

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT, dated as of the 27th day of August, 2004, by and among Maya Media, LLC, a California limited liability company (the "Seller"), Bustos Media of California, LLC, a Delaware limited liability company ("Buyer"), Angelica Balderas ("Balderas"), Amparo Perez-Cook ("Perez-Cook") and Juan Gonzalez ("Gonzalez" and collectively with Balderas and Perez-Cook, the "Principals");

WHEREAS, pursuant to that certain "Purchase Agreement", attached hereto as **Exhibit A** (the "Previous Purchase Agreement"), dated as of January 15, 2004 between Seller and Edward J. and Dolores M. Cardoza (together, the "Cardozas") and Modesto Communications Corporation ("MCC" and together with the Cardozas, the "MCC Sellers") Seller purchased the "Station Assets" (as defined in the Previous Purchase Agreement") and became the licensee and operator of FM Broadcast Station KEJC, Channel 230, 93.9 MHz, Modesto, California, FCC Facility ID # 43335 (the "Station") and the owner of all tangible and intangible personal and real property used, held for use or useful in connection with the operation of the Station (the "Business"); and

WHEREAS, the Principals own all of the issued and outstanding membership units of the Seller;

WHEREAS, concurrently with the execution and delivery of this Agreement Buyer and Seller are entering into a Local Programming and Marketing Agreement (the "LMA"); and

WHEREAS, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, substantially all of the properties and assets used, held for use or useful in connection with the operation of the Station, including without limitation all assets and properties that Seller acquired under the Previous Purchase Agreement, all subject to the terms and conditions set forth herein; and

WHEREAS, the grant by the Federal Communications Commission ("Commission" or "FCC") of an application on FCC Form 314 for Commission consent for assignment of the Station's license to Seller (which application will contain this Agreement), is an express condition precedent to the obligation of the Buyer to consummate this Agreement;

NOW, THEREFORE, the parties hereto agree as follows:

1. **Purchase and Sale.**

(a) In consideration for the payments and other good and valuable consideration stated in the paragraphs below and subject to the terms and conditions hereinafter set forth, on the Closing Date (as defined below) by physical delivery and one or more

closing documents approved by Buyer and its counsel, Seller shall sell, assign, transfer, convey and deliver to Buyer, free and clear of any mortgage, lien, deed of trust, security interest, pledge, restriction, prior assignment, claim, defect in title or encumbrance of any kind or type whatsoever (collectively referred to as "Liens"), all of the assets, tangible and intangible, real, personal or mixed, used and/or useful in the operation of the Station (collectively the "Purchased Assets"), including, without limitation, the following:

(i) All of Seller's rights and interests in and to the Station's FCC permits, licenses and other authorizations and any other permits, licenses, franchises, certificates, registrations, permissions, authorities or approvals and rights and applications therefor, including, but not limited to, antenna structure registration numbers, FCC Registration Numbers and related passwords and FCC Consolidated Database Account Numbers and related passwords, issued to it by the FCC, the Federal Aviation Administration or any other governmental or quasi-governmental authority used or useful in the conduct of the Station's Business or in the operation of the Station, together with any renewals or modifications thereof and any additions thereto prior to the consummation of the Closing (collectively the "Licenses"), including but not limited to the Licenses listed on **Schedule 1(a)(i)** hereto.

(ii) All conveyable rights, benefits and privileges of Seller under the Previous Purchase Agreement, including all rights to indemnification under Article IX of the Previous Purchase Agreement and all rights, properties and assets obtained by Seller after the closing under the Previous Purchase Agreement;

(iii) All of the "Station Assets" (as defined in the Previous Purchase Agreement) other than items of inventory and supplies that were used in the ordinary course of operating the Station since the closing under the Previous Purchase Agreement and except for immaterial changes that may have occurred in the normal course of the business of operating the Station;

(iv) All tangible personal property and physical assets wherever located, including, without limitation, all machinery, equipment, furniture, fixtures, office equipment, computer equipment, communication equipment, vehicles used or useful in connection with the Business and operation of the Station, including but not limited to all items listed on **Schedule 1(a)(iv)**;

(v) All of Seller's rights and interests in and to all patents, logos, trademarks, trade names, service marks, franchises, copyrights, jingles, slogans, computer programs, program rights, telephone numbers, post office boxes, the Station's call letters, privileges, domain names, web sites, including all goodwill associated therewith, rights thereunder, remedies against infringement thereof, rights of protection of interests therein, non-governmental licenses, intellectual property and other intangible property rights and any other similar rights owned by, licensed or franchised to or held by it and used in the conduct of the Station's

Business or in the operation of the Station including but not limited to all such rights and interests listed on **Schedule 1(a)(v)**;

(vi) Originals or, if originals are unavailable, copies of all files, books, and records relating to the Purchased Assets, including, without limitation, FCC filings, all marketing, sales support and promotional literature, market research studies, financial records, bills, accounting, internal and audit records, operating manuals, personnel records, databases, supplier and advertiser lists and files, the public inspection file of each Station, other logs and records required to be maintained by the FCC, and all other information, files, records, data, plans and recorded knowledge;

(vii) All rights and interests of Seller in and to all of the real property, leaseholds, licenses, rights-of-way and other interests of every kind and description in and to all real property and buildings, structures, improvements and fixtures located thereon, used or held for use in the Business and operation of the Station ("Real Property"), as more fully described on **Schedule 1(a)(vii)**;

(viii) All rights and interests of Seller and the Station in and under all contracts, agreements, leases, commitments, understandings and options, written or oral, relating to the conduct of the Station's Business or to the operation of the Station listed on **Schedule 1(a)(viii)** (collectively the "Contracts") and those additional Contracts used or useful in the operation of the Station that are entered into in the ordinary course of business consistent with past practices by the Seller that Buyer, in its sole discretion, has agreed in writing to assume (the "Other Contracts") (Contracts for which consent to assignment from the other parties thereto is required are indicated by an asterisk);

(ix) All cash, cash equivalents, securities, bank and depository accounts and rights, title and interest in and to accounts and accounts receivable (billed or unbilled) of Seller relating to the Business;

(x) All monies that are on deposit with third parties as of the Closing Date for the account of Seller, or as security for Seller's performance of its obligations (other than any deposits that are Excluded Assets (as hereinafter defined)), including, without limitation, deposits on real estate, deposits for utilities and deposits relating to performance and security bonds, prepaid assets and expenses;

(xi) All goodwill relating to the Station or the Seller;

(xii) All of the Seller's rights, claims, credits, causes of action or rights of set-off against third parties relating to the Station whether matured or unmatured, direct or indirect, known or unknown, absolute or contingent, including claims pursuant to all warranties, awards, advances, bonds, deposits, retentions, representations and guarantees made by suppliers, manufacturers,

contractors and other third parties in connection with products or services purchased by or furnished to the Seller and including any claims against the MCC Sellers under the Previous Purchase Agreement, but not, in any event, any claims under the insurance policies or any Excluded Assets.

(b) Excluded Assets. There shall, however, be excluded from the purchase and sale contemplated by this Section 1 (the "Excluded Assets"):

(i) all corporate or organizational records and minute books of the Seller;

(ii) refunds of taxes of the Seller;

(iii) all insurance policies of the Seller or other insurance policies of the Seller relating to the Purchased Assets or the Station, any refunds paid or payable in connection with the cancellation or discontinuance of any insurance policies of the Seller applicable to the Purchased Assets or the Station, and any claims made under any such insurance policies (other than rights to make claims under policies that are on an "occurrence" basis) (the "Insurance Policies");

(iv) all rights of the Seller under this Agreement and any other contract, certificate, instrument or other document executed and delivered by the Seller to the Buyer in connection with the transactions contemplated hereby;

(v) all other rights, assets and properties described on **Schedule 1(b)(v)**, which shall be retained by the Seller.

2. **Assets Owned By Seller**. In order to induce Buyer to enter into this Agreement, Seller represents and warrants that, except as set forth in **Schedule G** hereto and except for changes that may occur in the normal course of the business of operating Station KEJC, the "Station Assets", as defined in Section 1.1 of the Previous Purchase Agreement, acquired by Seller at the closing of the Previous Purchase Agreement, are owned by Seller as of the date hereof and will be owned on the Closing Date free and clear of all Liens.

3. **Consideration**.

a. **Base Price**. The total consideration to be paid by Buyer to Seller at closing for the purchase of the Purchased Assets shall be (i) \$300,000 (the "Base Price"), (ii) the principal amount of the Note and all accrued interest thereon as of the Closing Date and (iii) the assumption of the Assumed Liabilities (as hereinafter defined) (the sum of clauses (i), (ii) and (iii), the "Purchase Price"). The manner of payment is described below.

b. Loan to Seller.

(i) Simultaneously with the execution of this Agreement, on the date hereof, Buyer is loaning Seller an amount equal to \$6,401,526 (the "Loan"), and in exchange therefor, the Seller shall issue, execute and deliver and the Principals shall execute and deliver (with respect to each such agreement to which he, she or it is a party) to Buyer (a) that certain Promissory Note in the principal amount of \$6,401,526, in the form attached hereto as Exhibit B (the "Note"); (b) that certain Loan Agreement to be entered into between Buyer and Seller in the form attached hereto as Exhibit C (the "Loan Agreement"), (c) that certain Security Agreement to be entered into between Seller and Buyer in the form attached hereto as Exhibit D (the "Security Agreement") and (d) that certain Pledge Agreement of Membership Interests in Maya Media, LLC to be entered into among Buyer, Seller, and the Principals in the form attached hereto as Exhibit E (the "Pledge Agreement", and collectively with the Note, the Loan Agreement, the Security Agreement any other certificate, instrument or agreement delivered thereunder, the "Loan Documents"). The Parties hereto acknowledge and agree that the purpose of the Loan is to provide the Seller with the funds necessary to repay in full (i) that certain Negotiable Promissory Note (the "Bustos Holdings Note") in the principal amount of \$5,400,000, dated June 3, 2004, issued by Seller to Bustos Media Holdings, LLC, a California limited liability company ("Bustos Holdings") and (ii) that certain Secured Promissory Note issued by Seller to the Moffet Media Irrevocable Investment Trust (the "MMIIT") in the original principal amount of \$6,200,000, against which the indebtedness is presently \$790,932 (the "MMIIT Note") Seller shall deliver to Buyer copies of payoff letters executed by each of MMIIT, the Aztec Media Investment Irrevocable Trust (the "Aztec Trust") and Bustos Holdings stating the aggregate amounts owed by Seller to (x) MMIIT, the Aztec Trust under the Loan Agreement dated as of November 19, 2003 (the "MMIIT Loan Agreement") between the Seller and Thomas Moffet, as trustee of the MMIIT and the Security Agreement dated as of November 19, 2003 (the "Aztec Security Agreement" and collectively with the MMIIT Loan Agreement, the "MMIIT Loan Agreements") between the Seller and Thomas Moffet as trustee of the Aztec Trust and (y) Bustos Holdings under the Bustos Holdings Note, and that certain Security Agreement dated as of June 3, 2004 between the Seller and Bustos Holdings (the "Bustos Holdings Security Agreement" and together with the Bustos Holdings Note, the "Bustos Holdings Loan Agreements"), including, without limitation, in each case all principal, interest, fees and expenses thereunder and that when such amounts have been paid in full, all Liens relating thereto shall be released by Bustos Holdings, MMIIT and the Aztec Trust and that Buyer shall be authorized as of the date hereof to make all filings and take all other actions necessary to release any Liens in favor of Bustos Holdings, MMIIT, and the Aztec Trust respectively, with respect to any assets of the Seller, including filing any UCC termination statements with respect thereto.

(ii) To effectuate the Loan, Buyer, on behalf of Seller, shall transfer by wire transfer of immediately available funds the applicable portions of the Loan in the aggregate to (a) Bustos Holdings in satisfaction of all amounts owed to Bustos Holdings under the Bustos Holdings Loan Agreements as of the date hereof and (b) MMIIT in satisfaction of all amounts owed to MMIIT or the Aztec Trust under the MMIIT Loan Agreements as of the date hereof.

(iii) In connection with the Loan, all parties other than Buyer have executed and delivered to Buyer the Loan Agreements to which each such person is a party pursuant to which Seller is granting to Buyer as security for the repayment of the Loan a first priority security interest in all of Seller's assets and a pledge of all of the equity securities of Seller to Buyer.

c. Repayment of Loan. The Seller and Buyer agree that on the Closing Date, upon, and in consideration of, the conveyance of the Purchased Assets to Buyer as contemplated by Section 1 on the Closing Date, the Loan shall be deemed to be repaid in full and the amount of \$6,401,526 plus all accrued and unpaid interest on the Loan from the date hereof through the Closing Date shall be deemed credited against the Purchase Price. At the Closing, Buyer shall deliver to Seller the original Note stamped "Paid in Full".

4. Omitted.

5. **Assumed Liabilities.**

The Buyer is not agreeing to, and shall not, assume any liability, obligation, undertaking, expense or Contract except that, from and after the Closing Date, the Buyer shall assume, pay, discharge and perform the following (the "Assumed Liabilities", all other obligations and liabilities being referred to as the "Excluded Liabilities"):

a. Those obligations and liabilities of the Seller that accrue and are to be performed from and after the consummation of the closing on the Closing Date under the Licenses and any Contracts assigned and transferred by Seller to the Buyer at Closing, and the Other Contracts by the terms thereof are to be observed, paid, discharged or performed after the consummation of the closing on the Closing Date, except in each case to the extent that such obligations and liabilities, but for breach or default by Seller, would have been paid, performed or otherwise discharged on or prior to the consummation of the closing on the Closing Date or to the extent that the same arise out of any breach or default by the Seller; provided, however, that on the Closing Date the Buyer shall pay to the Seller all amounts owed to Seller pursuant to the terms of the LMA;

b. All ongoing costs of the usual operation of the Station as set forth on Schedule 5(b) which costs are attributable to the period prior to the Closing Date incurred in the ordinary course of business consistent with past practices and industry practices for similarly sized stations in similar locales;

c. All other obligations and liabilities attributable to periods beginning after the consummation of the closing on the Closing Date and arising out of the Buyer's ownership of the Purchased Assets or the operation of the Station after the consummation of the closing on the Closing Date, except to the extent that such obligations or liabilities relate to any Excluded Assets;

d. Liabilities of the Seller acceptable to the Buyer as set forth on **Schedule 5(d)**.

Unless agreed to by Buyer in writing, the Seller will not from the date hereof until the Closing Date, incur any additional debts or enter into any loan agreements, other than in the normal course of business of operating the Station.

6. **FCC Consent**. It is understood and agreed by all parties that the prior written consent of the FCC to an application on FCC Form 314 (the "Assignment Application") for consent to the voluntary assignment of the licenses of the Station is required before consummation of this Agreement can occur. The Assignment Application shall be filed within thirty (30) days of the date hereof. Each party shall pay its own legal fees and other expenses incurred with the preparation and execution of this Agreement and the Assignment Application. Each party hereto shall pay one-half of the required FCC application filing fee (currently \$800.00). The parties agree to use their commercially reasonable efforts to achieve approval by the FCC of the Assignment Application, including but not limited to cooperating to prosecute the Assignment Application in good faith and with due diligence so as to achieve grant and finality thereof as expeditiously as practicable, and shall take no action to delay or defeat approval.

7. **Closing Date**. For purposes of this Agreement, the "Closing Date" shall be a weekday mutually agreeable to the parties, but in no event later than the latest of: (a) the tenth (10th) business day subsequent to the date upon which the FCC's grant of the Assignment Application shall have become a Final Order (as defined below). "Final Order" shall mean an order of the FCC with respect to which no appeal, no petition for re-hearing, reconsideration, or stay, and no other administrative or judicial action contesting such consent or approval, is pending and as to which the time for filing any such appeal, petition or other action has expired or, if filed, has been denied, dismissed, or withdrawn and the time for instituting any further proceeding has expired, including such actions by the FCC on its own motion. Closing shall take place at the offices of Seller or its attorney, or at such other place as is mutually satisfactory to the parties, not later than 5:00 p.m. Eastern Time on the last day for Closing under this paragraph; provided that Buyer shall have the sole right to designate a date to close subsequent to receipt of FCC staff approval of the Assignment Application and prior to the last day for a Closing, as described above, subject to giving Seller five (5) business days' advance notice of the Closing Date.

8. **Time of the Essence**. Time is of the essence in the completion of this Agreement and the consummation thereof.

9. **Seller's Representations and Warranties**. Seller and each Principal hereby jointly and severally represent and warrant to Buyer, the truth and accuracy of each of the following representations and warranties relative to Seller, the truth and accuracy of each of which are expressly material to Buyer's execution of this Agreement and willingness and ability to consummate the transactions contemplated herein, as

follows (for the purposes of this Section 9, the "Seller's knowledge" shall mean the actual knowledge of the Principals):

a. *Organization, Standing and Authority.* Seller is a limited liability company validly existing under the laws of the State of California and is qualified to conduct the Business and is in good standing in the State of California and each other jurisdiction where the character of its respective properties owned or held under lease or the nature of its activities makes such qualification necessary. The Seller has all requisite power and authority and is entitled to own, lease, and operate its properties and to carry on its Business and operations as and in the places such properties are now owned, leased or operated and where such Business and operations are presently conducted. The copies of the Articles of Organization and Operating Agreement of the Seller attached to **Schedule 9(a)** hereto are true, complete and correct copies of such documents as in effect on the date hereof.

b. *No Subsidiaries; Accuracy of Balance Sheet.* The Seller has no subsidiaries or interest, direct or indirect, or any commitment to purchase any interest, direct or indirect, in any corporation or in any partnership, joint venture or other business enterprise or entity. Except as described on **Schedule 9(b)(i)**, the operations of the Station and the Business have not been conducted through any direct or indirect subsidiary, shareholder or affiliate of the Seller, and none of the Business, Purchased Assets, properties or rights of the Seller is owned, held, used or conducted by any shareholder, member or affiliate of the Seller. There is appended hereto as **Schedule 9(b)(ii)** a balance sheet of the Seller (the "Balance Sheet"), accurately reflecting the Seller's financial position as of June 30, 2004. The Balance Sheet was prepared on a consistent basis with prior periods.¹ Except as otherwise disclosed in **Schedule 9(b)(iii)**, since June 30, 2004 the Station has been operated only in the usual and ordinary course consistent with past practice and there has been no change in the condition (financial or otherwise), results of operations, business or assets of the Seller which, individually or in the aggregate, is, or could be likely in the future to be, materially adverse to Seller's condition or the results of operations of the Business or the prospects or assets of the Business taken as a whole or the ability of the Seller to perform its obligations under this Agreement (a "Material Adverse Effect").

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

¹ Please send us a written statement how the Balance Sheet preparation varies from GAAP for KEJC and KTTA.

d. *Capitalization.* The membership interest of Seller's equity holders are set forth in **Schedule 9(d)(i)**. There are no outstanding subscriptions, options, warrants, rights, calls, commitments, conversion rights, rights of exchange, plans or other agreements of any character providing for the purchase, issuance, exchange or sale of any equity interests in the Seller, and the Seller has not granted directly or indirectly, through any affiliate or otherwise, any such rights. Except as set forth on **Schedule 9(d)(ii)**, there are no outstanding or authorized stock appreciation, phantom stock, profit participation, or similar rights with respect to the Seller. There are no shareholder agreements, voting trusts, proxies or other agreements or understandings with respect to the voting or transfer of any equity interests in the Seller.

e. *Absence of Conflicting Agreements.* Except as set forth in **Schedule 9(e)**, and subject to obtaining the FCC consent to the Assignment Application, and consents listed in **Schedule 9(i)** hereto, the execution, delivery, and performance by Seller of this Agreement and the documents contemplated hereby and thereby (with or without the giving of notice, the lapse of time, or both): (i) do not require the consent of any third Parties; (ii) will not conflict with any provision of the organizational documents of the Seller; (iii) will not conflict with, result in a breach of, or constitute a default under, any applicable law, judgment, order, ordinance, injunction, decree, rule, regulation, or ruling of any court or governmental instrumentality; (iv) will not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by the terms of, any agreement, instrument, license, or permit to which the Seller is a party or by which the Seller may be bound; and (v) will not create any claim, liability, mortgage, lien, pledge, condition, charge, or encumbrance of any nature whatsoever upon any of the Purchased Assets.

f. *Acquired Station Assets.* To Seller's knowledge, there has been no change in the operation of the Station, the condition of the Purchased Assets or compliance with the Station's FCC licenses that would cause any representation or warranty made by the MCC Sellers in the Previous Purchase Agreement to be untrue or inaccurate in any material respect, and except insofar as the transactions contemplated thereby and hereby would cause such representations and warranties to be no longer true.

g. *Liens.* Seller owns the sole and exclusive right, title and interest in and to all Purchased Assets, to the Seller's knowledge, free and clear of all Liens, except such Liens set forth in **Schedule 9(g)** (the "Permitted Liens"), all of which (other than those specifically designated as continuing following the Closing) shall be released or discharged at or prior to the Closing.

h. Omitted.

i. Omitted.

j. *Consents.* Except as set forth in **Schedule 9(j)**, and except for the FCC Consent described in paragraphs 6 and 7 above, no consent, approval, permit, or authorization of, or declaration to or filing with any governmental or regulatory authority, or any other third party is required (i) to consummate this Agreement and the agreements

contemplated hereby and the transactions contemplated hereby and thereby, or (ii) to permit Seller to assign or transfer the Purchased Assets to Buyer.

k. Omitted.

1. *Reports.* All material reports, and statements that the Seller is currently required to file with the FCC or with any other governmental agency with respect to the Station have been or will be filed as of the Closing Date, and all the Seller's reporting requirements imposed by the FCC and other governmental authorities having jurisdiction over the Seller with respect to the Station have been or will be, as of the Closing Date, complied with in all material respects. All of such reports and statements are or will be, as of the Closing Date, substantially complete and correct as filed. The Seller has timely paid to the FCC all annual regulatory fees payable with respect to the FCC Licenses required to be paid by the Seller.

m. *Personnel.*

(1) *Employee and Compensation* The Seller shall be solely responsible for compliance with all obligations imposed by federal and state law with respect to its employees. Buyer expressly refuses to assume any liability or obligation of the Seller under any employee benefit plans or arrangements that may be in existence as of the Closing Date relative to the Station's employees. With respect to any such employee benefit plans that may exist, to Seller's knowledge, there are no governmental audits or examinations of any of such plans or arrangements. No action, suit or claim with respect to any of such plans or arrangements (other than routine claims for benefits) is pending or, to Seller's knowledge, threatened.

(2) *Labor Relations.* The Seller is not a party to or subject to any collective bargaining agreements with respect to the Station. The Seller has no written or oral contracts of employment with any employee of the Station. The Seller has complied in all material respects with all laws, rules, and regulations relating to the employment of labor, including, without limitation, those related to wages, hours, collective bargaining, occupational safety, discrimination, and the payment of social security and other payroll related taxes, and it has not received any notice alleging that it has failed to comply in any material respect with any such laws, rules, or regulations. No controversies, disputes, or proceedings are pending or, to the best of Seller's knowledge, threatened, between the Seller and any employee (singly or collectively) of the Station. No labor union or other collective bargaining representative represents or, to Seller's knowledge, claims to represent any of the employees of the Station. To Seller's knowledge, there is no union campaign being conducted to solicit cards from employees to authorize a union to request a National Labor Relations Board certification election with respect to any employees at the Station.

n. *Taxes.* The Seller has filed or caused to be filed all federal income tax returns and all other federal, state, county, local, or city tax returns which are required to be filed, and it has paid or caused to be paid all taxes shown on those returns or on any

tax assessment received by it to the extent that such taxes have become due, or has set aside on its books adequate reserves (segregated to the extent required by generally accepted accounting principles) with respect thereto. To Seller's knowledge, there are no governmental investigations or other legal, administrative, or tax proceedings pursuant to which the Seller is or could be made liable for any taxes, penalties, interest, or other charges, the liability for which could extend to Buyer as transferee of the Business, and no event has occurred that would impose on Buyer any transferee liability for any taxes, penalties, or interest due or to become due from the Seller.

o. *Claims and Legal Actions.* Except for any routine investigations or rulemaking proceedings generally affecting the broadcasting industry, and as set forth more completely on **Schedule 9(o)**, to Seller's knowledge, there is no other claim, legal action, counterclaim, suit, arbitration, governmental investigation or other legal, administrative, or tax proceeding, nor any order, decree or judgment, in progress or pending, or to Seller's knowledge threatened, against or relating to the Seller with respect to its ownership or operation of the Station or otherwise relating to the Purchased Assets or the Business or operations of the Station particularly, but without limiting the generality of the foregoing and, except as set forth on **Schedule 9(o)**, to Seller's knowledge, there are no applications, complaints or proceedings pending or, to Seller's knowledge, threatened (i) before the FCC relating to the Business or operations of the Station other than rule making proceedings which affect the radio industry generally, (ii) before any federal or state agency relating to the Business or operations of the Station involving charges of illegal discrimination under any federal or state employment laws or regulations, or (iii) before any federal, state, or local agency relating to the Business or operations of the Station involving zoning issues under any federal, state, or local zoning law, rule, or regulation.

p. *Environmental Matters.*

(1) To the Seller's knowledge, Seller has complied in all material respects with all laws, rules, and regulations of all federal, state, and local governments (and all agencies thereof) concerning the environment, public health and safety, and employee health and safety, and no charge, complaint, action, suit, proceeding, hearing, investigation, claim, demand, or notice has been filed or commenced against the Seller in connection with its ownership or operation of the Station alleging any failure to comply with any such law, rule, or regulation.

(2) Omitted.

(3) To Seller's knowledge, the Seller has no liability relating to its ownership and operation of the Station (and the Seller has not handled or disposed of any substance, arranged for the disposal of any substance, or owned and operated any property or facility relating to the Station in any manner that could form the basis for any present or future charge, complaint, action, suit, proceeding, hearing, investigation, claim, or demand against the Seller) under the common law or pursuant to any statute giving

rise to any such liability for damage to any site, location, or body of water (surface of subsurface) or for illness or personal injury.

q. *Compliance with Laws.* The Seller has complied in all material respects with the Licenses and all federal, state, and local laws, rules, regulations, and ordinances applicable or relating to the ownership and operation of the Station. To Seller's knowledge, neither the ownership, nor use of the properties of the Station, nor the conduct of the Business or operations of the Station conflicts with the rights of any other person or entity.

r. *Full Disclosure.* No representation or warranty made by Seller in this Agreement or in any financial statement, certificate, document, or other instrument furnished or to be furnished by Seller pursuant hereto contains or will contain any untrue statement of a material fact, or omits or will omit to state any material fact required to make any statement made herein or therein not misleading.

10. Omitted.

11. Omitted.

12. **Buyer's Representations and Warranties.** Buyer represents and warrants to Seller, the truth and accuracy of each of the following being expressly material to Seller's execution of this Agreement, as follows:

a. *Organization, Standing and Authority.* Buyer is a limited liability company duly organized and validly existing under the laws of the State of Delaware. Buyer has all requisite power and authority (i) to own, lease, and use the Purchased Assets as now owned, leased, and used, (ii) to conduct the Business and operations of the Station as now conducted, and (iii) to execute and deliver this Agreement and the documents contemplated hereby, and to perform and comply with all of the terms, covenants, and conditions to be performed and complied with by Buyer hereunder and thereunder.

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

c. *Absence of Conflicting Agreements.* Subject to obtaining the Consents and the FCC Consent to the Assignment Application, the execution, delivery, and performance by Buyer of this Agreement and the documents contemplated hereby and thereby (with or without the giving of notice, the lapse of time, or both): (i) do not require the consent of any third party; (ii) will not conflict with the Certificate of

Formation and Operating Agreement of Buyer; (iii) will not conflict with, result in a breach of, or constitute a default under, any law, judgment, order, injunction, decree, rule, regulation, or ruling of any court or governmental instrumentality; or (iv) will not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by the terms of, any agreement, instrument, license, or permit to which Buyer is a party or by which Buyer may be bound, such that Buyer could not acquire or operate the Purchased Assets.

d. *Broker.* Neither Buyer nor any person acting on Buyer's behalf has incurred any liability for any finders' or brokers' fees or commissions in connection with the transactions contemplated by this Agreement.

e. *Qualification.* Buyer is legally and financially qualified under the Communications Act of 1934, as amended, and the rules, regulations and policies of the FCC to acquire the Station and no waiver will be necessary under the rules, regulations and policies of the FCC for Buyer to acquire the Station.

f. *Full Disclosure.* No representation or warranty made by Buyer in this Agreement or in any certificate, document, or other instrument furnished or to be furnished by Buyer pursuant hereto contains or will contain any untrue statement of a material fact, or omits or will omit to state any material fact and required to make any statement made herein or therein not misleading.

g. *Claims and Legal Actions.* There is currently no litigation pending or to the knowledge of Buyer, threatened, against or relating to Buyer that would prevent or materially impede the consummation of the transactions contemplated by this Agreement, nor does Buyer know of any basis, including performance of Buyer's obligations set forth herein, for such litigation. Buyer is not subject to any order, judgment, writ, injunction or decree of any court or governmental agency or entity which could have a material adverse affect on its ability to consummate the transactions contemplated herein.

13. **Conditions Precedent to Buyer's Obligations.** The obligations of Buyer under this Agreement are, at its election, subject to the fulfillment on or prior to the Closing Date of each of the following conditions precedent, except insofar as Seller's inability to fulfill such condition is the result of an action by Buyer under the LMA. The parties agree and understand that Buyer's decision to enter into and perform under the terms of this Agreement has been materially premised upon the fulfillment of each of the following conditions, and Seller agrees that all of them are material:

a. That Seller shall be at the Closing the licensee of the Station and the FCC Licenses shall be valid and existing authorizations in every respect for the purpose of operating the Station, in full force and effect and validly held by Seller.

b. That (i) the Assignment Application be granted by Final Order, and without the imposition on Buyer of any materially adverse conditions requiring

Buyer's compliance, other than those conditions arising from Buyer's own actions, with no proceeding for suspension, modification or renewal in effect, (ii) the FCC Licenses shall have been issued or renewed by the FCC under the Communications Act of 1934, as amended, for the full terms thereof and (ii) Seller shall have complied with any conditions imposed on it by the FCC Consent to the extent required under the terms of this Agreement.

c. The Seller shall be the holder of all FCC Licenses and there shall not have been any modification of any FCC License that would have a materially adverse effect on the Station or the conduct of its Business and operations. No proceeding shall be pending or threatened the effect of which would be to revoke, cancel, fail to renew, suspend, or modify adversely any FCC License.

d. That all representations and warranties of Seller contained in this Agreement shall be true and complete in all material respects at and as of the Closing Date as though made at and as of that time except to the extent that breaches of the representations and warranties of Seller do not individually or in the aggregate materially adversely affect the operations of the Station taken as a whole;

e. That Seller shall have performed and complied in all material respects with all covenants, agreements, and conditions required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

f. All Consents designated by Buyer as required consents and set forth on **Schedule 13(f)** hereto (the "Required Consents") shall have been obtained and delivered to Buyer without any material adverse change in the terms or conditions of any Contract or License. It is agreed and understood that consent of any applicable landlord(s) (and/or master lessee(s)) of the Station's sites to the sublease is a material consent, and obtaining such consent is an express condition precedent to Buyer's obligation to consummate at Closing the transactions contemplated by this Agreement;

g. Seller shall have made or stand willing to make all the deliveries to Buyer set forth in paragraph 15 below;

h. Omitted;

i. No suit, action, claim or governmental proceeding shall be pending, and no order, decree or judgment of any court, agency or other governmental authority shall have been rendered against any party hereto which: (A) would render it unlawful, as of the Closing Date, to effect the transactions contemplated by this Agreement in accordance with its terms; (B) questions the validity or legality of any transaction contemplated hereby; or (C) seeks to enjoin any transaction contemplated hereby;

j. Transfer of title to the owned Real Property shall have been duly recorded with the recorder's office in the jurisdiction where the owned Real Property is located. At Buyer's cost for the Real Property, a commitment to issue title insurance,

covering Seller's ownership or leasehold interest in all of the Real Estate, which shall guarantee such title to be in the condition called for by this Agreement, shall otherwise be reasonably satisfactory to the Buyer, shall not contain any non-standard general exceptions, shall contain exceptions only for those Permitted Liens which are designated to continue after the Closing, and shall show no rights of occupancy or use by third parties, no encroachments, no gaps in the chain of title and no violations of any applicable zoning or other ordinance, statute, rule or regulation (it being understood, however, that the Buyer shall pay for the title insurance premiums);

k. Seller shall have delivered copies to the Buyer of all instruments, certificates, documents and other filings (if applicable) necessary to release the Purchased Assets from all Liens, other than Permitted Liens, all in a form reasonably satisfactory to Buyer;

l. The Seller shall have delivered:

(i) A clearance certificate or similar document(s) which may be required by any governmental authority in order to relieve the Buyer of (A) any obligation to withhold any portion of the Purchase Price and (B) any liability for taxes (determined without regard to the provisions of this Agreement assigning responsibility therefor) for which relief is available by reason of the filing of an appropriate certificate.

(ii) A certificate of non-foreign status satisfying the requirements of Treasury Regulations Section 1.1445-2(b) in a form reasonably acceptable to the Company.

14. **Conditions Precedent to Seller's Obligations**. The obligations of Seller under this Agreement are, at its election, subject to the fulfillment on or prior to the Closing Date of each of the following conditions precedent:

a. That the Assignment Application be granted without the imposition on Seller of any materially adverse conditions requiring compliance, other than those conditions resulting from Seller's or the Seller's own actions, and Buyer shall have complied with any conditions imposed on it by the FCC Consent to the extent required under the terms of this Agreement.

b. All representations and warranties of Buyer contained in this Agreement shall be true and complete in all material respects at and as of the Closing Date as though made at and as of that time, except for changes contemplated by this Agreement.

c. Buyer shall have performed and complied in all material respects with all covenants, agreements, and conditions required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

d. Buyer shall have made or stand willing to make all the deliveries set forth in paragraph 16 below.

e. No suit, action, claim or governmental proceeding shall be pending, and no order, decree or judgment of any court, agency or other governmental authority shall have been rendered against any party hereto which: (A) would render it unlawful, as of the Closing Date, to effect the transactions contemplated by this Agreement in accordance with its terms; (B) questions the validity or legality of any transaction contemplated hereby; or (C) seeks to enjoin any transaction contemplated hereby.

15. **Closing Deliveries By Seller.** At the time and place prescribed in paragraph 7 above, Seller shall make the following Closing Deliveries to Buyer:

a. *Instruments of Conveyance.* Such instruments of conveyance, transfer, and assignment, in form and substance reasonably satisfactory to Buyer and its counsel as shall be sufficient to convey, transfer and assign to the Buyer sole and exclusive right, title and interest in and to all the Purchased Assets, in each case free and clear of all liens, pledges, encumbrances and claims of third parties, such instruments to include all Contracts and warranty bills of sale with respect to the Purchased Assets, in each case in form consistent with the terms of this Agreement.

b. Omitted.

c. *Consents.* An executed copy of any instrument evidencing receipt of all Required Consents.

d. *Certificate.* Certificates, dated as of the Closing Date, executed by a manager and/or officer of Seller, certifying (1) that the representations and warranties of Seller contained in this Agreement are true and complete in all respects as of the Closing Date as though made on and as of that date except to the extent that breaches of the representations and warranties of Seller do not individually or in the aggregate materially adversely affect the Station taken as a whole; and (2) that Seller has in all material respects performed and complied with all of its obligations, covenants, and agreements set forth in this Agreement to be performed and complied with on or prior to the Closing Date.

e. *Licenses, Contracts, Business Records, Etc.* Copies of all Licenses (excluding those that are not transferable), Contracts, Other Contracts blueprints, engineering records, and all files and records used by Seller in connection with its operations of the Station.

f. *Cash and Accounts Receivable.* All cash and accounts receivable of Seller shall be conveyed to Buyer.

g. *Other Documents.* Other certificates and documents required to be delivered by Seller to Buyer pursuant to this Agreement.

16. **Closing Deliveries By Buyer.** At the time and place prescribed in paragraph 7 above, Buyer shall make the following closing deliveries to Seller:

a. *Purchase Price.* The Base Purchase Price by wire transfer of immediately available funds to an account or accounts designated by the Seller no less than (2) business days prior to the Closing Date.

b. *Note.* The Note marked "Paid in Full".

c. *Assumption Agreements.* Appropriate assumption agreements, if required, pursuant to which Buyer shall assume and undertake to perform the Assumed Liabilities.

d. *Buyer's Certificate.* A certificate, dated as of the Closing Date, executed by Buyer, certifying (1) that the representations and warranties of Buyer contained in this Agreement are true and complete in all material respects as of the Closing Date as though made on and as of that date, and (2) that Buyer has in all material respects performed and complied with all of its obligations, covenants, and agreements set forth in this Agreement to be performed and complied with on or prior to the Closing Date.

e. *Other Documents.* Other certificates and documents required to be delivered by Buyer to Seller pursuant to this Agreement

17. **Termination.**

a. In the event that the Closing has not taken place on or before the date that is one year subsequent to the date of this Agreement, either party shall have the right to unilaterally terminate this agreement by giving written notice to the other party of its intention to do so; provided, however, that the party seeking to so terminate is (i) not itself in material breach hereof and (ii) such party shall have neither acted nor failed to act in such a way which would have caused the FCC not to grant or to refuse to grant the Assignment Application within said period. Upon such notice, this Agreement shall have no further force and effect.

b. This Agreement may be terminated by Seller and the purchase and sale of the Purchased Assets abandoned, if Seller is not then in material breach of this Agreement or the LMA, upon written notice to Buyer, upon the occurrence of any of the following:

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

(2) If there shall be in effect on the date that would otherwise be the Closing Date any judgment, decree, or order against Buyer that would prevent or make unlawful the Closing; provided, however, that the Seller shall not be entitled to terminate this Agreement pursuant to this clause unless the Seller has used all commercially reasonable efforts to oppose any such judgment, decree or order;

(3) Without limiting Seller's rights under the other provisions of this Agreement, if Buyer has failed to cure any material breach of any of its representations, warranties or covenants under this Agreement within fifteen (15) days after Buyer received written notice of such breach from Seller or the termination of the LMA due to a material breach by Buyer, and either such breach is not primarily the result of a breach of any representation, warranty or covenant of Seller.

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

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

(2) If there shall be in effect on the date that would otherwise be the Closing Date any judgment, decree, or order against Seller that would prevent or make unlawful the Closing; provided, however, that the Buyer shall not be entitled to terminate this Agreement pursuant to this clause unless the Buyer has used all commercially reasonable efforts to oppose any such judgment, decree or order;

(3) If any event shall have occurred that prevents signal transmission by the Station (i) with any power level whatsoever for a continuous period of fourteen (14) days from the date hereof through the Closing Date or (ii) with full power for a continuous period in excess of twenty-one (21) days.

(4) Without limiting Buyer's rights under the other provisions of this paragraph, if Seller has failed to cure any material breach of any of its representations, warranties or covenants under this Agreement within fifteen (15) days after Seller received written notice of such breach from Buyer or the termination of the LMA due to a material breach by Seller, and either such breach is not primarily the result of a breach of any representation, warranty or covenant of Buyer.

18. **Seller's Default; Specific Performance.** It is agreed and understood that the Purchased Assets are unique. Therefore, in the event of a breach of this Agreement which is the result of Seller's refusal to sell the Purchased Assets to Buyer despite Buyer being ready, willing and able to close, Buyer may and shall be entitled to seek the equitable remedy of specific performance to enforce Seller's obligations hereunder.

Accordingly, Seller waives any defense to such action in equity that Buyer has an adequate remedy at law. In other situations where Buyer has a claim that Seller has breached any of its material obligations under this Agreement and/or that any of Seller's representations and warranties are not materially true and correct (for example, should certain tangible assets not be in condition comparable to that during the period immediately prior to execution of this Agreement), Buyer shall give written notice to Seller, and Seller shall have fifteen (15) business days from receipt of said notice in which to cure such breach.

19. **Buyer's Default; Liquidated Damages.** Where Seller has a claim that Buyer has breached any of its material obligations under this Agreement, Seller shall give written notice to Buyer, and Buyer shall have fifteen (15) business days in which to cure such breach, provided, however, that no such notice shall be required nor cure opportunity afforded for Buyer's inability or unwillingness to tender the full purchase price on the Closing Date upon the occurrence of all conditions precedent. Should said breach remain uncured upon the end of said fifteen (15) business day period, Buyer shall be in default. At that point, Seller may terminate this Agreement and, at its sole option, elect liquidated damages by sending written notice to Buyer and thus be entitled to a one-time lump-sum payment by Buyer of ONE HUNDRED THOUSAND DOLLARS (\$100,000.00). In the event that Seller terminates this Agreement as provided in this paragraph, Seller shall not have any cause of action at law or in equity against Buyer. In the event that Seller terminates this Agreement in accordance herewith, then Seller shall be free to sell the Purchased Assets and assign the license of the Station (subject to prior written Commission approval) to any other party of its choosing.

20. **Insurance; Set-off.** All of the Purchased Assets that are of an insurable character are insured against loss or damage by fire and other risks customarily insured against by entities of established reputation owning similar property and operating businesses comparable to the Stations in the radio market served by the Stations. The amount, scope, and coverage of such insurance is adequate and reasonable in light of existing conditions. At Buyer's request and expense, the Seller shall increase the amount, scope and coverage of such insurance. Seller shall take all reasonable steps to repair, replace and restore such property as soon as possible after any loss or damage, it being understood that all insurance proceeds shall be applied to or reserved for such replacement, restoration or repair. There shall be no set-off or other adjustment to the Purchase Price should the Station or any of the Purchased Assets which are material to the operation of the Station, be substantially damaged or destroyed; provided, however, at the Closing Seller shall pay to the Buyer all proceeds of insurance received by Seller and not then paid by Seller for the repair, replacement or restoration of the damaged property and shall assign to the Purchaser all rights to receive proceeds of insurance on account of such damage or destruction.

21. **Taxes.** Except for taxes that are Assumed Liabilities, the Seller shall be solely responsible for any and all taxes applicable to it until and including the Closing Date. The Seller is obligated to cause the payment of such taxes. Any taxes relating to the operation of the Station after the Closing shall be the responsibility of Buyer.

22. **Allocations.** On or before the Closing Date, the parties hereto will agree as to the tax basis of the Purchased Assets and such allocation shall be set forth as **Schedule 22** hereto (the "**Allocation Statement**"). The Seller and the Buyer shall report an allocation of the Purchase Price consistent with the Allocation Statement in the filing of all tax returns (including, if necessary, Form 8594 with the Internal Revenue Service, and in the course of any tax audit, tax review or tax litigation matter relating hereto).

23. **Interference with Operations.** From the date hereof onward until the Closing Date, Buyer shall be permitted a reasonable opportunity to review books and records of the Station and to inspect the physical condition of the Purchased Assets. Upon the Closing Date, and thereafter, Seller shall make no attempt to control the Station, incur any debts or obligations against the credit of the Station, or otherwise interfere in the operations of the Station; provided that nothing contained in this paragraph shall preclude any Seller or any officer or employee of Seller or the Seller from serving as a management employee of the Buyer. However, to the extent consistent with the LMA, Seller shall conduct the operations of the Business in the ordinary course of business and notwithstanding any provision in this Agreement, prior to the Closing, to the extent consistent with the LMA, Seller shall not, without the prior written consent of the Buyer, such consent not to be unreasonably withheld:

a. Make any change in the Business of the Station, except such changes as are unlikely to have any material adverse impact upon the Purchased Assets or as otherwise provided in this Agreement;

b. Sell, lease, transfer or otherwise dispose of any Purchased Asset without obtaining a suitable replacement acceptable to Buyer as indicated by the Buyer in writing before the Closing Date;

c. Mortgage, pledge or encumber, or subject to any new Lien (including any increase to any existing Lien) any Purchased Asset;

d. Waive or agree to waive any rights of material value relating to the Purchased Assets or allow to lapse or fail to keep in force any License or other right relating to the Station, including insurance policies on the Purchased Assets in amounts consistent with industry standards;

e. Fail to perform its obligations under, breach or, except in the ordinary course of Business, make or permit any amendment or termination of any material Contract or License included in the Purchased Assets;

f. Enter into any agreement with any employee binding the Seller and/or Buyer to utilize said employee's services in connection with the Station other than an employment agreement terminable at will; or

g. Become a party to any trade or barter agreement for the sale of air time requiring announcements to be made over the Station subsequent to the Closing Date.

h. Declare, set aside or pay any dividend or other distribution (whether in cash, stock or property or any combination thereof) in respect of its capital securities, or redeem, repurchase or otherwise acquire any of its securities or any securities of its subsidiaries and refrain from making any loans to or investments in any person or entity;

i. Fail to timely make all filings required by the FCC related to the Station, including any necessary amendments to tower registrations or to the FCC Licenses, or fail to provide to the Buyer, reasonably promptly after the filing thereof, copies of all such reports to and other filings made with the FCC;

j. Fail to diligently prosecute the Assignment Application, permit any of the FCC Licenses to expire or to be surrendered or voluntarily modified or take any action (or fail to take any action) which could cause the FCC or FAA to institute proceedings for the suspension, revocation or limitation of rights under any License or fail to prosecute with due diligence any pending applications, applications for renewal of any License, or petitions to any governmental authority with respect to the Station, except for proceedings affecting the radio broadcasting industry generally;

k. Fail to provide to the Purchaser, reasonably promptly after receipt thereof, a copy of (i) any notice from the FCC or the FAA of the revocation, refusal to renew, suspension, or limitation of the rights under, or of any proceeding for the revocation, suspension, or limitation of the rights under (or that such authority may in the future, as the result of failure to comply with laws or regulations or for any other reason, revoke, suspend, refuse to renew or limit the rights under) any License, and (ii) copies of all protests, complaints, challenges or other documents filed with the FCC by third parties concerning the Station and, reasonably promptly upon the filing or making thereof, copies of Seller's responses to such filings;

l. Fail to notify the Purchaser in writing immediately upon learning of the institution or threat of any proceeding against Seller or the Station before the FCC or any other fact, event or condition that causes or could be likely to cause a Material Adverse Effect;

m. Except as required under FCC rules in the event of repairs to the transmission system of the Station or as requested pursuant to the LMA, refrain from filing any application for any construction permit or modification of any FCC or FAA License affecting the Station or otherwise making any material change to any of the Station' facilities;

n. Pay or cause to be paid or provided for when due (except to the extent contested in good faith for which proper reserves shall have been established) all

social security, withholding, worker's compensation and unemployment insurance taxes relating to Seller;

o. Deliver to the Buyer within fifteen (15) days after the end of each month, the unaudited balance sheet for the Seller prepared in accordance with GAAP consistently applied; provided, however, such statement shall be subject to normal year-end adjustments and shall not contain notes required by GAAP.

24. **Public Notices.** The Seller shall prepare and give at the Seller's expense all public notices as are required pursuant to 47 C.F.R. 73.3580; provided that Buyer shall cooperate in the preparation of such notices.

25. **Confidentiality.** Except as necessary for the consummation of the transaction contemplated by this Agreement and, except as and to the extent required by law, including, without limitation, disclosure requirements of federal or state securities laws and the rules and regulations of securities markets, each party will keep confidential any information obtained from the other party in connection with the transactions contemplated by this Agreement. If this Agreement is terminated, each party will return to the other party all information obtained by such party from the other party in connection with the transactions contemplated by this Agreement. Prior to Closing, neither party shall publish any press release, make any other public announcement or otherwise communicate with any news media concerning this Agreement or the transactions contemplated hereby or thereby without the prior written consent of the other Parties, except the 47 C.F.R. 73.3580 public notice described in this Agreement; provided, however, that nothing contained herein shall prevent either party from promptly making all filings with governmental authorities as may, in its judgment be required or advisable in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby. Nothing contained in this paragraph shall affect Buyer's ability to promote or operate the Station under the LMA.

26. **Indemnification; Survival.**

a. *By Seller.* Seller and each Principal on a joint and several basis shall indemnify, defend and save Buyer, its affiliates, successors and assigns, harmless against and from all liabilities, claims, losses, damages, assessments, judgments, costs and expenses (including, without limitation, the costs and expenses of all actions, suits, proceedings and demands including reasonable attorney's fees, including with respect to any appeal) resulting from (i) any misrepresentation or breach of warranty, representation or covenant or agreement contained in this Agreement by Seller or any Principal (including Buyer's enforcement thereof), (ii) any claim or action of any kind by or on behalf of any employee or former employee of Seller or the unlawful conduct of any such employee and (iii) the Excluded Liabilities and, except for the Assumed Liabilities, the ownership or operation of the Purchased Assets or the Business by Seller prior to the Closing Date. Insofar as any indemnification claim hereunder would also comprise, either in whole or in part, a claim by Seller against the MCC Sellers under the Previous Purchase Agreement and provided that Seller complies with Section 29 in all material

respects, Buyer's sole remedy shall be to direct Seller to exercise its indemnification rights under the Previous Purchase Agreement pursuant to Section 29.

b. *By Buyer.* Buyer will defend and save Seller, its affiliates, successors and assigns harmless against and from all liabilities, claims, losses, damages, assessments, judgments, costs and expenses (including, without limitation, the costs and expenses of all actions, suits, demands and proceedings including reasonable attorney's fees, including with respect to any appeal) resulting from (i) any misrepresentation or breach of warranty, representation, covenant or agreement by Buyer contained in this Agreement (including Seller's enforcement thereof), (ii) the Assumed Liabilities and (iii) the conduct of Business and operations by Buyer following the Closing Date.

c. *Claims Pursuant to Indemnities.* If any claim covered by the foregoing indemnities is asserted against any other indemnified party (the "Indemnitee"), the Indemnitee shall promptly give the other party (the "Indemnitor") notice of such claim. Under no circumstance shall any claim for indemnification by Buyer hereunder arise until the aggregate amount of all such claims exceeds the sum of FIFTY THOUSAND DOLLARS (\$50,000.00), and in no circumstance shall the aggregate liability of Seller and the Principals under this Section exceed THREE HUNDRED THOUSAND (\$300,000.00) and (ii) any Principal exceed ONE HUNDRED THOUSAND DOLLARS (\$100,000.00). In no circumstance shall the aggregate liability of Buyer with respect to any claim under Section 16(b)(i) exceed THREE HUNDRED THOUSAND (\$300,000.00).

d. The representations and warranties contained herein and in the documents to be executed and delivered in connection herewith shall survive the Closing for a period of six (6) months from the Closing Date.

27. **Benefit and Binding Effect; Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither party hereto may assign this Agreement without the prior written consent of the other party hereto provided; however, that Buyer may assign its rights and obligations under this Agreement, in whole or in part, to one or more subsidiaries or commonly controlled affiliates of Buyer without seeking or obtaining Seller's prior approval and provided further that no such assignment shall cause the Closing Date to be delayed. Upon any permitted assignment by Buyer or Seller in accordance with this paragraph, all references to "Buyer" herein shall be deemed to be references to Buyer's assignee and all references to "Seller" herein shall be deemed to be references to Seller's assignee, as the case may be.

28. **Further Assurances.** The parties shall take any reasonable actions and execute any other documents that may be necessary or desirable to the implementation and consummation of this Agreement.

29. **Assignment of Contracts and Licenses.** To the extent that transfer or assignment hereunder by the Seller to the Buyer of any Contract or License is not

permitted or is not permitted without notification or the consent or approval of another person or entity, this Agreement shall not be deemed to constitute an assignment, an attempted assignment or an undertaking to assign such Contract or License if such consent or approval is not given or if such an assignment, attempted assignment or undertaking otherwise would constitute a breach thereof or cause a loss of benefits thereunder. The Seller (and the Buyer where required) shall use its commercially reasonable efforts to obtain any and all such third party consents or approvals under all assumed Contracts and Licenses. If any such third party consent or approval is not obtained before the Closing, the Seller shall cooperate with the Buyer in any reasonable arrangement designed to provide for the Buyer after the Closing the benefits intended to be assigned to the Buyer under the applicable Contract or License, including enforcement at the cost and for the account of the Buyer of any and all rights of the Seller against the other party thereto arising out of the breach or cancellation thereof by such other party or otherwise, including, without limitation, the exercise by Seller and/or the Principals of any indemnification rights pursuant to the Previous Purchase Agreement at the direction of Buyer; provided that the Buyer shall undertake to pay or satisfy the corresponding liabilities for the enjoyment of such benefit to the extent that the Buyer would have been responsible therefor hereunder if such consent, waiver or approval had been obtained. The Seller and/or the Principals shall give the Buyer prompt written notice of any potentially indemnifiable claim and all correspondence with respect to the indemnification rights in the Previous Purchase Agreement. The Seller shall, without consideration therefor, pay, assign and remit to the Buyer promptly all monies, rights and other consideration received in respect of such performance and will otherwise upon receipt pay to the Buyer the amount that the Buyer would have received had the necessary consent, waiver or approval been obtained prior to the Closing. The Seller shall exercise or exploit its rights in respect of such Contracts and Licenses only as reasonably directed by the Buyer and at the Buyer's expense. Nothing in this section shall limit the closing conditions set forth in this Agreement for the benefit of the Buyer. Seller shall not terminate, dissolve nor commence dissolving prior to June 4, 2005 (the date that the indemnification period terminates pursuant to the Previous Purchase Agreement).

30. **Governing Law.** This Agreement shall be governed, construed and enforced by and in accordance with the laws of the State of California, without regard to the "Choice of Law" provisions thereof.

31. **Headings.** The headings of the paragraphs of this Agreement are for the convenience of the parties only, and do not in any way modify, interpret or construe the meaning of the provisions hereof.

32. **Gender and Number.** Words used in this Agreement, regardless of the gender and number specifically used, shall be deemed and construed to include any other gender, masculine, feminine, or neuter, and any other number, singular or plural, as the context requires.

33. **Notices.** All notices, demands, and requests required or permitted to be given under the provisions of this Agreement shall be (a) in writing, (b) delivered by personal delivery, by facsimile, or sent by commercial delivery service or registered or certified mail, return receipt requested, (c) deemed to have been given on the date of personal delivery, the facsimile, or the date set forth in the records of the delivery service or on the return receipt, and (d) addressed as follows:

If to Seller:

Angelica Balderas
Maya Media, LLC
1405 El Camino Avenue, Suite 330
Sacramento, CA 95815
E-mail:

With copy to:

John F. Garziglia, Esquire
Womble Carlyle Sandridge & Rice, PLLC
1401 Eye Street, NW, Suite 700
Washington, DC 20005
Fax No.: 202-261-0055
E-mail: jgarziglia@wcsr.com

If to Buyer:

Bustos Media of California, LLC
3100 Fite Circle
Sacramento, California 95827
Attention: Amador S. Bustos

With copy to:

c/o Providence Equity Partners, Inc.
50 Kennedy Plaza, 18th Floor
Providence, RI 02903
Attention: Albert J. Dobron, Jr.

and

Alta Communications
200 Clarendon Street
Boston, MA 02116
Attention: Eileen McCarthy

and

Edwards & Angell, LLP
2800 Financial Plaza
Providence, RI 02903
Attention: David K. Duffell, Esq.

34. **Entire Agreement.** This Agreement, the schedules, hereto, and all documents, certificates, and other documents to be delivered by the parties pursuant hereto, collectively represent the entire understanding and agreement between Buyer and Seller with respect to the subject matter hereof. This Agreement supersedes all prior negotiations between the parties and cannot be amended, supplemented, or changed except by an agreement in writing that makes specific reference to this Agreement and which is signed by the Parties against which enforcement of any such amendment, supplement, or modification is sought.

35. **Waiver of Compliance; Consents.** Except as otherwise provided in this Agreement, any failure of any of the parties to comply with any obligation, representation, warranty, covenant, agreement, or condition herein may be waived by the Parties entitled to the benefits thereof only by a written instrument signed by the Parties granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, representation, warranty, covenant, agreement, or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure. Whenever this Agreement requires or permits consent by or on behalf of any Parties hereto, such consent shall be given in writing in a manner consistent with the requirements for a waiver of compliance as set forth in this paragraph.

36. **Counterparts.** This Agreement may be signed in one or more counterparts, each of which shall be considered an original counterpart, and shall become a binding Agreement when the parties shall have each executed one counterpart.

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IN WITNESS WHEREOF, THE PARTIES HERETO HAVE EXECUTED THIS AGREEMENT AS OF THE DAY AND YEAR FIRST WRITTEN ABOVE:

SELLER:

MAYA MEDIA, LLC

By: _____
Angelica Balderas
President/Manager and Member

BUYER:

BUSTOS MEDIA OF CALIFORNIA, LLC

By: _____
Amador S. Bustos
Chief Executive Officer

Spousal Consent

I, the undersigned spouse of Angelica Balderas, hereby acknowledge that I have read the foregoing Asset Purchase Agreement and consent to its terms.

Dated: _____

Name: _____

Spousal Consent

I, the undersigned spouse of Amparo Perez-Cook, hereby acknowledge that I have read the foregoing Asset Purchase Agreement and consent to its terms.

Dated: _____

Name:

Spousal Consent

I, the undersigned spouse of Juan Gonzalez, hereby acknowledge that I have read the foregoing Asset Purchase Agreement and consent to its terms.

Dated: _____

Name: