

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is made as of the 1st day of October, 2003, by and among Jarad Broadcasting Company, Inc. ("Seller"), Morey Organization, Inc. ("Parent"), HBC New York, Inc. ("HBC New York") and HBC License Corporation ("HBC License" and together with HBC New York, the "Purchaser").

W I T N E S S E T H:

WHEREAS, Seller holds licenses from the Federal Communications Commission (the "FCC") to operate radio station WLIR-FM (the "Station"), in Garden City, New York at 92.7 MHz; and

WHEREAS, Seller owns or holds other assets which are used in the operation of the Station; and

WHEREAS, Seller is prepared to sell, and Purchaser is prepared to buy, certain assets used and useful in the operation of the Station, all in accordance with the terms and conditions of this Agreement;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein contained, the parties hereto agree as follows:

1. PURCHASE AND SALE OF ASSETS.

1.1 Purchase and Sale of Purchased Assets.

Subject to the conditions set forth in this Agreement, at the Closing (as defined hereinafter), Seller shall assign, transfer, convey and deliver to Purchaser, and Purchaser shall purchase from Seller, all right, title and interest in and to the following assets (the "Purchased Assets"), free and clear of all Liens (other than Permitted Liens):

(a) all licenses, construction permits, and authorizations issued by the FCC (the "FCC Licenses") or any other Governmental Entity (the "Other Governmental Licenses") for use in the operation of the Station, all of which are identified on Schedule 1.1(a) attached hereto, together with any and all renewals, extensions and modifications thereof as well as any applications pending before the FCC with respect to the operation of the Station (which are also identified on Schedule 1.1(a));

(b) the leasehold interest of Seller at the transmitter site located at North Shore Towers, 271-10 Grand Central Parkway, Queens, New York (the "Transmitter Site") along with those other contracts and leases to which Seller is a party and which Purchaser is willing to assume (collectively, the "Assumed Contracts"), all of which are identified in Schedule 1.1(b);

(c) all towers, antennas, transmission equipment and other tangible personal property of Seller located at or used in conjunction with the Transmitter Site (the “Transmitter Equipment”);

(d) the items of tangible personal property described on Schedule 1.1(d) hereto; and

(e) unless as may be otherwise required by law and except for those items included in the Excluded Assets, the books and records related to the Purchased Assets, such as property tax records, logs, all materials maintained in the FCC public file relating to the Station, technical data, political advertising records and all other records, correspondence with and documents pertaining to Governmental Entities and similar third parties (the “Business Records”).

1.2 Excluded Assets. In no event shall the Purchased Assets be deemed to include:

(a) the cash and cash equivalents of Seller or the Station (except for any deposits with respect to the Purchased Assets for which a proration adjustment is made in Purchaser’s favor pursuant to Section 16.2);

(b) any accounts receivable, notes receivable or other receivables of Seller (including tax refunds);

(c) the Station’s call letters and any items of intellectual property of the Station, except as specifically set forth in Section 1.1 above;

(d) the corporate seal, minute books, charter documents, corporate stock record books and other books and records that pertain to the organization of Seller;

(e) securities of any kind owned by Seller;

(f) vehicles of any kind owned by Seller;

(g) any studio equipment used by Seller in connection with the operation of the Station;

(h) insurance contracts or proceeds thereof; and

(i) claims arising out of acts occurring before the Closing Date.

1.3 Liabilities to be Assumed. Subject to the terms and conditions of this Agreement, on the Closing Date, Purchaser expressly does not and shall not assume or agree to perform and discharge any Liabilities (as defined herein) of Seller except (a) Liabilities that relate to or arise from the ownership or operation of the Purchased Assets

from and after the Closing Date, (b) Liabilities under the Assumed Contracts listed on Schedule 1.1(b) hereof that relate to or arise from actions or obligations that occur or exist on and after the Closing Date and (c) Liabilities for which Purchaser receives a credit, and only to the extent of such credit, in connection with the determination of the proration items pursuant to Section 16.2 of this Agreement (the Liabilities described in subparagraphs (a), (b) and (c) of this Section 1.3, collectively, the “Assumed Liabilities”).

1.4 Liabilities Not to be Assumed. Except as and to the extent specifically set forth in Section 1.3 of this Agreement, Purchaser is not assuming any Liabilities of Seller, and all such Liabilities shall be and remain the responsibility of Seller. Notwithstanding the provisions of Section 1.3 of this Agreement, Purchaser is not assuming, and Seller shall not be deemed to have transferred to Purchaser the following Liabilities of Seller or Parent:

(a) Any Liability of Seller or Parent with respect to any action, suit, proceeding, arbitration, investigation or inquiry, whether civil, criminal or administrative (“Litigation”) related to or arising from actions or omissions prior to the Closing Date;

(b) All Liabilities incurred by Seller or Parent in connection with the preparation and negotiation of this Agreement and the consummation of the transactions contemplated herein, including, without limitation, tax liabilities (except to the extent otherwise allocated pursuant to Section 16.2 hereof), the fees and expenses of attorneys, accountants, investigators, auditors, consultants and brokers to Seller or Parent;

(c) Except to the extent Purchaser receives a credit pursuant to the determination of the proration items pursuant to Section 16.2 hereof, any Liability of Seller, Parent or Parent’s shareholders for Federal income taxes and any state or local income, profit, franchise or property taxes, and any penalties or interest due on account thereof;

(d) Liabilities of Seller for any breach or failure by Seller to perform any of its covenants and agreements contained in, or made pursuant to, this Agreement, or, prior to the Closing, any other contract, whether or not assumed hereunder, including any breach arising from assignment of the Assumed Contracts hereunder without consent of third parties;

(e) Liabilities of Seller for any violation of a Law or Order;

(f) Liabilities of Seller to its present or former Affiliates;

(g) Liabilities to or in respect of employees of the Seller, including salary, payroll taxes, unemployment compensation, pension, profit sharing, retirement, bonus, medical, dental, life, accident insurance, disability, executive or deferred compensation, and other similar fringe or employee benefit plans;

(h) Liabilities of Seller for borrowed money or for interest on such borrowed money;

(i) Liabilities of Seller resulting from the failure to comply with, or imposed pursuant to, any Environmental Law (as hereinafter defined), prior to the Closing or resulting from the Release (as hereinafter defined) of Hazardous Substances (as hereinafter defined), in relation to the Station to the extent related to, arising from or otherwise attributable to Seller's acts or omissions prior to the Closing Date, including, without limitation, any Liability for cleaning up waste disposal sites from or related to Seller's acts or omissions on or prior to the Closing Date; and

(j) Any agreements not specifically listed as an Assumed Contract on Schedule 1.1(b), including, but not limited to time sales, trade and barter agreements.

2. PURCHASE PRICE; CLOSING.

2.1 Purchase Price. The consideration to be received by Seller in exchange for the Purchased Assets shall be \$56.9 million (the "Purchase Price"), payable in cash at the Closing by wire transfer of immediately available funds.

2.2 Time of Closing.

(a) The closing (the "Closing") for the sale and purchase of the Purchased Assets shall be held at the offices of Purchaser (or such other place as may be agreed upon by the parties in writing). The Closing shall occur on such date (the "Closing Date") that is fifteen days after the satisfaction of all conditions precedent to the parties' obligations hereunder, but in no event shall the Closing be held prior to January 1, 2004. The Closing shall be deemed to be effective as of 12:01 a.m. on the Closing Date.

(b) In order to consummate the assignment of the Purchased Assets, Seller and Purchaser shall use their reasonable best efforts to file, within ten days after the date hereof, an assignment of license application (the "FCC Assignment Application") requesting FCC consent to the assignment from Seller to HBC License of the FCC Licenses. The FCC Assignment Application will be prosecuted with the parties' reasonable best efforts, in good faith and with due diligence. The parties shall use their reasonable best efforts to file additional information or amendments requested by the FCC orally or in writing, as warranted, as promptly as practical after receiving any such request. The parties shall provide each other with copies of any and all written communications to or from the FCC concerning the FCC Assignment Application, shall advise each other of all material oral communications to or from the FCC concerning the FCC Assignment Application, and shall cooperate with each other in responding on a timely basis to any petition to deny, informal complaint, or other third party challenge to the FCC Assignment Application. Each party will be solely responsible for the expenses incurred by it in the preparation, filing and prosecution of the FCC Assignment Application (it being

understood that the parties will bear equally the FCC filing fee payable in connection with the FCC Assignment Application).

(c) As used herein, the term "FCC Order" shall mean an order issued by the FCC (including the Media Bureau pursuant to delegated authority) that grants the FCC Assignment Application or otherwise gives the FCC's consent, in either case without any condition materially adverse to Purchaser or Seller, to the assignment of the FCC Licenses from Seller to HBC License.

(d) To the extent required by the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder (the "HSR Act"), the parties shall use their reasonable best efforts to make any necessary filings with the Federal Trade Commission and Department of Justice (collectively the "DOJ") under the HSR Act within five business days after the filing of the FCC Assignment Application, and shall thereafter promptly respond to all requests received from DOJ for additional information or documentation. The fees associated with any filings made pursuant to the HSR Act shall be paid by the Purchaser.

2.3 Escrow Agreement. On the date hereof, Purchaser and Seller shall execute the escrow agreement attached hereto as Exhibit A ("Escrow Agreement") and, pursuant to the Escrow Agreement, Purchaser shall deliver \$2,450,000 (the "Escrow Deposit") to The Bank of New York ("Escrow Agent"), which amount, but not the interest thereon, shall be retained by Escrow Agent and applied to the Purchase Price at Closing. Following the Closing, the interest earned on the Escrow Deposit shall promptly be delivered to Purchaser. If this Agreement is terminated in accordance with the provisions of Section 13 herein due to any reason other than a breach or default by the Purchaser, Escrow Agent shall refund to Purchaser the Escrow Deposit and all accrued interest thereon within fifteen days of Escrow Agent's receipt of notice of termination of this Agreement. If this Agreement is terminated in accordance with the provisions of Section 13 herein due to breach or default on the part of the Purchaser, Escrow Agent shall pay to the Seller the Escrow Deposit together with all interest accrued thereon within fifteen days of Escrow Agent's receipt of notice of termination of this Agreement.

2.4 Closing Procedure. At the Closing, Seller shall deliver to Purchaser such bills of sale, instruments of assignment, transfer and conveyance documents and other similar documents as Purchaser shall reasonably request in a form reasonably acceptable to both Seller and Purchaser. Against such delivery, Purchaser shall (i) issue and deliver to Seller the Purchase Price in accordance with Section 2.2 above and (ii) execute and deliver the assumption agreement with respect to the Assumed Liabilities. Each party will cause to be prepared, executed and delivered at Closing all other documents required or reasonably requested by any party to effectuate the transactions contemplated by this Agreement. All actions taken at the Closing shall be deemed to have been taken simultaneously at the time the last of any such actions is taken or completed.

2.5 Allocation of Purchase Price. The Purchase Price shall be allocated among the Purchased Assets in a manner as mutually agreed to in writing between the parties, based upon an appraisal of the Purchased Assets by Bond & Pecaro (the fees of which firm shall be paid by the Purchaser). Seller and Purchaser shall use the allocations determined pursuant to this Section 2.5 for all tax purposes, including without limitation, those matters subject to Section 1060 of the Internal Revenue Code of 1986, as amended.

3. REPRESENTATIONS AND WARRANTIES OF SELLER AND PARENT.

Each of Seller and Parent, jointly and severally, hereby represents and warrants to Purchaser, as follows:

3.1 Organization; Good Standing. Seller is a New York corporation duly incorporated, validly existing and in good standing under the laws of the State of New York. Parent is a New York corporation, duly incorporated, validly existing and in good standing under the laws of the State of New York. Seller has all requisite power and authority to own and lease its properties and carry on its business as currently conducted.

3.2 Due Authorization. Subject to the FCC Order and the expiration or termination of any waiting periods under the HSR Act, each of Seller and Parent has full power and authority to enter into and perform this Agreement and to carry out the transactions contemplated hereby. Each of Seller and Parent has taken all necessary corporate action to approve the execution and delivery of this Agreement and the transactions contemplated hereby. This Agreement constitutes the legal, valid and binding obligation of Seller and Parent, enforceable against each in accordance with its terms, except as may be limited by the availability of equitable remedies or by applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally.

3.3 Execution and Delivery. Neither the execution and delivery by Seller or Parent of this Agreement nor the consummation by either of them of the transactions contemplated hereby will: (i) conflict with or result in a breach of any provisions of the certificate of incorporation or bylaws of either of them; (ii) subject to the FCC Order and the expiration or termination of any waiting periods under the HSR Act, violate any Law or Order of any Governmental Entity, which violation, either individually or in the aggregate, might reasonably be expected to have a Material Adverse Effect on Purchaser's ownership or holding of the Purchased Assets; (iii) except as set forth on Schedule 3.3, violate or conflict with or constitute a default under (or give rise to any right of termination, cancellation or acceleration under), or result in the creation of any Lien (other than a Permitted Lien) on any of the Purchased Assets pursuant to, any material agreement, indenture, mortgage or other instrument to which Seller is a party or by which it or its assets may be bound or affected; or (iv) subject to the FCC Order, affect or violate the terms or conditions of or result in the cancellation of the FCC Licenses.

3.4 Absence of Undisclosed Liabilities. Except as and to the extent specifically disclosed in Schedule 3.4, Seller does not have any Liabilities relating to the Purchased Assets other than Liabilities incurred in the ordinary course of business and consistent with past practice and none of which has had or would be reasonably likely to have a Material Adverse Effect.

3.5 Governmental Consents. No approval, authorization, consent, order or other action of, or filing with, any Governmental Entity is required in connection with the execution and delivery by Seller of this Agreement or the consummation by Seller of the transactions contemplated hereby, other than those of the FCC or under the HSR Act.

3.6 Title to Purchased Assets. On the Closing Date, Seller shall have good and marketable title to all the Purchased Assets which it owns, free and clear of all Liens, except for Permitted Liens. Except for approval of the FCC, the expiration or termination of any waiting period under the HSR Act, and the Third Party Consents, none of the Purchased Assets is subject to any restriction with respect to the transferability thereof. At Closing, Purchaser will receive good and marketable title to all the Purchased Assets which Seller owns, free and clear of all Liens, except for Permitted Liens. The purchase and sale of the Purchased Assets and the other transactions contemplated in this Agreement will be free and clear of any and all claims by creditors of Seller under any bulk sales or similar laws or statutes.

3.7 Transmitter Site.

(a) Seller has a valid and enforceable leasehold interest in and to the Transmitter Site, free and clear of Liens, except for Permitted Liens.

(b) Seller has not received any written notice of, and has no knowledge of, any material violation of any zoning, building, health, fire, water use or Law in connection with the Transmitter Site. To the knowledge of Seller, no fact or condition exists which would result in the termination or material impairment of access of the Station to the Transmitter Site or discontinuation of necessary sewer, water, electrical, gas, telephone or other utilities or services, except as set forth on Schedule 3.7(b).

3.8 Tangible Personal Property Assets. All material items of tangible personal property included in the Purchased Assets are in good condition and working order, ordinary wear and tear excepted, and are free from any known defects except such minor defects that do not interfere with the continued present use thereof by Seller.

3.9 FCC and Other Governmental Licenses. Schedule 1.1(a) lists all of FCC and Other Governmental Licenses necessary for the lawful ownership and operation of the Station and the conduct of its businesses as currently conducted, except where the failure to hold such FCC or Other Governmental Licenses would not have a Material Adverse Effect. Seller has furnished to Purchaser true and accurate copies of all of the FCC and Other Governmental Licenses. Each such license is in full force and effect and is valid

under applicable Laws; the Station is being operated in compliance in all material respects with the Communications Act of 1934, as amended, and all published rules, regulations and policies of the FCC; and to the knowledge of Seller, no event has occurred which (whether with or without notice, lapse of time or the happening or occurrence of any other event) is likely to result in the revocation or termination of any FCC or Other Governmental License or the imposition of any restriction of such a nature as would have a Material Adverse Effect. The Station, each of its physical facilities, electrical and mechanical systems and transmitting and studio equipment are being operated in all material respects in accordance with the specifications of the FCC Licenses. The FCC and Other Governmental Licenses are unimpaired by any act or omission of Seller or any of Seller's officers, directors or employees, and Seller has fulfilled and performed all of its material obligations thereunder. Except as set forth on Schedule 1.1(a), no application is pending before the FCC for the renewal or modification of any of the FCC or Other Governmental Licenses, and, other than proceedings of general applicability to the radio industry, there is no action or proceeding pending before the FCC that is reasonably likely to result in the adverse modification of any FCC License. No event has occurred which, individually or in the aggregate, and with or without the giving of notice or the lapse of time or both, would constitute ground for revocation thereof.

3.10 Reports. Except as set forth on Schedule 3.10, Seller has filed all reports required to be filed by applicable Law and has made payment of all charges and other payments, if any, shown by such reports to be due and payable, except where the failure to so file or make payment would not have a Material Adverse Effect. Such reports and disclosures are complete and accurate in all material respects.

3.11 Taxes.

(a) All tax reports and returns required to be filed on or before the execution of this Agreement by Seller relating to the Purchased Assets have been filed on a timely basis under the statutes, rules and regulations of each applicable jurisdiction, and Seller will file or will cause to be filed, all tax returns required to be filed by Seller relating to the Purchased Assets with respect to any taxable period prior to the Closing Date. All such tax reports and returns are (or will be) complete and accurate in all material respects.

(b) No claim, judgment, Lien (other than Permitted Liens), settlement, writ, or order for assessment or collection of taxes relating to the Purchased Assets has been asserted against Seller. Seller is not a party to any pending, or to the Seller's knowledge, any threatened, audit, action, suit, claim, litigation, proceeding or investigation by any Governmental Entity for the assessment or collection of taxes relating to the Purchased Assets.

(c) Except for Permitted Liens, no Liens (whether filed or arising by operation of Law) have been imposed upon or asserted against any of the Purchased Assets as a result of or in connection with any failure, or alleged failure to pay any tax.

(d) Seller has not waived or extended any statutes of limitation for the assessment or collection of taxes relating to the Purchased Assets. To Seller's knowledge, no claim has been made by a Governmental Entity relating to the Purchased Assets in a jurisdiction where the Seller does not currently file Tax Returns that the Seller may be subject to taxation by that jurisdiction, nor is Seller aware that any such assertion of tax jurisdiction is pending or threatened.

3.12 Environmental Matters.

(a) As used herein, (i) the term "Environmental Laws" shall mean any and all state, federal, and local statutes, regulations and ordinances relating to the protection of human health and the environment, (ii) the term "Hazardous Material" shall mean any hazardous or toxic substance, material, or waste including, without limitation, those substances, materials, pollutants, contaminants and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 C.F.R. § 172.101) or by the United States Environmental Protection Agency as hazardous substances (40 C.F.R. Part 302 and amendments thereto), petroleum products (as defined in Title I to the Resource Conservation and Recovery Act, 42 U.S.C. § 6991-6991(i)) and their derivatives, and such other substances, materials, pollutants, contaminants and wastes as become regulated or subject to cleanup authority under any Environmental Laws, and (iii) the term "Release" shall have the meaning set forth in Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§ 9601 et seq. ("CERCLA").

(b) Seller represents and warrants that:

(i) all activities of Seller with respect to the operation of the Station have been and are being conducted in material compliance with all Environmental Laws;

(ii) Seller has no knowledge of the Release of any Hazardous Material on, in, from or onto the Transmitter Site, except in material compliance with Environmental Laws;

(iii) to Seller's knowledge, no Hazardous Materials are present in any medium at the Transmitter Site as would constitute a material violation under any Environmental Law;

(iv) to Seller's knowledge, no polychlorinated biphenyls or substances containing polychlorinated biphenyls are present on the Transmitter Site; and

(v) to Seller's knowledge, no friable asbestos is present on the Transmitter Site.

3.13 Insurance. Seller has fire, liability and other forms of insurance applicable to the Purchased Assets, each of which is in an amount customary and standard to the

industry practice, in full force and effect on the date hereof, is, to Seller's knowledge, valid and enforceable in accordance with its terms and is in an amount consistent with past practices. No event or claim has occurred, including, without limitation, the failure by Seller to give any notice or information, or the delivery of any inaccurate or erroneous notice or information, or any reservation of rights, which limits or impairs in any material respect the rights of the insured parties under any such insurance policies with respect to the Purchased Assets.

3.14 Litigation. There is no Order and no action, suit, proceeding or investigation, judicial, administrative or otherwise that is pending or, to Seller's knowledge, threatened against or affecting the Station which, if adversely determined, would reasonably be expected to have a Material Adverse Effect or which challenges the validity or propriety of any of the transactions contemplated by this Agreement.

3.15 Assumed Contracts. Seller is not in default in any material respect with respect to the Assumed Contracts, and, as of the Closing Date, Seller will have paid all sums and performed in all material respects all obligations under the Assumed Contracts, which are required to be paid or performed prior to the Closing Date.

3.16 Business Records. Seller has, and after the Closing, Purchaser will have, the right to use the Business Records included in the Purchased Assets, free and clear of any royalty or other payment obligations.

3.17 Third Party Consents. The only consents from any person or entity, other than Governmental Entities, which are required to be obtained by Seller in connection with the execution and delivery by Seller of this Agreement and the consummation of the transactions contemplated hereby are set forth on Schedule 3.17 (the "Third Party Consents").

3.18 Finders and Brokers. No person has, as a result of any agreement entered into by Seller or Parent, any valid claim against any of the parties hereto for a brokerage commission, finder's fee or other like payment.

4. REPRESENTATIONS AND WARRANTIES OF PURCHASER.

Purchaser hereby represents and warrants to Seller as follows:

4.1 Organization and Good Standing. Each of HBC License and HBC New York is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware and has all requisite power and authority to own and lease its properties and carry on its business as currently conducted.

4.2 Due Authorization. Subject to the FCC Order and the expiration or termination of any waiting periods under the HSR Act, Purchaser has full power and authority to enter into this Agreement and to carry out its obligations hereunder. The

execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been authorized by all necessary corporate action on the part of Purchaser. This Agreement has been duly executed and delivered by Purchaser and constitutes the legal, valid and binding obligation of Purchaser, enforceable against it in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally or general equitable principles.

4.3 Execution and Delivery. Neither the execution and delivery by Purchaser of this Agreement nor the consummation of the transactions contemplated hereby will: (i) conflict with or result in a breach of the certificate of incorporation or bylaws of Purchaser; (ii) subject to the FCC Order and the expiration or termination of any waiting period under the HSR Act, violate any Law or Order of any Governmental Entity; or (iii) violate or conflict with or constitute a default under (or give rise to any right of termination, cancellation or acceleration under) any indenture, mortgage, lease, contract or other instrument to which Purchaser is a party or by which it is bound or affected.

4.4 Consents. No consent, approval, authorization, license, exemption of, filing or registration with any Governmental Entity is required by Purchaser in connection with the execution and delivery of this Agreement or the consummation by Purchaser of any transaction contemplated hereby, other than the consent of the FCC or under the HSR Act. No approval, authorization or consent of any other third party is required in connection with the execution and delivery by Purchaser of this Agreement and the consummation of the transactions contemplated hereby, except as may have been previously obtained by Purchaser. Purchaser warrants that it is legally qualified to acquire the FCC Licenses and is aware of no impediment to the approval by the FCC of the assignment of the FCC Licenses to Purchaser.

4.5 Finders and Brokers. Except for Star Media, the fees and expenses of which shall be borne by Purchaser, no person has, as a result of any agreement entered into by Purchaser, any valid claim against any of the parties hereto for a brokerage commission, finder's fee or other like payment.

5. CERTAIN COVENANTS AND AGREEMENTS.

5.1 Consummation of the Transaction.

(a) Each of Seller and Purchaser shall take all reasonable action necessary to consummate the transactions contemplated by this Agreement and will use all necessary and reasonable means at its disposal to obtain (and cooperate with the other party in obtaining) all necessary approvals of the FCC and other Governmental Entities required to enable it to consummate the transactions contemplated by this Agreement. Except as otherwise provided herein, each of Seller and Purchaser acknowledges and agrees that it shall pay all costs, fees and expenses incurred by it in obtaining such necessary consents and approvals. Each party shall make all filings, applications,

statements and reports to all Governmental Entities which are required to be made prior to the Closing Date by or on its behalf pursuant to any Law in connection with the transactions contemplated by this Agreement, and copies of all such filings, applications, statements and reports shall be provided to the other.

(b) Seller will use its reasonable best efforts to obtain all Third Party Consents as promptly as practicable after the date of this Agreement; provided, that, notwithstanding anything to the contrary set forth in this Agreement, Seller shall have no obligation to pay money to obtain any Third Party Consents unless Seller is required to pay money by the express terms of any Assumed Contract in connection with the assignment thereof. All Third Party Consents shall be in form reasonably satisfactory to Purchaser, and none shall provide for any increase in cost or other change in terms and conditions after the Closing which would be adverse to Purchaser.

(c) Seller shall provide unaudited financial statements related to its operation of the Station as may be reasonably requested by Purchaser to the extent that such information is available and in the form in which such information is available. Notwithstanding the foregoing, Seller shall provide such information to Purchaser without any representation or warranty as to its accuracy or otherwise. Seller shall not be obligated to prepare any financial statements which are not readily available or to incur any expenses in connection with providing the information referenced in this paragraph.

5.2 Public Announcements. Prior to the Closing Date, all notices to third parties and other publicity relating to the transaction contemplated by this Agreement shall be jointly planned and agreed to by Seller and Purchaser; provided, however, that each party shall be entitled to issue a press release announcing the entering of this Agreement and the transactions contemplated hereby in accordance with its respective obligations under federal securities laws.

5.3 Control of the Station. Prior to the Closing, Purchaser shall not, directly or indirectly, control, supervise, direct, or attempt to control, supervise, or direct, the operations of the Station; such operations, including complete control and supervision of all of the Station's programs, employees, and policies, shall be the sole responsibility of Seller until the Closing.

5.4 Pre-Closing Covenants. From the date hereof until the Closing or earlier termination of this Agreement without a Closing, Seller covenants and agrees with Purchaser, and to the extent expressly applicable, Purchaser covenants and agrees with Seller, as follows:

(a) Seller shall operate the Station in the ordinary course of business consistent with past practices.

(b) Seller shall maintain, preserve, renew and keep in effect the existence, rights and franchises of Seller that pertain to the Station and shall continue to

comply with the Communications Act, the rules and regulations of the FCC, and all applicable Laws and Orders in all material respects.

(c) Seller shall not knowingly do or omit any act, or permit any omission to act, which may cause a breach of any material contract, commitment or obligation, or any breach of any representation, warranty, covenant or agreement made by Seller herein, or which would cause the conditions set forth in Section 6.1 not to be satisfied as of the Closing Date.

(d) Seller shall not, without prior consent of the Purchaser, create, assume or permit to exist any Lien affecting any of the Purchased Assets, except for Permitted Liens.

(e) Seller shall not, without prior consent of the Purchaser, knowingly cause or permit any action or failure to act that would cause the FCC or Other Governmental Licenses to expire or be surrendered or adversely modified, or knowingly take any action or fail to take any action that would cause the FCC or any other Government Entity to institute proceedings for the suspension, revocation or adverse modification of any of the FCC or Other Governmental Licenses.

(f) Seller shall maintain all of Seller's insurance related to the Purchased Assets in effect as of the date hereof.

(g) Seller shall maintain the Purchased Assets in good repair and condition, ordinary wear and tear excepted, and shall use, operate, maintain and repair, and replace with an asset of equal or greater value, if necessary, the Purchased Assets in the ordinary course of business consistent with past practice.

(h) Seller shall not directly or indirectly (through a representative or otherwise) solicit or furnish any information to any prospective buyer, commence, or conduct presently ongoing, discussions or negotiations with any other party or enter into any agreement with any other party concerning the sale of the Station or the Purchased Assets or any part thereof (an "Acquisition Proposal"), and Seller shall immediately advise Purchaser of the receipt of any written Acquisition Proposal.

(i) Purchaser shall not knowingly do or omit any act, or permit any omission to act, which would cause the conditions set forth in Section 7.1 not to be satisfied as of the Closing Date.

5.5 Update of Schedules. From time to time after the execution of this Agreement and prior to the Closing, Seller will use reasonable best efforts to promptly supplement or amend the Schedules delivered in connection herewith with respect to any matter which exists or occurs after the date of this Agreement and which, if existing or occurring at or prior to the date of this Agreement, would have been required to be set forth or described in the Schedules or which is necessary to correct any information therein;

provided, that the provisions of this Section 5.5 are informational only and Purchaser shall not be bound to the terms of any changed Schedules unless they are incorporated into this Agreement by a written amendment signed by Purchaser.

5.6 Public File Maintenance. For such period of time as Seller or its affiliates continues to occupy the premises located at 1103 Stewart Avenue, Garden City, NY 11530, it will provide for Purchaser a secure room (with lockable door) sufficient for Purchaser to maintain the Station's public information file and locate a telephone line in accordance with the rules and regulations of the FCC.

6. CONDITIONS TO PURCHASER'S CLOSING.

All obligations of Purchaser under this Agreement shall be subject to the fulfillment at or prior to the Closing of the following conditions, it being understood that Purchaser may, in its sole discretion, waive any or all of such conditions in whole or in part:

6.1 Representations, Etc. Seller shall have performed in all material respects the covenants and agreements contained in this Agreement that are to be performed by it at or prior to the Closing. The representations and warranties of Seller contained in this Agreement shall be true and correct as of the Closing Date with the same effect as though made at such time (except as contemplated or permitted by this Agreement), except where the failure of such representations and warranties to be true and correct would not, individually or in the aggregate, have a Material Adverse Effect.

6.2 Governmental Approvals. The FCC Order shall have become effective and any applicable waiting period under the HSR Act shall have expired or been terminated.

6.3 No Injunctions. No order or temporary, preliminary or permanent injunction or restraining order shall have been entered which would (i) make any of the transactions contemplated hereby illegal or (ii) have a Material Adverse Effect on the value of the Purchased Assets.

6.4 Third Party Consents. The Third Party Consents listed on Schedule 3.17 hereto shall have been obtained in form acceptable to Purchaser, without the imposition of any additional cost or other conditions materially adverse to Purchaser, or, in the event any Third Party Consent shall not have been obtained, Seller shall have entered in an agreement or other arrangement with Purchaser, in form acceptable to Purchaser, to enable Purchaser to have the benefit of the Assumed Contract for which such Third Party Consent is required.

6.5 Material Adverse Effect. No Material Adverse Effect shall have occurred since the date of this Agreement.

6.6 Noncompetition Agreement. Mr. Ronald Morey shall have entered into the Noncompetition Agreement with Purchaser in the form of Exhibit B hereto.

6.7 Closing Deliveries. Purchaser shall have received each of the documents or items required to be delivered to it pursuant to Section 8.1 hereof.

7. CONDITIONS TO SELLER'S CLOSING.

All obligations of Seller under this Agreement shall be subject to the fulfillment at or prior to the Closing of the following conditions, it being understood that Seller may, in its sole discretion, waive any or all of such conditions in whole or in part:

7.1 Representations, Etc. Purchaser shall have performed in all material respects the covenants and agreements contained in this Agreement that are to be performed by Purchaser as of the Closing, and the representations and warranties of Purchaser contained in this Agreement shall be true and correct in all material respects as of the Closing Date with the same effect as though made at such time (except as contemplated or permitted by this Agreement).

7.2 Governmental Approvals. The FCC Order shall have become effective and any applicable waiting period under the HSR Act shall have expired or been terminated.

7.3 No Injunctions. No order or temporary, preliminary or permanent injunction or restraining order shall have been entered which would (i) make any of the transactions contemplated hereby illegal or (ii) have a Material Adverse Effect on the value of the Purchased Assets.

7.4 Noncompetition Agreement. Purchaser shall have entered into the Noncompetition Agreement with Mr. Ronald Morey in the form of Exhibit B hereto.

7.5 Closing Deliveries. Seller shall have received each of the documents or items required to be delivered to it pursuant to Section 8.2.

7.6 Third Party Consents. The Third Party Consents shall have been obtained or, in the event no obtained, Seller shall have entered into an agreement or other arrangement with Purchaser to enable Purchaser to have the benefit of the Assumed Contract for which such Third Party Consent is required.

8. DOCUMENTS TO BE DELIVERED AT THE CLOSING.

8.1 To Purchaser. At the Closing, there shall be delivered to Purchaser:

(a) The bills of sale, agreements of assignment and similar instruments of transfer to the Purchased Assets contemplated by Section 2.4 hereof.

(b) The Business Records.

(c) The Third Party Consents or an agreement or other document which provides Purchaser with the benefit of the Assumed Contract for which the Third Party Consent is required.

(d) All other documents to effectuate the transactions contemplated hereby as Purchaser may reasonably request.

8.2 To Seller. At the Closing, there shall be delivered to Seller:

(a) The Purchase Price contemplated by Section 2.2 hereof, in the form of wire transfer or cashier's or certified check as Seller may direct.

(b) One or more assumption agreements pursuant to which Purchaser shall assume the Assumed Liabilities.

(c) All other documents to effectuate the transactions contemplated hereby as Seller may reasonably request.

9. SURVIVAL.

All representations and warranties made by any party to this Agreement or pursuant hereto shall be deemed to be material and to have been relied upon by the parties hereto and shall survive the Closing for a period of eighteen (18) months. The representations and warranties hereunder shall not be affected or diminished by any investigation at any time by or on behalf of the party for whose benefit such representations and warranties were made. No representation or warranty contained herein shall be deemed to be made at any time after the Closing Date.

10. INDEMNIFICATION OF PURCHASER.

From and after the Closing and subject to the limitations set forth in Sections 9 and 12, Parent and Seller, jointly and severally, shall indemnify and hold Purchaser and its Affiliates harmless from, against, for and in respect of:

(a) any and all damages, costs, losses, expenses, settlement payments, obligations, liabilities, claims, actions or causes of action and encumbrances (collectively, together with the costs and expenses described in clause (c) below, but excluding any consequential or other special damages or lost profits regardless of the theory of recovery, being referred to herein as "Damages") suffered, sustained, incurred or required to be paid by Purchaser because of the breach of any written representation, warranty, agreement or covenant of Seller contained in this Agreement or any document or certificate executed and delivered by Seller pursuant to this Agreement;

(b) any and all Damages arising out of the ownership and operation of the Station at all times prior to the Closing Date;

(c) any and all Damages arising out of any Liabilities of Seller which are not Assumed Liabilities;

(d) any and all Damages arising out of the Assumed Contracts in respect of periods prior to the Closing Date;

(e) any and all Damages arising out of the failure of Seller to comply with any bulk sales statute applicable to the transactions contemplated by this Agreement;

(f) all reasonable costs and expenses (including, without limitation, attorneys' fees, interest and penalties) incurred by Purchaser in connection with any action, suit, proceeding, demand, assessment or judgment incident to any of the matters indemnified against in this Section 10;

11. INDEMNIFICATION OF SELLER.

From and after the Closing and subject to the limitations set forth in Sections 9 and 12, Purchaser shall indemnify and hold Seller and its Affiliates harmless from, against, for and in respect of:

(a) any and all Damages suffered, sustained, incurred or required to be paid by Seller because of the breach of any written representation, warranty, agreement or covenant of Purchaser contained in this Agreement;

(b) any and all Damages arising out of the ownership and operation of the Station on and after the Closing Date, except to the extent the same arises from a breach of any written representation, warranty, agreement or covenant of Seller contained in this Agreement or any document, certificate or agreement executed in connection with this Agreement;

(c) any and all Damages arising out of the Assumed Liabilities from and after the Closing Date; and

(d) all reasonable costs and expenses (including, without limitation, attorneys' fees, interest and penalties) incurred by Seller in connection with any action, suit, proceeding, demand, assessment or judgment incident to any of the matters indemnified against in this Section 11.

12. GENERAL RULES REGARDING INDEMNIFICATION.

The obligations and liabilities of each indemnifying party hereunder with respect to claims resulting from the assertion of liability by the other party or indemnified third parties shall be subject to the following terms and conditions:

(a) The indemnified party shall give prompt written notice (which in no event shall be later than 30 days from the date on which the indemnified party first became aware of such claim or assertion or five days prior to the date on which action needs to be taken by the indemnifying party) to the indemnifying party of any claim which might give rise to a claim by the indemnified party against the indemnifying party based on Section 10 or 11 hereof, stating the nature and basis of said claims and the amounts thereof, to the extent known.

(b) If any action, suit or proceeding is brought against the indemnified party with respect to which the indemnifying party may have liability under Section 10 or 11 hereof, the action, suit or proceeding shall, upon the written acknowledgment by the indemnifying party that it is obligated to indemnify under Section 10 or 11 hereof, be defended (including all proceedings on appeal or for review) by the indemnifying party with counsel selected by the indemnifying party; provided, that the indemnified party also shall have the right to employ its own counsel in any such case at the indemnified party's sole cost and expense. The indemnified party shall be kept fully informed of such action, suit or proceeding at all stages thereof whether or not it is represented by separate counsel.

(c) The indemnified party shall make available to the indemnifying party and its attorneys and accountants all books and records of the indemnified party relating to such proceedings or litigation, and the parties shall otherwise render to each other such assistance as they may reasonably require of each other in order to ensure the proper and adequate defense of any such action, suit or proceeding.

(d) The indemnified party shall not make any settlement of any claims without the written consent of the indemnifying party, which consent shall not be unreasonably withheld or delayed.

(e) If any claims are made by third parties against an indemnified party for which an indemnifying party would be liable, and it appears likely that such claims might also be covered by the indemnified party's insurance policies, the indemnified party shall make a timely claim under such policies and to the extent that such party obtains any recovery from such insurance, such recovery shall be offset against any sums due from an indemnifying party (or shall be repaid by the indemnified party to the extent that an indemnifying party has already paid any such amounts). The parties acknowledge, however, that if an indemnified party is self-insured as to any matters, either directly or through an insurer which assesses retroactive premiums based on loss experience, then to the extent that the indemnified party bears the economic burden of any claims through self-insurance or retroactive premiums or insurance ratings, the indemnifying party's obligation

shall only be reduced by any insurance recovery in excess of the amount paid or to be paid by the indemnified party in insurance premiums for the next five years.

(f) Except as herein expressly provided, each of Purchaser and Seller acknowledges and agrees that its sole and exclusive remedy after the Closing with respect to any and all claims and causes of action under or that are reasonably related to this Agreement, and the other transactions contemplated hereby, the Station, the Purchased Assets and the Assumed Contracts shall be pursuant to the indemnification provisions set forth in Sections 10, 11 and 12 hereof. Without limiting the foregoing, Sections 10, 11 and 12 set forth Purchaser's sole and exclusive remedy against Seller arising under Environmental Laws or regarding environmental matters or Hazardous Materials, and Purchaser hereby waives and releases any other claim it now has or may in the future have (including contractual, statutory, contractual, or contribution claims) against Seller with respect to Environmental Laws, environmental matters or Hazardous Materials.

(g) Notwithstanding anything to the contrary in this Section, (i) no party shall have any indemnification obligation to the other party hereunder unless and until the aggregate amount of such indemnification claim exceeds Twenty Five Thousand Dollars (\$25,000), at which point any indemnification obligation shall extend only to claims in excess of such amount, and (ii) in no event shall any party's indemnification obligation hereunder exceed fifty percent (50%) of the Purchase Price.

13. TERMINATION.

13.1 Termination. This Agreement may be terminated by the mutual written consent of Purchaser and Seller, or, if the terminating party is not then in material breach of its obligations hereunder, upon written notice as follows:

(a) by Purchaser, if Seller is in material breach of its obligations hereunder, such that the conditions set forth in Section 6.1 would not be satisfied as of the Closing, and such breach has not been cured by Seller within 15 business days of Seller's receipt of written notice of such breach; provided, that Seller shall not be entitled to such 15 business day cure period with respect to any breach of Seller's obligation to execute and deliver on the Closing Date, the agreements, certificates and documents set forth in Section 8.1;

(b) by Seller, if Purchaser is in material breach of its obligations hereunder, such that the conditions set forth in Section 7.1 would not be satisfied as of the Closing, and such breach has not been cured by Purchaser within 15 business days of Purchaser's receipt of written notice of such breach; provided, that Purchaser shall have no right to such 15 business day cure period with respect to any breach of Purchaser's obligation to pay the Purchase Price on the Closing Date;

(c) by either Purchaser or Seller, if the FCC designates any of the FCC Applications for a hearing; or

(d) by either Purchaser or Seller, if the Closing has not occurred on or before the date (the “Outside Date”) which is 12 months after the FCC Assignment Application has been filed with the FCC; provided, that the failure of the Closing to have occurred on or before the Outside Date shall not be attributable to the breach of this Agreement by the party seeking termination pursuant to this Section 13.1(d).

13.2 Effect of Termination. In the event of termination of this Agreement pursuant to Section 13.1 above, all rights and obligations of the parties under this Agreement shall terminate without any liability of any party to any other party (except for (i) in the event of a termination pursuant to Section 13.1(b), Purchaser’s obligation to allow Seller to receive the Escrow Deposit and all interest earned thereon in accordance with Section 2.3 hereof and (ii) any liability of any party for any material breach of this Agreement, in which case any non-breaching party shall have all rights and remedies available at law or in equity). Notwithstanding anything to the contrary contained herein, the provisions of Sections 15 and 16.1 shall expressly survive the termination of this Agreement.

14. RISK OF LOSS.

Seller shall bear the risk of all damage to, loss of or destruction of any of the Purchased Assets between the date of this Agreement and the Closing Date. If any material portion of the Purchased Assets (other than items that are obsolete and not necessary for the continued operations of the Station) shall suffer any material damage or destruction prior to the Closing Date, Seller shall promptly notify Purchaser in writing of such damage or destruction, shall promptly take all commercially reasonable steps to restore, repair or replace such assets at its sole expense, and shall advise Purchaser in writing of the estimated cost to complete such restoration, repair or replacement and all amounts actually paid as of the date of the estimate. In the event any damaged Purchased Asset cannot, despite the reasonable efforts of Seller, be restored, repaired or replaced prior to the Closing, Purchaser shall have the right to (i) postpone the Closing for thirty (30) days to allow for such restoration, repair, or replacement or (ii) proceed to Closing with a deduction in the Purchase Price equal to whatever amount the parties agree is needed to restore, repair, or (in the event that timely restoration or repair is cost prohibitive or impractical) replacement of such Purchased Asset: provided, that, if the damaged Purchased Asset is material to the operation of the Station and cannot be restored, repaired or replaced within that 30-day time period, Purchaser may terminate this Agreement by written notice to Seller, and neither party shall thereafter have any Liability to the other hereunder; and provided further, that, if the parties cannot reach agreement on the cost to restore, repair or replace a non-material Purchased Asset (which would be deducted from the Purchase Price under this Section), then, in that event, the parties shall select a mutually-agreeable engineer or other third party who shall resolve the dispute within 15 days of his or her selection and whose decision shall be final, non-appealable, and binding on the parties.

15. SPECIFIC PERFORMANCE.

The parties acknowledge that the Purchased Assets and the transactions contemplated hereby are unique, that a failure by Seller to consummate such transactions will cause irreparable injury to Purchaser, and that actual damages for any such failure may be difficult to ascertain and may be inadequate. Consequently, Purchaser shall be entitled, in the event of a failure by Seller to consummate such transactions, to specific performance of any of the provisions of this Agreement in addition to any other legal or equitable remedies to which Purchaser may otherwise be entitled. If any action for specific performance is brought by Purchaser against Seller for failure by Seller to consummate such transactions, Seller will waive the defense that Purchaser has an adequate remedy at law.

16. MISCELLANEOUS PROVISIONS.

16.1 Expenses. Except as otherwise expressly provided herein, each party shall pay the fees and expenses incurred by it in connection with the transactions contemplated by this Agreement. If any action is brought for breach of this Agreement or to enforce any provision of this Agreement, the prevailing party shall be entitled to recover court costs and reasonable attorneys' fees. Purchaser and Seller shall bear equally the transfer taxes, recording fees and similar costs imposed in connection with the transfer of the real property assets included in the Purchased Assets.

16.2 Prorations.

(a) All items of income and expense arising from the operation of the Station for periods on or before the day preceding the Closing Date shall be for the account of Seller and thereafter shall be for the account of Purchaser and shall be prorated as follows:

(i) Liability for state and local taxes assessed on the Purchased Assets payable with respect to the tax year in which the Closing Date falls shall be prorated as between Seller and Purchaser on the basis of the number of days of the tax year elapsed to the day preceding the Closing Date.

(ii) Liability for the annual FCC regulatory fee for the Station shall be prorated between Seller and Purchaser on the basis of the number of days elapsed from October 1, 2003 to the day before the Closing Date.

(iii) Prepaid items, deposits, credits and accruals such as water, electricity, telephone, other utility and service charges, lease expenses, license fees (if any) and payments under any Assumed Contracts or utility services to be assumed by Purchaser shall be prorated between Seller and Purchaser on the basis of the period of time to which such liabilities, prepaid items and accruals apply.

(b) All prorations shall be made and paid insofar as feasible on the Closing Date; any prorations not made on such date shall be made as soon as practicable (not to exceed 90 days) thereafter. Seller and Purchaser shall each assume, pay and discharge all Liabilities allocated to each of them pursuant to this Section 16.2.

16.3 Amendment. This Agreement may be amended at any time but only by an instrument in writing signed by the parties hereto.

16.4 Notices. All notices and other communications hereunder shall be in writing and shall be delivered by nationally recognized "next-day" delivery service to the parties at the addresses set forth below (or at such other address for a party as shall be specified by like notice), or sent by facsimile (with written confirmation of receipt) to the number set forth below (or such other number for a party as shall be specified by proper notice hereunder):

If to Purchaser:

c/o Univision Radio
3102 Oak Lawn Avenue, Suite 215
Dallas, Texas 75219
Attention: Jeffrey T. Hinson, Senior Vice President
Telephone: (214) 525-7711
Fax: (214) 525-7750

If to Seller or Parent:

Morey Organization, Inc.
1103 Stewart Avenue
Garden City, New York 11530
Attention: Ronald Morey, CEO
Telephone: (516) 228-6570
Fax: (516) 228-9133

With a copy to:

Lewis J. Paper, Esq.
Dickstein Shapiro Morin & Oshinsky LLP
2101 L Street, NW
Washington, DC 20037
Telephone: (202) 828-2265
Fax: (202) 887-0689

16.5 Assignment. This Agreement may not be assigned by either party without the prior consent of the other party. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, heirs and permitted assigns.

16.6 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

16.7 Headings. The headings of the Sections of this Agreement are inserted for convenience only and shall not constitute a part hereof.

16.8 Entire Agreement. This Agreement and the documents referred to herein contain the entire understanding of the parties hereto in respect of the subject matter contained herein. There are no restrictions, promises, warranties, conveyances or undertakings other than those expressly set forth herein. This Agreement supersedes any and all prior and contemporaneous agreements and understandings between the parties with respect to the subject matter.

16.9 Waiver. No waiver of compliance with any provision or condition hereof, or consent pursuant to this Agreement, will be effective unless evidenced by an instrument in writing by the party against whom the enforcement of any such waiver or consent is sought.

16.10 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, excluding the choice of law rules thereof. Any dispute arising under or with respect to this Agreement shall be adjudicated in the United States District Court for the Eastern District of New York or the New York State Supreme Court in Nassau County, New York.

16.11 Certain Definitions. Unless otherwise stated in this Agreement, the following terms when used herein shall have the meanings assigned to them below (such meanings to be equally applicable to both the singular and plural forms of the terms defined).

“Affiliates” of a party shall mean persons or entities that directly, or indirectly, through one or more intermediaries, control or are controlled by, or are under common control with, such party.

“Assumed Contracts” shall have the meaning set forth in Section 1.1(b) hereof.

“Assumed Liabilities” shall have the meaning set forth in Section 1.3 hereof.

“Closing” shall have the meaning set forth in Section 2.2(a) hereof.

“Closing Date” shall have the meaning set forth in Section 2.2(a) hereof.

“Damages” shall have the meaning set forth in Section 10(a) hereof.

“DOJ” shall mean the United States Department of Justice and the Federal Trade Commission.

“Environmental Laws” shall have the meaning set forth in Section 3.12(a) hereof.

“Escrow Agent” shall have the meaning set forth in Section 2.3 hereof.

“Escrow Agreement” shall have the meaning set forth in Section 2.3 hereof.

“Escrow Deposit” shall have the meaning set forth in Section 2.3 hereof.

“FCC” shall mean the Federal Communications Commission.

“FCC Assignment Application” shall have the meaning set forth in Section 2.2(b) hereof.

“FCC Licenses” shall mean the licenses, construction permits and authorizations issued by the FCC and held by Seller for the operation of the Station.

“FCC Order” shall have the meaning set forth in Section 2.2(c) hereof.

“Governmental Entity” shall mean any court, department, commission, board, bureau, agency, authority, instrumentality or other body, whether federal, state, municipal, foreign or other, which exercises executive, legislative, administrative or judicial functions.

“Hazardous Materials” shall have the meaning set forth in Section 3.12(a) hereof.

“HSR Act” shall mean the Hart-Scott-Rodino Antitrust Improvements Act of 1976 and the regulations promulgated thereunder.

“Law” shall mean any statute, law, ordinance, rule, policy or regulation adopted or promulgated by any Governmental Entity.

“Liability” shall mean and include any direct or indirect indebtedness, guaranty, endorsement, claim, loss, damage, deficiency, cost, expense, obligation or responsibility, fixed or unfixed, known or unknown, asserted or unasserted, liquidated or unliquidated, secured or unsecured.

“Liens” shall mean security interests, claims, pledges, licenses, equities, options, conditional sales contracts, assessments, levies, charges or encumbrances of any nature whatsoever.

“Litigation” shall have the meaning set forth in Section 1.4(a) hereof.

“Material Adverse Effect” shall mean a material adverse effect on the Purchased Assets but shall specifically exclude any material adverse effect caused by (a) factors affecting the radio industry generally or the market in which the Station operates; (b) general, national, regional or local economic or financial conditions; (c) new Laws; or (d) the failure to achieve any financial or operational targets, projections or milestones set forth in any Seller business plan or budget.

“Order” shall mean any order, writ, injunction, judgment, plan, decree or other decision of any Governmental Entity.

“Other Governmental Licenses” shall mean the licenses, permits and other authorizations issued by any Governmental Entity other than the FCC and held by Seller in conjunction with the operation of the Station.

“Permitted Liens” shall mean (a) Liens for taxes not yet due and payable and (b) Liens for which a proration adjustment is made pursuant to Section 16.2 of this Agreement.

“Purchase Price” shall have the meaning set forth in Section 2.1 hereof.

“Release” shall have the meaning set forth in Section 3.12(a) hereof.

“Transmitter Equipment” shall have the meaning set forth in Section 1.1(c) hereof.

“Transmitter Site” shall have the meaning set forth in Section 1.1(b) hereof.

16.12 Intended Beneficiaries. The rights and obligations contained in this Agreement are hereby declared by the parties hereto to have been provided expressly for the exclusive benefit of such entities as set forth herein and shall not benefit, and do not benefit, any unrelated third parties.

16.13 Further Assurances. From time to time, at Purchaser’s request and without further consideration, Seller shall execute and deliver to Purchaser, such documents, instruments and consents and take such other action as Purchaser may reasonably request in order to consummate move effectively the transactions contemplated hereby, to discharge the covenants of Seller and to vest in Purchaser good, valid and marketable title to the Station and the Purchased Assets. From time to time, at Seller’s request and without further consideration, Purchaser shall execute and deliver to Seller, such documents,

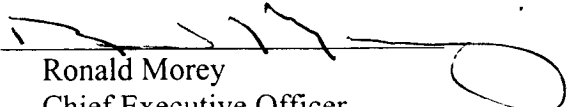
instruments and consents and take such other action as Seller may reasonably request in order to consummate more effectively the transactions contemplated hereby, to discharge the covenants of Purchaser and to assign to Purchaser the Assumed Liabilities.

16.14 Severability. If any one or more of the provisions contained in this Agreement should be found invalid, illegal or unenforceable, in any respect, by any Governmental Entity of competent jurisdiction, the validity, legality, and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby. Any illegal or unenforceable term shall be deemed to be void and of no force and effect only to the minimum extent necessary to bring such term within the provisions of applicable Law and such term, as so modified, and the balance of this Agreement shall then be fully enforceable.

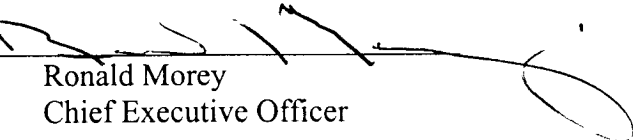
16.15 Mutual Contribution. The parties to this Agreement and their counsel have mutually contributed to its drafting. Consequently, no provision of this Agreement shall be construed against any party on the ground that such party drafted the provision or caused it to be drafted or the provision contains a covenant of such party.

IN WITNESS WHEREOF, the parties hereto have executed this Asset Purchase Agreement as of the date first above written.

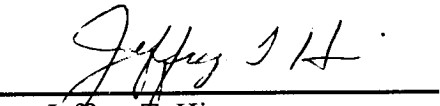
Jarad Broadcasting Company, Inc.

By: 
Ronald Morey
Chief Executive Officer

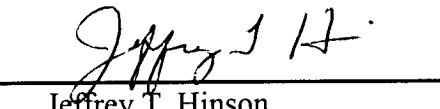
Morey Organization, Inc.

By: 
Ronald Morey
Chief Executive Officer

HBC New York, Inc.

By: 
Jeffrey T. Hinson
Senior Vice President and Chief
Financial Officer

HBC License Corporation

By: 
Jeffrey T. Hinson
Senior Vice President and Chief
Financial Officer

Schedule 1.1(a)

FCC Licenses and Authorizations

Call Sign	Authorization	File Number	Expiration Date
WLIR-FM	Main Station License	BLH-20000607ACM	June 1, 2006
WLIR-FM	Renewal	BRH-19980202S4	June 1, 2006
WLIR-1	FM Booster	BNPFTB-20030828AWV*	Pending
WLI420	Studio Transmitter Link	BPLST-94040IMF	June 1, 2006

*The application for construction permit of an FM Booster station (File No. BNPFTB-20030828AWV), for WLIR-1, New York, NY (Facility ID No. 159388) is pending before the Federal Communications Commission.

Schedule 1.1(d)

Tangible Personal Property

Item	Location
ERI 1 Bay DA antenna	Roof of NST
100 ft of FLC1 1/4 cable	Transmitter room to roof top
Cablewave hangar kit	Roof of NST
Burk TC-8 Remote control	Transmitter room
Burk interface panel	Transmitter room
Harris Z5CD transmitter	Transmitter room
CCA 300 transmitter	Transmitter room
19' equipment Rack	Transmitter room
Belar modulation monitor	Transmitter room
Belar stereo monitor	Transmitter room
Belar SCA monitor	Transmitter room
Mosley STL Receiver	Transmitter room
Delta Antenna Switch	Transmitter room
Antenna switch relay panel	Transmitter room
MSI comp clipper	Transmitter room
Mosley STL Receiver	Transmitter room
Monitor Amp	Transmitter room
Cablewave jumper cables	Transmitter room
MSI Sidekick SCA Gen	Transmitter room
Various hand tools	Transmitter room
Various spare parts	Transmitter room
Scala STL Dish	Roof of NST
100 feet of 1/2 cable	Transmitter room to roof top

Schedule 1.3

Assumed Contracts

1. Agreement between Continental Communications, Inc. and Jarad Broadcasting Corp. (October 16, 1987).
2. Sub-carrier Agreement between Radio QSCR and Jarad Broadcasting, Inc. (February 4, 2003).
3. Sub-carrier Agreement between Radio Eclair and Jarad Broadcasting (October 2002).
4. Letter of Interest to the Morey Organization, Inc. from SpectraSite (September 23, 2003).

Schedule 3.4
Undisclosed Liabilities

None.

Schedule 3.7(b)

Termination or Impairment of Access

None.

Schedule 3.11
Governmental Reports

None.

Schedule 3.17
Third Party Consents

Continental Communications, Inc., lessor of transmitter site.