

**ASSET PURCHASE AGREEMENT**

**between**

**NOVA BROADCASTING COMPANY**

**("Seller")**

**and**

**SRQ RADIO, LLC**

**("Buyer")**

**Dated as of May\_\_ 2006**

## ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (this "Agreement") is entered into as of \_\_\_ May, 2006, by and between NOVA BROADCASTING COMPANY, a Florida corporation ("Seller"), and SRQ RADIO, LLC, a Florida limited liability company ("Buyer").

### RECITALS

A. Seller is the licensee of radio broadcast station WIBQ (AM), Sarasota, Florida (FCC Facility ID No. 27663) (the "Station"). Seller operates the Station pursuant to certain licenses, franchises, authorizations and approvals (the "Authorizations") issued by the Federal Communications Commission ("FCC").

B. Seller desires to sell, assign and transfer to Buyer, and Buyer desires to purchase and acquire from Seller substantially all of Seller's assets used and useful in the operations of the Station, all under the terms and conditions described herein.

C. Seller and Buyer are parties to a Program-Marketing Agreement with Purchase Option ("Option") dated March 9, 2004, and as amended August 6, 2004, which was assigned to Buyer by Suncoast Broadcasting Group, LLC ("Suncoast"), pursuant to the "Assignment of Rights under Program-Marketing Agreement with Purchase Option" dated September 30, 2005, and Buyer has exercised the Option.

D. Seller and Buyer have entered into a Time Brokerage Agreement ("TBA") as set forth in Schedule 5 attached hereto whereby Buyer is providing programming and other managerial expertise for the Station.

NOW, THEREFORE, in consideration of the premises and the mutual promises, representations, warranties and covenants herein contained, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

### ARTICLE 1

#### PURCHASE AND SALE OF PROPERTIES AND ASSETS

1.1 Assets. Seller agrees to sell and Buyer agrees to purchase all properties and assets, real, personal and mixed, tangible and that are owned or leased by Seller and used or held for use by the Station, and any property and assets that are acquired by Seller between the date hereof and the Effective Time (i.e., the date and time on which the Closing occurs) and are used or useful in the operations of the Station (collectively, the "Assets"). The Assets shall include the following, except to the extent that any of the following are included within the Excluded Assets:

(a) Tangible Personal Property. All equipment, transmitters, electrical devices, antennae, cables, tower equipment, and other tangible personal property owned or leased by Seller on the date hereof, and used or held for use by Seller in the operation of the Station, as described on attached Schedule 1.1(a), together with any additions, modifications, alterations or improvements between the date of this Agreement and the Effective Time (collectively, the “Tangible Personal Property”).

(b) Intangible Property. All trademarks, trade names, call letters, and other intangible rights, owned or licensed and used or held for use by Seller in the operation of the Station as of the date of this Agreement, including, without limitation, all of those listed and described on attached Schedule 1.1(b) (collectively, the “Intangible Property”).

(c) Licenses and Authorizations. All rights in and to the Authorizations issued to Seller, including, without limitation, all rights in and to the call letters WIBQ and all broadcast auxiliary, antenna structure registrations and other authorizations of the FCC associated with the operations of the Station described on attached Schedule 1.1(c).

(d) Leased Real Property. All Seller’s interest in the real property described on Schedule 1.1(e) (the “Leased Real Property”).

(e) Contracts. All of Seller’s Contracts in connection with the business and operations of the Station set forth on Schedule 1.1(e).

(f) Files and Records. All files and other records of Seller relating to the Station and the Assets (other than duplicate copies of such files, hereinafter “Duplicate Records”) (including all the full and complete local public inspection file for the Station).

(g) Prepaid Items. All prepaid expenses and prepaid *ad valorem* taxes (which shall be prorated, if applicable, as provided in Section 1.6).

(h) Goodwill. All of Seller’s goodwill in, and going concern value of, the Station.

## 1.2 Liabilities

(a) Security Interests. The Assets shall be sold and conveyed to Buyer free and clear of all mortgages, liens, deeds of trust, security interests, pledges, options, restrictions, prior assignments, charges, claims, defects in title and encumbrances of any kind or type whatsoever (collectively, the “Security Interests”) except for: (i) liens for taxes (for which a pro-ration adjustment shall be made at Closing), other than state, federal or local income taxes and other taxes of Seller that do not relate to the Assets, and which are not yet due and payable, accruing before the Effective Time, and (ii) the obligations of Seller arising after the Effective Time, which Buyer has agreed to assume under the Contracts as described in Section 1.2(b). The encumbrances described in the foregoing clauses (i) and (ii) are collectively referred to herein as “Permitted Encumbrances.”

(b) Assumed Liabilities. Except as otherwise provided herein and subject to the terms and conditions of this Agreement, simultaneously with the sale, transfer, conveyance and assignment to Buyer of the Assets, Buyer shall assume, and hereby agrees to perform and discharge when due all liabilities and obligations arising or to be performed after the Effective Time under the Contracts that are assigned and transferred to Buyer (collectively, the "Assumed Liabilities"). Other than the Assumed Liabilities, Buyer shall not assume or be liable for, and does not undertake or attempt to assume or discharge any obligation of Seller. All assumed liabilities, if any, are set forth in Schedule 1.2 (b).

(c) Retained Obligations of Seller. Seller retains and shall hereafter pay, satisfy, discharge, perform and fulfill all obligations other than the Assumed Liabilities, including, without limitation, those described in Section 1.2(c) (the "Excluded Liabilities"), as they become due, without any charge or cost to Buyer.

(d) Trade Accounts. At the Closing, there will be no trade contracts or trade commitments outstanding.

### 1.3 Purchase Price, Payment, and Allocation.

(a) Purchase Price. The parties acknowledge and agree that the total amount of \$ FOUR HUNDRED FIFTY THOUSAND DOLLARS (us\$450,000) has been previously paid by Buyer to Seller under the Option. aggregate purchase price to be paid for the Assets will be FOUR HUNDRED FIFTY THOUSAND DOLLARS (US\$450,000.00) (the "Purchase Price") as may be adjusted at the closing pursuant to the terms of the Option.

(b) Additional Payments. The Option requires the payment of THIRTY THREE THOUSAND DOLLARS (US \$33,000) at Closing to the three principals of Seller. Said amount to be divided equally by such principals. Additionally, Buyer has an outstanding balance owed to Seller related to expenses. As of May 10, 2006, that balance is 3620.61.

(c) Method of Payment. At Closing the Purchase Price shall be paid by crediting Buyer with all sums paid under the Option. The additional payment amount of \$33,000.00 referenced in 1.3(a) shall be placed in Escrow by Buyer concurrently with this execution of this instrument pursuant to an Escrow Agreement and paid over to Seller at Closing. The expense amount referenced in 1.3(a) shall be paid by Buyer concurrently with the execution of this Agreement.

1.4 Closing. The consummation of the transactions provided for in this Agreement (the "Closing") shall take place at a mutually agreeable location on a date, designated by Buyer, after the FCC Order is granted, provided that such date is no later than ten (10) days after the FCC Order has become final, subject in all events to the satisfaction or waiver of the conditions specified in Articles 7 and 8 below. "FCC Order" means the order of the FCC consenting to the assignment

of all Authorizations to Buyer. The date on which the Closing is to occur is referred to herein as the "Closing Date." The parties agree that the Closing may be conducted via U.S. Mail.

## ARTICLE 2 REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants to Buyer that the statements contained in this Article 2 are correct and complete as of the date of this Agreement and will be correct and complete as of the Closing Date (as though made then and as though the Closing Date were substituted for the date of this Agreement throughout this Article 2). The term "Knowledge," when applied to Seller herein, means actual knowledge of Ronald Crider, Robert and Sylvia Weeks, Co-Trustees of the Robert M Weeks, Revocable Living Trust of the 15<sup>th</sup> of May 1989 and Thomas McCoy and other officers or management-level personnel of Seller.

2.1 Company Status. Seller is a corporation duly organized, validly existing and in good standing under the laws of the State of Florida and is authorized to do business in the State of Florida. Seller has the requisite power to carry on its business as it is now being conducted, to own and operate the Station, and to enter into and complete the transactions contemplated by this Agreement.

2.2 Entity Action. All actions and proceedings necessary to be taken by or on the part of Seller in connection with the performance, execution and delivery of this Agreement have been duly and validly taken and this Agreement has been duly and validly authorized, executed, and delivered by Seller and constitutes the legal, valid and binding obligation of Seller enforceable against Seller in accordance with and subject to the terms contained herein.

2.3 Defaults. Neither the execution, delivery and performance by Seller of this Agreement nor the consummation by Seller of the transactions contemplated hereby are events that, of themselves or with the giving of notice or the passage of time or both, will: (a) violate or conflict with any provision of the Articles of Incorporation or Bylaws ("Governing Documents") of Seller; (b) assuming that the consents referred to in Section 4.3 are obtained, constitute a violation of, conflict with or result in any breach of or any default under, result in any termination or modification of, or cause any acceleration of any obligation of Seller under any contract, mortgage, indenture, agreement, lease or other instrument to which Seller is a party or by which it is bound, or result in the creation of any security interest in the Assets; (c) violate any judgment, decree, order, statute, law, rule or regulation of any court, arbitrator or government or regulatory body applicable to Seller, the Station or the Assets; or (d) result in the creation or imposition of any lien, charge or encumbrance against the Station or the Assets.

2.4 Contracts, Leases, Agreements and Other Commitments. Other than Contracts for the sale of advertising time, Seller is not a party to, nor is it bound by, any written or oral contract, agreement, lease, power of attorney, guaranty, surety arrangement or other commitment

related to the operation of the Station, except for the Contracts listed and described on Schedule 1.1(f).

2.5 Taxes. By the Closing, all federal, state and local returns, reports, estimates and other statements ("Returns") required to have been filed with any jurisdiction with respect to Seller and the operation of the Station with respect to any and all taxes, duties, penalties, assessments or deficiencies of every nature and description (collectively, "Taxes") will have been filed by Seller. There are no Taxes that are past due.

2.6 Licenses. Schedule hereto contains a true and complete list of the FCC Authorizations and all other licenses, permits or other authorizations from governmental or regulatory authorities that are required for the lawful conduct of the business and operations of the Station in the manner and to the full extent it is presently operated. Licensee is the authorized legal holder of the FCC Authorizations identified on Schedule 1.1 (c) hereto, none of which is subject to any restrictions or conditions that would limit in any respect the broadcast operations of the Station, except such conditions as are stated on the face thereof. The FCC Authorizations are validly issued and are in full force and effect, unimpaired by any act or omission of Seller. Seller is in compliance in all material respects with the FCC Authorizations and with all applicable federal, state and local laws, rules and regulations, including, without limitation, the Communications Act of 1934, as amended, and the rules, regulations and policies of the FCC (collectively, the "Communications Laws"). Other than proceedings affecting the radio broadcasting industry generally, (i) there is not now pending or threatened any action by or before the FCC to revoke, cancel, rescind, modify or refuse to renew any of such FCC Authorizations; and (ii) Seller has not received any notice of and has no knowledge of any pending, issued or outstanding order by or before the FCC, or of any investigation, order to show cause, notice of violation, notice of apparent liability, notice of forfeiture, or material complaint against either the Station or Seller with respect to the Station. Seller has timely filed with the FCC all material reports required thereby, and has timely paid all regulatory fees and any fines or forfeitures due to the FCC with respect to the Station. There are no unpaid federal debts related to Seller or the Station which could cause the denial or rescission of any of the Station's licenses or construction permits.

#### 2.7 Condition of Assets.

(a) All Assets. The Assets constitute all of the assets used, useful, or necessary to conduct the operation of the Station as presently conducted and as presently proposed to be conducted.

(b) Tangible Personal Property. The Tangible Personal Property listed in Schedule 1.1(a) is a true and complete list as of the date hereof of all items of tangible personal property of every kind or description owned by Seller and used or useful in the operation of the Station included in the Assets, except office materials and supplies (which office supplies or any

environment including, but not limited to, any of the following activities; (i) the emission, discharge, release, spilling or dumping of any Contaminant into the air, surface water, ground water, soil or substrata; or (ii) the use, generation, processing, sale, recycling, treatment, handling, storage, disposal, transportation, labeling or any other management of any Contaminant. Seller has obtained all environmental, health and safety permits necessary for the operation of the Station, all such permits are in full force and effect, and the Seller is in compliance with the terms and conditions of all such permits. Seller has not received any notice, nor does Seller have any knowledge of any administrative or judicial investigations, proceedings or actions with respect to violations, alleged, or proved, of any Environmental Law involving Station operations or the Leased Real Property.

2.10 Compliance with Law and Regulations. To Seller's best knowledge, the Station, the Assets, and Seller are in material compliance with all requirements of federal, state and local law and all requirements of all federal, state and local governmental bodies or agencies having jurisdiction over any of them in all material respects, including the operations of the Station, the use of Seller's properties and assets (including the Assets) and the Leased Real Property.

2.11 Insurance. A summary of current insurance coverage of Seller maintained in connection with the Station and the Assets is attached as Schedule 2.11.

2.12 Litigation. There are no suits, arbitrations, administrative charges or other legal proceedings, claims or governmental investigations pending or, to Seller's Knowledge, threatened against Seller, nor, to Seller's Knowledge, is there any basis for any such suit, arbitration, administrative charge or other legal proceedings, claim or governmental investigation.

2.13 Bulk Sales. Neither the sale and transfer of the Assets pursuant to this Agreement, nor Buyer's possession and use thereof from and after the Closing because of such sale and transfer, will be subject to: (a) any law pertaining to bulk sales or transfers or to the effectiveness of bulk sales or transfers as against creditors of Seller; or (b) the imposition of any liability on Buyer for appraisal rights or other liability owing to Seller.

2.14 Brokers. There is no broker or finder or other Person who would have any valid claim through Seller against any of the parties to this Agreement for a commission or brokerage fee or payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement of, or action taken by, Seller.

2.15 Bankruptcy. Seller is neither insolvent nor the subject of bankruptcy or any similar proceeding.

2.16 Full Disclosure. No provision of this Agreement relating to Seller or any other document, or other information furnished by Seller to Buyer in connection with the execution,

(iii) Seller holds a valid and subsisting leasehold interest in and to the Leased Real Property on which is located a temporary slant-wire antenna free and clear of all Liens or other encumbrances of any nature whatsoever, except for the rights of the landlord as disclosed in the Leases. The Leased Real Property is owned by the Palm Grove Mennonite Church. Seller is a sub-lessee of 1087 Beneva Tower, Inc., which owns the tower structure upon which the Station's antenna is attached and through which it has ground space rights for its transmitter building on the Leased Real Property. No other undisclosed third party other than landlord holds any interest in the leased premises with the right to foreclosure upon Seller's leasehold interest, and, subject to the terms and conditions of the Lease, Seller has legal and practical access to the Real Property. If required by the terms of the Lease, the lessor of the Leased Real Property shall have consented in writing on or before Closing to Buyer's assumption of the Real Property leases.

(iv) All towers, guy anchors, and buildings and other improvements included in the Assets are located entirely on the Leased Real Property.

2.9 Environmental Matters. Seller has not released, and Seller is aware of no threat of a release by others of any Hazardous Substance or Hazardous Waste at or from the Leased Real Property; (b) to the knowledge of Seller, there are no Hazardous Substances or Hazardous Wastes present on the Leased Real Property except for ordinary quantities of properly stored Hazardous Substances or Hazardous Wastes found in consumer or commercial products that are used in the normal course of broadcast station operations, including grounds and building operation and maintenance; (c) to the knowledge of Seller, there are no aboveground or underground storage tanks, whether in use or closed, on or under the Leased Real Property; and (d) to the knowledge of Seller, neither the Leased Real Property, equipment or installations on the Leased Real Property nor any Tangible Personal Property contain PCBs or asbestos in quantities sufficient to mandate the labeling or removal of such PCBs or asbestos in accordance with federal, state or local government environmental standards or to warrant the imposition of any penalty, civil or criminal, against Seller. The terms "*Hazardous Substance*" and "*Hazardous Waste*" shall have the meanings set forth in the Resource Conservation and Recovery Act, as amended from time to time, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended from time to time, any other applicable Environmental Law, and the regulations promulgated under all such laws. The term "*Environmental Law*" shall mean and include, but not be limited to, any applicable federal, state or local law, statute, charter, ordinance, rule or regulation or any governmental agency interpretation, policy or guidance, including without limitation applicable safety/environmental/health laws such as but not limited to the FCC's standards relating to radio frequency ("*RF*") radiation exposure, the Resource Conservation and Recovery Act of 1976, Comprehensive Environmental Response Compensation and Liability Act, Federal Emergency Planning and Community Right-to-Know Law, the Clean Air Act, the Clean Water Act, and the Toxic Substance Control Act, as any of the foregoing have been amended, and any permit, order, directive, court ruling or order or consent decree applicable to or affecting the Leased Real Property promulgated or issued pursuant to any Environmental Laws which pertains to, governs, or controls the generation, storage, remediation or removal of Contaminants or otherwise regulates the protection of health and the

Order has become final, subject in all events to the satisfaction or waiver of the conditions specified in Articles 7 and 8 below. "FCC Order" means the order of the FCC consenting to the assignment of all Authorizations to Buyer. The date on which the Closing is to occur is referred to herein as the "Closing Date." The parties agree that the Closing may be conducted via U.S. Mail.

ARTICLE 2  
REPRESENTATIONS AND WARRANTIES OF SELLER

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2.3 Defaults. Neither the execution, delivery and performance by Seller of this Agreement nor the consummation by Seller of the transactions contemplated hereby are events that, of themselves or with the giving of notice or the passage of time or both, will: (a) violate or conflict with any provision of the Articles of Incorporation or Bylaws ("Governing Documents") of Seller; (b) assuming that the consents referred to in Section 4.3 are obtained, constitute a violation of, conflict with or result in any breach of or any default under, result in any termination or modification of, or cause any acceleration of any obligation of Seller under any contract, mortgage, indenture, agreement, lease or other instrument to which Seller is a party or by which it is bound, or result in the creation of any security interest in the Assets; (c) violate any judgment, decree, order, statute, law, rule or regulation of any court, arbitrator or government or regulatory body applicable to Seller, the Station or the Assets; or (d) result in the creation or imposition of any lien, charge or encumbrance against the Station or the Assets.

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(c) Good Title, Good Operating Condition. Seller has good, valid and marketable title to or the unrestricted right to use all of the Assets owned, leased or licensed by it, in each case, free and clear of all Security Interests of every kind or character (other than Permitted Encumbrances). All Station equipment is in good working condition and repair.

2.8 Leased Real Property. Seller has provided to Buyer true and complete copies of all real property lease agreements listed in Schedule 1.1(e), including all amendments and modifications thereto, and all other leases or licenses or other rights to possession of any real property used or held by Seller in connection with the operation of the Station (the "Real Property Leases"). The Real Property and the use thereof by Seller complies or will comply in all respects with all applicable laws, statutes, ordinances, rules and regulations of federal, state and local governmental authorities, including, without limitation, those relating to zoning. Any improvements upon the Real Property used by Seller comply or conform in all material respects with all deed restrictions, restrictive covenants, building codes, and federal, state and local laws, regulations and ordinances, and no permits, licenses or certificates pertaining to ownership or operation of the Real Property, other than those that are transferable with the Real Property, are required by any federal, state or local government, agency, board or other governmental authority having jurisdiction over the Real Property. All such improvements used by Seller are or will be in working condition and repair, are insurable at standard rates, and are in material compliance with the rules and regulations of the FCC, and all other applicable federal, state and local statutes, ordinances, rules and regulations. There are no material structural, electrical, mechanical, plumbing, air conditioning, heating or other defects in the improvements to be used by Seller on the Real Property subject to normal wear and tear. The tower component of the Real Property is structurally sound, subject to normal wear and tear, complies with current wind-loading requirements, and is not in need of material repair or maintenance. Seller has paid all amounts owed to any contractor, architect or subcontractor for labor or materials performed, rendered or supplied to Seller in connection with the Real Property.

(ii) Seller has not received any notice of any appropriation, condemnation or like proceeding, or of any violation of any applicable zoning law, regulation or other law, order, regulation or requirement affecting the Real Property or the improvements thereon, or of the need for any material repair, remedy, construction, alteration or installation with respect to the Real Property or improvements thereon, or any material change in the means or methods of conducting operations thereon.

(iii) Seller holds a valid and subsisting leasehold interest in and to the Leased Real Property on which is located a temporary slant-wire antenna free and clear of all Liens or other encumbrances of any nature whatsoever, except for the rights of the landlord as disclosed in the Leases. The Leased Real Property is owned by the Palm Grove Mennonite Church. Seller is a sub-lessee of 1087 Beneva Tower, Inc., which owns the tower structure upon which the Station's antenna is attached and through which it has ground space rights for its transmitter building on the Leased Real Property. No other undisclosed third party other than landlord holds any interest in the leased premises with the right to foreclosure upon Seller's leasehold interest, and, subject to the terms and conditions of the Lease, Seller has legal and practical access to the Real Property. If required by the terms of the Lease, the lessor of the Leased Real Property shall have consented in writing on or before Closing to Buyer's assumption of the Real Property leases.

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environment including, but not limited to, any of the following activities; (i) the emission, discharge, release, spilling or dumping of any Contaminant into the air, surface water, ground water, soil or substrata; or (ii) the use, generation, processing, sale, recycling, treatment, handling, storage, disposal, transportation, labeling or any other management of any Contaminant. Seller has obtained all environmental, health and safety permits necessary for the operation of the Station, all such permits are in full force and effect, and the Seller is in compliance with the terms and conditions of all such permits. Seller has not received any notice, nor does Seller have any knowledge of any administrative or judicial investigations, proceedings or actions with respect to violations, alleged, or proved, of any Environmental Law involving Station operations or the Leased Real Property.

2.10 Compliance with Law and Regulations. To Seller's best knowledge, the Station, the Assets, and Seller are in material compliance with all requirements of federal, state and local law and all requirements of all federal, state and local governmental bodies or agencies having jurisdiction over any of them in all material respects, including the operations of the Station, the use of Seller's properties and assets (including the Assets) and the Leased Real Property.

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2.13 Bulk Sales. Neither the sale and transfer of the Assets pursuant to this Agreement, nor Buyer's possession and use thereof from and after the Closing because of such sale and transfer, will be subject to: (a) any law pertaining to bulk sales or transfers or to the effectiveness of bulk sales or transfers as against creditors of Seller; or (b) the imposition of any liability on Buyer for appraisal rights or other liability owing to Seller.

2.14 Brokers. There is no broker or finder or other Person who would have any valid claim through Seller against any of the parties to this Agreement for a commission or brokerage fee or payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement of, or action taken by, Seller.

2.15 Bankruptcy. Seller is neither insolvent nor the subject of bankruptcy or any similar proceeding.

2.16 Full Disclosure. No provision of this Agreement relating to Seller or any other document, or other information furnished by Seller to Buyer in connection with the execution,

delivery and performance of this Agreement, or the consummation of the transactions contemplated hereby, contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact required to be stated to make the statement, in light of the circumstances in which it is made, not misleading.

ARTICLE 3  
**REPRESENTATIONS AND WARRANTIES OF BUYER**

Buyer represents and warrants to Seller that the statements contained in this Article 3 are correct and complete as of the date of this Agreement and will be correct and complete as of the Closing Date (as though made then and as though the Closing Date were substituted for the date of this Agreement throughout this Article 3). The term "Knowledge," when applied to Buyer herein, means actual knowledge of Richard Fischer and Donald Murphy and other officers or management-level personnel of Buyer.

3.1 Qualification as a Broadcast Licensee. Buyer is financially qualified and legally, qualified under the Communications Act and the rules, regulations and policies of the FCC to acquire the Station from Seller.

3.2 Status. Buyer is a limited liability company duly organized, in good standing and validly existing under the laws of the State of Florida. Buyer has the requisite power to own and operate the Station and to enter into and complete transactions contemplated by this Agreement.

3.3 Entity Action. All actions and proceedings necessary to be taken by or on the part of Buyer in connection with the performance, execution, and delivery of this Agreement have been duly and validly taken and this Agreement has been duly and validly authorized, executed, and delivered to Buyer and constitutes the legal, valid, and binding obligation of Buyer enforceable against Buyer in accordance with and subject to the terms contained herein.

3.4 Defaults. Neither the execution, delivery, and performance by Buyer of this Agreement nor the consummation by Buyer of the transactions contemplated hereby are events that, of themselves or with the giving of notice or the passage of time or both, will: (a) violate or conflict with any provisions of its Articles or Organization and/or Operating Agreement.

3.5 Contracts, Leases, Agreements and other Commitments. Buyer is not a party to, nor is it bound by, and written or oral contact, agreement, lease, power of attorney or other commitment related to the acquisition of the Station or operation of the Station other than the TBA with Seller.

3.6 Litigation. There are no suits, arbitrations, administrative charges or other legal Proceedings, claims or governmental investigations pending or, to Buyer's Knowledge, threatened against Buyer, nor, to Buyer's Knowledge, is there any basis for any such suit, arbitration, administrative charge or other legal proceedings, claim, or governmental investigation.

3.7 Brokers. There is no broker or finder or other Person who would have any valid claim through Buyer against any of the parties to this Agreement for a commission or brokerage fee or payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement of, or action taken by, Buyer.

3.8 Bankruptcy. Buyer is neither insolvent nor the subject of bankruptcy or any similar proceeding.

3.9 Full Disclosure. No provision of this Agreement relating to Buyer or any other Document, or other information furnished by Buyer to Seller in connection with the execution, delivery and performance of this Agreement, or the consummation of the transactions contemplated

hereby, contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact required to be stated to make the statin, in light of the circumstances in which it is made, not misleading.

**ARTICLE 4**  
**COVENANTS OF SELLER PENDING THE CLOSING**

Seller covenants and agrees that, from the date hereof until the completion of the Closing:

4.1 Operations of the Business. Seller will use its best efforts to carry on operations of the Station and keep its books and accounts, records and files in the usual and ordinary manner in which the business of the Station have been conducted in the past.

4.2 No Distributions. Seller shall make no distributions to its shareholders, with respect to interests of Seller in the Assets, of any kind or nature, outside the Ordinary Course of Business.

4.3 Application for FCC Consents. As promptly as practicable after the date of this Agreement, and in no event later than ten (10) days after the full execution of this Agreement, Seller and Buyer shall cause to be filed an application with the FCC requesting the FCC's written consent to the assignment of the Authorizations to Buyer. Seller and Buyer shall use their best efforts, to take all steps that are proper, necessary or desirable to expedite the preparation of such application and its prosecution to a favorable conclusion. Each party shall promptly provide the other with a copy of any pleading, order or other document served on such party relating to such application. Each party shall furnish all information required of it by the FCC. If Closing occurs hereunder after the FCC Order have been granted, but prior to the FCC Order becoming Final, then the parties' obligations under this Section shall survive the Closing until the FCC Order becomes Final. Seller and Buyer shall share equally the cost of application filing fees relating to the assignment of the Authorizations to Buyer.

4.4 Notice of Proceedings. Seller will promptly notify Buyer in writing on: (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 hereunder; 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 such transactions, or (ii) to nullify or render ineffective this Agreement or such transactions if consummated.

4.5 Permission to File Contingent Application. Seller hereby grants its permission, pursuant to Title 47 CFR §73.3517 for Buyer to file, in its own name, with the FCC any

applications seeking the modification of the Station's authorization. Seller has executed a separate document granting its permission, copy of which is attached as Schedule 4.5, which Buyer is authorized to file with any application Buyer may elect to file to modify the station's authorization. Buyer will be responsible for the cost of any and all engineering studies as well as applicable FCC fees related to the contingent application. Pursuant to Paragraph 24 of the PMA, Seller accepts the new proposed transmitter site for Station near Fruitville Road, Sarasota, Florida.

**ARTICLE 5**  
**COVENANTS OF BUYER PENDING THE CLOSING**

Buyer covenants and agrees that from the date of this Agreement until the completion of the Closing:

5.1 Application for FCC Consent. As promptly as practicable after the date of this Agreement, and in no event later than 10 days after the full execution of this Agreement, Buyer shall cooperate with Seller to prepare and file the application requesting the FCC's written consent to the assignment of the Authorizations to Buyer as provided in Section 4.3 and take all such steps that are proper, necessary or desirable to expedite the prosecution of such application to a favorable conclusion. If Closing hereunder occurs after the FCC Order have been granted, but prior to the FCC Order becoming Final, then the parties' obligations under this Section shall survive the Closing until the FCC Order become Final. Buyer shall bear one-half of the cost of application filing fees relating to the assignment of the Authorizations to Buyer.

**ARTICLE 6**  
**CONDITIONS TO THE OBLIGATIONS OF SELLER**

The obligations of Seller under this Agreement are, at its option, subject to the fulfillment of the following conditions before or on the Closing Date:

6.1 Representations, Warranties and Covenants.

(a) Representations True. Each of the representations and warranties of Buyer contained in this Agreement shall have been true and correct as of the date when made and shall be deemed to be made again on and as of the Closing Date and shall then be true and correct in all material respects except to the extent changes are permitted or contemplated pursuant to this Agreement;

(b) Other Documents. Seller shall be furnished with such certificates, documents or instruments with respect to Buyer as Seller may have reasonably requested before the Closing to carry out the intent and purposes of this Agreement.

6.2 Proceedings.

(a) No Injunction. No party shall be subject to any restraining order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

(b) Postponement. In the event such a restraining order or injunction is in effect, this Agreement may not be terminated by Seller pursuant to this Section 6.2 before the Final Closing Date but the Closing shall be delayed during such period. This Agreement may be terminated after such date if such restraining order or injunction remains in effect.

6.3 Deliveries. Buyer shall have complied with each and every one of its obligations set forth in Article 8 hereof.

6.4 Authorizations. The FCC Order shall have been granted.

ARTICLE 7  
CONDITIONS TO THE OBLIGATIONS OF BUYER

The obligations of Buyer under this Agreement are, at its option, subject to the fulfillment of the following conditions before or on the Closing Date:

7.1 Representations, Warranties and Covenants.

(a) Representations True. Each of the representations and warranties of Seller contained in this Agreement shall have been true and correct as of the date when made and shall be deemed to be made again on and as of the Closing Date and shall then be true and correct in all material respects except to the extent changes are permitted or contemplated pursuant to this Agreement;

(b) Seller's Performance. Seller shall have performed and complied in all material respects with each and every covenant and agreement required by this Agreement to be performed or complied with by it before or on the Closing Date;

(c) Other Documents. Buyer shall be furnished with such certificates, documents or instruments with respect to Seller as Buyer may have reasonably requested before the Closing to carry out the intent and purposes of this Agreement.

7.2 Proceedings.

(a) No Injunction. No party shall be subject to any restraining order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

(b) Postponement. If such a restraining order or injunction is in effect, then this Agreement may not be terminated by Buyer pursuant to this Section before the Final Closing Date, but the Closing shall be delayed during such period. This Agreement may be terminated after such date if such restraining order or injunction remains in effect.

7.3 Liens Released. All Security Interests pertaining to the Assets shall be released of record and there shall be no liens in respect of the Assets, except Permitted Encumbrances.

7.4 Deliveries. Seller shall have complied with each and every one of its obligations set forth in Article 8 hereof.

7.5 Authorizations. Unless this condition is waived by Buyer, the FCC Order shall be effective and shall have become Final. "Final" means an order (i) which is effective, (ii) with respect to which no appeal, request for stay, request for reconsideration or other request for review is pending, (iii) with respect to which the time for appeal, requesting a stay, requesting reconsideration or requesting other review has expired, and (iv) which cannot be set aside *sua sponte*.

ARTICLE 8  
ITEMS TO BE DELIVERED AT THE CLOSING

(a) Deliveries by Seller at Closing.

On the Closing Date at the Closing Place, the Seller will duly execute (where applicable) and deliver to the Buyer the following:

- (i.) An Assignment to the Buyer of the FCC Licenses, together with any and all other related authorizations, including all of the Seller's right, title and interest in and to all call letters of the Station, and other governmental licenses and authorizations, executed by Seller;
- (ii.) One or more Bills of Sale assigning, transferring and conveying to the Buyer free and clear title to all of the Tangible Personal Property, executed by Seller;
- (iii.) An Assignment and Assumption Agreement assigning to the Buyer the Contracts, executed by the Seller, together with all consents to the assignment that are required under the terms of any Contract and originals or true copies of the Contracts;
- (iv.) An Assignment of the Intangible Property and the other Intangible Assets, executed by the Seller;
- (v.) The files, records, logs and books of account of the Station, together with a certification by the Seller that the public file of the Station is complete and up to date .
- (vi.) Such other assignments, bills of sales or other instruments of transfer, assignment or conveyance as may be required by the Buyer to effectuate the assignment, transfer and conveyance to the Buyer of all the assets. Property, rights, privileges and immunities of the Seller that are to be sold, transferred, conveyed and assigned to the Buyer;
- (vii.) An Assignment and Assumption of Lease with consents attached;
- (viii.) A certificate, dated the Closing Date and duly executed by an officer or manager of Seller to the effect that the conditions set forth in Article 6 have been satisfied and a certified copy of the resolutions of Seller authorizing Seller's entry into, delivery and performance of this Agreement; and
- (ix.) All instruments necessary to effectuate and evidence the release of any outstanding liens against the Assets.

b) Deliveries by Buyer at Closing.

On the Closing Date at the Closing Place, the Buyer will duly execute (where applicable) and deliver to Seller the following:

- (i.) The Additional Payments due under 1.3 of Article 1 hereof;
- (ii.) A certificate, dated the Closing Date and duly executed by an Officer or Manager of Buyer to the effect that the conditions set forth in Article 7 have been satisfied and a certified copy of the resolution of Buyer authorizing Buyer's entry into, delivery and performance of this Agreement; and
- (iii.) Such other documents as may reasonably be requested by Seller's counsel.

ARTICLE 9  
SURVIVAL; INDEMNIFICATION

9.1 Survival. All representations and warranties contained in this Agreement, or in any Exhibit, Schedule, certificate, agreement or statement delivered pursuant hereto, shall survive the Closing, any investigation conducted by any party hereto and any information which any party may receive, for two (2) years after the Closing Date whereupon all such representations, warranties, and indemnities with respect thereto, shall expire and terminate and shall be of no further force or effect. If a Deficiency is asserted by either party, before the expiration of the survival or limitations period, such asserted Deficiency shall survive until the existence of such Deficiency has been finally established and the Deficiency is resolved as provided below.

9.2 Basic Provision.

(a) Buyer Indemnitees. Seller (an "Indemnifying Party") hereby agrees to indemnify and hold harmless Buyer and its members, managers and controlling parties (collectively, the "Buyer Indemnitees") from, against and in respect of, and to reimburse the Buyer Indemnitees for the amount of, any and all Deficiencies.

(b) Seller Indemnitees. Buyer (an "Indemnifying Party"), hereby agrees to indemnify and hold harmless Seller and its officers, directors, and shareholders (collectively, the "Seller Indemnitees") from, against and in respect of, and to reimburse Seller Indemnitees for the amount of, any and all Deficiencies.

9.3 Definition of "Deficiencies".

(a) Deficiencies for Buyer. As used in this Article 9, the term "Deficiencies" when asserted by the Buyer Indemnitees or arising out of a third party claim against the Buyer Indemnitees shall mean any and all losses, fines, damages, liabilities and claims sustained by the Buyer Indemnitees and arising out of, related to, in the nature of, caused by, based on or resulting from:

(i) Any misrepresentation, breach of warranty or any non-fulfillment of any representation, warranty, covenant, obligation or agreement on the part of Seller contained in or made in this Agreement or in an Exhibit, Schedule, certificate, agreement or statement delivered pursuant to this Agreement;

(ii) Any failure by Seller to pay or discharge any liability of Seller direct or contingent, that is not expressly assumed by Buyer pursuant to the provisions of this Agreement;

(iii) Any litigation, proceeding or claim by any third party to the extent relating to the businesses or operations of Seller, the Assets or the Station before the Effective Time;

(iv) Any payment required to be paid by Seller with respect to any employee or consultant of Seller;

(v) Except for obligations or liabilities expressly assumed by Buyer herein, Seller's operation of the Station or the ownership of the Assets before the Effective Time (including, but not limited to, any and all claims, liabilities, and obligations arising or required to be performed by Seller under any lease, contract, or agreement or under this Agreement before the Effective Time);

(vi) Except for obligations or liabilities expressly assumed by Buyer herein, any transaction entered into by Seller or arising in connection with the Station or the operation of its business or any of the Assets before the Effective Time; or

(vii) Any and all acts, suits, proceedings, demands, assessments and judgments and all reasonable fees, costs and expenses of any kind, related or incident to any of the foregoing.

(b) Deficiencies for Seller. As used in this Article 9, the term "Deficiencies" when asserted by the Seller Indemnitees or arising out of a third party claim against the Seller Indemnitees shall mean any and all losses, damages, liabilities and claims sustained by the Seller Indemnitees and arising out of, related to, in the nature of, caused by, based on or resulting from:

(i) Any misrepresentation, breach of warranty or any non-fulfillment of any representation, warranty, covenant, obligation or agreement on the part of Buyer contained in or made in this Agreement or in an Exhibit, Schedule, certificate, statement or agreement delivered pursuant to this Agreement;

(ii) Any failure by Buyer to pay or discharge any other liability arising after the Closing Date for any Assumed Liability, including failure to comply with the provisions of the financing documents described in Section 1.5(b);

(iii) Any litigation, proceeding or claim by any third party to the extent relating to the business or operations of Buyer, the Assets or the Station after the Effective Time;

(iv) Buyer's operation of the Station or the ownership of the Assets after the Effective Time (including, but not limited to, any and all claims, liabilities, and obligations arising or required to be performed by Buyer under any lease, contract, or agreement or under this Agreement after the Effective Time);

(v) Any transaction entered into by Buyer or arising in connection with the Station or the operation of its business or any of the Assets after the Effective Time; or

(vi) Any and all acts, suits, proceedings, demands, assessments and judgments and all fees, costs and expenses of any kind, related or incident to any of the foregoing.

(c) In the case of either Buyer or Seller, Deficiencies shall not include matters of which the Indemnitee was aware or was apprised of prior to the Closing. The remedies provided in Article 10.1 and 10.2 shall be the exclusive remedy for such breaches.

#### 9.4 Procedures for Establishment of Deficiencies.

(a) Claim Asserted. In the event that any claim shall be asserted by any third party against the Buyer Indemnitees or the Seller Indemnitees (the Buyer Indemnitees or the Seller Indemnitees, as the case may be, hereinafter, the "Indemnitees"), which, if sustained, would result in a Deficiency, then the Indemnitees, promptly and in all events within fifteen (15) business days after learning of such claim, shall notify the Indemnifying Party of such claim and Indemnitees shall permit the Indemnifying Party to defend against such claim, at the Indemnifying Party's sole expense and through legal counsel reasonably acceptable to the Indemnitees, provided that the Indemnifying Party proceeds in good faith, expeditiously and diligently. The Indemnitees shall, at their option and expense, have the right to participate in any defense undertaken by the Indemnifying Party with legal counsel of their own selection and at their expense. The parties will cooperate fully in any such action and shall make available to each other any books or records useful for the defense of such claim. No settlement or compromise of any claim which may result in a Deficiency may be made by the Indemnifying Party without the prior written consent of the Indemnitees unless: (a) before such settlement or compromise, the Indemnifying Party acknowledges in writing its obligation to pay in full the amount of the settlement or compromise and all associated expenses and (b) the Indemnitees are furnished with security reasonably satisfactory to the Indemnitees that the Indemnifying Party will in fact pay such amount and

expenses or the Indemnifying Party obtains a release of the Indemnitees from all liability in respect of such claim.

(b) Notice. In the event that the Indemnitees assert the existence of any Deficiency against the Indemnifying Party, such Indemnitees shall give written notice to the Indemnifying Party of the nature and amount of the Deficiency asserted. If the Indemnifying Party within a period of thirty (30) days after the giving of the Indemnitees' notice, shall not give written notice to the Indemnitees announcing its intent to contest such assertion of the Indemnitees (such notice by the Indemnifying Party being hereinafter referred to as the "Contest Notice"), such assertion of the Indemnitees shall be deemed accepted and the amount of the Deficiency shall be deemed established. In the event, however, that a Contest Notice is given to the Indemnitees within such 30-day period, then the contested assertion of a Deficiency shall be resolved through binding arbitration pursuant to Section 10.11.

c) Agreement. The Indemnitees and the Indemnifying Party may agree in writing, at any time, as to the existence and amount of a Deficiency, and, on the execution of such agreement such Deficiency shall be deemed established.

9.5 Payment of Deficiencies. The Indemnifying Party hereby agrees to pay the amount of established Deficiencies within thirty (30) days after the establishment thereof ("Due Date"). The amount of established Deficiencies shall be paid in cash.

## ARTICLE 10

### MISCELLANEOUS

10.1 Termination of Agreement. This Agreement may be terminated at any time on or before the Effective Time: (a) by the mutual consent of Seller and Buyer; (b) by Buyer as provided in Sections 2.9, 10.8, 10.9 and 11.11; (c) by either party hereto if the Closing has not taken place within one hundred eighty (180) days after the date on which the FCC Application is accepted for filing (the "Final Closing Date"); (d) by Buyer on or after the Effective Time if Seller has not satisfied the conditions set forth in Article 7 and Buyer has satisfied or is prepared and able (but for Seller's defaults) to satisfy the conditions of Article 6; and (e) by Seller on or after Effective Time if Buyer has not satisfied the conditions set forth in Article 6 and Seller has satisfied or are prepared and able (but for Buyer's defaults) to satisfy the conditions of Article 7. A termination pursuant to this Article 10 shall not relieve any party of any liability it would otherwise have for a willful breach of this Agreement. If this Agreement is terminated rightfully pursuant to this Article 10, all further obligations of the parties hereunder shall terminate.

10.2 Specific Performance. The parties acknowledge that the operation of the Station is of a special, unique and extraordinary character. Upon a material breach by Seller of

Buyer shall not be responsible in any way for any costs in connection with such employment at any time.

10.11 Arbitration; Choice of Jurisdiction. If a controversy should arise in the performance, interpretation or application of this Agreement, either party may serve upon the other a written notice stating that such party desires to have the controversy reviewed by an arbitrator. Any arbitrator selected shall be independent and disinterested of Seller and Buyer and shall be familiar with and have direct experience in the radio broadcast industry. Such arbitrator need not be a professional arbitrator and persons such as lawyers shall be acceptable. If the parties cannot agree within fifteen (15) business days from the service of such notice upon the selection of such arbitrator, an arbitrator shall be selected or designated by the American Arbitration Association. Before undertaking to resolve a dispute, such arbitrator shall be duly sworn faithfully and fairly to hear and examine the matters in controversy and to make a just award according to the best of his or her understanding. Arbitration of such controversy, disagreement or dispute shall be conducted in accordance with the Commercial Arbitration Rules then in force of the American Arbitration Association and the decision and award of the arbitrator so selected shall be binding upon the parties. The arbitration will be held in Sarasota, Florida. The cost of any such arbitration shall be shared equally by the parties, *provided* that the arbitrator shall be authorized to enter as part of the award to the prevailing party an amount equal to such party's attorney's fees and other costs related to the arbitration. Except as provided by the arbitrator, each party shall pay its own costs incurred as a result of its participation in any such arbitration. The provisions of this paragraph shall not affect any party's right to terminate this Agreement. Except as specifically provided in this paragraph, any arbitrator shall have no authority to award punitive damages or any other damages not measured by the prevailing party's actual damages, and may not make any ruling, finding or award that does not conform to the terms of this Agreement. Any controversy or claim arising out of or related to this Agreement which the parties are unable to resolve and which is not requested to be arbitrated as set forth above shall be submitted to courts with jurisdiction located in Sarasota, Florida, which shall be the sole *fora* for the resolution of all disputes hereunder, to the jurisdiction of which both parties submit.

10.12 Cooperation Between the date hereof and the Effective Time, the parties shall cooperate with each other to provide such information necessary for each party's due diligence review of all legal, regulatory, financial, accounting and business matters customary for a transaction of the nature.

## ARTICLE 11 GENERAL PROVISIONS

11.1 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns.

No party may assign its interest or delegate its duties under this Agreement without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, (i) Buyer may assign its rights under this Agreement to one or more entities controlled by or affiliated with Buyer, provided, however, that Buyer shall continue to be liable for the obligations imposed on Buyer hereunder should such assignee or assignees fail or refuse to perform such obligations and (ii) Buyer may collaterally assign its rights under this Agreement to Buyer's lenders and in connection with such collateral assignment Seller shall execute and deliver at the Closing an instrument substantially in the form of the Consent and Agreement attached hereto as Schedule 11.1.

11.2 Amendments; Waivers. The terms, covenants, representations, warranties and conditions of this Agreement may be changed, amended, modified, waived, discharged 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.

11.3 Notices. All notices, requests, demands and other communications required or permitted under this Agreement shall be in writing and shall be deemed to have been duly made and received when personally served, or when delivered by Federal Express or a similar overnight courier service, expenses prepaid, addressed as set forth below:

i. If to Seller, then to:

Nova Broadcasting Company  
Thomas McCoy, President  
and legal counsel  
6734 Runnymede Drive  
Sparks, Nevada 89436  
Phone: (775) 626-9276  
Fax: (775) 625-9280

ii. If to Buyer, then to:

SRQ Radio, LLC  
Attention: Richard M. Fischer  
And Donald E. Murphy, Managing

Members  
2127 Ringling Blvd., Suite 101  
Sarasota, Florida 34237  
Phone: (941) 955-9550

With a copy to:

W. Peyton Gause, Jr., Esq.  
Gause & Associates, P.A.  
3304 Lantana Court  
Kissimmee, Florida 34746  
Phone: (407) 846-0010  
Fax: (407) 962-0550

Any party may alter the address to which communications are to be sent by giving notice of such change of address in conformity with the provisions of this Section providing for the giving of notice.

11.4 Captions. The captions of Articles and Sections of this Agreement are for convenience only and shall not control or affect the meaning or construction of any of the provisions of this Agreement.

11.5 Governing Law. This Agreement and all questions relating to its validity, interpretation, performance, and enforcement shall be governed by and construed in accordance with the laws of the State of Florida, without giving effect to principles of Conflicts of Law that may direct the application of the laws of another jurisdiction. The Circuit Court in and for Sarasota County, Florida shall have exclusive jurisdiction over any and all disputes arising hereunder.

11.6 Entire Agreement. This Agreement and the Schedules hereto and thereto and the other documents delivered hereunder constitute the full and entire understanding and agreement between the parties with regard to the subjects hereof and thereof, and supersede all prior agreements, understandings, inducements or conditions, express or implied, oral or written, relating to the subject matter hereof. The express terms hereof control and supersede any course of performance and/or usage of trade inconsistent with any of the terms hereof.

11.7 Execution: Counterparts and Facsimile. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, and all of which shall together constitute one and the same instrument. This Agreement shall become binding when one or more counterparts hereof,

individually or taken together, shall bear the signatures of all of the parties reflected hereon as the signatories. Delivery of an executed counterpart of a signature page to this Agreement by facsimile shall be as effective as delivery of a manually executed counterpart of this Agreement.

11.8 Gender and Tense. Where appropriate to the context, pronouns of other terms expressed in one number or gender will be deemed to include all other numbers or genders. The use of a word in one tense will include the other tenses, where appropriate to the context.

11.9 Third-Party Beneficiaries. This Agreement is intended to benefit only the parties to this Agreement, their successors and permitted assigns. No other Person is an intended or incidental beneficiary of this Agreement.

11.10 No Party Deemed Drafter. The parties acknowledge that they have been represented by counsel in connection with this Agreement and the transactions contemplated hereby. Accordingly, any rule of law or any legal decision that would require interpretation of any claim ambiguities in this Agreement against the party that drafted it has no application and is expressly waived. Provisions of this Agreement shall be interpreted in a reasonable manner to effect the intent of the parties .

11.11 Releases. The Parties have entered into a Mutual Release and also have obtained a Release from Suncoast and its principal, Jim Grady. Said Releases have been placed in Escrow concurrently with the execution of this Agreement .

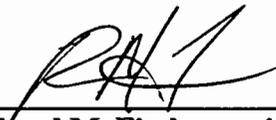
**[SIGNATURES ON NEXT PAGE]**

IN WITNESS WHEREOF, the parties have caused this Asset Purchase Agreement to be duly executed by their duly authorized signatories, all as of the day and year first above written.

**SELLER:**  
**NOVA BROADCASTING COMPANY**

By:   
Thomas McCoy, as its  
President ~~Secretary~~ & Treasurer

**BUYER:**  
**SRQ RADIO, LLC**

By:   
Richard M. Fischer, as its  
Co-Managing Member

By: \_\_\_\_\_  
Donald E. Murphy, as its  
Co-Managing Member

By:   
Richard M. Fischer

By:   
Donald E. Murphy

By: \_\_\_\_\_  
Thomas McCoy

By:   
Ronald Crider

By: \_\_\_\_\_

\_\_\_\_\_  
Robert & Sylvia Weeks

**LIST OF SCHEDULES AND EXHIBITS**

**Schedules**

|        |                                |
|--------|--------------------------------|
| 1.1(a) | Tangible Personal Property     |
| 1.1(b) | Intangible Property            |
| 1.1(c) | Authorizations                 |
| 1.1(d) | Leased Real Property           |
| 1.1(e) | Contracts                      |
| 4.5    | Permission to File Application |
| 5      | Time Brokerage Agreement       |

Schedule 1.1 (a)  
Asset Purchase Agreement  
Nova-SRQ

TANGIBLE PERSONAL PROPERTY

The following broadcast-technical equipment was provided by Nova Broadcasting Company and was installed at the Main Street studios of WIBQ

- *1 Headphone Amplifier*
- *4 Sony Headphones*
- *4 VP64 Remote Style Microphones*
- *1 Audio Distribution Amplifier 4X4*
- *1 Monitor/Cue Amplifier*
- *1 Cue Speaker*
- *4 Microphone Cables*
- *1 Microphone Snake 8 Channels*
- *1 SAGE Emergency Alert System*
- *1 On-Air Dell Computer*
- *1 Henry Match Box Transformer*
- *1 Input Selector Air Computer*
- *1 Staguide Digital Audio Satellite Receiver*
- *1 Broadcast Tools DSC 3264*
- *1 Wood Equipment Rack*
- *Part of on-air Telepone system*
- *1 EAS Receiver Pair*

- *1 Satellite Receive Dish*
- *1 Symian, BSI, Automation Software with License*
- *2 AM-FM Receivers*
- *1 Alesis Production Console*
- *1 Remote Cell Jack Interface*
- *4 Portable Microphone Stands*

The following broadcast-technical equipment was installed at the Beneva Road transmission system site by Nova Broadcasting Company:

- *Ted Shed Transmitter Building*
- 3 Ton Bard Wall System HVAC Unit
- Harris MW-1 AM Broadcast Transmitter *sn- 79-5111—029*
- Phasetek Antenna Tuning Unit
- Belar AM Modulation Monitor
- Delta Current Sample Detector *sn-1362*
- CBS Volumax Processor
- Inovonics 222 Processor
- Sine Remote Control System
- Optimus Monitor Amplifier
- Optimus Monitor Wall Speaker
- Rack and Rack Shelves
- Transmission Feedline
- Trim Line Analog Telephone

Schedule 1.1(b)

Intangible Property

Call Letters W I B Q

Schedule 1.1(c)

Authorizations

Main License for WIBQ(AM), Sarasota, Florida  
Renewed February 6, 2004

Special Temporary Authority to operate at reduced power and non-directional

Construction Permit BP-20021016AAB for co-located daytime operation at WLSS site

Pending Major Modification to a Licensed Facility BMJP-20040129AFZ to change city of License to  
Lakewood Ranch, Florida

Schedule 1.1(e)

Leased Real Property

Placement of Slant Wire Antenna on Tower and ground space for transmitter building located at 1087 Beneva Road, Sarasota, Florida

Copy of Lease

## **1087 Beneva Tower, Inc. , Radio Station Net Lease**

### **1. Names**

This lease is made by 1087 Beneva Tower Inc, a Florida corporation (Landlord), and Nova Broadcasting Company, a Florida corporation doing business as Radio Station WIBQ AM 1220 (Tenant).

### **2. Premises Being Leased**

Landlord is leasing to Tenant, and Tenant is leasing from Landlord, a portion of the following premises:

1087 Beneva Road

Sarasota, Florida 80534

Specifically, Tenant is leasing Tower and Building ground space to broadcast from. Nova may use its existing transmitter building already located on the premises at a location determined by 1087 on an exclusive basis and may use the tower on a non- exclusive basis. 1087 has the right to house additional tenants on the tower occupied by Nova.

### 3. Shared Facilities

As part of this lease, Tenant may use the following additional facilities in common with other tenants:

#### **Parking:**

Building is to be used as a remote site for Transmission only. The building shall not be occupied on a regular basis by personnel other than for maintenance of equipment.

#### **Restrooms:**

There are no Rest Room facilities. Rest Room facilities may not be installed.

#### **Storage areas:**

Nova is not permitted to use the building for storage. Any storage may be removed by landlord and discarded at Tenant's expense.

### 4. Term of Lease

This lease begins on May 1, 2001 and ends on October 31, 2006.

### 5. Rent

Tenant will pay rent in advance on the first day of each month.

Tenant's first rent payment will be on May 1, 2001. Tenant will pay rent of \$1,500 per month for the first year of the lease. Rent will increase each year, on the anniversary of the starting date in paragraph 3, as follows:

Site rent shall increase by 3% each year.

### 6. Option to Extend Lease

Landlord grants Tenant the option to extend this lease for an additional year on the same terms except as follows:

1087 Will extend the lease provided Nova is actively pursuing a permanent daytime site. Tenant may exercise this option only if Tenant is in substantial compliance with the terms of this lease. To exercise this option, Tenant must give Landlord written notice on or before April 1, 2006.

If Tenant exercises the option granted above, Tenant will then have the option to extend this lease for an additional 1 year term beyond the first option period on the same terms. Tenant may exercise this additional option only if Tenant is in substantial compliance with the terms of this lease. To exercise this option, Tenant must give Landlord written notice on or before April 1, 2007.

#### **7. Improvements by Landlord**

Tenant accepts the premises in "as is" condition. Landlord need not provide any repairs or improvements before the lease term begins.

#### **8. Improvements by Tenant**

Tenant may make alterations and improvements to the premises after obtaining the Landlord's written consent, which will not be unreasonably withheld. At any time before this lease ends, Tenant may remove any of Tenant's alterations and improvements, as long as Tenant repairs any damage caused by attaching the items to or removing them from the premises.

#### **9. Tenant's Use of Premises**

Tenant will use the premises for the following business purposes:

Site shall be used to broadcast AM 1220 only at a power not to exceed 250 watts. Tenant may use its building exclusively and the tower on a non-exclusive basis. The building or tower site may not be used as an office or house personnel at any time other than maintenance personnel. Nova shall not broadcast any program content or advertising promoting the use of alcohol, gambling or explicit sex conversation in any manner whatsoever. The broadcast of anything offensive to the Palm Grove

**30. Waiver**

If one party waives any term or provision of this lease at any time, that waiver will be effective only for the specific instance and specific purpose for which the waiver was given. If either party fails to exercise or delays exercising any of its rights or remedies under this lease, that party retains the right to enforce that term or provision at a later time.

**31. Severability**

If any court determines that any provision of this lease is invalid or unenforceable, any invalidity or unenforceability will affect only that provision and will not make any other provision of this lease invalid or unenforceable and shall be modified, amended or limited only to the extent necessary to render it valid and enforceable.

**LANDLORD**

1087 Beneva Tower Inc,  
a Florida corporation  
678 Mourning Dove Drive  
Sarasota, Florida 34236

Dated: May 1, 2001

By: \_\_\_\_\_

Ronald Crider

President , 1087 Beneva Tower, Inc.

**TENANT**

Nova Broadcasting Company

a Florida corporation doing business as Radio Station WIBQ AM 1220

678 Mourning Dove Drive

Sarasota, Florida 34236

Dated: May 1, 2001

By: \_\_\_\_\_

Tom McCoy

President, Nova Broadcasting Company