without the giving of notice, the lapse of time, or both): (i) will not conflict with the Charter or Bylaws of Buyer; (ii) will not conflict with, result in a breach of, or constitute a default under, any law, judgment, order, injunction, decree, rule, regulation, or ruling of any court or governmental instrumentality applicable to Buyer; (iii) will not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by the terms of, any agreement, instrument, license, or permit to which Buyer is a party or by which Buyer may be bound, such that Buyer could not acquire the Assets.

d. Disclosure. No representation or warranty made by Buyer in this Agreement, or any statement or certificate furnished to or to be furnished by the Buyer to Seller pursuant hereto, or in connection with the transactions contemplated hereby contains, or will contain, any untrue statement of a material fact or omits, or will omit, to state a material fact necessary to make the statement contained therein not misleading.

9. Conditions Precedent to Buyer's Obligation to Close. Buyer shall not be obligated to close under this Agreement unless and until the following conditions have been met:

a. FCC approval set forth in paragraph 4.a shall have been obtained.

b. All other third party consents and approvals necessary for the conveyance of the Assets shall have been obtained.

c. Seller shall have terminated all programming obligations relating to the Station such that the Station will not be obligated to provide any party with air time, studio time or services or any other programming services.

d. Seller shall have performed and complied with all the agreements, obligations, and conditions required by this Agreement to be performed or complied with by it, prior to or as of the Closing Date.

e. Seller shall hold a valid, current, and unexpired license for the Station.

f. The representations and warranties of Seller set forth in this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same effect as if made on and as of the Closing Date.

10. Conditions Precedent to Seller's Obligation to Close. Seller shall not be obligated to close under this Agreement unless and until the following conditions have been met:

a. FCC approval set forth in paragraph 4.a shall have been obtained.

b. Buyer shall have performed and complied with all the agreements, obligations, and conditions required by this Agreement to be performed or complied with by it, prior to or at the Closing Date.

c. The representations and warranties of Buyer as set forth in this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same effect as if made on and as of the Closing Date.

11. **Risk of Loss.** Risk of loss, damage, or destruction to the Assets to be sold and conveyed hereunder shall be upon the Seller until the Closing Date, and after Closing upon the Buyer.

12. **Access to Information.** Seller shall accord access, during normal business hours prior to Closing, to Buyer or its designated representatives to review the Assets and technical facilities which pertain to the Station.

13. **Brokers.** Buyer and Seller hereby represent and warrant to the other that each will pay its own sales commission, brokers or finders fees in connection with the transaction contemplated herein.

14. **Survival; Indemnification.**

a. **Representations and Warranties.** All representations and warranties contained in this Agreement shall be deemed continuing representations and warranties and shall survive the Closing. Any investigations by or on behalf of any party hereto shall not constitute a waiver as to enforcement of any representation, warranty, or covenant contained in this Agreement. No notice or information delivered by Seller shall affect Buyer's right to rely on any representation or warranty made by Seller or relieve Seller of any obligations under this Agreement as the result of a breach of any of its representations and warranties.

b. **Indemnification by Seller.** Notwithstanding the Closing, and regardless of any investigation made at any time by or on behalf of Buyer or any information Buyer may have, Seller hereby agrees to indemnify and hold Buyer harmless against and with respect to, and shall reimburse Buyer for (a) any losses, liabilities, or damages resulting from any untrue representation, breach of warranty, or nonfulfillment of any covenant by Seller contained in this Agreement or in any certificate, document, or instrument delivered by Seller to Buyer under this Agreement; (b) any obligations of Seller not assumed by Buyer pursuant to this Agreement, including any liabilities arising at any time under any contract not included in the Assets; (c) any loss, liability, obligation, or cost resulting from the failure of the parties to comply with the provisions of any bulk sales law applicable to the transfer of the Assets; (d) any losses, liabilities, or damages resulting from the operation or ownership of the Station prior to the Closing, including any liabilities arising under any assumed contracts or other agreement which relate to events occurring prior the Closing Date; and (e) any actions, suits, proceedings, claims, demands, assessments, judgments, costs, and expenses, including reasonable legal fees and expenses, incident to any of the foregoing or incurred in investigating or attempting to avoid the same or to oppose the imposition thereof, or in enforcing this indemnity.

c. **Indemnification by Buyer.** Notwithstanding the Closing, and regardless of any investigation made at any time by or on behalf of Seller or any information Seller may have, Buyer hereby agrees to indemnify and hold Seller harmless against and with respect to, and shall reimburse Seller for (a) any losses, liabilities, or damages resulting from any untrue

representation, breach of warranty, or nonfulfillment of any covenant by Buyer contained in this Agreement or in any certificate, document, or instrument delivered to Seller under this Agreement; (b) any obligations of Seller assumed by Buyer pursuant to this Agreement; (c) any losses, liabilities, or damages resulting from the operation or ownership of the Station by Buyer on and after the Closing; and (d) any actions, suits, proceedings, claims, demands, assessments, judgments, costs and expenses, including reasonable legal fees and expenses, incident to any of the foregoing or incurred in investigating or attempting to avoid the same or to oppose the imposition thereof, or in enforcing this indemnity.

d. Specific Performance. The parties recognize that if Seller breaches this Agreement and refuses to perform under the provisions of this Agreement, monetary damages alone would not be adequate to compensate Buyer for its injury. Buyer shall therefore be entitled, in addition to any other remedies that may be available, including money damages, to obtain specific performance of the terms of this Agreement. If any action is brought by Buyer to enforce this Agreement, Seller shall waive the defense that there is an adequate remedy at law.

e. Attorneys' Fees. In the event of a default by either Seller or Buyer which results in a lawsuit or other proceeding for any remedy available under this Agreement, the prevailing party shall be entitled to reimbursement from the other party of its reasonable legal fees and expenses.

15. Buyer's Performance at Closing. At the Closing, Buyer will deliver to Seller the Purchase Price and such documents as Seller may reasonably require evidencing Buyer's assumption of the contracts listed in Exhibit D.

16. Seller's Performance at Closing. At the Closing, Seller shall deliver and convey the Assets to Buyer, together with such assignments or bills of sale transferring the same as Buyer may reasonably require. Following the Closing, Seller will deliver to Buyer such assignments and further instruments of conveyance as Buyer may reasonably require to effectuate the assignment from Seller to Buyer of the Assets.

17. No Assignment. Except as contemplated in paragraph 25, this Agreement may not be assigned by either party without the prior written consent of the other party.

18. Termination.

a. Termination by Seller. This Agreement may be terminated by Seller and the purchase and sale of the Assets abandoned, if Seller is not then in material default, upon written notice to Buyer, upon the occurrence of any of the following:

i. Conditions. If, on the date that would otherwise be the Closing Date, any of the conditions precedent to the obligations of Buyer set forth in this Agreement have not been satisfied or waived in writing by Seller.

ii. Judgments. If there shall be in effect on the date that would otherwise be the Closing Date any judgment, decree, or order, not caused by Seller, that would prevent or make unlawful the Closing.

b. Termination by Buyer. This Agreement may be terminated by Buyer and the purchase and sale of the Station abandoned, if Buyer is not then in material default, upon written notice to Seller, upon the occurrence of any of the following:

i. Conditions. If, on the date that would otherwise be the Closing Date, any of the conditions precedent to the obligations of Seller set forth in this Agreement have not been satisfied or waived in writing by Buyer.

ii. Judgments. If there shall be in effect on the date that would otherwise be the Closing Date any judgment, decree, or order, not caused by Buyer, that would prevent or make unlawful the Closing.

iii. Upset Date. If the Closing shall not have occurred by November 1, 2002.

c. If this Agreement is terminated pursuant to subsection (a) or (b) above and neither party is in material breach of any provision of this Agreement, the parties hereto shall not have any further liability to each other with respect to the purchase and sale of the Assets.

19. Notices. Any notices, requests, demands, or consents required or permitted to be given hereunder shall be deemed to have been given on the date of personal service or on the date of receipt by the party to whom such notice is to be given, and shall be addressed to the addressee at the address stated below, or at the most recent address specified by notice under this

If to Seller: Mortenson Broadcasting Company Incorporated
3270 Blazer Parkway
Suite 101
Lexington, KY 40509-1847

If to Buyer: Nashville Public Radio
630 Mainstream Drive
Nashville, TN 37228-1204

If to Escrow Agent: John Pierce & Company, LLC
11 Spiral Drive, Suite 3
Florence, KY 41042

20. Further Assurances. Each of the parties hereto shall execute and deliver to the other party hereto such other instruments as may be reasonably required in connection with the performance of this Agreement.

21. Construction. This Agreement shall be construed and enforced in accordance with the laws of the State of Tennessee, without regard to its conflict of law provisions.

22. Entire Agreement. This Agreement supersedes all prior agreements and understandings between the parties with respect to the sale and purchase of the Assets to be sold and purchased hereunder and may not be changed or terminated orally, and no attempted change,

termination, amendment, or waiver of any of the provisions hereof shall be binding unless in writing and signed by both parties.

23. **Counterparts.** This Agreement may be executed in several counterparts, all of which when taken together shall constitute one Agreement.

24. **Time is of the Essence.** Time is of the essence in this Agreement.

25. **Section 1031 Asset Exchange.** Seller may desire to effect the transfer and conveyance of the Assets as part of a deferred like-kind exchange under Section 1031 of the Internal Revenue Code. Seller may at any time at or prior to Closing assign this Agreement to a "qualified intermediary" as defined in Treas. Reg. Sec. 1.1031 or to an "exchange accommodation titleholder" as defined in Rev. Proc. 2000-37, 2000-40 I.R.B. 308, subject to all of Buyer's rights and obligations hereto. Provided, however, that no such assignment shall relieve Seller of its obligations hereunder. Buyer shall cooperate with all reasonable requests of the Seller and the qualified intermediary or exchange accommodation titleholder in arranging and effecting the deferred like-kind exchange as one which qualifies under Section 1031 of the Code, but shall not be required to incur any additional costs with respect to Seller's effectuation of a like-kind exchange.

The rest of this page intentionally left blank. Signature page follows.

Signature page for Asset Purchase Agreement dated November 2, 2001

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first set for above.

SELLER

MORTENSON BROADCASTING COMPANY

By: *Jo Burton*

Title: *Secretary*

BUYER

NASHVILLE PUBLIC RADIO

By: _____

Title: _____

ESCROW AGENT

JOHN PIERCE & COMPANY, LLC

By: _____

Title: _____

Signature page for Asset Purchase Agreement dated November 2, 2001

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SELLER

MORTENSON BROADCASTING COMPANY

By: _____

Title: _____

BUYER

NASHVILLE PUBLIC RADIO

By: Robert Corda

Title: President + General Manager

ESCROW AGENT

JOHN PIERCE & COMPANY, LLC

By: _____

Title: _____

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SELLER

MORTENSON BROADCASTING COMPANY

By: _____

Title: _____

BUYER

NASHVILLE PUBLIC RADIO

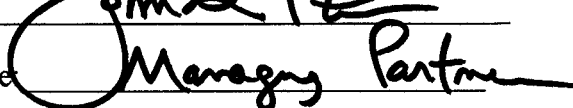
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ESCROW AGENT

JOHN PIERCE & COMPANY, LLC

By:  _____

Title:  _____