

ASSET PURCHASE AGREEMENT

among

Rose City Radio Corporation,
an Oregon corporation,

Vulcan Sports Media, Inc.,
a Delaware corporation,

and

P & Y Broadcasting Corporation,
a California corporation

Dated as of March 23, 2007

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ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is made and entered into as of March 23, 2007, by and among Rose City Radio Corporation, an Oregon corporation ("RCR"), Vulcan Sports Media, Inc., a Delaware corporation and an affiliate of RCR ("VSM") and, together with RCR, the "Sellers", and P & Y Broadcasting Corporation, a California corporation ("Buyer").

WITNESSETH:

WHEREAS, RCR is the licensee of and owns certain assets used or held for use in connection with the operation of KMPC(AM), 1540 kHz, Facility ID Number 61647, Los Angeles, California, the "Station", as well as certain other radio broadcast stations not subject to this Agreement, pursuant to certain licenses, authorizations and approvals issued by the Federal Communications Commission (the "FCC");

WHEREAS, VSM operates the Station pursuant to the terms of an Operating Agreement, dated May 2, 2001 (as amended, the "Operating Agreement"), pursuant to which VSM provides certain management, programming and other services to the Station, and in such capacity is a party to certain agreements and owns certain assets used or held for use in connection with the operation of the Station; and

WHEREAS, subject to the terms and conditions set forth herein, (i) RCR desires to assign to Buyer and Buyer desires to acquire from RCR, the FCC Licenses (as hereinafter defined) and (ii) Sellers desire to convey to Buyer, and Buyer desires to acquire from Sellers, the tangible and intangible assets and properties used or held for use by Sellers solely in connection with the operation of the Station.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants and agreements hereinafter set forth, and for good and valuable consideration, the receipt and adequacy of which is acknowledged by the parties, the parties hereto, intending to be legally bound, hereby agree as follows:

ARTICLE 1 DEFINITIONS

1.1 Specific Definitions. As used in this Agreement, the following terms shall have the meanings set forth or referenced below:

"Accounts Receivable" shall mean all accounts receivable, and evidences thereof, for the sale of advertising time and other goods and services by the Station Business prior to the Effective Time.

"Adjusted Purchase Price" shall have the meaning set forth in Section 3.1.

"Adjustment Report" shall have the meaning set forth in Section 3.5(b).

“Agreement” shall have the meaning set forth in the preamble.

“Assigned Contracts” shall have the meaning set forth in Section 2.1(e).

“Assignment and Assumption Agreement” shall mean an Assignment and Assumption Agreement in the form attached as Exhibit A hereto.

“Assignment of Domain Names” shall mean an Assignment of Domain Names in the form attached as Exhibit B hereto.

“Assignment of FCC Licenses” shall mean the Assignment of FCC Licenses in the form attached as Exhibit C hereto.

“Assumed Liabilities” shall have the meaning set forth in Section 2.3.

“Bill of Sale” shall mean a Bill of Sale in the form attached as Exhibit D hereto.

“Buyer” shall have the meaning set forth in the preamble.

“Buyer Documents” shall have the meaning set forth in Section 7.2(a).

“Buyer’s Breach” shall have the meaning set forth in Section 11.1(d).

“Closing” shall have the meaning set forth in Section 5.1.

“Closing Date” shall have the meaning set forth in Section 5.1.

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

“Collection Period” shall have the meaning set forth in Section 3.6(a).

“Construction Management Agreement” shall mean that certain Construction Management Agreement by and between RCR and VSM, dated as of September 28, 2004, as amended.

“Contract” shall mean any mortgage, bond, note, loan, evidence of indebtedness, purchase order, letter of credit, indenture, covenant not to compete, lease, franchise, license, permit, contract, agreement, commitment, obligation, trust, instrument or other written binding arrangement or understanding.

“Damages” shall mean any liability, losses, damages, claims, costs and expenses, interest, awards, judgments and penalties, including reasonable attorneys’ fees and expenses (but excluding indirect, incidental, consequential, punitive, expectancy and special damages and loss of profits) actually suffered or incurred.

“Deposit” shall have the meaning set forth in Section 3.2(a).

“Dispute” shall have the meaning set forth in Section 12.15(a).

“Effective Time” shall have the meaning set forth in Section 3.5(a).

“Environmental Law” shall mean any federal, state, or local law governing pollution or protection of human health or the environment.

“ERP” shall have the meaning set forth in Section 6.3(b).

“Escrow Agent” shall mean Hanmi Escrow Co. Inc.

“Escrow Agreement” shall mean the Escrow Agreement of even date with the Agreement in the form attached as Exhibit E hereto.

“Excluded Assets” shall have the meaning set forth in Section 2.2.

“Excluded Contracts” shall have the meaning set forth in Section 2.2(b).

“FCC” shall have the meaning set forth in the preamble.

“FCC Application” shall have the meaning set forth in Section 4.1(b).

“FCC Consent” shall have the meaning set forth in Section 4.1(a).

“FCC Licenses” shall have the meaning set forth in Section 2.1(a).

“FCC Rules” shall mean the existing rules, regulations and policies of the FCC.

“Final” shall mean that action shall have been taken by the FCC (including action duly taken by the FCC’s staff, pursuant to delegated authority) which shall not have been reversed, stayed, enjoined, set aside, annulled or suspended; with respect to which no timely request for stay, petition for rehearing, appeal or certiorari or sua sponte action of the FCC with comparable effect shall be pending; and as to which the time for filing any such request, petition, appeal, certiorari or for the taking of any such sua sponte action by the FCC shall have expired or otherwise terminated.

“Governmental Entity” shall mean any United States federal, state or local or any supranational or non-United States court, tribunal, legislative, executive governmental, quasi-governmental or regulatory authority, self-regulatory authority, agency, department, commission, instrumentality or body.

“HSR Act” shall mean the Hart-Scott-Rodino Antitrust Improvement Act of 1976, as amended.

“Indemnified Party” shall have the meaning set forth in Section 10.4(a).

“Indemnifying Party” shall have the meaning set forth in Section 10.4(a).

“Independent Accountant” shall have the meaning set forth in Section 3.5(b).

“Intangible Assets” shall have the meaning set forth in Section 2.1(d).

“Knowledge of Sellers” or “Sellers’ Knowledge” means the actual knowledge of Chris Canning, President and General Counsel of VSM, which shall be attributed to Sellers.

“Law” shall mean any law, statute, rule, regulation, code, plan, order or other restriction of any arbitrator, court or other Governmental Entity.

“Leased Real Property” shall have the meaning set forth in Section 6.6(b).

“Lien” shall mean any pledge, option, charge, hypothecation, easement, security interest, right of way, encroachment, mortgage, deed of trust, or other encumbrance or restriction on transfer, other than any restriction imposed by the terms of this Agreement.

“Operating Agreement” shall have the meaning set forth in the preamble.

“Ordinary Course of Business” shall have the meaning set forth in Section 8.1(c).

“Owned Real Property” shall have the meaning set forth in Section 6.6(a).

“Permitted Liens” shall mean (i) liens for Taxes not yet due and payable or disputed in good faith; (ii) landlord’s liens and liens for property Taxes not delinquent; (iii) materialmen’s, mechanics’, carriers’, warehousemen’s, landlords’, workmen’s, repairmen’s, employees’ or other like Liens arising in the ordinary course of business and for which payment is not overdue; (iv) Liens incurred or deposits made in the ordinary course of business in connection with workers’ compensation, unemployment insurance, social security and other like laws; (v) restrictions or rights granted to Governmental Entities under applicable law; (vi) such imperfections in title and easements and encumbrances, if any, as do not materially detract from the value, or materially interfere with the present use of the property subject thereto or affected thereby, or materially impair the conduct of the Station Business or the operation of the Station; (vii) all matters appearing in the Real Property records; and (viii) any Liens disclosed on Schedule 6.6(a) or Schedule 6.6(b) as indicated with a double asterisk.

“Pre-Closing Debtor” shall have the meaning set forth in Section 3.6(c).

“Purchase Price” shall have the meaning set forth in Section 3.1.

“Real Property” shall have the meaning set forth in Section 2.1(c).

“Retained Liabilities” shall have the meaning set forth in Section 2.4.

“Revised Adjustment Report” shall have the meaning set forth in Section 3.5(b).

“Sellers” shall have the meaning set forth in the preamble.

“Sellers’ Breach” shall have the meaning set forth in Section 11.1(c).

“Sellers Documents” shall have the meaning set forth in Section 6.2(a).

“Station Assets” shall have the meaning set forth in Section 2.1.

“Station Business” shall mean the businesses currently conducted by RCR solely with respect to the operation of the Station, taken as a whole, including the assets thereof.

“Station” shall have the meaning set forth in the preamble.

“Tangible Personal Property” shall have the meaning set forth in Section 2.1(b).

“Taxes” and “Tax” shall mean all taxes and any tax, including all foreign, federal, state, county and local income, sales, employment, profit, payroll, use, trade, capital, occupation, property, excise, value added, unitary, withholding, stamp, transfer, registration, recordation and license tax, taxes measured on or imposed by net worth, and other taxes, levies, imposts, duties, deficiencies and assessments, together with all interest, penalties and additions imposed with respect thereto.

“Termination Date” shall have the meaning set forth in Section 11.1(f).

“Vulcan” shall mean Vulcan Inc.

1.2 Other Definitional Provisions.

(a) The words “hereof,” “herein,” and “hereunder” and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement. Where a reference in this Agreement is made to a Section, Schedule, Exhibit or Annex, such reference shall be to a Section of, Schedule, Exhibit or Annex to this Agreement unless otherwise indicated.

(b) The definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms and to the masculine as well as to the feminine and neuter genders of such terms.

(c) Unless the context requires otherwise, any agreement, instrument or statute defined or referred to herein or in any agreement or instrument that is referred to herein means such agreement, instrument or statute as from time to time amended, modified or supplemented, including (in the case of agreements or instruments) by waiver or consent and (in the case of statutes) by succession of comparable successor statutes and references to all attachments thereto and instruments incorporated therein. References to a person are also to its permitted successors and assigns.

(d) The terms “dollars” and “\$” shall mean United States Dollars.

(e) Whenever the words “include”, “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation.”

1.3 Construction. The language used in this Agreement will be deemed to be language chosen by the parties to express their mutual intent. In the event an ambiguity or question of intent arises, this Agreement will be construed as if drafted jointly by the parties, and no presumption or burden of proof will arise favoring or disfavoring any person or entity by virtue of the authorship of any of the provisions of this Agreement.

ARTICLE 2

PURCHASE AND SALE OF ASSETS

2.1 Purchase and Sale of Assets. Upon the terms and subject to the conditions of this Agreement, on the Closing Date, Sellers shall sell, assign, transfer, grant, convey and deliver to Buyer, and Buyer shall purchase from Sellers, all of Sellers' right, title and interest in and to the following assets, properties, interests and rights used or held for use solely in connection with the operation of the Station, together with any such additions or improvements thereto between the date of this Agreement and the Closing Date, but excluding the Excluded Assets and any assets disposed of between the date of this Agreement and the Closing Date in accordance with the provisions of this Agreement (such assets being conveyed being collectively referred to herein as the "Station Assets"):

(a) Licenses and Authorizations. All of the licenses, permits and other authorizations issued by the FCC solely for or in connection with the operation of the Station as listed or described on Schedule 6.3(a) (the "FCC Licenses"), and all applications therefor, together with any renewals, extensions or modifications thereof and additions thereto.

(b) Tangible Personal Property. To the extent not included in the Real Property hereinafter defined, all tangible personal property used or held for use solely in the operation of the Station, including the tangible personal property listed or described on Schedule 6.4, including the following: studio, audio processing, tuning and other equipment; electrical devices; antennas; cables; vehicles; furniture; fixtures; improvements; office materials and supplies; office equipment; hardware; tools; spare parts; towers; transmitter facilities; transmitter building and furniture and equipment associated therewith; and main and backup transmitters and generators (collectively, the "Tangible Personal Property").

(c) Real Property. All interests of Sellers as of the date of this Agreement in and to all land, leaseholds, licenses, rights-of-way, easements and other interests of every kind and description in and to all of the real property and buildings, towers, transmitters, antennae, fixtures and improvements thereon, used or held for use solely in connection with the operation of the Station, as listed and described in Schedule 6.6 (the "Real Property").

(d) Intangible Assets. All rights in and to the intangible assets used or held for use solely in connection with operation of the Station and all other patents, service marks, copyrights, franchises, software, licenses (other than FCC Licenses), trademarks, trade

names, station names, call signs or letters, jingles, slogans, logotypes and other intellectual property owned, used or held for use solely in connection with the business or operation of the Station (including any and all common law rights, applications, registrations, extensions and renewals relating thereto), as listed or described in Schedule 2.1(d) (collectively, the “Intangible Assets”).

(e) Station Agreements. The leases, contracts and other agreements relating solely to the Station listed in Schedule 2.1(e) and that Sellers enter into pursuant to this Agreement between the date of this Agreement and the Closing Date or that Buyer specifically agrees in writing to assume (the “Assigned Contracts”).

(f) Files and Records. All FCC logs, all files and other records that relate to the operation of the Station (other than duplicate copies of such files, which Sellers are expressly entitled to retain), including invoices, engineering data, sales records, other sales and traffic information, and all other technical and financial information concerning the Station and the Station Assets.

(g) Prepaid Expenses. Subject to the provisions of Section 3.5, all deposits, reserves and prepaid expenses relating solely to the Station and prepaid Taxes relating to the Station or the Station Assets.

(h) Third-Party Claims. Except (a) for claims relating to Taxes including any claims for refunds of Taxes with respect to transactions or taxable periods ending on or before the Closing Date and the proceeds thereof, or (b) for reimbursement of payments made by Sellers, all rights and claims of Sellers against third parties relating solely to the Station Assets.

(i) Other Assets. All other assets of Sellers used or held for use solely in connection with the operation of the Station, other than the Excluded Assets (as hereinafter defined).

2.2 Excluded Assets. Notwithstanding anything to the contrary contained herein, it is expressly understood and agreed that the Station Assets shall not include the following assets (collectively, the “Excluded Assets”):

(a) All cash, cash equivalents or similar type investments of Sellers, such as certificates of deposit, Treasury bills and other marketable securities on hand and/or in banks, and all accounts receivable generated from the Station Business (including with respect to program broadcast agreements) prior to the Closing Date;

(b) All Contracts to which Sellers are a party that have expired or terminated on or prior to the Closing Date, or which otherwise do not constitute Assigned Contracts (including Contracts of RCR or VSM relating to broadcast stations other than the Station and any other Contract to which VSM is a party that is not specifically identified as an Assigned Contract) (the “Excluded Contracts”);

(c) Sellers’ corporate seal, minute books, charter documents, corporate stock record books and such other books and records relating to the organization or existence of either of the Sellers;

(d) Contracts of insurance and all insurance proceeds or claims made by Sellers relating to property or equipment repaired, replaced or restored by Sellers prior to the Closing Date;

(e) All pension plans and the assets thereof, and all other employee benefit plans and arrangements and the assets thereof;

(f) Any and all claims including claims for Tax refunds made by Sellers with respect to transactions or taxable periods prior to the Closing Date and the proceeds thereof, except claims with respect to obligations to be assumed by Buyer pursuant to Section 2.3 hereof;

(g) Any books and records relating to any of the foregoing, except to the extent that Buyer wishes to make, at its expense, a duplicate copy of such materials in order to facilitate its operation of the Station and conduct of its business; notwithstanding the foregoing, the Sellers shall retain all books and records relating to Taxes of the Sellers and Buyer shall not be permitted to make duplicate copies thereof;

(h) All assets disposed of in the ordinary course of business prior to Closing as permitted under this Agreement;

(i) The rights of Sellers under this Agreement or under any of the Sellers Documents;

(j) All assets and property located at the offices of VSM that are used or useful in connection with the various general and administrative, accounting, legal, human resource, sales, marketing, engineering or other services provided by VSM to RCR pursuant to the Operating Agreement, the Construction Management Agreement or otherwise; and

(k) All other assets of Sellers which are identified in Schedule 2.2(l).

2.3 Assumed Liabilities. Upon the terms and subject to the conditions of this Agreement, on the Closing Date, Buyer shall assume, pay and discharge any and all of the following liabilities and obligations (collectively, the “Assumed Liabilities”):

(a) liabilities and obligations relating to events or circumstances occurring from and after the Closing Date arising out of or resulting from the ownership, lease, license, operation or disposition of the Station Assets or the Station Business by Buyer;

(b) liabilities and obligations relating to events or circumstances occurring from and after the Closing Date under the Assigned Contracts;

(c) liabilities for Taxes as set forth in Sections 3.5 and 12.4; and

(d) liabilities and obligations relating to or arising out of environmental matters at any time whether or not included in Schedule 6.8.

2.4 Retained Liabilities. Buyer shall not be required to assume any of the following: (i) any obligations or liabilities under any Excluded Assets, (ii) any liability or obligation arising out of any litigation, proceeding or claim by any Person relating to the Station Business or any of the Station Assets with respect to matters or events occurring prior to the Effective Time (other than as provided in Section 2.3) and (iii) any credit agreements, note purchase agreements, indentures or other financing arrangements (other than any Assigned Contracts) of Sellers. Buyer shall perform all obligations arising out of the Station Assets (including the Assigned Contracts and the FCC Licenses) on or after the Closing Date. Sellers shall retain all liabilities of Sellers not assumed by Buyer (the “Retained Liabilities”).

ARTICLE 3

CONSIDERATION

3.1 Purchase Price. In consideration for the sale, assignment, transfer and conveyance of the Station Assets and the assumption of the Assumed Liabilities, at Closing Buyer shall pay to Seller the sum of Thirty-Three Million Dollars (\$33,000,000) (the “Purchase Price”), as adjusted pursuant to Section 3.3 hereof (the “Adjusted Purchase Price”) less the Deposit to the extent so delivered to RCR in accordance with Section 3.2 hereof, and Buyer shall assume the Assumed Liabilities. At the Closing, Buyer shall pay the Adjusted Purchase Price to an account or accounts designated by Sellers by wire transfer of same day Federal funds, and Buyer shall assume the Assumed Liabilities.

3.2 Deposit.

(a) Concurrently with the execution of this Agreement, Buyer shall deliver to the Escrow Agent the sum of Two Million Dollars (\$2,000,000) to be held as an earnest money deposit (the “Deposit”) pursuant to the Escrow Agreement. Pursuant to the Escrow Agreement, the Deposit shall be applied as follows:

(i) Upon the Closing, the Deposit shall be applied as a deposit towards the Purchase Price as provided in Section 3.1.

(ii) In the event this Agreement is terminated for any reason other than pursuant to Section 11.1(d), 11.1(e) or 11.1(f), the Deposit (and any interest and dividends earned thereon) shall be returned to Buyer. RCR shall execute and deliver a notice to Escrow Agent pursuant to the Escrow Agreement authorizing the release of the Deposit to Buyer.

(iii) In the event that this Agreement is terminated for the reasons set forth in Section 11.1(d), 11.1(e) or 11.1(f), the Deposit (and any interest and dividends earned thereon) shall be paid to RCR. Buyer shall execute and deliver a notice to Escrow Agent pursuant to the Escrow Agreement authorizing the release of the Deposit to RCR.

(b) Buyer shall be treated as the owner of the Deposit and any interest or dividends earned thereon for all purposes, including Tax purposes.

(c) The Deposit shall not be deemed to be liquidated damages and shall not limit any of the parties’ available rights and remedies under this Agreement, at law or in equity or otherwise.

3.3 Adjustments. In the event that Sellers and Buyer enter into a Local Marketing Agreement relating to Buyer’s use of the Station’s airtime on or prior to the Closing, such agreement shall provide Buyer with a credit of \$175,000 for any amounts due and owing to Sellers under such Agreement. In the event that Sellers and Buyer do not enter into a Local Marketing Agreement on or prior to Closing, the sum of \$175,000 shall be deducted from the Purchase Price payable at Closing pursuant to Section 3.1.

3.4 Allocation of Purchase Price.

(a) The Buyer and Sellers hereby agree to endeavor to agree on an allocation of the total consideration (as determined for federal income Tax purposes) for the Station Assets among the Station Assets (the “Allocation”) for purposes of Section 1060 of the Code. If the Buyer and Sellers agree to the Allocation, except as may be required by a

“determination” (within the meaning of Section 1313(a) of the Code or any similar state or local Tax provision), neither the Buyer nor the Sellers (nor any of their respective affiliates) shall file any Tax return or take a position with a taxing authority that is inconsistent with the Allocation, including any amendments thereto agreed upon by the Buyer and Sellers.

(b) The Sellers shall present a draft of the Allocation (the “Proposed Allocation”) to the Buyer for review as soon as reasonably practicable after the Closing Date. Except as provided in subparagraphs (i) and (ii) of this Section 3.4(b), at the close of business on the fifty-first (51st) day after delivery of the Proposed Allocation, the Proposed Allocation shall become binding upon the Buyer and the Sellers and shall be the Allocation.

(i) The Buyer shall raise any objection to the Proposed Allocation in writing within fifty (50) days of the delivery of the Proposed Allocation. The Sellers and the Buyer shall negotiate in good faith to resolve any differences for thirty (30) days after delivery of any objection by the Buyer. If the Sellers and the Buyer reach written agreement amending the Proposed Allocation, the Proposed Allocation, as amended by such written agreement, shall become binding upon the Sellers and the Buyer and shall be the Allocation.

(ii) If the Buyer and Sellers cannot mutually agree on the appropriate allocation within the 30-day time limit set forth in subparagraph (i) above, the Buyer and Sellers shall not be required to agree on an allocation and each shall be permitted to report the allocation of the consideration among the Station Assets in their sole discretion.

(c) In the event that the Buyer and the Sellers reach an agreement on the Allocation and there is any subsequent adjustment to the aggregate consideration for the Station Assets, the Sellers shall revise the Allocation to reflect any such adjustment using the same methodology as used in the initial Allocation and shall promptly present a draft of such revised Allocation to Buyer for review; provided that the principles contained in paragraphs (a) and (b) above (including the right of the Buyer to raise any objection to the proposed revised Allocation and the right of the Buyer and Sellers to not agree on the revised allocation) shall apply to such revised Allocation.

3.5 Proration of Income and Expenses.

(a) Except as otherwise provided herein, all income and expenses arising from the Station Assets and the Station Business to be conveyed hereunder shall be prorated between Buyer and Sellers in accordance with U.S. generally accepted accounting principles as of 12:01 a.m., Eastern time, on the Closing Date (the “Effective Time”), on the basis that all income and expenses which accrue prior to the Effective Time are for the account of Sellers, and all income and expenses which accrue on or after the Effective Time are for the account of Buyer. Such prorations shall include all real property, ad valorem, and other property

Taxes (but excluding income Taxes arising by reason of the transfer of the Station Assets as contemplated hereby and transfer Taxes arising by reason of the transfer of the Station Assets, which shall be paid as set forth in Article 12 of this Agreement), utility charges, business and license fees, music and other license fees currently paid by, or on behalf of, Sellers, FCC regulatory fees, and similar prepaid and deferred items attributable to the ownership of the Station or the Station Assets. Revenues, expenses, Taxes, costs and liabilities earned or incurred in connection with particular programs and announcements shall be allocated to the time of performance of such programs and announcements without regard to the date of payment therefor.

(b) Not less than thirty (30) days before the Closing Date, Buyer shall deliver to Sellers an itemized list of the final prorations and adjustments calculated in accordance with Section 3.5(a) and GAAP, consistently applied (the “Adjustment Report”). Buyer shall permit Sellers and their representatives reasonable access during normal business hours to the accounting records and statements used in connection with, and Buyer’s representatives who participated in, the preparation of the Adjustment Report. Within thirty (30) days of the receipt of the Adjustment Report, Sellers will complete their examination of the Adjustment Report and either acknowledge their acceptance of the Adjustment Report or deliver to Buyer a revised Adjustment Report setting forth any disputes (“Revised Adjustment Report”). If Sellers fail to take either of these actions, at the conclusion of such thirty (30) day period, the Adjustment Report will be deemed to be correct. In the event of any disputes between the parties as to such Adjustment Report, the amounts not in dispute shall nonetheless be paid at the time provided herein and Buyer and Sellers will negotiate in good faith for fifteen (15) days following Sellers’ delivery of the Revised Adjustment Report to resolve any such disputes. If Buyer and Sellers fail to agree after such period, disputes shall be determined by an independent certified public accountant (the “Independent Accountant”) mutually acceptable to the parties, and the fees and expenses of such Independent Accountant shall be paid one-half by Sellers and one-half by Buyer. Such Independent Accountant shall have sixty (60) days after Sellers’ submission of the Revised Adjustment Report to make a final determination with respect to the correctness of the Adjustment Report. The decision made by the Independent Accountant shall be final and binding on Sellers and Buyer. Within ten (10) days of (i) Sellers’ acknowledgement of their acceptance of the Adjustment Report (or those portions not in dispute), (ii) the Adjustment Report being deemed to be correct, or (iii) a final determination by the Independent Accountant, a final adjustment of the items to be pro-rated between Buyer and Sellers pursuant to this Section 3.5 shall be made.

3.6 Collection of Accounts Receivable.

(a) On the Closing Date, VSM shall assign its interest in the Accounts Receivable to Buyer for purposes of collection only. Buyer shall use reasonable efforts to collect the Accounts Receivable as VSM’s agent for a period of one hundred eighty (180) days following the Closing Date (the “Collection Period”). Buyer shall not compromise, settle or adjust any of the Accounts Receivable without receiving the written approval of VSM.

(b) Within ten (10) business days after the Closing Date, VSM shall deliver to Buyer a complete and detailed statement of each Account Receivable. Neither of the Sellers nor any of their agents shall make any solicitation in respect of such Accounts Receivable for collection purposes nor shall Sellers or their agents institute litigation for the collection of any Accounts Receivable during the Collection Period provided Buyer is complying with this Section 3.6 and except with respect to Accounts Receivable returned to VSM for collection as set forth below.

(c) By the fifteenth (15th) day of each month during the Collection Period, commencing with the second month following the Closing Date, Buyer shall pay to VSM all of VSM's interest in the amounts collected by Buyer on the Accounts Receivable during the previous calendar month. All amounts received by Buyer from account debtors from whom any Account Receivable is owed ("Pre-Closing Debtor") shall be applied first to the Accounts Receivable, unless the Pre-Closing Debtor specifically disputes a receivable or instructs in writing that the payment be otherwise applied. Buyer will take no action to encourage a Pre-Closing Debtor to dispute its obligation to pay any billing which relates to an Account Receivable or encourage a Pre-Closing Debtor to specify that any payment from such Pre-Closing Debtor is to be applied to billings of such Pre-Closing Debtor other than in their chronological order. If during the Collection Period a Pre-Closing Debtor disputes any account included among the Accounts Receivable, Buyer may return that account collection right to VSM for collection and VSM shall have the right to collect such receivables, including through the initiation of any proceedings as VSM deems appropriate as the owner thereof. At the conclusion of the Collection Period, any remaining uncollected Accounts Receivable, including any right to pursue collection, shall be reassigned to VSM and thereafter Buyer shall have no further obligation with respect to the Accounts Receivable.

(d) Buyer shall collect the Accounts Receivable in the same manner and with the same diligence that Buyer uses to collect its own accounts receivable during the Collection Period, and Buyer will not notify any Pre-Closing Debtors that Buyer is collecting the Accounts Receivable on behalf of VSM.

ARTICLE 4

GOVERNMENTAL CONSENTS

4.1 FCC Consent.

(a) The transactions contemplated hereby are expressly conditioned on and subject to the prior consent and approval of the FCC to assignment of the FCC Licenses from RCR to Buyer ("FCC Consent").

(b) Within ten (10) business days after execution of this Agreement, each party shall prepare and execute its respective portion of an application for FCC Consent to

the assignment of the FCC Licenses (“FCC Application”) with respect to the transfer of the Station from RCR to Buyer and RCR shall promptly file the completed FCC Application with the FCC. The parties shall thereafter prosecute the FCC Application with all reasonable diligence and otherwise use reasonable best efforts to obtain the grant of the FCC Application as expeditiously as practicable. Each of RCR and Buyer will promptly provide to the other party a copy of any pleading, order or other document served on them relating to such FCC Application.

(c) Each of RCR and Buyer agrees to comply with any condition imposed on it by any FCC Consent, except that neither RCR nor Buyer shall be required to comply with a condition if compliance with the condition would have a material adverse effect upon it. Buyer and RCR shall oppose any petitions to deny or other objections filed with respect to the application for any FCC Consent and any requests for reconsideration or review of any FCC Consent.

(d) If the Closing shall not have occurred for any reason within the original effective period of any FCC Consent, and no party shall have terminated this Agreement under Article 11 hereof, RCR and Buyer shall jointly request an extension of the effective period of such FCC Consent. No extension of the effective period of any FCC Consent shall limit the exercise by either party of its right to terminate the Agreement under Article 11 hereof.

ARTICLE 5

CLOSING

5.1 Closing. Upon the terms and subject to the conditions hereof, the closing of the transactions contemplated hereby (the “Closing”) shall take place at the offices of Skadden, Arps, Slate, Meagher & Flom LLP, 300 South Grand Avenue, Suite 3400, Los Angeles, California at 10:00 a.m., local time, on the second business day following the satisfaction or waiver (subject to applicable Law) of the conditions precedent specified in Article 9 (other than those conditions that by their nature are to be fulfilled only at the Closing, but subject to the fulfillment or waiver (subject to applicable Law) of such conditions) or at such other time and place as the parties may mutually agree in writing (such date, the “Closing Date”).

5.2 Sellers’ Deliveries at Closing. At the Closing, Sellers shall deliver or cause to be delivered to Buyer the following:

- (a) (i) a Bill of Sale for the Tangible Personal Property and Intangible Assets;
- (ii) the Assignment of FCC Licenses;
- (iii) the Assignment and Assumption Agreement;

(iv) the Assignment of Domain Names;

(v) a deed for the Owned Real Property in substantially the form attached hereto as Exhibit F; and

(vi) a certificate of non-foreign status in compliance with Treasury Regulation Section 1.1445-2(b)(2) in substantially the form attached hereto as Exhibit G.

(b) A copy of all instruments evidencing any consents received regarding any Assigned Contracts.

(c) A certificate of each of the Sellers, each executed by an officer of each of the Sellers certifying to the fulfillment or satisfaction of the conditions set forth in Sections 9.1(a) and (b). The delivery of such certificate shall constitute a representation and warranty of Sellers as to the statements set forth therein as of the Closing Date.

(d) Updated Schedules to this Agreement reflecting any changes necessary to render the certification contained in such certificate true and accurate on the Closing Date.

(e) Such other documents to be delivered by Sellers hereunder as are reasonably necessary for Buyer to effectuate and document the transactions contemplated hereby.

5.3 Buyer's Deliveries at Closing. At the Closing, Buyer shall deliver or cause to be delivered to Sellers the following:

- (a) The Purchase Price required under Section 3.1 hereof.
- (b) A Bill of Sale for the Tangible Personal Property and Intangible Assets.
- (c) The FCC Assignment Agreement.
- (d) The Assignment and Assumption Agreement.
- (e) The Assignment of Domain Names.

(f) A notice to Escrow Agent to release the Deposit to Sellers as payment of a portion of the Purchase Price, executed by Buyer.

(g) A certificate, executed by an officer of Buyer, certifying to the fulfillment or satisfaction by Buyer of the conditions set forth in Sections 9.2(a) and (b). The delivery of such certificate shall constitute a representation and warranty of Buyer as to the statements set forth therein as of the Closing Date.

(h) Such other documents to be delivered by Buyer hereunder as are reasonably necessary for Sellers to effectuate and document the transactions contemplated hereby.

5.4 “As Is” Sale. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN ARTICLE 6 HEREOF, (i) BUYER UNDERSTANDS AND AGREES THAT THE STATION ASSETS ARE BEING SOLD, ASSIGNED, CONVEYED, TRANSFERRED AND DELIVERED TO BUYER IN “AS IS” CONDITION, AND (ii) SELLERS DO NOT MAKE ANY OTHER WARRANTY WITH RESPECT TO THE STATION ASSETS, INCLUDING (A) ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR ANY OTHER WARRANTY, EXPRESS OR IMPLIED, OR (B) ANY WARRANTY AS TO THE GENERAL ADEQUACY, OPERATING CONDITION OR ADEQUACY OF REPAIR OF ANY OF THE STATION ASSETS OR THE WORKING ORDER OR SOUNDNESS OF ANY OF THE STATION ASSETS, INCLUDING IN RESPECT OF ANY BUILDING, TOWER OR OTHER IMPROVEMENT INCLUDED IN THE STATION ASSETS.

ARTICLE 6

REPRESENTATIONS AND WARRANTIES OF SELLERS

Sellers represent and warrant to Buyer, subject in each case to the exceptions set forth herein and in the Schedules to this Agreement, as follows:

6.1 Organization and Qualification. RCR is a corporation duly organized, validly existing and in good standing under the laws of the State of Oregon. VSM is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware. Each of the Sellers has all necessary corporate power to carry on its business as it is now being conducted.

6.2 Authority; No Conflicts; Consents.

(a) Each of the Sellers has all necessary corporate power and authority to enter into this Agreement and all other agreements, documents, certificates and instruments delivered or to be delivered hereunder by such Sellers (this Agreement and such other agreements, documents, certificates and instruments are referred to herein collectively as the

“Sellers Documents”), to perform its obligations thereunder, and to consummate the transactions contemplated thereby. The execution and delivery of the Sellers Documents by each of the Sellers and the consummation by each of the Sellers of the transactions contemplated thereby have been, or will be prior to the Closing, as the case may be, duly authorized by all necessary corporate action on the part of such Sellers. Each of the Sellers Documents has been, or at or prior to the Closing will be, as the case may be, duly executed and delivered by each of the Sellers and constitutes, or will constitute at the Closing, as the case may be, a valid and binding obligation of each of the Sellers, enforceable against such Sellers in accordance with their respective terms, except as enforceability may be affected by bankruptcy, insolvency or similar laws affecting creditors’ rights generally and by judicial discretion in the enforcement of equitable remedies.

(b) Except as set forth in Schedule 6.2(b) and subject to FCC Consent, any necessary consent under the HSR Act, and the receipt of any consents as may be required to assign any Assigned Contract, the execution and delivery by each of the Sellers Documents does not or will not, and the consummation of the transactions contemplated thereby will not:

(i) conflict with, or result in a violation of, any provision of the Articles of Incorporation or Bylaws of such Sellers; (ii) constitute or result in a breach of or default (or an event which with notice or lapse of time, or both, would constitute a default) under, or result in the termination or suspension of, or accelerate the performance required by, or result in a right of termination, cancellation or acceleration of any Assigned Contract; (iii) create any Lien upon any of the Station Assets; or (iv) constitute, or result in, a violation of any judgment, ruling, order, writ, injunction, decree, statute, law, rule or regulation applicable to such Sellers or the Station Assets, excluding from the foregoing clauses (ii), (iii) and (iv) such violations, breaches or defaults which would not, individually or in the aggregate, have a material adverse effect on the Station or the Station Assets, taken as a whole.

(c) Except for such filings, permits, authorizations, consents and approvals as may be required by or under, and other applicable requirements of, the HSR Act or the FCC, no consent, approval, order or authorization of, notice to, or registration, declaration of filing with, any Governmental Entity is necessary in connection with the execution and delivery of the Sellers Documents by each of the Sellers or the consummation of the transactions contemplated thereby by such Sellers.

6.3 FCC Licenses.

(a) Schedule 6.3 identifies the FCC Licenses used in the operation of the Station. RCR is the authorized legal holder of the FCC Licenses. The FCC Licenses are in full force and effect. The FCC Licenses are all of the licenses, permits or other authorizations from federal Governmental Entities necessary to the operation of the Station in the manner and to the full extent as such operations are currently conducted and there are no material conditions upon the FCC Licenses except those conditions stated on the face thereof or those conditions that apply to radio broadcast licenses generally. To the Knowledge of Sellers, no proceedings are pending or threatened (other than proceedings applicable to the radio industry as a whole) nor do

any facts exist which may result in the revocation, modification, non-renewal or suspension of any of the FCC Licenses, the issuance of any cease and desist order related to the FCC Licenses or the imposition of any administrative actions by the FCC which may affect Buyer's authority to operate the Station.

(b) Except as set forth in Schedule 6.3(b), to the Knowledge of Sellers, the Station and its respective transmission facilities are operating in material compliance with the FCC Licenses and the FCC Rules. Although licensed to operate at an effective radiated power ("ERP") of 50 kW day/37 kW night, (DA-2), the Station is currently operating during nighttime hours, pursuant to Special Temporary Authority, at a reduced ERP of 10 kW in order to repair damage to radials. Seller represents and warrants, that, no later than the Closing Date, the Station shall be operating in compliance with the Station's licensed values, during both daytime and nighttime hours. RCR has filed with the FCC all material reports or applications (including payment of any fee, fine or forfeiture due to the FCC as of date hereof) with respect to the FCC Licenses and the Station.

6.4 Tangible Personal Property. Schedule 6.4 contains the material Tangible Personal Property owned, leased or licensed by Sellers and used solely in connection with the Station Business (other than Excluded Assets), identifying separately those items of Tangible Personal Property that are so leased or licensed (other than inventory or other assets that are sold, consumed, expended or disposed of in the ordinary course of business). Each of the Sellers (i) is the lawful owner of all of the Tangible Personal Property it purports to own, (ii) has valid leasehold interests in the Tangible Personal Property it purports to lease, and (iii) has valid license rights (whether as a licensor or licensee) in the Tangible Personal Property it purports to license, in all cases free and clear of any Liens other than Permitted Liens.

6.5 Material Contracts. Schedule 6.5 identifies all material Contracts related solely to the operation or conduct of the Station to which either of the Sellers is a party (other than Excluded Contracts). Except as set forth on Schedule 6.5, each Contract listed on Schedule 6.5 is a valid and binding obligation of such Sellers and is in full force effect. Such Sellers is not in violation or breach of, nor has such Sellers received in writing any claim or threat that it has breached any material terms of, any Contract listed on Schedule 6.5. Neither of the Sellers nor, to Sellers' Knowledge, any other party to any Contract listed on Schedule 6.5 is in default thereunder or breach of any material term thereof.

6.6 Real Property.

(a) Owned Real Property. Schedule 6.6(a) identifies all Real Property owned by either Seller used in connection with the Station Business ("Owned Real Property").

(i) Except as set forth on Schedule 6.6(a), RCR holds good and valid fee simple title to the Owned Real Property, free and clear of all Liens other than Permitted Liens and any easements, covenants and non-monetary encumbrances granted in the ordinary course of business which do not interfere in any material respect with the operation of the Station.

(ii) Except as set forth on Schedule 6.6(a), the Owned Real Property and the improvements constructed thereon, as well as the current uses thereof, conform in all material respects with all restrictive covenants and with all applicable zoning, environmental and building codes, laws, rules and regulations, including “set back” restrictions. There are no pending or, to RCR’s Knowledge, threatened condemnation proceedings relating to any Owned Real Property.

(b) Leased Real Property. All of the real property leased by Sellers as tenant or lessee solely for use in connection with the Station Business is identified on Schedule 6.6(b) (collectively referred to herein as “Leased Real Property”).

(i) Except as set forth on Schedule 6.6(b), each of the leases related to the Leased Property is in full force and effect on the terms set forth therein and has not been modified, amended, or altered, in writing or otherwise.

(ii) Except as set forth on Schedule 6.6(b), Sellers have a valid leasehold interest in the Leased Real Property and neither Sellers nor, to Sellers’ Knowledge, any other party is in default of any material provision of any lease related to the Leased Property.

6.7 Litigation. Except as set forth on Schedule 6.7, and except for any FCC rulemaking proceedings generally affecting the radio broadcast industry and not particular to Sellers or the Station, Sellers are not subject to any judgment, award, order, writ, injunction, arbitration decision or decree with respect to or affecting the Station or Station Assets. There is no third party claim, litigation, proceeding or investigation pending or, to the best of Sellers’ Knowledge, threatened against Sellers with respect to the Station in any federal, state or local court, or before any administrative agency, arbitrator or other tribunal authorized to resolve disputes, which could reasonably be expected to have a material adverse effect on the Station or the Station Assets, taken as a whole, or which seeks to enjoin or prohibit, or otherwise questions the validity of, any action taken or to be taken in connection with this Agreement.

6.8 Environmental Matters. Except as set forth in Schedule 6.8 or except as would not materially and adversely affect the Real Property, the Station Assets or the Station Business, taken as a whole, to the Knowledge of Sellers, (a) the Sellers’ operation at the Real Property has been maintained in material compliance with applicable Environmental Laws, (b) Sellers have not received any written notice that remains outstanding alleging that the Real Property is in violation of any Environmental Law, and (c) Sellers have not caused any “release” of a “hazardous substance”, as those terms are defined in the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601 et seq., in excess of a reportable quantity on the Real Property, which release remains unresolved. The representations and warranties contained in this Section 6.8 constitute the sole and exclusive representations and warranties made by Sellers concerning environmental matters.

6.9 Taxes. Sellers have paid or has made adequate provision on their financial statements (in accordance with U.S. generally accepted accounting principles) for all Taxes due and payable by Sellers arising from or relating to the Station Assets.

6.10 Intangible Assets. Sellers have not received any notice to the effect that its use of the Intangible Assets infringes on any intellectual property right of another. RCR has the right pursuant to the FCC Rules to use the call letters used by the Station.

6.11 No Other Representations or Warranties. Except for the representations and warranties contained in this Agreement, in the Exhibits hereto and the Schedules hereto, and in the certificates required to be delivered pursuant to or in connection herewith, neither Sellers nor any other person acting for or on behalf of Sellers makes any representation and/or warranty, express or implied, and Sellers hereby disclaim any such representation and/or warranty, whether made by Sellers and/or their respective officers, directors, employees, agents, representatives and/or any other Person, and whether made orally or in writing.

6.12 Brokers. Except as set forth on Schedule 6.12, there is no broker or finder or other person who would have any valid claim for a commission or brokerage in connection with this Agreement or the transaction contemplated hereby as a result of any agreement, understanding or action by Sellers.

ARTICLE 7

REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Sellers as follows:

7.1 Organization, Standing and Power. Buyer is a corporation duly organized, validly existing and in good standing under the laws of the State of California and has all necessary corporate power to carry on its business as it is now being conducted.

7.2 Authority; No Conflicts; Consents.

(a) Buyer has all necessary corporate power and authority to enter into this Agreement and all other agreements, documents, certificates and instruments delivered or to be delivered hereunder by Buyer (the "Buyer Documents"), to perform its obligations thereunder, and to consummate the transactions contemplated thereby. The execution and delivery of the Buyer Documents by Buyer and the consummation by Buyer of the transactions contemplated thereby have been duly authorized by all necessary action on the part of Buyer. Each of the Buyer Documents has been, or will be at the Closing, as the case may be, duly executed and delivered by Buyer and constitutes, or will constitute at the Closing, as the case may be, a valid and binding obligation of Buyer, enforceable against Buyer in accordance with their respective terms except as enforceability may be affected by bankruptcy, insolvency or similar laws affecting creditors' rights generally and by judicial discretion in the enforcement of equitable remedies.

(b) Subject to FCC Consent, any necessary consent under the HSR Act, and the receipt of any consents as may be required to assign any Assigned Contract, the execution and delivery by Buyer of the Buyer Documents does not or will not, and the consummation of the transactions contemplated thereby will not: (i) conflict with, or result in a violation of, any provision of the Articles of Incorporation or Bylaws of Buyer; (ii) constitute or result in a breach or default (or an event which with notice or lapse of time, or both, would constitute a default) under, or result in the termination or suspension of, or accelerate the performance required by, or result in a right of termination, cancellation or acceleration of any Contract; or (iii) constitute, or result in, a violation of any judgment, ruling, order, writ, injunction, decree, statute, law, rule or regulation applicable to Buyer.

(c) Except for such filings, permits, authorizations, consents and approvals as may be required by or under, and other applicable requirements of, the HSR Act or the FCC, no consent, approval, order or authorization of, notice to, or registration, declaration or filing with, any Governmental Entity is necessary in connection with the execution and delivery of any of the Buyer Documents by Buyer or the consummation by Buyer of the transactions contemplated thereby.

7.3 Litigation. There are no third party claims, actions, suits, litigation, labor disputes, arbitrations, proceedings or investigations pending or, to the knowledge of Buyer, threatened against Buyer relating to the transactions contemplated by this Agreement.

7.4 Financing. Buyer has or has access to all funds necessary to consummate the transactions contemplated by this Agreement on a timely basis.

7.5 Buyer Qualifications. Buyer is legally, financially and otherwise qualified to acquire and own the Station and operate the Station Business under all applicable federal, state and local laws, rules and regulations, including the FCC Rules. Neither Buyer nor any party with an attributable interest in Buyer has filed, and prior to the Closing will not file, any application to acquire any broadcast station or newspaper in the same market as the Station which would result in Buyer or persons with an attributable interest in Buyer (1) owning or seeking to acquire interests in a greater number of radio stations in such market than is permitted under the FCC Rules or (2) owning or seeking to acquire a combination of radio stations, television stations and newspapers in such market that is prohibited by FCC cross-ownership rules. The filing of the FCC Application will not require any waiver of the FCC Rules with respect to Buyer. Except as set forth on Schedule 7.5, no fact or circumstance exists relating to the FCC qualifications of Buyer that (a) could reasonably be expected to prevent the FCC from granting the FCC Application or (b) would otherwise disqualify Buyer as the licensee, owner or operator of the Station.

7.6 Brokers. Except as set forth on Schedule 6.12, there is no broker or finder or other person who would have any valid claim for a commission or brokerage in connection with this Agreement or the transaction contemplated hereby as a result of any agreement, understanding or action by Buyer.

7.7 Disclaimer. Buyer disclaims any reliance upon any statements or representations made by Sellers or any of their respective officers, directors, employees, agents, representatives, affiliates or any other person, except as expressly provided herein. Buyer agrees to accept the Station Assets and comply with its obligations under this Agreement without regard to the condition of the Station Assets and to look only to persons other than Sellers and their affiliates, such as the manufacturer, vendor or carrier thereof should any item of the Station Assets for any reason be defective.

ARTICLE 8

COVENANTS

8.1 Operation of the Station Prior to Closing.

(a) During the period commencing on the date hereof and ending on the earlier of the Closing Date or the date of the termination of this Agreement under Section 11.1, Sellers shall operate the Station in accordance with the terms of the FCC Licenses and in compliance with all applicable laws, rules and regulations, including the FCC Rules. Sellers shall maintain the FCC Licenses in full force and effect and shall timely file and prosecute any necessary applications for renewal of the FCC Licenses. Sellers will deliver to Buyer, within ten (10) business days after filing, copies of any reports, applications or responses to the FCC related to the Station.

(b) During the period commencing on the date hereof and ending on the earlier of the Closing Date or the date of the termination of this Agreement under Section 11.1, Sellers shall not, without the prior written consent of Buyer, which consent shall not be unreasonably withheld, apply to the FCC for or amend any construction permit that would adversely effect the present operations of the Station or, except in the Ordinary Course of Business, make any change in any of the buildings, leasehold improvements or fixtures of the Station.

(c) During the period commencing on the date hereof and ending on the earlier of the Closing Date or the date of the termination of this Agreement under Section 11.1, Sellers shall carry on the business and activities of the Station in the Ordinary Course of Business, including: (i) paying or otherwise satisfying all obligations (cash and barter) with regard to the Station as they come due and payable in the Ordinary Course of Business; (ii) maintaining all Station Assets in customary repair, order and condition in the Ordinary Course of Business; (iii) maintaining books of account, records, and files in substantially the same manner as heretofore maintained in the Ordinary Course of Business; (iv) not increasing the compensation or benefits payable and bonuses, salary, severance pay or retention payable to any of its officers, directors, employees, agents or consultants; (v) using commercially reasonable efforts to preserve in the Ordinary Course of Business good relations with third parties such as parties to the Assigned Contracts, lessors, advertisers, clients, service providers, owners of properties adjacent to the Station's transmitter site, and municipalities provided this

imposes no duty on Sellers to expend any funds not required by contract or law; and (vi) limiting prepaid expenses to the Ordinary Course of Business. For the purposes of this Agreement, "Ordinary Course of Business" shall mean, with respect to Sellers and the Station, a course of business consistent with past practices of Sellers and the Station for the twelve (12) months prior to the date hereof.

8.2 Access to Information. From the date hereof to the Closing Date and subject to applicable Law, Sellers shall afford, and shall cause its respective officers, directors, employees and agents to afford, to Buyer and the officers, employees and agents of Buyer reasonable access, at Buyer's sole risk, cost and expense, during regular business hours and upon reasonable advance notice, to Sellers' officers, employees, independent contractors, agents, properties, books, records and contracts relating to the Station, and shall furnish Buyer, at Buyer's sole cost and expense, all financial, operating and other data and information relating solely to the Station Assets as Buyer, through its respective officers, employees or agents, may reasonably request; provided, however, that, Buyer shall not have access to Sellers' books and records related to Taxes or this transaction.

8.3 Confidentiality.

(a) Buyer hereby reaffirms its obligations pursuant to that certain Non-Disclosure Agreement, dated as of October 10, 2006, by and between Buyer and Sellers and acknowledges and agrees that, notwithstanding any provision of this Agreement to the contrary, Buyer remains bound by the provisions thereof throughout the term thereof.

(b) No party shall publish any press release or make any other public announcement concerning this Agreement or the transactions contemplated hereby without the prior written consent of the other parties, which shall not be withheld unreasonably; provided, however, that nothing contained in this Agreement shall prevent any party, after notification to the other parties, from making any filings with governmental authorities that, in its judgment, may be required or advisable in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby.

8.4 Notice of Proceedings. Sellers will promptly notify Buyer in writing upon: (a) becoming aware of any order or decree or any complaint praying for an order or decree restraining or enjoining the consummation of this Agreement or the transactions contemplated hereby; or (b) receiving any notice from any governmental department, court, agency or commission of its intention (i) to institute an investigation into, or institute a suit or proceeding to restrain or enjoin, the consummation of this Agreement or the transactions contemplated hereby, or (ii) to nullify or render ineffective this Agreement or the transactions contemplated hereby if consummated.

8.5 Third Party Consents. Sellers shall use commercially reasonable efforts and Buyer shall cooperate in all reasonable respects with Sellers to obtain any third party consent that may be necessary in connection with any specific Assigned Contract; provided, however, that Sellers shall not be required to pay any consideration for or give up any benefit for any third party consent. If such a consent is not obtained, or if an attempted assignment of such an

Assigned Contract is ineffective, Sellers shall use all reasonable efforts to provide Buyer the benefits of any such Assigned Contract and, to the extent Buyer is provided with the benefits of such Assigned Contract, Buyer shall perform or discharge on behalf of Sellers the obligations and liabilities under such Assigned Contract in accordance with the provisions thereof. In addition to Buyer's obligation pursuant to the foregoing sentence, as to any Assigned Contract that is not effectively assigned to Buyer as of the Effective Time but is thereafter effectively assigned to Buyer, Buyer shall, from and after the effective date of such assignment, assume, and shall thereafter pay, perform and discharge as and when due, all liabilities and obligations of Sellers arising under such Assigned Contract.

8.6 Further Assurances. From time to time prior to, on and after the Closing Date, each party hereto will execute all such instruments and take all such actions as any other party shall reasonably request, without payment of further consideration, in connection with carrying out and effectuating the intent and purpose hereof and the transactions contemplated hereby including the execution and delivery of any and all confirmatory and other instruments in addition to those to be delivered on the Closing Date, and any and all actions which may reasonably be necessary to complete the transactions contemplated hereby. The parties shall cooperate with each other and with their respective counsel and accountants in connection with any steps required to be taken as part of their respective obligations under this Agreement.

8.7 Control of Station. Prior to Closing, Buyer shall not, directly or indirectly, control, supervise or direct the operation of the Station. Subject to the covenants of Sellers contained herein, such operation, including complete control and supervision of all Station programs, employees and policies, shall be the sole responsibility of RCR and VSM (as applicable).

8.8 Receipts and Disbursements. Except as otherwise provided in Section 3.6 of this Agreement, in the event that Buyer receives any payment subsequent to the Closing Date properly payable to RCR or to VSM in connection with the Excluded Assets, or otherwise, such payment shall promptly be forwarded and remitted to Sellers.

ARTICLE 9

CONDITIONS

9.1 Conditions Precedent to Obligations of Buyer. The obligations of Buyer to consummate the transactions contemplated by this Agreement are subject to the fulfillment, prior to or at the Closing, of each of the following conditions, except to the extent Buyer shall have waived in writing satisfaction of such condition:

(a) The representations and warranties made by Sellers in this Agreement shall be true and correct in all material respects as of the date of this Agreement and on the Closing Date as though such representations and warranties were made on such date.

(b) Sellers shall have performed and complied in all material respects with all covenants, agreements, representations, warranties and undertakings required by this Agreement to be performed or complied with by Sellers prior to the Closing.

(c) No Governmental Entity shall have enacted, enforced, issued or entered any Law, including in connection with any action or proceeding brought by a third party (not subsequently dismissed, settled or otherwise terminated), which prohibits or invalidates the transactions contemplated by this Agreement or any other Sellers Document.

(d) Sellers shall have delivered to Buyer all of the documents required by Section 5.2 hereof.

(e) The FCC Consent shall have become Final.

9.2 Conditions Precedent to Obligations of Sellers. The obligations of Sellers to consummate the transactions contemplated by this Agreement are subject to the fulfillment, prior to or at the Closing, of each of the following conditions, except to the extent Sellers shall have waived in writing satisfaction of such condition:

(a) The representations and warranties made by Buyer in this Agreement shall be true and correct in all material respects as of the date of this Agreement and on the Closing Date as though such representations and warranties were made on such date.

(b) Buyer shall have performed and complied in all material respects with all covenants, agreements, representations, warranties and undertakings required by this Agreement to be performed or complied with by it prior to the Closing.

(c) No Governmental Entity shall have enacted, enforced, issued or entered any Law, including in connection with any action or proceeding brought by a third party, (not subsequently dismissed, settled, or otherwise terminated) which prohibits or invalidates the transactions contemplated by this Agreement or any other Buyer Document.

(d) Buyer shall have delivered to Sellers all of the items required by Section 5.3 hereof.

(e) The FCC Consent shall have become Final.

ARTICLE 10

INDEMNIFICATION

10.1 Survival of Representations and Warranties. All representations and warranties made in this Agreement shall survive the Closing for a period of twelve (12) months from the Closing Date. The right of any party to recover Damages on any claim shall not be affected by the termination of any representations and warranties as set forth above provided that written notice of the existence of such claim has been given by the Indemnified Party to the Indemnifying Party prior to such termination.

10.2 Indemnification of Buyer by Sellers. Sellers shall (but subject to the limitations set forth in Section 10.5) indemnify and hold Buyer and its directors, officers and employees harmless from and against any Damages resulting from, arising out of or incurred with respect to:

(a) A breach of any representation, warranty, covenant or agreement of Sellers contained herein, subject to notice of a claim being given before the expiration of the applicable period specified in Section 10.1 hereof with respect to the representations or warranties by Sellers contained herein; or

(b) The Retained Liabilities.

10.3 Indemnification of Sellers by Buyer. Buyer shall (but subject to the limitations set forth in Section 10.5) indemnify and hold each of the Sellers and their respective directors, officers and employees, harmless from and against any Damages resulting from, arising out of, or incurred with respect to:

(a) A breach of any representation, warranty, covenant or agreement of Buyer contained herein, subject to notice of a claim being given before the expiration of the applicable period specified in Section 10.1 hereof with respect to the representations and warranties made by Buyer herein; or

(b) The Assumed Liabilities.

10.4 Procedures.

(a) Promptly after the receipt by any party (the “Indemnified Party”) of notice of (a) any claim or (b) the commencement of any action or proceeding which may entitle such party to indemnification under this Article 10, such party shall give the other party (the “Indemnifying Party”) written notice of such claim or the commencement of such action or proceeding and shall permit the Indemnifying Party to assume the defense of any such claim, or any litigation or proceeding resulting from such claim. The failure to give the Indemnifying

Party timely notice under this subsection shall not preclude the Indemnified Party from seeking indemnification from the Indemnifying Party unless, and then only to the extent, such failure has materially prejudiced the Indemnifying Party's ability to defend the claim, litigation or proceeding as determined by a final judgment of a court of competent jurisdiction. If such claim does not arise from the claim of a third party, the Indemnifying Party shall have 30 days after such notice to cure the conditions giving rise to such claim to the Indemnified Party's satisfaction.

(b) If the Indemnifying Party assumes the defense of any such claim, litigation or proceeding resulting therefrom with counsel reasonably acceptable to the Indemnified Party, the Indemnifying Party shall take all steps necessary in the defense or settlement of such claim, litigation or proceeding resulting therefrom and, subject to the terms, provisions and limitations of this Article 10, hold the Indemnified Party harmless from and against any Damages caused by or arising out of any settlement approved by the Indemnifying Party or any judgment in connection with such claim, litigation or proceeding resulting therefrom; provided, however, the Indemnified Party may participate, at its own expense, in the defense of such claim, litigation or proceeding provided that the Indemnifying Party shall direct and control the defense of such claim, litigation or proceeding. The Indemnified Party shall cooperate and make available all books and records reasonably necessary and useful in connection with the defense. The Indemnifying Party shall not consent to the entry of any judgment (other than a judgment of dismissal on the merits without cost) or enter into any settlement without the Indemnified Party's prior written consent (which will not be unreasonably withheld, conditioned or delayed).

(c) If the Indemnifying Party shall not assume the defense of any such claim, litigation or proceeding resulting therefrom, the Indemnified Party may defend against such claim, litigation or proceeding in such manner as it may deem appropriate, and the Indemnified Party may compromise or settle such claim, litigation or proceeding and, subject to the terms, provisions and limitations of this Article 10, recover from the Indemnifying Party the amount of such settlement or of any judgment and the costs and expenses of such defense; provided, however, the Indemnified Party shall not consent to the entry of any judgment (other than a judgment of dismissal on the merits without cost and with prejudice) or enter into any settlement without the Indemnifying Party's prior written consent (which will not be unreasonably withheld, conditioned or delayed).

10.5 Limits on Indemnification. Notwithstanding anything to the contrary contained in this Agreement:

(a) no indemnification payments shall be made by or behalf of Sellers or Buyer under Sections 10.2, 10.3 or 10.4, respectively, in respect of any item or series of related items where the Damages relating thereto are less than \$50,000, and such items shall not be aggregated for purposes of clause (b) below;

(b) no indemnification payments shall be made by or behalf of Sellers or Buyer under Sections 10.2, 10.3 or 10.4, respectively, until the aggregate amount of Damages for which the Sellers or Buyer, as applicable, would (but for this clause (b)) be liable thereunder exceeds \$750,000, and then only to the extent of such excess;

(c) the aggregate total amount in respect of which the Sellers or Buyer shall be liable to indemnify and hold harmless the other party pursuant to this Article 10 shall not exceed \$3,000,000 in the aggregate; and

(d) the amount of any Damages shall be reduced to the extent (i) a reserve in respect of any Damages was made in the financial statements, (ii) any insurance proceeds actually received with respect to such Damages, and (iii) any indemnity, contribution or other similar payments actually received from any third party with respect to such Damages.

10.6 Exclusive Remedy. Following the Closing, the sole and exclusive remedy for any party for claims for monetary damages arising out of a breach of any representation, warranty, covenant or agreement under this Agreement or in connection with the Station Assets or the operation of the Station shall be a claim for indemnification pursuant to Article 10.

10.7 Survival of Covenants. The parties respective covenants and agreements in this Agreement shall survive indefinitely unless otherwise set forth herein.

ARTICLE 11

TERMINATION RIGHTS

11.1 Termination. This Agreement may be terminated, by written notice given by any party (provided such party is not then in material breach of any of its representations, warranties, covenants or duties hereunder) to the other party hereto, at any time prior to the Closing Date as follows, and in no other manner.

(a) By mutual written consent of the parties;

(b) By either Buyer or Sellers if a court of competent jurisdiction or Governmental Entity shall have issued an order, decree or ruling or taken any other action, in each case permanently restraining, enjoining or otherwise prohibiting the transactions contemplated by this Agreement and such order, decree, ruling or other action shall have become final and nonappealable;

(c) By Buyer, if Sellers fail to perform or breaches any of their material representations, warranties, covenants or duties under this Agreement, and Sellers have not cured such failure to perform or breach within thirty (30) days after delivery of written notice from Buyer ("Sellers' Breach");

(d) By Sellers, if Buyer fails to perform or breaches any of its material obligations, representations, warranties, covenants or duties under this Agreement, and (except for payment of the Purchase Price which breach shall not extend the Closing Date without the consent of Sellers) Buyer has not cured such failure to perform or breach within thirty (30) days after delivery of written notice from either Seller ("Buyer's Breach");

(e) By any party, if the FCC denies the FCC Application and such denial becomes final and nonappealable; provided, however, that the right to terminate this Agreement under this Section 11.1(e) shall not be available to any party whose failure to fulfill any obligation under this Agreement shall have been the principal cause of, or shall have resulted in, the denial of the FCC Application; or

(f) By any party, if the Closing has not occurred within six (6) months of the date of this Agreement (the "Termination Date"); provided, however, that if as of the Termination Date, all conditions to this Agreement have been satisfied or waived (other than those that are satisfied by action taking at Closing) other than any of the conditions set forth in Sections 9.1(e), 9.1(f), 9.2 (e) or 9.2(f), then the Sellers may extend the Termination Date by up to an additional six (6) months by providing Buyer with written notice of such extension within ten (10) Business Days prior to the Termination Date; provided, further, the right to terminate this Agreement under this Section 11.1(f) shall not be available to any party whose failure to fulfill any obligation under this Agreement shall have been the principal cause of, or shall have resulted in, the failure of the Closing to occur on or prior to such date.

11.2 Liability of Buyer. Upon a termination of this Agreement (except for reason of a Buyer's Breach) Buyer shall have no further liability or obligation hereunder except for the obligations as stated in Section 8.3 and this Section 11.2.

11.3 Liability of Sellers. Upon termination of this Agreement (except for reason of a Sellers' Breach), Sellers shall not have any liability or obligation hereunder except for the obligations as stated in Section 8.3 and this Section 11.3.

ARTICLE 12

MISCELLANEOUS PROVISIONS

12.1 Successors and Assigns. Except as otherwise expressly provided herein, this Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective representatives, successors and assigns. Neither Sellers nor Buyer may assign any of their rights or delegate any of their duties hereunder without the prior written consent of the other party, and any such attempted assignment or delegation without such consent shall be void; provided, that Sellers may assign all or a portion of their rights and obligations under this Agreement (including rights to collect Accounts Receivable pursuant to Section 3.6), to Vulcan or any of its affiliates without Buyer's consent.

12.2 Amendments; Waivers. The terms, covenants, representations, warranties and conditions of this Agreement may be changed, amended, modified, waived, or terminated only by a written instrument executed by the party waiving compliance. The failure of any party at any time or times to require performance of any provision of this Agreement shall in no manner affect the right of such party at a later date to enforce the same. No waiver by any party of any condition or the breach of any provision, term, covenant, representation or warranty contained in this Agreement, whether by conduct or otherwise, in any one or more instances shall be deemed to be or construed as a further or continuing waiver of any such condition or of the breach of any other provision, term, covenant, representation or warranty of this Agreement.

12.3 Expenses. Except as expressly set forth herein, each party hereto shall be solely responsible for all costs and expenses incurred by it in connection with the negotiation and preparation of this Agreement and the transactions contemplated hereby.

12.4 Transfer Taxes and Similar Charges. Buyer shall pay all fees for recordation, transfer and documentary taxes, and any excise, sales, use or similar taxes imposed by reason of the transfer of the Station Assets in accordance with this Agreement. Sellers shall prepare and file all returns and similar filings with respect to such taxes. Sellers shall provide Buyer with copies of such documents at the time the Sellers request payment of the tax reported as due from Buyer. Buyer shall remit the amount of tax reported as due to Sellers within 10 days of the Sellers' request for payment.

12.5 Governmental Filing or Grant Fees. The FCC Application fee and any other filing or grant fees imposed by any Governmental Entity the consent of which is required to the transactions contemplated hereby shall be borne equally by Buyer and Sellers, except that the filing fee in connection with the HSR Act filing shall be paid entirely by Buyer.

12.6 Headings. The headings set forth in this Agreement are for convenience only and will not control or affect the meaning or construction of the provisions of this Agreement.

12.7 Governing Law; Jurisdiction; Venue. This Agreement and the rights of the parties hereto shall be governed, construed and interpreted in accordance with the internal laws of the State of California, without giving effect to the choice of law principles thereof.

12.8 Severability. In the event that any one or more of the provisions contained in this Agreement or in any other instrument referred to herein, shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, then to the maximum extent permitted by law, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement or any other such instrument.

12.9 Specific Performance. In the event of a breach or threatened breach by either party of any of its representations, warranties, covenants or agreements under this Agreement, at the election of the other party hereto, in addition to any other remedy available to it, such other party shall be entitled to an injunction restraining any such breach or threatened breach and, subject to receiving any requisite approval of the FCC, to enforcement of this Agreement by a decree of specific performance requiring such breaching party to fulfill its

obligations under this Agreement, in each case without the necessity of showing economic loss or other actual damages and without any bond or other security being required.

12.10 Disclosure Schedules. Notwithstanding anything to the contrary in this Agreement, during the period after the date of this Agreement but prior to the Closing, subject to the reasonable approval of Buyer, Sellers shall be entitled to update, amend or supplement the Schedules to this Agreement to the extent information contained therein, which was true, complete and accurate as of the date of this Agreement, becomes untrue, incomplete or inaccurate after the date of this Agreement as a result of occurrences after the date of this Agreement but prior to the Closing by delivering such update, amendment or supplement to Buyer; provided, that any such update, amendment or supplement delivered to the Buyer shall be deemed reasonably approved by Buyer if Buyer does not provide written notice to Sellers within seven (7) days after delivery to Buyer of such update, amendment or supplement that such update, amendment or supplement is not reasonably satisfactory to Buyer. Buyer shall not be obligated to approve any change or changes to the Schedules to this Agreement which would have, or which would reasonably be expected to have, individually or in the aggregate, a material adverse effect on the Station Assets. If Sellers deliver to the Buyer one or more updated Seller Schedule, all references in this Agreement to any such Schedule shall thereafter mean the Schedule as so updated.

12.11 Bulk Transfer Laws. Buyer hereby waives compliance with the provisions of any applicable bulk transfer laws.

12.12 Notices. Unless applicable law requires a different method of giving notice, any and all notices, demands or other communications required or desired to be given hereunder by any party shall be in writing. Assuming that the contents of a notice meet the requirements of the specific Section of this Agreement which mandates the giving of that notice, a notice shall be validly given or made to another party if served either personally or if transmitted by facsimile or other electronic written transmission device or if sent by overnight courier service, and if addressed to the applicable party as set forth below. If such notice, demand or other communication is served personally, service shall be conclusively deemed given at the time of such personal service. If such notice, demand or other communication is given by overnight courier, or electronic transmission, service shall be conclusively deemed given at the time of confirmation of delivery. The addresses for the parties are as follows:

If to Buyer to:

David H. Choi
P & Y Broadcasting Corporation
3700 Wilshire Blvd., Ste. 1020
Los Angeles, CA 90010

With a copy to:

John Crigler
Garvey Schubert Barer
1000 Potomac Street, N.W.

Fifth Floor
Washington, D.C. 20007

If to Sellers to:

Rose City Radio Corporation
c/o Vulcan Inc.
505 Fifth Avenue South, Suite 900
Seattle, Washington 98104
Fax No: (206) 342-3272
Attention: Troy Scheer

With a copy to:

Skadden, Arps, Slate, Meagher & Flom LLP
300 South Grand Ave., Suite 3400
Los Angeles, CA 90071
Fax No: (213) 687-5600
Attention: David C. Eisman, Esq.

Any party hereto may change its or his address for the purpose of receiving notices, demands and other communications as herein provided, by a written notice given in the aforesaid manner to the other parties hereto.

12.13 Entire Agreement. This Agreement, the Exhibits attached hereto, the Schedules attached hereto and the ancillary documents provided for herein, constitute the entire agreement and understanding of the parties hereto relating to the matters provided for herein and supersede any and all prior agreements, arrangements, negotiations, discussions and understandings relating to the matters provided for herein. All Exhibits attached hereto or to be delivered in connection herewith and the Schedules hereto are incorporated herein by this reference.

12.14 No Third Party Beneficiaries. Except for as set forth in Article 10, nothing herein expressed or implied is intended or shall be construed to confer upon or give to any person or entity other than the parties hereto and their successors or permitted assigns, any rights or remedies under or by reason of this Agreement.

12.15 Non-Assignable Contracts. Nothing contained in this Agreement shall be construed as an assignment or an attempted assignment of any Contract which is by Law non-assignable without the consent of the other party or parties thereto, unless such consent shall be given.

12.16 Dispute Resolution. Notwithstanding anything to the contrary contained in this Agreement, the parties specifically agree to the following dispute resolution procedure:

(a) The parties shall attempt in good faith to resolve any dispute arising out of or relating to this Agreement, including any question regarding its existence,

validity or termination (a “Dispute”) promptly by convening a special meeting of their respective representatives who shall use their good faith efforts to mutually agree upon the proper course of action to resolve the Dispute. Either Buyer or Sellers may convene such a meeting at a mutually convenient location by written request for the purpose of resolving a Dispute. In the event that the parties cannot reach agreement within thirty (30) days after an issue is referred to them, or such longer period as the parties may mutually agree, the Dispute shall be handled as set forth in the remainder of this Section 12.16.

(b) If a Dispute arises between the parties hereto, and such Dispute is not resolved after pursuing the procedures set forth in Section 12.16(a) hereof, such Dispute shall be governed by and construed in accordance with the law of the State of California, without regard to the conflicts of law provisions thereof, and shall be referred to and finally resolved by arbitration under the Commercial Arbitration Rules of the American Arbitration Association. The arbitration shall be conducted by a single arbitrator mutually agreed upon by Sellers, on the one hand, and Buyer, on the other, or, in the absence of such agreement, Sellers and Buyer each shall select an arbitrator and those arbitrators shall select an independent arbitrator who shall arbitrate the Dispute. Any arbitration shall take place in Los Angeles, California. The award of the arbitrator shall be final and binding on the parties hereto. The parties hereby waive any right to appeal the arbitration award, to the extent a right to appeal may be lawfully waived. Each party retains the right to seek judicial assistance to (i) compel arbitration, (ii) obtain interim measures of protection pending or during arbitration (including a preliminary injunction) and (iii) enforce any decision of the arbitrator, including the final award. The costs of the arbitration shall be borne equally by the parties unless the arbitrator otherwise provides.

(c) This Section 12.16 shall be specifically enforceable.

12.17 Counterparts. This Agreement and any ancillary document hereto may be executed in counterpart signature pages, and each such counterpart signature page shall constitute one and the same original signature page.

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

P & Y BROADCASTING CORPORATION



By: Phill Sohn
Its: President/CEO

ROSE CITY RADIO CORPORATION

By: Troy Scheer
Its: Vice President

VULCAN SPORTS MEDIA, INC.

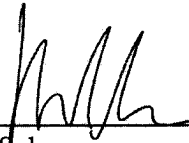
By: Chris Canning
Its: President and General Counsel

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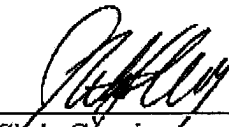
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By: Chris Canning
Its: President and General Counsel

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