

*W. Henry Costello
Michael K. Freney*

EXHIBIT "A" TO THE OPTION AGREEMENT

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement, dated [date option is exercised], 2003, is made by and between Coast West Broadcasting Corp., a California corporation ("Seller") and Mapleton Communications, LLC, a Delaware limited liability company ("Buyer") with reference to the following facts.

RECITALS

A. Seller holds a license issued by the Federal Communications Commission ("FCC") to operate FM Broadcast Station KWSZ, 105.1 MHz, Channel 286A, Lompoc, California, FCC Facility ID # 38306 (the "Station"), and Seller owns, or is the lessee of, the assets which are used in the operation of the Station.

B. Buyer and Seller have reached an understanding with respect to the sale by Seller and the purchase by Buyer of certain assets of Seller specified in this Agreement, upon the terms of and subject to the conditions set forth in this Agreement (together with the applicable Exhibits and Schedules, collectively, the "Agreement", which Exhibits and Schedules are incorporated herein by this reference).

NOW THEREFORE, in consideration of the foregoing and of the covenants, agreements, representations and warranties contained in this Agreement, it is agreed as follows:

ARTICLE I
PURCHASE AND SALE

1.1 Sale and Transfer of Assets. Upon the terms of and subject to the conditions set forth in this Agreement, at the Closing (as defined in Section 7.1 hereof) Seller shall sell, convey, grant, assign, transfer and deliver to Buyer, and Buyer shall purchase all of Seller's right, title and interest to the following assets, free and clear of any and all claims, liens, encumbrances or other obligations, except for liens for current real and/or personal property taxes not yet due and payable, as follows:

(a) all licenses, construction permits or authorizations issued by or pending before the FCC (the "FCC Licenses") or any other governmental authority for use in the operation of the Station, including those that are set forth on Schedule 1.1(a) attached hereto, together with any and all renewals, extensions and modifications thereof (the "Governmental Licenses");

(b) the real property leased by Seller pursuant to a Lease Agreement dated as of ____ and listed on Schedule 1.1(b) (the "Lease") and all other real estate owned by Seller used or useful in the operation of the Station, including, without limitation, all broadcast towers, plants, improvements, buildings, parking lots, roadways, structures, erections, fixed machinery, fixed

equipment and appurtenances situate on, in, under, over or forming part of the real property (collectively, the "Real Property");

(c) all chattels, personalty, machinery, equipment, furniture, fixtures, handling equipment and accessories of all kinds that are owned and used in the studio operations of the Station, together with replacements thereof and additions thereto made between the date hereof and the Closing (as defined below) (collectively, the "Equipment"), including but not limited to all of the Equipment listed in Schedule 1.1(c);

(d) such contracts, agreements and understandings pertaining to the operation of the Station as Buyer wishes to assume, if any, as listed in Schedule 1.1(d) ("Assumed Contracts");

(e) the call letters "KWSZ", together with all of Seller's rights in copyrights, trademarks, trade names including the name "The West", domain names, slogans, logos, service marks, computer software, magnetic media, data processing files, systems, programs, business lists, telephone numbers, post office boxes, e-mail addresses, internet addresses and other intangible property rights used or held for use in the operation of the Station (the "Intangible Property"), and all goodwill of the Station; and

(f) any and all logs pertaining to the Station's operations, the "public file" required by 47 C.F.R. §73.3526 to be maintained for the Station, and all other records, books of account, customer lists, research studies, catalogues, advertising materials, promotional materials, product warranties and other information relating to the Station and their operations as maintained by Seller, with the exception of personal and financial records pertaining to the Seller; and

(g) all other assets of Seller currently used or hereafter acquired and used in the operation of the Station; and all other assets of Seller acquired from Rock It Radio, LLC, a Washington corporation, pursuant to that Asset Purchase Agreement between Seller and Rock It Radio LLC dated September 19, 2002. All transferred properties described in this Section shall be collectively referred to as "Assets" or "Sale Assets".

1.2 Purchase Price.

(a) In consideration for transfer by the Seller of the Assets to Buyer at Closing under this Agreement, Buyer shall pay Seller the sum of One Million Fifty Thousand Dollars (\$1,050,000), as adjusted in Section 7.1 (the "Purchase Price"), payable as follows:

(i) Buyer has placed Fifty Two Thousand Five Hundred Dollars (\$52,500) in an escrow pursuant to the terms of an escrow agreement substantially in the form of Exhibit A attached hereto (the "Escrow"). Such funds shall be invested as provided in that agreement. The amounts held in the Escrow are referred to herein as the "Escrow Funds." If Buyer terminates this Agreement for reasons other than because (a) Seller is in material breach of any of the representations, warranties, covenants or agreements by Seller in this Agreement, (b) there is a failure of any condition precedent set forth in Articles V or VI hereof, or (c) as provided in

Section 9.9, then the Escrow Funds as are then held in the Escrow, together with earnings thereon, shall be paid to Seller as Seller's non-exclusive remedy (and will be deducted from any liability Buyer may otherwise have to Seller). Otherwise, the Escrow Funds held in the Escrow, together with earnings thereon, shall be paid to Buyer. Buyer may apply the Escrow Funds held in the Escrow toward payment of the Purchase Price. The costs of the Escrow shall be paid from the funds held in the Escrow.

(ii) Buyer shall pay the balance of the Purchase Price (after application of the \$20,000 Option Fee as defined in the Mapleton Option Agreement and the Coast Option Agreement executed on December 23rd, 2002 between the parties hereto and the Escrow Funds, if so applied), subject to the bonus payment plan set out in Exhibit C, pursuant to written wire instructions that Seller shall provide to Buyer at least two (2) days prior to Closing.

(b) The Purchase Price shall be allocated among the Assets as provided in Schedule 1.2.

1.3 Assumption of Obligations.

Upon Closing, the receipt of all required consents, if any, and the satisfaction of all Closing conditions, Buyer shall assume and be responsible for the payment and/or performance of all liabilities, commitments and obligations arising out of or relating to the following, insofar as such obligations related to the time on or after the Closing Date: (1) the Lease, as listed on Schedule 1.1(b); (2) any contracts, agreements or understandings assumed as listed on Schedule 1.1(d); (3) any liabilities, commitments and obligations incurred or entered into by Buyer under the LMA or for which Buyer has indemnified Seller in the LMA; and (4) any liabilities, commitments and obligations with respect to the operations of the Station on or after the Closing Date (the "Assumed Liabilities"); and Buyer shall defend and indemnify Seller in connection with all such liabilities and obligations in the manner provided in Section 8.3 of this Agreement. The parties hereto agree and understand that this Agreement is for a sale and purchase of the Sale Assets free and clear of all liens and encumbrances of every nature except as otherwise provided, and subject only to the Assumed Liabilities. Therefore, except for the Assumed Liabilities, Buyer does not assume, pay or discharge any debts or obligations of Seller with respect to the Station, and Seller shall defend and indemnify Buyer in connection with all such liabilities and obligations with respect to the operations of the Station before the Closing in the manner provided in Section 8.2 of this Agreement. Without limiting the foregoing, Buyer shall not assume: (i) any obligations or liabilities under any contract or agreement not included in the Assumed Contracts, (ii) any obligation or liabilities under the Assumed Contracts relating to the period prior to the Closing except insofar as an adjustment therefore is made in favor of Buyer, (iii) any claims or pending litigation or proceedings relating to the operation of the Station prior to the Closing, (iv) any obligations or liabilities solely of Seller but unrelated to the operation of the Station; (v) any agreements, executed or executory, relating to the exchange of time on the Station for goods, wares, services, advertising, promotions, merchandising or anything other than cash not specified pursuant to Schedule 1.1(d) or otherwise permitted by the terms of this Agreement; (vi) any obligations relating to assets of Seller not included as Assets in this

Agreement; and (vii) any other obligations or liabilities of Seller not expressly described in this Agreement. Any and all liabilities pertaining to the Station which are incurred by or on behalf of the Station subsequent to the Closing Date shall be discharged by the Buyer.

1.4 Retained Assets and Liabilities.

Seller shall retain all of its properties and assets not described above, together with all commitments, obligations and liabilities associated with the Assets or other assets and/or operations of Seller that are not assumed by Buyer under the terms of this Agreement. Seller shall defend and indemnify Buyer from and against any liability, obligation, cost or expense with respect to all such commitments, obligations, liabilities and operations retained by Seller in accordance with the provisions of Section 8.2 hereof.

ARTICLE II REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants that as of the date hereof and as of the Closing:

2.1 Authority to Sell.

(a) Subject to the FCC Consent (as defined in Section 2.11), Seller has all necessary power and authority to execute and deliver this Agreement, to sell, assign, convey, transfer and deliver the Assets to Buyer and to consummate the transaction provided for in this Agreement;

(b) Subject to the FCC Consent, the execution and delivery of this Agreement and the performance by Seller of its obligations to be performed hereunder have been duly authorized and approved by all necessary corporate action on the part of Seller;

(c) The execution, delivery and performance of this Agreement by Seller does not and will not: (i) violate any provision of Seller's articles of incorporation or by-laws or other organizational documents, (ii) subject to the FCC Final Order (as defined in Section 4.2), violate any material law or any regulation or order applicable to Seller, or (iii) result in the breach of, or constitute a default under, any material indenture or other material agreement or instrument to which Seller is a party or by which Seller or its properties may be bound or affected; and

(d) Subject to the FCC Consent, this Agreement is the valid and binding obligation of Seller and is legally enforceable against each of them in accordance with its terms, except insofar as enforceability may be limited by bankruptcy, insolvency, reorganization or similar laws affecting the rights of creditors generally.

2.2 Organization and Qualification.

Seller is a corporation duly organized and validly existing under the laws of the State of California. Seller has the power to own its properties and to carry on its business as it is now

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being conducted.

2.3 Title to Properties and Assets; Liabilities.

Seller validly holds the Governmental Licenses and Seller owns, or will own at the time of the Closing, good title to all of the other Assets being conveyed to Buyer hereunder, and all of the Assets are free and clear of all claims, liens, encumbrances or other obligations, except liens for current taxes not yet due and payable, and except for those claims, liens and encumbrances listed on the attached Schedule 2.3. As of the date hereof Seller does not have, and as of the Closing Date Seller shall not have, any liabilities or obligations of any kind that may be asserted against, or collected from, Buyer, except with respect to those liabilities or obligations assumed by Buyer under the provisions of Section 1.3 hereof.

2.4 Litigation.

There is, and at the time of the Closing will be no threatened, suit, action, proceeding, claim or investigation against or affecting Seller or the Assets before any court or by or before any governmental commission, bureau or other regulatory authority, which, if adversely determined, would have a material adverse effect on the Assets or would affect Seller's ability or right to execute this Agreement, consummate the transactions contemplated herein or perform its obligations hereunder. Seller is not, and at the time of Closing will not be, in violation of any law, regulation, ordinance or order applicable to the Station or the Assets, including, without limitation, the Communications Act of 1934, as amended, and the rules, regulations and published policies of the FCC (collectively the "Communications Act"). As of the Closing Date, Seller will have paid, or otherwise provided for the payment of, all taxes due and payable through the period ending on the Closing Date.

2.5 Insurance.

Seller presently carries policies of liability and related insurance applicable to the Assets. Between the date hereof and the Closing Date Seller shall obtain appropriate liability and errors and omission insurance, and fire and extended coverage insurance on the Station's main studio and transmitting sites in such amounts that are adequate to replace or rebuild the facilities in the event they are damaged or destroyed. Seller and Buyer shall coordinate their insurance coverage to ensure that there is no loss of coverage associated with the consummation of the transactions contemplated by this Agreement.

2.6 Employment Practices.

Effective as of the Closing, Seller shall terminate any employees it may have related to the Station.

2.7 Lease.

The lease for the Real Property is, and at the time of the Closing will be valid and in full force and effect, and Seller is not, and at the time of the Closing will not be in default of any commitment or obligation to be performed by Seller under such agreements nor is any other party to such agreements in material default of any obligation to be performed by it pursuant thereto. Except for amendments or alterations to such lease that are identified on Schedule 1.1(b), which amendments and alterations have become a part of such lease, Seller has not, and at the time of the Closing will not have, waived any material right under or with respect to such lease except as Sellers may have disclosed to Buyer in writing prior to the execution hereof.

2.8 Environmental Matters.

Seller has not received any notice of violations of any environmental laws (as defined below), and has no knowledge of any violations or potential violations. To the knowledge of Seller, the Assets and their existing uses comply, and at the time of the Closing will be, in compliance with any applicable federal, state, county or local statutes, laws, regulations, guidelines, rules, ordinances, codes, licenses, permits, judgments, writs, decrees, injunctions or orders of any governmental entity relating to environmental (air, water, groundwater, soil, noise and odor) matters (the "Environmental Laws"). Without limiting the generality of the foregoing:

(a) Seller has never, or at the time of the Closing will have never, received written notification of any violation of any Environmental Laws relating to the Assets and other properties owned by Seller or their use; there are, and at the time of the Closing will be, no writs, injunctions, decrees, orders or judgments outstanding, and no actions, claims, proceedings or investigations pending or, to Seller's knowledge, threatened under the Environmental Laws relating to the Assets; and

(b) Seller shall defend and indemnify Buyer in connection with any error, omission or inaccuracy in the representations and warranties contained in this Section 2.8 in the manner provided in Section 8.2 of this Agreement.

2.9 Real Property.

None of the Real Property is subject to any actual or pending notice or work order relating to violations of zoning, building or development codes, by-laws or restrictions and, to the best of the Seller's knowledge, there are no threatened notices or work orders. The Real Property is and, to the best of Seller's knowledge, at all times during operation of the Station has been, fully licensed, permitted and authorized for the operation of the Station under all applicable laws relating to the protection of the environment, the real property and the conduct of the Station thereon (including, without limitation, all zoning restrictions and land use requirements).

2.10 Uses of Assets.

The Assets, including without limitation the Real Property, are usable for their current uses and can be used by Buyer after the Closing for such uses without violating any applicable law or private restriction, and such uses are legal conforming uses. There are no proceedings or amendments pending or brought by or, to Seller's knowledge, threatened, by any third party which would result in a change in the allowable uses of any portion of the Assets or which would modify the right of Buyer to use any portion of the Assets for their respective current use after the Closing Date.

2.11 Consents and Approvals.

Other than the consent to the assignment of the FCC Licenses issued by the FCC (the "FCC Consent"), Schedule 2.11 contains a list of all consents and approvals required to be obtained from, or notices required to be delivered to, any governmental authority, other party to a lease and any other person or entity whose consent or approval is required to be obtained, or to which notice is required to be delivered, by Seller, in connection with the execution and delivery of this Agreement and the consummation of the transactions contemplated by this Agreement.

2.12 Tax Matters.

Seller has filed and hereafter will file in a timely manner, all requisite federal, state, local and other tax returns due for all fiscal periods ended on or before the date hereof and, as of the Closing, shall have filed, and hereafter will file in a timely manner, all such returns due for all periods ended on or before the Closing Date. There are no agreements to extend the statutory period for the assessment of any taxes, examinations in progress or claims against the Seller for federal, state, local and other taxes (including penalties and interest) for any period or periods prior to and including the date hereof related to the Station, or that may impact Buyer, and none shall exist as of the Closing Date. The reporting by Seller of the transactions contemplated by this Agreement, including the allocation of the Purchase Price among the Assets, on their state, local and federal tax returns will comply in all respects with applicable legal requirements.

2.13 Brokers.

Seller has not dealt with any broker, finder or consultant in connection with any of the transactions contemplated by this Agreement and no person or entity is entitled to any commission or finder's fee in connection with the transactions contemplated by this Agreement as a result of the actions of Seller.

2.14 Governmental Licenses and Reports.

(a) Schedule 1.1(b) lists and accurately describes all of the Governmental Licenses. Seller has furnished to Buyer true and accurate copies of all such Governmental Licenses. Each Governmental License is in full force and effect and is valid under applicable federal, state and local laws, including without limitation the Communications Act; and Seller has not done anything, or failed to do anything, which action or inaction (whether with or without notice,

lapse of time or the happening or occurrence of any other event) is reasonably likely to result in the revocation or termination of any Governmental License or the imposition of any restriction of such a nature as might reasonably be expected to adversely affect the operation of the Station as now conducted, except for proceedings of a legislative or rule-making nature intended to affect the broadcasting industry generally. Seller holds, and the Governmental Licenses include, all material licenses and other material permits and authorizations necessary for the operation of the Station as presently conducted (including licenses, permits and authorizations issued by the FCC), and such licenses, permits and authorizations as are needed for the continued operation of the Station as contemplated hereby are in full force and effect, unimpaired by any acts or omissions of Seller, its principals, employees or agents.

(b) With respect to the Station, Seller has filed all material reports required to be filed by law or applicable rule, regulation, order, writ or decree of any court, governmental commission, body or instrumentality and has made all payment required to be made, except where such payments are being contested in good faith. All reports required to be filed by Seller have been and shall be complete and accurate in all material respects.

2.15 Purchase Price Allocation.

The allocation of the Purchase Price contained in Schedule 1.2 is accurate and reasonable and complies with the requirements of state, local and federal tax laws and regulations regarding the allocation of purchase price for purposes of transactions such as those contemplated by this Agreement.

2.16 ERISA compliance.

Seller has complied with all applicable laws for its employee benefit plans, including the provisions of the Employee Retirement Income Security Act (ERISA) if and to the extent applicable. There are no threatened or pending claims by or on behalf of any such benefit plan, or any employee covered under any such plan, that allege a breach of fiduciary duties or violation of other applicable state or federal law, nor is there to Seller's knowledge, any basis for such a claim.

2.17 Full Disclosure.

No representation, warranty or statement made by Seller in this Agreement or the Schedules attached hereto, or in the certificates or other closing documents to be delivered to Buyer or its representatives at Closing, contains or will contain any untrue statement of material fact or omits or will omit to state a material fact required to be stated herein or therein or necessary to make the statements contained herein or therein not misleading in any material respect.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants that as of the date hereof and as of the Closing:

3.1 Existence.

Buyer is a Delaware limited liability company validly existing and in good standing under the laws of the State of Delaware, and is qualified to do business in the State of California.

3.2 Authority.

Subject to the FCC Final Order, Buyer will have at Closing all necessary power and authority to execute and deliver this Agreement and to consummate the transactions provided for herein, and the execution, delivery and performance by Buyer of all obligations to be performed under this Agreement have been duly approved by all necessary action. Subject to the FCC Final Order, the execution, delivery and performance of this Agreement by Buyer does not and will not violate any provision of any material applicable law, any material regulation or order applicable to Buyer. The execution and delivery of this Agreement by Buyer does not and will not violate any provision of its organizational documents, or result in the breach of, or constitute a default under, any material indenture or other material agreement or instrument to which Buyer is a party or by which it or any of its assets and properties may be bound or affected, except as have been waived prior to the date of this Agreement.

3.3 Litigation.

There is no pending and, to Buyer's knowledge, no threatened, suit, action, proceeding, claim or investigation against or affecting Buyer or the Assets before any court or by or before any governmental commission, bureau or other regulatory authority, which, if adversely determined, could materially impact Buyer's ability or right to execute and deliver this Agreement or to consummate the transactions contemplated hereunder.

3.4 Brokers.

Buyer has not dealt with any broker, finder or consultant in connection with any of the transactions contemplated by this Agreement and no person or entity is entitled to any commission or finder's fee in connection with the transactions contemplated by this Agreement as a result of the actions of Buyer.

ARTICLE IV
COVENANTS OF SELLER AND BUYER

4.1 Obligations of Seller and Buyer Prior to Closing.

From the date hereof onward until the Closing Date, Buyer shall not attempt to interfere with the operations of Seller and the Station other than through performance of Buyer's rights, duties and obligations under the LMA upon terms and conditions which are consistent with the Communications Act of 1934, as amended, and the rules and decided case law of the Commission.; however, Buyer shall be permitted a reasonable opportunity to review books and records of the Station and to inspect the physical condition of the Sale Assets. Until the Closing Date, and thereafter, Seller shall make no attempt to operate the Station, incur any debts or obligations against the Station, or otherwise interfere in the operations of the Station. However, and notwithstanding any provision in this Agreement, Seller may not, without the prior written consent of the Buyer:

- a. Make any substantial change in the business of the Station, except such changes as may be required in the ordinary course of business;
- b. Sell, lease, transfer or otherwise dispose of any Sale Asset without obtaining a suitable replacement before the Closing Date;
- c. Mortgage, pledge or encumber any Sale Asset;
- d. Waive or agree to waive any rights of material value to the Station or the Sale Assets or allow to lapse or fail to keep in force any license, permit, authorization or other right relating to the Station;
- e. Except in the ordinary course of business, make or permit any amendment or termination of any material contract, agreement or license included in the Sale Assets;
- f. Enter into any agreement with any employee binding 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 advertisements or other program material to be broadcast over the Station subsequent to the Closing Date.

Notwithstanding the foregoing, Seller shall have no liability for any actions described in items (a) through (g) to the extent they are committed by Buyer, whether pursuant to the LMA or otherwise. Seller shall have an affirmative obligation to notify Buyer in writing if Seller becomes aware of any material problems or developments with respect to the Sale Assets or Seller's business as it pertains thereto, including but not limited to any actual or threatened material claim, litigation or proceeding against or affecting the Assets or Seller's operations.

4.2 FCC Application.

Seller and Buyer agree to use their best efforts and cooperation to file, within ten business days after the date hereof, an assignment of license application (the "FCC Application") requesting FCC consent to the assignment from Seller to Buyer of all Governmental Licenses issued by the FCC and used in the operation of the Station. The parties agree that the FCC Application will be prosecuted with mutual cooperation, reasonable best efforts, in good faith and with due diligence. The parties agree to use their reasonable best efforts to file additional information or amendments requested by the FCC orally or in writing as rapidly as possible after such request and, in any event, to commence preparation of such additional information or amendments immediately upon request and to complete and file the same with the FCC as rapidly as practical. Each party will be solely responsible for all expenses incurred by it in the preparation, filing and prosecution of the FCC Application (it being understood that the parties will bear equally the FCC filing fee). As used herein, the term "FCC Final Order" shall mean that the order by which the FCC has granted or given its consent, without any condition materially adverse to Buyer or Seller, to the assignment of the FCC Licenses to Buyer, with respect to which at such time as: (i) the normally applicable time period for filing any protests, requests for stay, reconsideration or review by the FCC, petitions for rehearing or appeal of such order, and for such actions by the FCC on its own motion, shall have expired, and (ii) no protest, request for stay, reconsideration or review by the FCC, petition for rehearing, review or appeal of such order shall be pending. If the FCC determines that the transactions contemplated hereby or a portion thereof are inconsistent or violative of FCC rules or regulations, the parties agree that they will negotiate in good faith to amend, modify or restructure the transactions contemplated hereby so as to be consistent with FCC rules and regulations; provided, that the amount or timing of payment of the Purchase Price shall not be amended or modified.

4.3 Public Notices.

Seller shall prepare and give at its expense all public notices as are required pursuant to 47 C.F.R. §73.3580.

4.4 Reasonable Efforts.

Seller and Buyer shall take all reasonable action necessary and cooperate in good faith to consummate the transactions contemplated by this Agreement and will use all necessary and reasonable means at their disposal to obtain all necessary consents and approvals of other persons and governmental authorities required to enable them to consummate the transactions contemplated by this Agreement.

4.5 Exclusive Dealing.

(a) Seller will not, directly or indirectly, through any representative or otherwise, solicit or entertain offers from, negotiate with or in any manner encourage, discuss, accept, or consider any proposal of any other person relating to the acquisition of the Assets or the Station, in whole or in part, whether directly or indirectly, through purchase, merger, consolidation, or otherwise; and

(b) Seller will immediately notify Buyer regarding any contact between Seller and any other person regarding any such offer or proposal or any related inquiry.

ARTICLE V
CONDITIONS PRECEDENT TO SELLER'S OBLIGATIONS

The obligation of Seller to complete the transaction contemplated in this Agreement shall be subject to, and conditioned upon, the substantial performance by Buyer of all material covenants and agreements to be performed before the Closing, and upon satisfaction of each of the following conditions, each of which may be waived by Seller:

5.1 Representations and Warranties.

All representations and warranties of Buyer herein shall be true and correct in all material respects on and as of Closing.

5.2 Litigation.

There shall be no action or proceeding, pending or threatened, by or before any court or governmental body seeking to restrain, prohibit, invalidate or otherwise challenge this Agreement or the transaction contemplated in this Agreement, or seeking insolvency, reorganization, foreclosure or other remedies against either Seller or Buyer.

5.3 Escrow Agreement.

Seller shall have received from Buyer and Media Ventures Partners, Ltd an executed Escrow Agreement substantially in the form attached hereto as Exhibit A.

5.4 Employment Agreement.

Buyer and Seller shall have entered into an employment contract with Brian Costello in the form and under the terms and conditions set forth in Exhibit B attached hereto.

5.5 Further Documents.

Seller shall have received, in form and substance satisfactory to it, such other documents and instruments as it reasonably requests in order to substantiate the compliance by Buyer with its representations, warranties, covenants and agreements hereunder.

5.6 FCC Consent.

The FCC Consent shall have been obtained, without the imposition of any condition materially adverse to Seller except those that are customary in the assignment of FM licenses.

Buyer shall have complied with any conditions imposed on it by the FCC Consent and the FCC Consent shall have become an FCC Final Order (unless Buyer elects to waive the FCC Final Order in which case Buyer may close without such Final Order).

ARTICLE VI CONDITIONS PRECEDENT TO BUYER'S OBLIGATION

The obligations of Buyer to complete the transaction contemplated in this Agreement shall be subject to, and conditioned upon, the substantial performance by Seller of all material covenants and agreements to be performed before Closing, and upon satisfaction of each of the following conditions, each of which may be waived by Buyer:

6.1 Representations and Warranties.

All representations and warranties of Seller shall be true and correct in all material respects on and as of the Closing, and Seller shall have complied with all covenants, conditions and other terms herein in all material respects.

6.2 Litigation.

There shall be no actual or threatened action or proceeding by or before any court or governmental body seeking to restrain, prohibit, invalidate or otherwise challenge this Agreement or the transaction contemplated in this Agreement, or seeking insolvency, reorganization, foreclosure or other remedies against Seller or the Assets.

6.3 FCC Consent.

The FCC Consent shall have been obtained, without the imposition of any condition materially adverse to Buyer except those that are customary in the assignment of FM licenses. Seller shall have complied with any conditions imposed on it by the FCC Consent and the FCC Consent shall have become an FCC Final Order (unless Buyer elects to waive the FCC Final Order in which case Buyer may close without such Final Order).

6.4 Other Consents.

All necessary approvals and consents to the assignment to Buyer hereunder of each Assumed Contract which is designated on Schedule 1.1(d) and the Lease, shall have been obtained and delivered to Buyer without any adverse change in the terms or conditions of such Assumed Contracts or Lease. Additionally, all other consents and approvals necessary for the transfer of the Assets shall have been obtained. Buyer shall also have received reasonable assurances, by way or appropriately worded estoppel certificates or otherwise, except where the failure to obtain such assurances or certificates would not have a material adverse effect on the business, financial condition or results of operations of the Station, that (1) the Station is legally authorized to use the programming or programming-related products or services under the

agreements listed in Schedule 1.1(d) hereto and (2) the lessor under the Lease possesses or controls the requisite interest in the Real Property to enable it to legally grant to Buyer the leasehold interest being assigned herein.

6.5 Escrow Agreement.

Buyer shall have received from Seller and Media Ventures Partners, Ltd Bank an Escrow Agreement substantially in the form attached hereto as Exhibit A.

6.6 Employment Agreement.

Buyer and Seller shall have entered into an employment contract with Brian Costello in the form and under the terms and conditions set forth in Exhibit B attached hereto.

6.7 Further Documents.

Buyer shall have received, in form and substance satisfactory to it, such other documents and instruments as it reasonably requests in order to accomplish the conveyance, assignment, assumption or other transfer of the Assets to Buyer or to substantiate the compliance by Seller of its representations, warranties, covenants and agreements hereunder.

ARTICLE VII
THE CLOSING; TERMINATION

7.1 Closing.

Closing of the transaction contemplated hereunder shall occur at a time and place agreed to by the parties ten (10) days after satisfaction of all conditions to Closing or such other date as may be agreed upon by Buyer and Seller (the "Closing Date"), subject to satisfaction or waiver of the conditions to Closing contained herein (other than those to be satisfied at Closing). All references hereunder to "Closing" or "Closing Date" shall be deemed to mean the actual date the transaction contemplated herein is consummated. At the Closing, in exchange for the performance of Buyer of its obligations under Sections 1.2 and 1.3 hereof, Seller shall deliver to Buyer good title to the Assets, including without limitation an executed lease assignment for the lease of the Real Property, in accordance with the requirements set forth in this Agreement and execute all instruments and documents reasonably required by Buyer to effect transfer of all of Seller's right, title and interest in the Assets. All proceedings to take place at the Closing shall take place simultaneously, and no delivery shall be deemed complete until all such proceedings have been completed. All lease payments, deposits, real estate taxes, utility bills and personal property taxes to the extent they are related to the Assets shall be prorated as of Closing and the Purchase Price shall be adjusted upward or downward, as appropriate, to reflect the net amount of such prorations, but to the extent such amounts cannot be determined on the Closing Date, each party covenants and agrees to pay its share of such prorations when such statements as will permit proration have been received. Buyer shall be responsible for calculating the amount of

such prorations. Buyer shall deliver a notice detailing such prorations to Seller 10 days prior to Closing to the extent statements as will permit proration are available as of such time. Buyer shall bear all sales, use real estate excise and other taxes due to federal, state and local taxing authorities in connection with the purchase and sale of the Assets as contemplated by this Agreement (but not taxes otherwise owed by Seller or Station for the period before the Closing) and the Purchase Price includes payment in full by Buyer of any such taxes.

7.2 Termination.

This Agreement may be terminated at any time prior to the time this transaction is completed within the meaning of Section 7.1 hereof: (i) by written mutual agreement of Seller and Buyer, (ii) by the nondefaulting party if there is a material breach of any of the representations, warranties, covenants or agreements by any other party to this Agreement, (iii) in the event of a failure of any condition precedent set forth in Articles V or VI hereof (unless waived by the party for whose benefit the condition existed), or (iv) as provided in Section 9.9. In the event this Agreement is canceled by mutual agreement or by reason of a failure of one or more of the conditions set forth in Article V and/or Article VI, this Agreement shall be deemed terminated as of that time without any liability or obligation of any party hereto to any other party.

ARTICLE VIII

SURVIVAL/INDEMNIFICATION/POST-CLOSING AND OTHER RESPONSIBILITIES

8.1 Survival.

The representations, warranties, covenants, indemnity obligations and agreements of Seller and Buyer shall survive the consummation of the transactions contemplated in this Agreement for a period of one year, after which time the parties will have no further obligations to one another with respect thereto.

8.2 Seller's Indemnity.

Seller agrees to indemnify, defend and hold Buyer (including its members, officers, subsidiaries, affiliates and representatives) harmless from and against any and all losses, claims, damages, liabilities and expenses, including costs of investigation, legal fees and court costs to which Buyer may become subject to the extent such losses, claims, damages, liabilities and expenses (i) arise in connection with the assets, liabilities and operations retained by Seller hereunder, (ii) are attributable to or result from the operations and business of Seller occurring or arising out of events originating prior to the Closing Date, including without limitation with respect to the Assets or a failure to comply with any federal, state or local environmental law, regulation, order or decree (whether or not such violation is within the scope of Seller's representations and warranties in Section 2.9 hereof)(but excluding acts caused by Buyer under the LMA), or (iii) are caused by the breach by Seller of any of its representations, warranties, agreements or covenants set forth herein including, without limitation, the representations and

commitments with respect to claims against Buyer or the Assets. Buyer agrees to notify Seller promptly in writing after it becomes aware of any loss, claim, damage, liability or expense which would reasonably give rise to Seller's indemnification obligations hereunder, which notice shall describe in reasonable detail the nature of the claim or loss, the name of any claimant, and such other information as Seller shall reasonably request. In the event any action or proceeding covered by Seller's indemnity is brought against Buyer by reason of any such loss, claim, damage, liability or expense, Seller, upon prompt written notice from Buyer, shall defend same at Seller's expense. Buyer agrees to cooperate in connection with any such claim or action. If Seller fails to defend such claim or proceeding covered by Seller's indemnity, Buyer may, at its option and at Seller's expense, resist, settle, or otherwise compromise or pay such claim. Buyer shall, if Seller's indemnity is found to be applicable to the particular controversy involved, be entitled to reimbursement for any reasonable costs or expenses (including reasonable attorneys' fees) incurred in connection with the defense, payment or compromise of said claim in accordance with the provisions set forth herein.

8.3 Buyer's Indemnity.

Buyer agrees to indemnify, defend and hold Seller (including its subsidiaries, affiliates and representatives) harmless from and against any and all losses, claims, damages, liabilities and expenses, including costs of investigating, legal fees and court costs, that are (i) incurred in connection with the operations and business of Buyer, including, without limitation, with respect to the Assets or any environmental liabilities, arising out of events originating subsequent to the Closing Date, unless resulting from an act or omission of Brian Costello in his capacity as an employee of Buyer after Closing, or (ii) incurred in connection with the breach by Buyer of any of its representations, warranties, agreements or covenants set forth herein. Seller agrees to notify Buyer promptly in writing after it becomes aware of any loss, claim, damage, liability or expense which, if successful, would give rise to Buyer's indemnification obligations hereunder, which notice shall describe in reasonable detail the nature of the claim or loss, the name of any claimant, and such other information as Buyer shall reasonably request. In the event any action or proceeding covered by Buyer's indemnity is brought against Seller by reason of any such loss, claim, damage liability or expense, Buyer, upon prompt written notice from Seller, shall defend same at Buyer's expense. Seller agrees to cooperate in the defense of any such claim or action. If Buyer fails to defend such claim or proceeding covered by Buyer's indemnity, Seller may, at its option and at Buyer's expense, resist, settle, or otherwise compromise or pay such claim. Seller shall, if Buyer's indemnity is found to be applicable to the particular controversy involved, be entitled to reimbursement for any reasonable costs or expenses (including reasonable attorney's fees) incurred in connection with the defense, payment or compromise of said claim in accordance with the provisions set forth herein.

ARTICLE IX MISCELLANEOUS

9.1 Nonviolation.

Seller and Buyer shall not take or omit to take any action (or permit any person or entity under its control to take or omit to take any action) which would violate or cause a violation of their or its representations, warranties, guarantees, covenants or agreements herein or render them inaccurate as of the Closing or which in any way would prevent the carrying out of this Agreement or the consummation of the transactions contemplated in this Agreement.

9.2 Further Assurances.

Seller and Buyer shall, without further consideration, execute and deliver such other documents or instruments and take such other action as either Seller or Buyer may reasonably request to carry out the transaction contemplated in this Agreement.

9.3 Amendments.

This Agreement may be amended or modified only by a writing signed by both parties, and no waiver of compliance with any provision or condition hereof and no consent provided for herein shall be effective unless evidenced by an instrument in writing duly executed by the party sought to be charged.

9.4 Remedies.

Except as expressly otherwise provided for in this Agreement, in the event of default under this Agreement, Seller or Buyer may proceed to protect and enforce its rights by a suit in equity or at law or by other appropriate proceedings, whether for specific performance or for an injunction against a violation of any terms of this Agreement or in aid of the exercise of any right, power or remedy granted in this Agreement or by law, equity, statute or otherwise or any other remedies provided herein. No course of dealing and no delay on the part of Seller or Buyer in exercising any right, power or remedy shall operate as a waiver or otherwise prejudice its or their right, powers or remedies. Except as expressly otherwise provided for in this Agreement, no right, power or remedy shall be exclusive of any other right, power or remedy referred to in this Agreement or now or hereafter available at law, in equity, by statute or otherwise.

9.5 Effect of this Agreement.

This Agreement (together with the Mapleton Option Agreement and the Coast Option Agreement) sets forth the entire understanding of Seller and Buyer with respect to the sale of the Assets and supersedes any and all prior agreements (but not the Option Agreements), arrangements and understandings. No valid representations, promises, inducements or statements of intention have been made by Seller or Buyer which are not embodied in this Agreement.

9.6 Assignment.

This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their heirs, personal representatives, successors and assigns. An assignment shall not relieve the

Execution 12-21-02

parties of their obligations to guarantee the prompt performance of any and all of their respective obligations thereunder. Buyer shall have the right to assign all of its rights, duties and obligations hereunder to a corporation, partnership or corporation controlled by its principals.

9.7 Notices. Except as otherwise provided in this Loan Agreement, all notices and consents required or permitted under this Loan Agreement shall be in writing and may be telecopied, telexed, cabled, delivered by hand, delivered by overnight courier, such as Federal Express, or mailed by first class registered or certified mail, return receipt requested, postage prepaid, and addressed as follows:

If to Buyer:

Mr. Michael Menerey
President Mapleton Communications, LLC
10900 Wilshire Boulevard
Suite 1500
Los Angeles, CA 90024
Phone: 310-209-7326
Fax: 310-208-3185
E-Mail: mmenerey@mapletoninvestments.com

With a copy to:

Mark Goldman, Esq.
10900 Wilshire Boulevard
Suite 1500
Los Angeles, CA 90024
Phone: 310-209-7210
Fax: 310-209-7309
E-Mail: markg90067@aol.com

and

Chris Wood, Esq.
Fleischman and Walsh, L.L.P.
1400 16th Street, N.W., Suite 600
Washington, D.C. 20036
Phone: 202-939-7903
Fax: 202-745-0916
E-Mail: cwood@fw-law.com

If to Seller:

Brian Costello

Execution 12-21-02

President COAST WEST BROADCASTING CORP.

c/o Radio Station KWSZ

205 North "H" Lompoc, CA 93436

Telecopier: (805) 740-9991

With a copy to:

Dennis J. Kelly, Esquire

Law Office of Dennis J. Kelly

Post Office Box 41177

Washington, DC 20018

Telecopier: (410) 626-1794

or, as to each party, at such other address as shall be designated by such parties in a written notice to the other party complying as to delivery with the terms of this Section. All such notices, requests, demands and other communication shall be deemed given upon the earliest to occur of (a) the third day following deposit thereof in the United States mail, (b) twelve noon local time on the first business day following timely deposit thereof with a nationally recognized overnight courier service with effective instructions to such courier to make delivery on the next business day, or (c) receipt by the party to whom such notice is directed.

9.8 Severability.

Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be deemed prohibited or invalid under such law, the provision shall only be ineffective to the extent of such prohibition or invalidity, and such prohibition or invalidity shall not invalidate the remainder of such provision or the other provisions of this Agreement.

9.9 Termination.

In addition to the other termination provisions set forth herein, Seller or Buyer may terminate this Agreement without liability if the Closing has not occurred on or before the first anniversary of this Agreement, unless the Closing has been extended in accordance with the written consent of all parties, or if the FCC designates the FCC Application for hearing at any time.

9.10 Expenses.

Except as otherwise expressly provided herein, each of the parties hereto shall pay its own expenses (including, but not limited to, fees and expenses of counsel) incurred in connection with the negotiation, preparation, execution and consummation of this Agreement and the transactions contemplated hereby, whether or not such transactions are consummated or abandoned for any reason, without reimbursement from any other party hereto.

9.11 Governing Law.

The validity and effect of this Agreement shall be governed by and construed and enforced in accordance with the laws of the State of California.

9.12 Waiver of Jury Trial.

The parties hereby waive trial by jury in any action brought on or with respect to this Agreement. Neither party nor any assignees or successors of or to the parties shall seek a jury trial in any lawsuit, proceeding, counterclaim, or any other litigation or procedure based upon, or arising out of this Agreement.

9.13 Counterparts.

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

9.14 Covenant Not to Compete.

Seller and Brian Costello shall not, at any time within the three year period immediately following the Closing Date, directly or indirectly engage in, or have any ownership interest in, position with, employment with, consultancy with or any other business arrangement or connection with any person, firm, corporation or other business which is engaged in applying for, constructing, owning, operating, selling time on, or programming any radio broadcast station with a primary service contour that intersects the primary service contour of the Station, other than as an employee for or consultant to Mapleton. For purposes of this section, a "primary service contour" is defined as the predicted or measured 0.5 mV/m groundwave contour of any AM station or the predicted 1.0 mV/m contour of any FM station including the Station. Of the total purchase price, \$1.00 shall be deemed to be the consideration for this agreement not to compete.

In Witness Whereof, the parties agree to all of the foregoing as of the date first above written.

Execution 12-21-02

BUYER:

SELLER:

MAPLETON COMMUNICATIONS, LLC COAST WEST BROADCASTING CORP.

By: _____
Michael K. Menerey
Its President

By: _____
Brian Costello
Its President

EXHIBIT "A"

ESCROW AGREEMENT

THIS ESCROW AGREEMENT (this "Agreement") is made and entered into as of this ____ of ____, 2003, between **Coast West Broadcasting Corp.**, a California corporation ("Seller"), **Mapleton Communications, LLC**, a Delaware limited liability company ("Buyer"), and **Media Ventures Partners, Ltd** (the "Escrow Agent").

WITNESSETH

WHEREAS, Seller and Buyer have entered into an Asset Purchase Agreement ("Purchase Agreement"), of even date herewith, for the sale of radio station KWSZ(FM), Lompoc, California (the "Station"). Capitalized terms used but not defined herein shall have the meanings assigned to them in the Purchase Agreement.

WHEREAS, Pursuant to the Purchase Agreement, Buyer must deposit in escrow the sum of Fifty-Two Thousand Five Hundred Dollars and No Cents (\$52,500.00) (the "Escrow Deposit").

WHEREAS, Escrow Agent has agreed to hold, invest and disburse the Escrow Deposit, together with any interest or other earnings thereon, pursuant to the terms of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties intending to be legally bound, agree as follows:

1. **APPOINTMENT OF ESCROW AGENT.** Seller and Buyer each hereby irrevocably appoint Media Venture Partners, Ltd. as Escrow Agent to receive, hold, administer, and deliver the Escrow Deposit together with any interest or other earnings thereon in accordance with this Agreement.

2. **ESCROW DEPOSIT.** Simultaneously with this Agreement, Buyer will deposit with the Escrow Agent the sum of Fifty-Two Thousand Five-Hundred Dollars and No Cents (\$52,500.00). The Escrow Agent shall notify the parties hereto of the receipt of the Escrow Deposit and provide the parties with written proof of the same. The Escrow Deposit and all accrued interest shall be held and released by the Escrow Agent in accordance with the terms of this Agreement.

3. **INVESTMENT OF ESCROW FUNDS.** After receipt of the Escrow Deposit and pending the disbursement of the Escrow Deposit pursuant to this Agreement, Escrow Agent shall invest the Escrow Deposit in: (i) direct obligations of, or obligations fully guaranteed by, the United States of America or any agency thereof, (ii) certificates of deposit issued by commercial banks having a combined capital surplus and undivided profits of not less than \$200,000,000.00, or (iii) other investments as mutually agreed upon in writing by Buyer and Seller. Any income or interest realized from the

investments made by Escrow Agent pursuant hereto shall, solely for purposes of this Section, be deemed to form part of the Escrow Deposit and shall be reinvested by Escrow Agent until all of the Escrow Deposit is fully disbursed.

4. **DISBURSEMENT OF ESCROW.** Escrow Agent shall disburse the Escrow Deposit as follows:

(a) Joint Demand. Upon receipt by Escrow Agent of a joint notice, substantially in the form of Attachment A, from Seller and Buyer stating that the Closing under the Purchase Agreement has occurred, Escrow Agent shall immediately pay, without deduction, set-off or counterclaim, the principal of the Escrow Deposit to Seller and all interest and other earnings thereon to Buyer.

(b) Seller's Demand. If the Escrow Agent receives a written notice signed by Seller stating that Seller is entitled to any portion of the Escrow Deposit and certifying that a copy of the notice has been delivered to Buyer in a manner specified in Paragraph 11.3 hereof, the Escrow Agent shall deliver a copy thereof to Buyer in a manner specified in Paragraph 11.3 and, unless the Escrow Agent receives a written objection from Buyer within ten (10) business days after the date of delivery of the notice to Buyer as provided in Paragraph 11.3, the Escrow Agent shall deliver to Seller the portion of the Escrow Deposit claimed by Seller. If the Escrow Agent receives a written objection from Buyer, the Escrow Agent shall continue to hold the Escrow Deposit until it has received written instructions signed by Seller and Buyer or until the disagreement is resolved as provided in Paragraph 6 below. Provided, however, that Seller shall not be entitled to the accrued interest or earnings on the Escrow Deposit in any event.

(c) Buyer's Demand. If the Escrow Agent receives a written notice signed by Buyer stating that Buyer is entitled to any portion of the Escrow Deposit and certifying that a copy of the notice has been delivered to Seller in a manner specified in Paragraph 11.3 hereof, the Escrow Agent shall deliver a copy thereof to Seller in a manner specified in Paragraph 11.3 and, unless the Escrow Agent receives a written objection from Seller within ten (10) business days after the date of delivery of the notice to Seller as provided in Paragraph 11.3, the Escrow Agent shall deliver to Buyer the portion of the Escrow Deposit claimed by Buyer. If the Escrow Agent receives a written objection from Seller, the Escrow Agent shall continue to hold the Escrow Deposit until it has received written instructions signed by Seller and Buyer or until the disagreement is resolved as provided in Paragraph 6 below.

(d) Partial Release of Escrow Deposit. If the Escrow Agent disburses less than all of the Escrow Deposit pursuant to any demand, court order, or joint instructions in accordance with this Agreement, that portion of the Escrow Deposit not disbursed, together with any interest then held by the Escrow Agent, shall continue to be held in escrow by the Escrow Agent subject to the terms of this Agreement.

(e) Payment of Interest. The Escrow Agent shall deliver to Buyer from time to time upon Buyer's demand any interest or other earnings accrued on the Escrow

Deposit.

5. **ESCROW AGENT'S DUTIES.** The Escrow Agent will be under no duty or obligation to give any notice, or to do or to omit the doing of any action with respect to the Escrow Deposit, except to give notice, make disbursements, and deposit the Escrow Deposit in accordance with the terms of this Agreement. The Escrow Agent will not be liable for any error in judgment or any act or steps taken or permitted to be taken in good faith, or for any mistake of law or fact, or for anything it may do or refrain from doing in connection with this Agreement, except for its own willful misconduct or gross negligence (including a disbursement made in violation of this Agreement). The Escrow Agent will not be required in any way to resolve any controversy regarding the Escrow Deposit or take any action concerning such controversy. The Escrow Agent will not be required in any way to determine the validity or sufficiency, whether in form or substance, of any instrument, document, certificate, statement or notice referred to in this Agreement or contemplated by this Agreement, or the identity or authority of the persons executing it. The Escrow Agent shall be entitled to rely upon any order, judgment, certification, demand, notice, instrument, or other writing delivered to it hereunder without being required to determine the authenticity or the correctness of any fact stated therein or the propriety or validity of the service thereof. The Escrow Agent may act in reliance upon any instrument or signature believed by it in good faith to be genuine and may assume that any person purporting to give any notice or receipt or advice or make any statement or execute any document in connection with the provisions hereof has been duly authorized to do so.

6. **RIGHT OF INTERPLEADER.** If any controversy arises between the Buyer and Seller with respect to this Agreement or the Escrow Deposit, or the Escrow Agent is in doubt as to what action to take, the Escrow Agent will: (a) withhold delivery of the Escrow Deposit until the controversy is resolved by a court of competent jurisdiction in California or the conflicting demands are withdrawn or the doubt is resolved, or (b) institute a bill of interpleader in a court in California to determine the rights of the parties (in which case the Escrow Agent will withhold delivery of the Escrow Deposit until paid into the court in accordance with the laws of California). If a bill of interpleader is instituted, or if the Escrow Agent is threatened with litigation or becomes involved in litigation in any manner whatsoever on account of this Agreement or the Escrow Deposit, as between themselves and the Escrow Agent, the Buyer and Seller will pay the Escrow Agent its reasonable attorneys' fees and any other disbursements, losses, reasonable expenses, costs and damages of the Escrow Agent in connection with or resulting from such threatened or actual litigation. All costs and expenses of such controversy will be charged to the non-prevailing party in such controversy.

7. **INDEMNITY.** The Buyer and Seller, jointly, will indemnify the Escrow Agent against and hold the Escrow Agent harmless from any losses, costs, damages, expenses, claims and attorneys' fees suffered or incurred by the Escrow Agent as a result of, in connection with or arising from or out of the acts or omissions of the Escrow Agent in performance of or pursuant to this Agreement, except such acts or omissions as may

result from the Escrow Agent's willful misconduct or gross negligence.

8. **DISCHARGE BY DELIVERY.** After the Escrow Agent has delivered the Escrow Deposit and any interest earned thereon pursuant to the terms of this Escrow Agreement, the Escrow Agent shall have discharged all of its obligations hereunder and neither Seller nor Buyer shall thereafter have any claim against the Escrow Agent on account of this Agreement.

9. **SUCCESSOR ESCROW AGENT(S).**

(a) The Escrow Agent (and any successor escrow agent) may at any time resign as such by delivering a written notice of resignation to the other parties hereto and by delivering the Escrow Deposit and all interest earned thereon to any successor escrow agent jointly designated in writing by Seller and Buyer or, if such successor is not so designated, to any court of competent jurisdiction, whereupon the Escrow Agent shall be discharged of and from any and all further obligations arising in connection with this Agreement. The resignation of the Escrow Agent shall take effect upon the earlier of the appointment of a successor escrow agent or thirty (30) days after the date of delivery of the Escrow Agent's written notice of resignation to the other parties hereto. In the event that a successor escrow agent has not been appointed at the expiration of such thirty (30) day period, the Escrow Agent's sole responsibility hereunder shall be the safekeeping of the Escrow Deposit, and interest, if any, and to pay such amount as may be specified in a written agreement signed by Seller and Buyer or as any court of competent jurisdiction may order.

(b) If, at any time, the Escrow Agent receives a written notice signed by Seller and Buyer stating that they have selected another escrow agent, the Escrow Agent shall deliver the Escrow Deposit and all interest earned thereon to such successor escrow agent within ten (10) business days of receiving the aforesaid notice.

10. **TERMINATION.** This Agreement shall terminate upon the disbursement of the entire Escrow Deposit and any interest earned thereon by the Escrow Agent in accordance with the terms of this Agreement, including the deposit of the Escrow Deposit with the clerk of any court of competent jurisdiction in accordance with Paragraphs 6 or 9, and the delivery of interest or earnings thereon to Buyer in accordance with Paragraph 4(e) or by written consent signed by all parties.

11. **MISCELLANEOUS.**

11.1. Binding Effect. This Agreement will be binding upon, inure to the benefit of, and be enforceable by the respective successors and permitted assigns of the parties hereto.

11.2. Entire Agreement; Amendments. This Agreement, as read in conjunction with the Purchase Agreement, contains the entire understanding of the parties with

respect to the subject matter hereof, and there are no other agreements, representations, warranties or understandings, oral or written, between the parties with respect to the subject matter hereof. No alteration, amendment, modification or change of this Agreement shall be valid unless by like written instrument, except as provided in Paragraph 9.

11.3. Notices. Any notices required by this Agreement shall be in writing and shall be deemed to have been duly delivered and received on the date of personal delivery, or on the first business day after delivery to a nationally recognized overnight delivery service for next morning delivery, or upon confirmation by telecopy and shall be addressed to the following addresses, or to such other address as any party may request by notifying the other parties hereto:

If to Seller:

Brian Costello
President COAST WEST BROADCASTING CORP.
c/o Radio Station KWSZ (FM)
205 North "H" Lompoc, CA 93436
Telecopier: (805) 740-9991

With a copy to:

Dennis J. Kelly, Esquire
Law Office of Dennis J. Kelly
Post Office Box 41177
Washington, DC 20018
Telecopier: (410) 626-1794

If to Buyer:

Mr. Michael Menerey
President
Mapleton Communications, LLC
10900 Wilshire Boulevard
Suite 1500
Los Angeles, CA 90024
Phone: 310-209-7326
Fax: 310-208-3185
E-Mail: mmenerey@mapletoninvestments.com

With a copy to:

Mark Goldman, Esq
10900 Wilshire Boulevard
Suite 1500

Los Angeles, CA 90024
Phone: 310-209-7210
Fax: 310-209-7309
E-Mail: markg90067@aol.com

And

Chris Wood, Esq.
Fleischman and Walsh, L.L.P.
1400 16th Street, N.W., Suite 600
Washington, D.C. 20036
Phone: 202-939-7903
Fax: 202-745-0916
E-Mail: cwood@fw-law.com

If to Escrow Agent:

Elliot B. Evers, Managing Director
Media Venture Partners, Ltd.
50 Francisco Street
Suite 450
San Francisco, CA 94133
Phone: 415/391-4877
Fax: 415/391-4912

11.4. Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with the laws of California, without regard to its rules for conflict of laws. All Escrow Agent's rights under this Agreement are cumulative of any other rights it may have by law or otherwise.

11.5. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

11.6. Severability. Any provision of this Agreement that is determined by competent authority to be prohibited or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of the prohibition or unenforceability without invalidating the remaining provisions hereof, and its prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable the same provision in any other jurisdiction. It is expressly understood, however, that the parties hereto intend every provision of this Agreement to be valid and enforceable and hereby knowingly waive all rights to object to any provision of this Agreement.

11.7. Headings. The headings of the sections and subsections contained herein are for ease of reference only and shall not in any way affect the meaning and

interpretation of this Agreement.

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the parties hereto as the date first above written.

SELLER:

COAST WEST BROADCASTING CORP.

By: _____
Brian Costello, President

BUYER:

MAPLETON COMMUNICATIONS, LLC

By: _____
Michael K. Menerey, President

ESCROW AGENT:

MEDIA VENTURE PARTNRS, LTD

By: _____
Elliot Evers, Managing Director

ATTACHMENT A

[_____]

Dear [_____]:

Pursuant to Section 4 of that certain Escrow Agreement (the "Escrow Agreement"), dated [_____] 2001, by and among [_____] ("Seller"), [_____] ("Buyer") and [_____] ("Escrow Agent"), Buyer and Seller hereby jointly notify and instruct you to transfer \$[_____] from the Escrow Funds to Seller's account with [_____] (ABA No. [_____] (Account No. [_____] all as required by said Section 4. Further, as required by Section 4 of the Escrow Agreement, please transfer to Buyer's account with [_____] (ABA No. [_____] (Account No. [_____] all interest accrued on the Escrow Deposit, including all interest accrued and not yet paid.

Sincerely,

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

EXHIBIT "B"

EMPLOYMENT AGREEMENT

This Employment Agreement ("Agreement") is made and entered into as of _____, 2003, between Mapleton Communications, LLC, a limited liability company organized and existing under the laws of the State of Delaware, with its principal office at 10900 Wilshire Boulevard, Suite 1500, Los Angeles, California 90024 ("Employer"), and Brian Costello, whose address is 205 North H Street, Suite 206, Lompoc, CA 93436 ("Employee").

In consideration of the mutual promises and covenants contained in this Agreement, the parties agree as follows:

SECTION ONE

EMPLOYEE'S DUTIES AND TITLE

Employee will serve as General Manager of the Mapleton Communications radio station in KWSZ-FM, Lompoc, California ("the Station"). Employee understands that one or more additional radio stations may be added to Employee's area of responsibility and Employee shall be obligated to render his services hereunder with respect to such additional station(s) without additional compensation. Employee shall devote his full time, attention, and effort to his duties hereunder. Employee shall perform the duties set forth on Schedule "A", attached hereto and incorporated herein by reference as though fully set forth. During the term of this Agreement, Employee shall not work for any other person or entity. Employee shall report directly to Ric Haley ("Haley"), Vice-President and General Manager of the Mapleton Communications San Luis Obispo Radio Group.

SECTION TWO

TERM

The term of this Employment Agreement shall be for one year, commencing as of the date that Mapleton acquires the Station ("Original Term"). Employer shall have the option of extending the term for one (1) additional year, commencing on the expiration of the Original Term and extending for one year thereafter ("Renewal Term"). Employer shall notify Employee not later than ninety (90) prior to the expiration of the Original Term of its exercise of the option.

SECTION THREE

OBLIGATION TO ABIDE BY APPLICABLE LAWS

Employee shall abide by and perform Employee's duties in accordance with all applicable federal, state, and municipal laws, regulations, and ordinances.

SECTION FOUR

AUTHORITY

Employee shall have no power to bind Employer to any contract or obligation

which over the life of the contract or obligation exceeds \$4,000 ("Maximum Obligation"). Employee shall not enter into any written or oral contracts on behalf of Employer which exceed the Maximum Obligation without the written consent of Employer or specific written permission from Haley.

SECTION FIVE

BASIC COMPENSATION

For all services rendered by Employee, Employer shall pay Employee an annual salary of Sixty Thousand Dollars (\$60,000) during the Original Term and Sixty-Three Thousand Dollars (\$63,000) during the Renewal Term, if any, payable in biweekly installments. Employer may add additional stations to Employee area of responsibility without paying Employee additional compensation. However, if Employer adds stations outside of the Santa Maria-Lompoc Radio Metro Market, as defined by Arbitron ("Outside Stations"), Employee will not be obligated to render any services in connection with the Outside Stations unless and until Employer and Employee agree on appropriate additional salary for Employee to cover the extra work in managing the Outside Stations.

SECTION SIX

BONUS AND POTENTIAL BONUS

Employee shall be entitled to receive a one time signing bonus of \$25,000 to be paid concurrently with the commencement date of the Original Term.

Employee may earn a bonus of up to an additional Fifteen Thousand Dollars (\$15,000) based on achieving the budgeted broadcast cash flow ("BCF") as defined and budgeted by Employer for the Station. The BCF will be reasonably adjusted in the event that any stations are added to Employee's area of responsibility. The bonus will be prorated for partial year employment and paid according to the following formula:

Percentage of Budgeted 2003 BCF Achieved	<u>Bonus Payable</u>
Less than 85%	\$0.00
At least 85%, but less than 90%	\$3,000
At least 90%, but less than 95%	\$4,550
At least 95%, but less than 100%	\$6,000
100%	\$15,000

SECTION SEVEN

REIMBURSEMENT FOR EXPENSES

Employer will reimburse Employee for all expenses reasonably and necessarily

incurred in the performance of his duties pursuant to this Agreement. These reimbursable expenses will include, but not be limited to, travel expenses and entertainment expenses for the promotion of the Employee's business and attendance at radio industry forums and conventions. Notwithstanding the foregoing, Employee shall obtain the prior consent of Employer for any expenditure in excess of Two Hundred Fifty Dollars (\$250.00).

SECTION EIGHT

OFFICE

Employer will furnish Employee with a private office, reasonable secretarial assistance, and such other facilities and services as are considered customary, suitable to the position, and adequate for the performance of his duties on behalf of Employer.

SECTION NINE

TRADE SECRETS, CONFIDENTIAL INFORMATION AND OWNERSHIP OF CONTENT

(a) As an employee of Employer, Employee may have access to trade secrets and confidential information relating to Employer's business as it may exist from time to time ("Confidential Information") including, without limitation, customer lists, supplier lists, employee lists. Such information is considered secret and confidential, regardless of whether it is specifically disclosed to Employee or whether Employee learns of such information as a result of his Employment. Employee will not, without Employer's prior written consent, at any time, during his employment with Employer, or thereafter, directly or indirectly, use in any way, disclose, divulge or communicate Confidential Information to any person, firm or other entity, except as required to persons who are employed or engaged by Employer and need to know, or to any governmental regulatory agency or investigating body when required by law, court order or governmental demand (and only then after first disclosing to Employer the facts relating to the inquiry and giving Employer, if possible, a reasonable amount of time to obtain a court order preventing such disclosure).

(b) Employee agrees and acknowledges that Employer is the sole and exclusive owner of every program, announcement, format, idea, and script which is broadcast on the Stations, and that Employee does not have and shall not claim any right or interest in any of the foregoing. If, during the term of his employment, Employee is engaged in or associated with the planning or implementing of any project, program or venture involving the company and a third party, all rights in the projects, program or venture shall belong to Employer, and shall constitute a corporate opportunity belonging exclusively to Employer. Except as approved in writing by Employer, Employee shall not be entitled to any interest in such project, program or venture or to any commission, finder's fee or other compensation in connection therewith other than the base salary to be paid to Employee.

SECTION TEN

OBLIGATIONS AFTER TERMINATION

(a) For a period of six (6) months after the termination of this Agreement for any reason, Employee, on behalf of himself, or any other person, firm or entity, shall not: (a) attempt to hire any employee of Employer; (b) personally attempt to sell or personally sell advertising time for any competing radio station to any advertiser who purchased advertising time with the Station within six (6) months of the termination of this Agreement. A radio station shall be deemed competing with Employer if the origination of the broadcast of the advertising is within the Santa Maria-Lompoc Radio Metro Market, as defined by Arbitron.

(b) During the term of this Agreement, Employee will not render services to any other person or entity. If Employee voluntarily resigns prior to the end of the term, or if Employee is terminated for cause prior to the end of the term (either event hereafter referred to as an "Early Termination Event"), Employee will not during the period that this Agreement would have been in force but for the Early Termination Event, render any services (i.e., consulting or employment or advisory) to any person or entity who operates a radio station within the counties of San Luis Obispo and Northern Santa Barbara, California (Employee shall be free to work for a television station or other non-radio employer that sells advertising). Employee represents to Employer that in the event of the termination of his employment for cause, Employee can obtain employment in a similar business or occupation in markets entirely outside the above named counties, and the enforcement of a remedy by way of injunction within the terms of this agreement will not prevent him from earning a livelihood or cause him undue hardship.

(c) It is specifically agreed that Employer shall have the right, as an addition to all other remedies permitted by law and in equity, to restrain the violation of any of the provisions of this Section Ten by Employee by application to any court of competent jurisdiction. The restrictions contained herein are not to be construed as permitting acts of unfair competition when the time periods expire. It is agreed and understood that Employee will not at any time, either before or after the time periods contained herein expire, engage in acts of unfair competition which are prohibited by law.

SECTION ELEVEN

OWNERSHIP OF PATENTS AND COPYRIGHTS

All designs, drawings, documents, inventions, improvements, discoveries, ideas or concepts (whether or not patentable, including those which are or may be subject to patent, copyright or trademark protection) for which Employer's equipment, supplies, facilities or trade secret information is used, or which Employee developed on Employer's time (collectively, the "Work Product"), shall be the exclusive property of Employer. Employee shall assign and transfer to Employer any right, title or interest that Employee may have in the Work Product.

SECTION TWELVE

RELATIONSHIP OF PARTIES; BENEFITS

The relationship created under this Agreement is that of an employer and employee. As an employee, Employee will be eligible to participate in or receive all the plans, benefits, arrangements, or distributions by Employer pertaining to any pensions, profit-sharing, 401K plans, incentive performance plans, medical insurance or similar benefits (collectively "Plans") provided for regular employees on a firm-wide basis. All matters of eligibility for coverage or benefits under any of the Plans shall be determined in accordance with provisions of such Plans. Employer shall have no liability to Employee, nor to his family, heirs, executors or beneficiaries, for any payment payable or claimed to be payable under any plan of insurance including medical insurance.

SECTION THIRTEEN

VACATIONS, HOLIDAYS, SICK/PERSONAL DAYS

Employee will initially be entitled to a paid vacation of ten business days (10) days per year, increasing over time as per Employer policy applicable to all employees. Vacation shall accrue at the rate of 0.833 days per month and may not be taken in advance of its accrual absent the prior consent of Employer. The time of each vacation shall be mutually agreed on by Employee and Employer. Employee shall also be entitled to eight (8) sick/personal leave days, which may be used by Employee when ill, or when Employee requires personal time for emergency personal matters. Sick/personal leave shall accrue at the rate of .6667 days per month. Employee shall also be entitled to be paid for designated holidays as per Employer's employee manual, which currently acknowledge 11 ½ holiday days per year.

SECTION FOURTEEN

NOTICES

Any notice required to be given under this Agreement shall be sufficient, if in writing, sent by registered mail to the last known residence of Employee or to the principal office of Employer.

SECTION FIFTEEN

TERMINATION

Notwithstanding anything contained to the contrary in this Agreement, if Employee resigns his employment under this Agreement, dies or is terminated for cause effective at any time prior to expiration of the term of this Agreement, Employee shall not be entitled to, and Employer shall not be obligated to pay, any compensation or fringe benefits accruing after such date of death, resignation or termination for cause. For purposes of this Agreement, "cause" shall mean any of the following: (i) gross or willful misconduct; (ii) conviction of (or pleading guilty or nolo contendere to) a crime (other than traffic violations) involving dishonesty or moral turpitude, the penalty for which includes a jail sentence of more than thirty (30) consecutive days; (iii) physical or mental

incapacity for a period of sixty (60) consecutive days (such period of incapacity shall be deemed to be continuously consecutive unless Employee has returned to work on a full-time basis for eight (8) consecutive weeks); (iv) the occurrence of any intentional act or omission which has a material adverse impact on the public image or reputation of Employer; (v) willful failure to perform material duties under this Agreement, (vi) disregard of the directions of the Employer's Chief Executive Officer, President, Vice President Radio Operations, or Haley which are consistent with the duties and responsibilities of Employee hereunder; (vii) the failure of Employee, for any reason, to devote, during working hours, his full time and efforts in a diligent manner to the performance of his duties and responsibilities hereunder; Employee shall have no right to reinstatement or to specific performance under this Agreement.

SECTION SIXTEEN

BINDING EFFECT

Except as otherwise provided in this Agreement, this Agreement shall be binding on the parties, their successors, and assigns, and on the estate, heirs, legatees, executors, administrators and beneficiaries of Employee.

SECTION SEVENTEEN

PARTIAL INVALIDITY

If any provision of this Agreement shall be invalid, illegal or unenforceable in any respect, such provision shall be deemed ineffective to the extent of such invalidity, illegality or unenforceability, without invalidating or impairing the remainder of such provision or the remaining provisions to this Agreement.

SECTION EIGHTEEN

NO THIRD PARTY BENEFICIARIES

This Agreement is made solely and specifically among and for the benefit of the parties to it, and their respective successors and assigns (subject to the express provisions of this Agreement relating to it), and no other person will have any rights, interest or claims under the terms of this Agreement or be entitled to any benefits under or on account of the Agreement as a third party beneficiary or otherwise.

SECTION NINETEEN

EMPLOYEE REPRESENTATION AND WARRANTY

Employee represents and warrants that he is not operating under any current employment agreement, that he is free to accept the employment described hereunder without violating the rights of any other party, and that he has no obligations to any other party which would preclude him from performing or which would be inconsistent with his duties hereunder.

SECTION TWENTY
EFFECTIVE DATE EVENT

Notwithstanding anything contained to the contrary herein or in any other Agreement between the parties hereto or in the Asset Purchase Agreement dated December __, 2002 between Coast West Broadcasting Corp., a California corporation and Employer (Asset Purchase Agreement), this Agreement shall become effective only at the Closing of the sale contemplated under the Asset Purchase Agreement ("Effective Date Event"), and if the Effective Date Event does not occur for any reason, this Agreement shall be of no force or effect, and the parties hereto shall have no obligations hereunder.

Executed at _____, California on _____ 2003.

EMPLOYER

EMPLOYEE

Mapleton Communications, LLC

By: _____

Michael K. Menerey, President

Brian Costello

Schedule "A"

I. BASIC FUNCTION

The General Manager (hereinafter "Manager") shall see to the effective management and growth on a profitable basis of the radio stations assigned to him; and shall advise, make recommendations to, and assist Haley in the formulation of overall market objectives, policies, and plans.

II. RESPONSIBILITIES AND AUTHORITY

Within the limits of authorized Employer policies, procedures, programs, and budgets, the "Manager" shall be responsible for and has commensurate authority to accomplish the duties set forth below:

1. Formulate long-range objectives, plans, and programs for the market and business areas served by the market assigned to him; and work with Haley and other executives and employees of Employer to integrate these into overall Employer objectives, plans, and programs.
2. Formulate and review the short and long-term objectives and major plans and programs of the market assigned to him, making sure that they are in harmony with and in furtherance of Employer objectives, plans and programs.
3. Insure that authorized plans and programs of his market are properly executed, and that both he and Haley are kept informed on the overall conditions and trends of his market and on all important activities affecting his market.
4. Provide for maintenance of long-range forecasts relating to the market position of the Station under his control, the introduction of new programming, major development expense, financial requirements, personnel needs, organization plans, inventory and facility requirements and the projected effect of all of these on investment and earnings.
5. Develop specific performance standards for his market, in such key result areas as marketing, utilization and development of people, operating efficiency, innovation, physical and financial resources, public responsibility, and profitability; evaluate the performance of his market and the Station under his supervision against these standards; and coach and assist all personnel in improving their planning and performance to meet the standards set.
6. Insure that the Station maintains and uses a plan which suits the objectives of Employer and addresses the particular problems of the market in which they operate; and recommend internal additions, eliminations, or alterations in these plans.
7. Sees that the Station is staffed with competent personnel; that they are

delegated authority and are compensated commensurate with their responsibilities; that necessary reservations of authority are defined and understood; and that personnel are continually being developed so that qualified successors are available for key positions when needed.

8. Recommend the appointment, promotion, retirement, or release within his market of major members of his staff in cases requiring action by the Vice-President Radio Operations; and authorize such actions in cases where he has been delegated final authority by Haley or the Vice-President Radio Operations.

9. See that appropriate salary and wage structures are properly controlled in the market assigned to him; recommend specific salary and wage plans to Haley appropriate to the market assigned to him.

10. Evaluate the need for and effectiveness of proposed Employer-wide policies as it relates to his market and the Station under his control; and recommend appropriate action on establishment of Employee policy as it relates to his market and the Station under his control.

11. Review such contracts and commitments, from or affecting the market assigned to him, that Haley is required to act on, and recommend appropriate action.

12. Review capital expenditure appropriations and requests related to the market and Station assigned to him, and recommend appropriate action.

13. See that the authorized budgetary procedure is properly used in the market and with respect to the Station assigned to him.

14. See that all funds, physical assets, and other property assigned to his market and the Station under his control are properly safeguarded and administered.

15. As necessary, coordinate the operations and the policies of the market and Station assigned to him, with Haley, with the Vice-President Radio Operations and with other executives of Employer, as needed.

16. Execute and perform or cause to be performed such other duties as are necessary to achieve the responsibilities set forth above, and to achieve Employer's goals.

III. RELATIONSHIPS

"Manager" shall observe and maintain the following relationships:

1. Haley:

a. "Manager" is accountable to Haley for proper interpretation and fulfillment of his

functions, responsibilities and authority, and relationships.

b. "Manager" shall keep Haley informed as to the proper performance of his duties hereunder.

2. Other Members of Management

"Manager" shall consult with and encourage other members of management reporting to him as he deems advisable, and stands ready at all times to assist them.

3. Industry and Trade Associations

"Manager" shall cultivate such relationships with industry and trade associations as are necessary or desirable in the best interests of the market that has been assigned to him.

4. Government, Public Service Organizations, Customers, and Vendors.

a. "Manager" shall cultivate such relationships with representatives of government, with various public service organizations, and with customers and vendors as are necessary or desirable in the best interest of the market that has been assigned to him.

b. "Manager" shall engage in such other outside activities as are advantageous toward fulfilling the obligations of the division as a member of industry and the community.

5. Others

"Manager" shall cultivate such other relationships as Haley may from time to time specify.

EXHIBIT "C"

DESCRIPTION OF BONUS PAYMENT PLAN

Seller has elected to defer One Hundred Twenty-Five Thousand Dollars of the Purchase Price ("Deferred Amount"), as set forth in Section 1.2(a)2 hereof. As a result of this deferral, Seller shall be entitled to receive a bonus to be paid when the Station is sold by Buyer to a third party, calculated as though Seller had invested the Deferred Amount in cash at closing to help acquire the Station (the "Bonus Interest"). Seller understands that the Bonus Interest does not represent any legal ownership of Buyer or of the Station, but is merely a name for a methodology of calculating the amount of bonus to be paid to Seller at a future date following the sale of the Station by Buyer. Seller may ask for the return of the Deferred Amount at any time but in the event that Seller should ask for the return of the Deferred Amount at any time prior to six (6) months from the date Buyer acquires the Station, Seller shall be entitled to a return of only the Deferred Amount plus interest at the rate of 4% per annum. If Seller asks for the Deferred Amount after six (6) months but before a sale to a third party, then the calculation of what Seller is entitled to will be based on the appraised value of the Station as though a sale had been made at the appraised value of the Station and selling expenses were 5% of the sale price. Seller will hire one appraiser and Buyer will hire one appraiser and the two appraisers will attempt to agree on a fair market value. If they cannot agree on a value, then they will jointly choose a third appraiser who will determine the appropriate fair market value. The appraisers can be licensed brokers who deal primarily in the purchase and sale of radio stations who have at least five (5) years of full time experience buying and selling radio stations.

The following is the method of calculating the Bonus Interest following an actual or theoretical sale by Buyer to a third party if the Deferred Amount has not been returned to Seller:

1. A computation will be made based on the ratio that the Deferred Amount bears to the purchase price of \$1,050,000, or 11.9048% in this example ($\$125,000/\$1,050,000=11.9048\%$).

2. Assume that the Station is actually or theoretically sold for \$2,000,000 and that net of selling expenses, other closing costs and liabilities of the Station, the net proceeds of the sale are \$1,900,000. As a result, a profit of \$850,000 would be realized, and Bonus Interest would be 11.9048%, or \$101,190.80, which would be paid to Seller within 30 days of the closing of the sale in addition to the Deferred Amount, for a total payment of \$226,190.80.

3. The only liabilities that Buyer shall be allowed to subtract from the actual or theoretical purchase price of the Station are those liabilities that relate directly to the operations of the Station. If for any reason this cannot be determined, and certain operational liabilities relate to more than one station owned by Buyer, then the liabilities shall be fairly allocated based on the ratio that the gross revenue of the Station bears to

the gross revenue of all stations owned by Buyer for which the liability in question is to be determined.

*Mary Costello
Michael J. Fleming*

Schedule 1.1(B)

**The Lease Agreement entered into this 1st day of March 2001,
between Marilyn Joan Madsen Mitty, Joan W. Madsen and
ROCK IT RADIO, LLC**

12/20/02
Michael K. Penney
December '02

KWSZ FM Inventory

TRANSMITTER SITE

<u>Inventory Item</u>	<u>I D Numbers</u>	<u>Valuation</u>
<u>Physical Plant</u>		
1 8X8 foot by 8 foot high, reinforced concrete building with concrete roof and steel door	None	\$10,000.00
2 70 foot Class-One, utility pole with 30' -3" galv. Pipe Antenna Mount	None	\$10,500.00
3 200 AMP Square D Electric Service Panel -30 Slots	None	\$700.00
4 Meter Base and 200 AMP Disconnect at Drop Pole With Weather head and Service Drop and 60 feet of 3 Conductor 3.0 burial service feed in conduit	None	\$1,000.00
5 Single Phase 12" cooling fan & shutter assy. & thermostat	None	\$200.00
<u>Antennas -Transmit and Receive</u>		
6 ERI 3 Bay Circularly Polarized FM Antenna with anti rotation brackets	None	\$4,000.00
7 50 foot 7/8" FM Transmission Line Cable Wave FLC 78-50 With "N" Type Connectors on each end	None	\$700.00
8 Scala 450 U Microwave Receiving Antenna	None	\$500.00
9 20 foot Andrews LDF-450 1/2" Feed Line With "N" Type Connectors on each end	None	\$350.00
<u>Broadcasting Equipment</u>		
10 Model 450 Silicon Valley Power Amp FM Transmitter	Serial # 5769	\$3,500.00
11 Energy-Onyx SST -30 FM Broadcast Exciter	None	\$1,500.00
12 Moseley & Associates PCL-606C Aural STL Receiver	Serial # 35865R	\$3,000.00
13 Modulation Sciences Composite Clipper Model CP 803	Serial # 11230815	\$600.00
14 Sine Systems Remote Control -Model RFC -1B	None	\$700.00
with RP-8 Relay Control Panel	None	\$200.00
		<hr/> <hr/> \$37,450.00

STUDIO SITE

Inventory Item	I D Numbers	Valuation
<u>Broadcasting Equipment</u>		
1 Arrakis Model 500SC Eight Channel Stereo Mixing Console with Rack Mounted Power Supply	None	\$800.00
2 Sennheiser Broadcast Microphone Model 451-u	None	\$250.00
3 Peavey Model 22 Voice Microphone -Guest	None	\$50.00
4 VETEC Model VT 1030 Voice Microphone -Guest	None	\$35.00
5 Toshiba Consumer Grade CD Player	None	\$70.00
6 Symetrix 528E Voice Processor	Serial # 496007	\$400.00
7 INOVONICS Modulation Monitor	Serial # 274	\$900.00
8 CRL Spectral Energy Compressor	Serial # 1464	\$700.00
9 Panasonic Receiver Model RA 6600	Serial # 72350	\$100.00
10 Gorman-Redlich EAS System Model MVZ-EAS1	None	\$800.00
11 SAGE Endec Multi Receiver for EAS Monitoring	None	\$700.00
12 Hewlett-Packard Deskjet 400 Printer for EAS Messages	None	\$60.00
13 Six Foot Equipment Rack Frame	None	\$100.00
14 Six Foot Equipment Rack Cabinet	None	\$200.00
15 Pair of Powered Fostex Model 6301B Speakers	None	\$175.00
16 ECHO Layla Digital Audio Rack Mount Interface	None	\$700.00
17 Intel PIII 700Mhz On Air Computer with 130 Gig Storage	None	\$1,000.00
18 Compac Server Grade PI Editing Computer, Yamaha Sound Card	None	\$300.00
19 Sony Trinitron Model CPD 1425 14" Computer Video Monitor	None	\$50.00
20 INTERGRAPH Model 17 SD 70, 17" Computer Video Monitor	None	\$100.00
21 HITACHI Super Scan 20" Computer Monitor	Serial # 002189	\$100.00
22 LYNXIS Network Connection Switch for Audio Computers	None	\$60.00
23 Compac Deskpro General Use Computer for Internet Access	None	\$100.00
24 IBM 14" Computer Video Monitor	Serial # 2341001	\$700.00
25 Hewlett-Packard Deskjet 660C Printer for Internet Content	None	\$60.00
26 Two UPS For On-Air Equipment	None	\$150.00
27 OMNIA Digital Signal Processor	Serial # 450FLG0507	\$10,000.00
28 Mosely & Associates PCL 606C AuralSTL Transmitter	Serial # 35865T	\$3,500.00
29 Marti Four Foot Microwave Transmitter Dish	None	\$500.00
30 16 foot Andrews LDF-450 1/2" Feed Line With "N" Type Connectors on each end	None	\$200.00
31 Two Workstation Fixtures for On Air and Production Studio	None	\$150.00
32 Radio Shack External FM Antenna		\$20.00
		<hr/> <hr/> \$18,660.00

OFFICE SITE

Inventory Item	I D Numbers	Valuation
<u>Office Equipment</u>		
1 Three Desks -General Purpose -Used	None	\$200.00
2 Six foot Metal Bookshelf	None	\$60.00
3 Double Wide Steel File Cabinet -Three Foot High	None	\$125.00
4 Double Wide Steel File Cabinet -Six Foot High	None	\$200.00
5 Compac Deskpro Server Grade PI Computer	None	\$200.00
6 NEC Multi Sync 17" Monitor	None	\$100.00
6 Hewlett-Packard OfficeJet -Model 600 FAX, Scan, Printer	None	\$200.00
7 3 Posture Desk Chairs	None	\$200.00
8 Three General Purpose Two-Line Telephones	None	\$125.00
		<hr/> <hr/> \$1,410.00

Michael J. Kennedy

**SCHEDULE OF CONTRACTS, LEASES AND AGREEMENTS TO BE
ASSIGNED AND ASSUMED**

Tower Site Lease with Mitty Madsen Ranch (on file)

Studio/Office Lease (month to month) with Tower Property Management, Lompoc, CA

United Stations ("House of Blues" radio program)

Putomayo Music Hour