

ASSET PURCHASE AGREEMENT

by and among

TRI-COUNTY BROADCASTING, INC.

MULTI-SERVICE CORP.

METRO COM CORP.

WEST COM CORP.

and

STATON BROADCASTING, INC.

for the Sale and Purchase of

Stations WQSY(FM) and WCEH(AM), Hawkinsville, Georgia;

Station WPMX(FM), Statesboro;

Station Georgia, WHKN(FM), Millen, Georgia;

Station WKKN(FM), Cordele, Georgia;

Construction Permit BNP-20000128ACO; and

Construction Permit for WMRZ, File No. BPH-19970925NI

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (“Agreement”), made and entered into as of this 8th day of May, 2003, by and among **TRI-COUNTY BROADCASTING, INC.**, (“Tri-County”), **MULTI-SERVICE CORP.** (“Multi-Service”); **WEST COM CORP.** (“West Com”) and **METRO COM CORP.** (“Metro Com”), each a corporation organized under the laws of the State of Georgia (when referred together hereinafter, “Seller”), and **STATON BROADCASTING, INC.**, a corporation organized under the laws of the State of Georgia (“Buyer”).

WITNESSETH:

WHEREAS, Tri-County holds certain licenses, permits and authorizations issued by the Federal Communications Commission (the “Commission”) for the operation of Stations WQSY(FM), FCC Facility No. 67693 and WCEH(AM), Facility No. 67705, Hawkinsville, Georgia; and

WHEREAS, Multi-Service holds certain licenses, permits and authorizations issued by the Federal Communications Commission (the “Commission”) for the operation of Stations WPMX(FM), FCC Facility No. 51398, Statesboro, Georgia and WHKN(FM), Facility No. 54511, Millen, Georgia; and

WHEREAS, Metro Com holds certain licenses, permits and authorizations issued by the Federal Communications Commission (the “Commission”) for the operation of Station WKKN(FM), FCC Facility No. 60414 and a construction permit for Commission consent to the construction of a new AM station to serve Cordele, Georgia (File No. BNP-20000128ACO, Facility No. 122546); and

WHEREAS, West Com holds certain licenses, permits and authorizations issued by the Federal Communications Commission (the “Commission”) for the construction of a new FM station to serve Dawson, Georgia, File No. BPH-19970925NI, Facility No. 88542, which has been assigned the call sign WMRZ (hereinafter “WMRZ”); and

WHEREAS, Seller owns or leases and desires to sell and/or assign, and Buyer desires to purchase and/or assume all of the assets, property and business used (or in the case of construction permit File Nos. BNP-20000128ACO and BPH-19970925NI, to be used) in the operation of the Stations WQSY, WCEH, WPMX, WHKN, WKKN, CP File No. BNP-20000128ACO and the CP for WMRZ (hereinafter, the “Stations”); and

WHEREAS, the assignment of the licenses and permits of the Stations is subject to the prior approval of the Commission; and

WHEREAS, Buyer and Seller also are entering into simultaneously with the execution of this Agreement a Time Brokerage Agreement (“TBA”) for the sale of substantially all of the time on Stations WQSY, WCEH, WPMX, WHKN and WKKN.

NOW, THEREFORE, the parties, intending to be legally bound, agree as follows:

SECTION 1
ASSETS TO BE SOLD

1.1 On the Closing Date, Seller shall sell, assign, transfer, convey, set over, and deliver to Buyer, and Buyer shall purchase and/or accept assignment of the following (hereinafter collectively the “Assets”) free and clear of any security interests, claims, encumbrances, liens or liabilities except for Permitted Liens. “Permitted Liens” shall consist only of (i) Liens for taxes, assessments, water and sewer charges, license fees, and all other fees, special assessments and charges assessed or imposed by a public body upon the Purchased Assets or any part thereof, provided such fees assessments or taxes are not yet due and payable or are being contested in good faith in an appropriate proceeding and disclosed in **Schedule 1.1**; (ii) zoning laws and ordinances; (iii) rights reserved to any governmental authority to regulate the affected property; and (iv) those additional liens described on **Schedule 1.1**:

1.1.1 **Authorizations**. All licenses, permits and authorizations issued or granted by the Commission for the operation of, or used in connection with the operation of the Stations and all applications filed with the Commission (hereinafter “Commission Authorizations”) which are listed in **Schedule 1.1.1**. All franchises, licenses, permits, and authorizations issued by any administrative body or licensing authority or governmental or regulatory agency, other than Commission Authorizations, used or useful in connection with the operation of the Station (hereinafter “Other Authorizations”) which are listed in **Schedule 1.1.1**.

1.1.2 **Tangible Personal Property**. All of Seller’s rights in and to all fixed and tangible property used and useful in the operation of the Stations, including but not limited to that described and listed in **Schedule 1.1.2**, together with replacements thereof, additions and alterations thereto, and substitutions therefor, made between the date hereof and the Closing Date (hereinafter collectively the “Tangible Personal Property”).

1.1.3 **Agreements**. All Seller’s rights to and in the contracts and agreements to which Seller or the Stations is a party listed in **Schedule 1.1.3**, and all real property leases to which Seller is a party with respect to the Stations listed in **Schedule 1.1.3.1** (hereinafter collectively “Agreements”), together with all contracts and agreements and leases, entered into or acquired by the Seller between the date hereof and the Closing Date which have been approved in writing by Buyer, and all right, title and interest of Seller in and to all orders and agreements for the sale of advertising time and for the production of any programming on the Stations for cash, and all trade, barter and similar agreements for the sale of advertising time and for the production of any programming on the Stations other than for cash, and all such orders and agreements for advertising time entered into between the date hereof and the Closing Date, each in the ordinary course of business, and to the extent the foregoing have not been performed as of the Closing Date, in each case to which Seller or the Stations is a party and to be assumed by Buyer pursuant to this Agreement (hereinafter collectively “Advertising Contracts”). The only agreements for advertising time for trade, barter, or similar arrangement that Buyer shall be required to assume are listed on **Schedule 1.1.3**.

1.1.4 **Intangibles.** All right, title and interest of Seller in and to logos, jingles, marketing plans, copyrights, trademarks, trade names, websites, domain names, and other intangible property of Seller set forth on **Schedule 1.1.4** attached hereto and made a part hereof (hereinafter collectively the “Intangibles”), and in all current call signs and all call signs identified with the Stations subsequent to the execution of this Agreement.

1.1.5 **Business Records.** Copies of financial records, engineering, advertising reports, programming studies, consulting reports, computing software, marketing data, and business and personnel records relating solely to the business or operation of the Stations (hereinafter collectively “Business Records”) or to assets or agreements purchased or assumed by Buyer.

1.1.6 **Real Property.** Seller’s interests in real property owned or leased by Seller and used or useful in the operation of the Stations (“Real Property”), as set forth on **Schedule 1.1.3.1**, and all fixtures and appurtenances thereto.

1.2 **Excluded Assets.** The Assets shall not include the following assets along with all rights, title and interest therein which shall be referred to as the “Excluded Assets”:

1.2.1 All cash, cash equivalents or similar type investments of Seller, such as certificates of deposit, Treasury bills and other marketable securities on hand and/or in banks;

1.2.2 Seller’s accounts receivable for services performed by it in connection with the operation of the Stations prior to Closing (“Seller’s Accounts Receivable”);

1.2.3 All claims, rights and interest of Seller to any (i) refunds of taxes or fees of any nature whatsoever or (ii) deposits or utility deposits, which in each case relate solely to the period prior to the Closing Date;

1.2.4 All contracts that have terminated or expired prior to the Closing Date in the ordinary course of business or as permitted hereunder;

1.2.5 All contracts of Seller not assumed by Buyer;

1.2.6 Seller’s minute books, charter documents, partnership records, and such other books and records as pertain to the organization, existence or share capitalization of Seller, as well as any other records or materials relating to Seller generally and not involving the assets or operation of the Stations;

1.2.7 Contracts of insurance, including the cash surrender value thereof, and all insurance proceeds or claims made by Seller prior to the Closing Date;

1.2.8 All pension, profit sharing or cash or deferred (Section 401(k)) plans and trusts and the assets thereof and any other employee benefit plan or arrangement and the assets thereof, if any, maintained by Seller;

1.2.9 All tangible assets listed on **Schedule 1.2.2**.

1.3 **Assignments of Contracts**. Buyer and Seller acknowledge that certain of the Contracts to be included in the Purchased Assets, and the rights and benefits thereunder necessary or appropriate or relating to the conduct of the business and activities of Seller and/or the Stations, may not, by their terms, be assignable. Such contracts are identified by an asterisk on **Schedule 1.1.3**. Anything in this Agreement to the contrary notwithstanding, this Agreement shall not constitute an agreement to assign any such Contract so identified, and Buyer shall not be deemed to have assumed the same or to be required to perform any obligations thereunder, if an attempted assignment thereof, without the consent of a third party thereto, would constitute a breach thereof or in any way affect the rights under any such Contract of Buyer or Seller thereunder. Notwithstanding the foregoing, in such event, upon request of Buyer, Seller will cooperate with Buyer in all lawful ways to provide for Buyer all benefits to which Seller is entitled under such Contracts so long as Buyer undertakes to perform or cause to be performed the obligations of Seller under such Contracts, and any transfer or assignment to Buyer by Seller of any such Contract or any right or benefit arising thereunder or resulting therefrom which shall require the consent or approval of any third party shall be made subject to such consent or approval being obtained. Seller will use its best efforts prior to, and if requested by Buyer after, the Closing Date to obtain all necessary consents to the transfer and assignment of the Contracts. Buyer will cooperate with Seller, to the extent reasonably requested by Seller, to obtain any such consents provided that Buyer shall have no obligation to make expenditures or grant any financial accommodation to obtain any such consent. Consent to the assignment of all contracts not marked with an asterisk must be obtained as a condition precedent to Buyer's obligation to close the transactions contemplated by this Agreement unless such consent is waived by Buyer.

1.4 **Satisfaction of Liens**. At the Closing, Seller shall cause all Liens on or relating to any of the Purchased Assets (other than Permitted Liens), to be released, extinguished and discharged in full, and shall deliver to Buyer instruments releasing, extinguishing and discharging all such Liens, and all rights and claims of any holder(s) of any of such Liens with respect to any of the Purchased Assets, all in such form and substance as Buyer shall reasonably require (collectively the "Lien Release Instruments").

SECTION 2 **PURCHASE PRICE**

2.1 **Purchase Price**. Except as may be provided in Section 2.2 below, in consideration of Seller's performance of this Agreement, the total purchase price (the "Purchase Price") to be paid by Buyer shall be Three Million Three Hundred and Fifty Thousand Dollars (\$3,350,000.00), as adjusted pursuant to Section 3, hereto. The Purchase Price shall be paid as follows:

2.1.1 **Payment of Purchase Price**. Concurrent with the execution of this Agreement, Buyer shall deliver One Hundred and Sixty Seven Thousand Five Hundred Dollars (\$167,500.00) (the "Escrow Deposit"), which amount shall be held by Dan J. Alpert, as Escrow Agent for the transaction, and which shall be released and credited to Buyer at Closing. Also

concurrent with the execution of this Agreement, Seller, Buyer and Escrow Agent shall enter into an Escrow Agreement governing the Escrow Deposit. The Escrow Agreement is attached hereto as **Exhibit A**. The Purchase Price shall be paid as follows:

- a) at Closing, Seller and Buyer shall jointly release the Escrow Deposit;
- b) at Closing, Buyer shall pay the remainder of the Purchase Price via cash, certified check, and same day wired funds.

2.2 **Allocation of Purchase Price.** At least thirty (30) days prior to the Closing Date, the parties agree to allocate the Purchase Price pursuant to the requirements of Section 1060 of the Internal Revenue Code of 1986. In the event that the parties are unable to reach such an agreement prior to the Closing Date, they will select a qualified, independent and nationally recognized appraiser of broadcast properties and that firm's decision shall be binding upon the parties and the fees and expenses shall be borne equally by Buyer and Seller. The parties also agree to use such Purchase Price allocation in completing and filing Internal Revenue Code Form 8594 for federal income tax purposes.

SECTION 3 **ADJUSTMENTS**

3.1 **Adjustment Time.** The "Adjustment Time" as used herein shall be 12:01 A.M. current local time on Closing Date.

3.2 **Adjustment Items.**

3.2.1 The following items (the "Adjustment Items") shall be prorated as of the Adjustment Time, assuming a 365-day year or a 28-day, 30-day or 31-day month, as appropriate, and monies shall be paid at Closing in accordance with Section 3.3 herein below.

(a) Rentals or other charges, payable or paid in respect of leasehold interests or tenancies, or leased transmitter sites, studios, offices or other Real Property or equipment under any lease or tenancy of Real Property, and any and all equipment leases described in **Schedule 1.1.3.**

(b) Real and personal property taxes and assessments (including sewerage assessments and fees), and annual Regulatory Fees levied or assessed against or otherwise paid or payable with respect to any of the Assets.

(c) Transferable license, permit, and registration fees, and like items.

(d) Charges for utilities (including but not limited to electricity, fuel, water, basic monthly telephone charges, long distance telephone calls, and sanitation and garbage disposal) furnished to or in connection with the Stations.

(e) License agreements with ASCAP, BMI and SESAC.

(e) Unpaid or prepaid obligations of Seller with respect to any lease, contract, or agreement which Buyer assumes, including, without limitation, prepaid premiums on any insurance policies that Seller has agreed to assign to Buyer and Buyer elects to assume. Seller shall be compensated by Buyer for any Security Deposits, if any, previously paid by Seller for any such obligations in any amounts to which it is entitled.

(f) Any revenue in any form (including, without limitation, cash and credit) received by Seller with respect to Buyer's operation of the Stations after the commencement of the TBA.

(g) Other similar items applicable to the Assets and/or attributable to the operations, advertising and/or the business of the Stations, it being the intention of the parties that all operations and the business of the Stations prior to the Adjustment Time shall be for the account of Seller, and all operations and business of the Stations after the Adjustment Time shall be for the account of Buyer.

3.2.2 If the amount of any real or personal property tax or other regulatory fee to be prorated is not known on the Closing Date, such tax or fee shall be apportioned on the basis of the most recent tax assessment or based on the fees due in the prior year. As soon as the new tax rate and valuation can be ascertained, there shall be a reapportionment and adjustment with respect to such tax or fee even though that final proration and adjustment may take place more than sixty (60) days after the Closing Date.

3.3 Buyer shall not be obligated to assume any obligations with respect to Seller's employees. All obligations for unused vacation time, severance fees or other costs and expenses relating to Seller's employees shall be solely expenses of Seller.

3.4 **Adjustments After Closing Date.** Except as provided in Section 3.2.2, if the amount of any Adjustment Item(s) cannot be readily ascertained or agreed upon on the Closing Date, proration of such items shall be determined within sixty (60) days after the Closing Date and payment therefor shall be made to the party entitled thereto within five (5) days after notice of such determination thereof has been given to Buyer or Seller, as the case may be. In the event of any disputes between the parties as to adjustments, the amounts not in dispute shall nonetheless be paid at the time provided in this Section and such disputes shall be determined by an independent certified public accountant mutually acceptable to the parties. The accountant's resolution of the dispute shall be final and binding on the parties, and a judgment may be entered thereon in any court of competent jurisdiction. The fees and expenses of such accountant shall be paid one-half by Seller and one-half by Buyer. In the event Stations WPMX(FM), FCC Facility No. 51398, Statesboro, Georgia and WHKN(FM), Facility No. 54511, Millen, Georgia are sold by Buyer as a group within the next two years to the Starr Group, or to any group with substantially the same principals as the Starr Group, or any person or group acting on its behalf, then Seller shall be entitled to receive from the proceeds of such sale a sum equal to the lesser of (a) \$100,000 or (b) 25% of any Consideration received for the sale of Stations WPMX and WHKN received above \$1,500,000. The Consideration received shall be determined on the basis of the total consideration received by Buyer, which shall be construed as including, but not

limited to, any payments received by Buyer for any time brokerage agreement, consultancy agreement, or covenant not to compete; stock; notes payable to Buyer; or for any liabilities assumed by the buyer of Stations WPMX and WHKN. In the event Stations WPMX and WHKN are sold as part of a larger group sale and Seller does not agree with the allocation of the purchase price assigned to WPMX and WHKN in such sale, the pro-rata division of the proceeds of such sale between the several stations for purposes of determining the sum due to Seller under this subsection shall be determined by an appraisal of stations involved in the group sale. In such case, Seller and Buyer shall share in the cost of any such appraisal.

SECTION 4

APPLICATION TO AND CONSENT BY COMMISSION

4.1 **Commission Consent.** Buyer and Seller acknowledge that consummation of the purchase and sale provided for herein and the performance of the obligations of Seller and Buyer under this Agreement is subject to the Commission consent to the assignment of the Commission Authorizations from Seller to Buyer or Designee.

4.2 **Application For Commission Consent.**

(a) Seller and Buyer agree to proceed expeditiously and with due diligence and in good faith and to use their best efforts and to cooperate with each other in seeking the Commission's approval of the transactions contemplated hereunder. Within five (5) business days after the date of this Agreement, each party shall have prepared its portion of the Assignment Application and all information, data, exhibits, resolutions, statements, and other materials necessary and proper in connection with such Assignment Application. Each party further agrees expeditiously to prepare Assignment Application amendments, and respond to oral or written inquiries within five days of such requests, and to answer pleadings in accordance with the provisions of the Commission's rules.

(b) Each party shall bear its own expenses incurred for the preparation, filing and prosecution of the Assignment Application. The parties agree that counsel for Seller shall file the Assignment Application after receiving authorization to do so from counsel for Buyer. The parties shall split equally all Filing Fees imposed by the Commission.

(c) Each party agrees to comply with any condition imposed on it by the Commission, except that no party shall be required to comply with a condition that would have a material adverse effect upon it unless the condition was imposed as the result of a circumstances which constitutes a breach by that party of any of its representations, warranties, or covenants in this Agreement. Buyer and Seller shall oppose any efforts for reconsideration or judicial review of the grant by the Commission of the assignment application (but nothing in this Section shall limit any party's right to terminate this Agreement in accordance with the terms herewith).

SECTION 5 **ASSUMPTIONS**

5.1 **Liabilities.** The Assets shall be sold and conveyed to Buyer free and clear of all liabilities (absolute or contingent), obligations, liens (including tax, mechanics' and materialmen's liens), pledges, conditional sales agreements, charges, mortgages, security interests, encumbrances and restrictions of any type or amount created or suffered by Seller prior to the Closing Date, whether existing now or in the future, except for Permitted Liens.

5.2 **Buyer's Assumed Obligations.** Buyer covenants and agrees to assume at Closing and discharge following the Closing all of the unperformed duties of the Seller accruing after the Closing Date under the Agreements listed in **Schedules 1.1.3 and 1.1.3.1**, as well as and including whatever executory obligations which exist on the Closing Date for the broadcast of air time and only those trade obligations set out on **Schedule 1.1.3**, provided that all such obligations are under agreements where neither party is in breach as of the Closing Date (the "Assumed Obligations"). Buyer shall assume such unperformed duties of Seller only to the extent that such duties accrue after on or after Closing based on the operation of the Stations after the Closing Date, and pursuant to agreements disclosed to Buyer herein. Except as specifically assumed by Buyer in this Agreement, Buyer is not agreeing to, and shall not, assume any other liability, obligation, undertaking, expense or agreement of Seller of any kind, absolute or contingent, known or unknown, and the execution and performance of this Agreement shall not render Buyer liable for any such liability, obligation, undertaking, expense or agreement ("Excluded Obligations").

5.3 **Seller's Liability.** Seller shall remain liable for, and covenants to pay, satisfy, or discharge when due, all Excluded Obligations and all liabilities, payments, obligations, and duties under the Agreements or other instruments transferred or assigned to Buyer hereunder, accruing prior to or by reason of events occurring prior to Closing. With respect to any contingent liabilities and any accounts payable of Seller which are not known or due as of Closing, Seller and Buyer agree at the Closing to enter into arrangements reasonably satisfactory to Buyer concerning the payment by Seller of such accounts payable and the satisfaction of any contingent liabilities.

SECTION 6 **REPRESENTATIONS WARRANTIES AND COVENANTS OF SELLER**

6.1 **Seller's Best Knowledge.** "To the best of Seller's knowledge" shall mean the actual knowledge of Seller after (i) due inquiry of all managers, department heads or other similar employee or agent of Seller and all attorneys and accountants employed by Seller having responsibility for or holding a position that reasonably could be expected to involve substantial knowledge about the subject matter to which such Seller's Best Knowledge relates; and (ii) due examination of any documents, correspondence or other items contained in the files of Seller or the Stations pertaining to such subject matter.

6.2 **Standing.**

6.2.1 Seller is now and on the Closing Date each will be a corporation validly existing and in good standing under the laws of the State of Georgia. Seller has the full power to own the assets and to carry on the business of the Stations as they now are being conducted and is qualified and in good standing in the State of Georgia.

6.2.2 Seller has the full power and authority to enter into this Agreement and to execute all of Seller's Closing Documents that require Seller's signature. The execution, delivery and performance of this Agreement (as of the date of execution of this Agreement and on the Closing Date) and the Seller's Closing Documents (on the Closing Date) are or will be authorized by all necessary actions of the Seller.

6.3 **Binding Effect of Agreement.** This Agreement constitutes a valid and binding obligation of Seller enforceable against Seller in accordance with the terms of this Agreement. Upon execution, the Seller's Closing Documents will constitute valid and binding obligations of Seller enforceable against Seller in accordance with their terms except as may be limited by laws affecting the enforcement of creditor's rights or equitable principles generally. The execution, delivery, and performance of this Agreement or any of the Closing Documents do not violate any provisions of the Articles of Incorporation or By-Laws of Seller, or contract provision or other commitment to which Seller or the Stations is a party or under which it or its property is bound, or any judgment or order, and will not result in the creation or imposition of any lien, charge, security interest, or encumbrance of any nature whatsoever upon any of the Assets. The execution, delivery, and performance of this Agreement or any of the Closing Documents do not violate any contract provision or other commitment to which Buyer is a party or under which it or its property is bound, or any judgment or order, and, except as contemplated herein.

6.4 **Real and Tangible Personal Property.**

6.4.1 **Real Property Leases.** **Schedule 1.1.3.1** attached hereto accurately lists and describes all of the real property owned, leased or otherwise held or used by the Stations which is being assigned or transferred to the Buyer. The real property listed in **Schedule 1.1.3.1** comprises all real property interests necessary to conduct the business or operations of the Stations as now conducted, for the periods stated therein, except as otherwise specified herein. The current real property and the structures located thereon, and the present uses thereof, conform in all respects with all material restrictive covenants and with all applicable zoning, environmental, and building codes, laws, rules and regulations. There are no pending or, to the best of Seller's knowledge, threatened condemnation or eminent domain proceedings that may have a material adverse effect on Buyer's use of the real property for the operation of the Stations after Closing. To the best of Seller's knowledge, there are no structural defects in the towers, buildings, structures and other improvements located on the real property. All utilities that are necessary for the present operation of the Stations have been connected to the Real Property and are in working order. To the best of Seller's knowledge, no utility lines serving the Stations pass over the lands of others except where appropriate easements or licenses have been obtained. Seller's use and occupancy of the real property comply in all material respects with all regulations, codes, ordinances, and statutes of all Governmental Authorities, including without

limitation all zoning, health, environmental protection and sanitary regulations and all occupational safety and health regulations. The transmitting facilities of the Stations, including the tower, guy wires and ground systems, are now and on the Closing Date will be located entirely on the confines of the Real Property owned by Seller. Seller represents that it has access to the real property set forth in **Schedule 1.1.3.1**.

6.4.2 **Tangible Personal Property.** **Schedule 1.1.2** attached hereto accurately lists all major items of Tangible Personal Property owned, leased, or otherwise held by the Stations and/or Seller. Seller represents and warrants that the Tangible Personal Property being conveyed is sufficient to carry out the normal operations of the Stations. Except as permitted in Section 1.1.2, Seller is the owner of and at Closing, will have good, clear, marketable, and indefeasible title to all of the Tangible Personal Property being conveyed as described and listed in **Schedule 1.1.2**, free and clear of all liens, charges, encumbrances, restrictions, debts, demands, or claims of any kind or nature whatsoever. Prior to or simultaneously with Closing, Buyer shall acquire good, clear, marketable and indefensible title to any Leased Equipment and transfer said title to the Leased Equipment to Buyer, free and clear of all liens, charges, encumbrances, restrictions, debts, demands, or claims of any kind or nature whatsoever.

6.4.4 **Condition of Property.** At Closing, the Tangible Property listed, including the Tangible Personal Property listed in **Schedule 1.1.2** (except as expressly noted therein) shall be transferred “as is, where is,” in good operating condition. Seller warrants that such equipment is sufficient to operate the Stations in accordance with its FCC Authorizations, and that the equipment is currently operating in compliance with Commission rules, regulations and policies. Seller does not have any material assets used, held for use in, related in any way to, or required for, the conduct of the business of the Stations which are not set forth in the schedules hereto or otherwise described in Section 1.1 hereof, and the Assets include all of the assets necessary for the business of the Stations as they are currently conducted by Seller.

6.5 **Agreements.** **Schedule 1.1.3** accurately lists all agreements, leases and other contracts (or, when the same are oral, a complete and correct description thereof) with respect to the Stations to be conveyed hereby to Buyer (except for contracts for the sale of advertising time for cash on the Stations sold substantially at rates and upon terms consistent with the Stations’ customary and normal selling business practices) to which, as of the date hereof, Seller and/or the Stations is a party or by which Seller and/or the Stations may be bound or obligated in any way.

6.6 **Authorizations.** To the extent identified at the beginning of this Agreement, Seller is the authorized legal holder of all licenses, permits, and authorizations necessary to operate the business of the Stations lawfully as it is now being conducted, including, without limitation, all Commission Authorizations and all Other Authorizations listed in **Schedule 1.1.1**, none of which is subject to any restrictions or conditions which would limit in any respect the full operation of the Stations as now operated. All such Commission Authorizations are validly existing authorizations for the operation of the facilities described therein under the Communications Act of 1934, as amended. Seller is operating the Stations at maximum authorized facilities and in accordance with all material terms of the Commission Authorizations, the underlying construction permits and all rules, regulations and policies of the Commission.

There is no action pending nor to Seller's knowledge, threatened, before the Commission or other body to revoke, refuse to renew, suspend or modify any of the Commission Authorizations or any Other Authorization, or any action which may result in the denial of any pending applications, the issuance of any cease and desist orders, or the imposition of any administrative sanctions whatsoever with respect to the Stations or its operation.

6.7 **Litigation and Insurance.**

6.7.1 **Litigation; Compliance With Law.** The Stations are in compliance in all material respects with all applicable federal, state and local laws, ordinances and regulations, including compliance with the Communications Act and all rules and regulations issued thereunder. Except for proceedings affecting the broadcasting industry in general, there is no complaint, claim, litigation, investigation, or judicial, administrative, or other proceeding of any nature, including, without limitation, a grievance, arbitration, or insolvency or bankruptcy proceeding, pending, or to Seller's knowledge, threatened, against the Stations, Seller, or any of the Assets being sold or transferred to Buyer, including, without limitation, any proceeding which may (a) adversely affect the Assets or the Commission Authorizations or Other Authorizations to be assigned hereunder, or the operation of the Stations, or the ability of Buyer to own and operate the Stations, or the use, ownership, or operation of any of the Assets by Buyer, (b) restrain or enjoin the Closing or the consummation of the transactions contemplated hereby, or (c) result in the revocation, modification or suspension of the Commission Authorizations or Other Authorizations, or the issuance or imposition of any administrative sanction that might adversely affect the Assets or the Commission Authorizations or Other Authorizations, or the operation of the Stations or the ability of Buyer to own and operate the Stations or the use, ownership, or operation of any of the Assets by Buyer. In addition, to Seller's knowledge, no such litigation, investigation, or proceeding has been threatened which would result in a material adverse effect upon the Stations or its business, operations, prospects or conditions (financial or otherwise). Seller will give Buyer prompt notice of its discovery of any such basis or the institution or the threat of any such litigation, investigation, or proceeding. Seller is not in default in respect to any judgment, order, writ, injunction, decree, rule, or regulation of any applicable court or governmental body, which default could have a materially adverse effect on the Assets or the Stations.

6.7.2 **Insurance.** All of the Tangible Personal Property, including the Tangible Personal Property listed in **Schedule 1.1.2** is insured, and such insurance includes public liability insurance for the Stations, and such policies are in full force and effect.

6.8 **Employees and Labor Relations.**

6.8.1 Seller: (a) is not a party to any collective bargaining agreement covering or relating to any of Stations' employees and has not recognized, and to Seller's knowledge, is not required to recognize, and has received no demand for recognition by any contract with any of the employees of the Stations or to any other employment contract, labor agreement, or union agreement, written or oral; (b) other than as disclosed in the Schedules, has not promulgated any policy or entered into any agreement relating to the payment of pensions, profit sharing, or

bonuses to any of its employees whose employment, if terminated or suspended, for which Buyer will be liable; and (c) to Seller's knowledge, has not committed any unfair labor practices.

6.8.2 Seller has complied in all material respects with all applicable laws, rules and regulations relating to the employment of labor, including those relating to rates, hours, equal employment opportunity, collective bargaining, and the withholding and payment of taxes and contributions and has withheld all amounts required by law or agreement to be withheld from the wages or salaries of the Stations' employees and is not liable to the employees or any government body for arrears of wages or for any tax or penalty for failure to comply with the foregoing.

6.9 **Taxes and Other Matters.**

6.9.1 **Payment of Taxes.** All returns and reports concerning franchise taxes, unemployment insurance, withholding and payroll taxes, sales taxes, personal property taxes, license taxes, social security taxes, and all other reports required to have been filed by the Seller relating to the Assets, the Stations, and/or their operation pursuant to any law or regulation have been duly filed, and all taxes, interest, assessments, and penalties which are due to any taxing authority, federal, state, or local, with respect to any tax period ending on or prior to the making of this warranty have been duly paid.

6.9.2 **Bankruptcy.** No voluntary or, to Seller's knowledge, involuntary petition in bankruptcy, receivership, insolvency, or reorganization with respect to Seller, or petition to appoint a receiver or trustee of Seller's property, has been filed by or, to Seller's knowledge, against Seller. Seller has not made any assignment for the benefit of its creditors, and has not permitted any judgment, execution, attachment or levy against it or against any of its properties to remain outstanding or unsatisfied for more than thirty (30) days.

6.9.3 **Environmental Matters.** Seller makes the following representations and warranties with respect to environmental matters, that to the best of Seller's knowledge:

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

(b) Seller has no liability (and Seller has not handled or disposed of any substance, arranged for the disposal of any substance, or owned or operated any property or facility in any manner that could form the basis for any present or future charge, complaint, action, suit, proceeding, hearing, investigation, claim or demand (under the common law or pursuant to any statute) against Seller giving rise to any liability) for environmental damage to any site, location, or body of water (surface or subsurface) or for environmental illness or personal injury.

(c) Seller has no liability (and there is no basis related to the past or present operations, properties, or facilities of Seller for any present or future charge, complaint, action, suit, proceeding, hearing, investigation, claim, or demand against Seller giving rise to any liability) under the Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act, the Federal Water Pollution Act, the Clean Water Act, the Safe Drinking Water Act, the Toxic Substances Control Act, the Refuse Act, or the Emergency Planning and Community Right-to-Know Act (each as amended) or any other law, rule, or regulation of any federal, state or local government (or agency thereof) concerning release or threatened release of hazardous substances, public health and safety, or pollution or protection of the environment.

(d) Seller has obtained and been in compliance in all material respects with all of the terms and conditions of all permits, licenses, and other authorizations which are required under, and has complied with all other limitations, restrictions, conditions, standards, prohibitions, requirements, obligations, schedules, and timetables which are contained in, all federal, state and local laws, rules, and regulations (including all codes, plans, judgments, orders, decrees, stipulations, injunctions, and charges thereunder) relating to public health and safety, worker health and safety, and pollution or protection of the environment, including laws relating to emissions, discharges, releases, or threatened releases of pollutants, contaminants, or chemical, industrial, hazardous, or toxic materials or wastes into ambient air, surface water, ground water, or lands or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of pollutants, contaminants, or chemical, industrial, hazardous, or toxic materials or wastes.

(e) All properties and equipment used in the business of Seller are and have been free of asbestos and asbestos-related products, PCB's, methylene chloride, trichloroethylene, 1, 2-trans-dichloroethylene, dioxins, dibenzofurans, and Extremely Hazardous Substances (as defined in Section 302 of the Emergency Planning and Community Right-to-Know Act).

(f) No pollutant, contaminant, or chemical, industrial, hazardous, or toxic material or waste has ever been manufactured, buried, stored, spilled, leaked, discharged, emitted, or released by Seller, or, to the best of Seller's knowledge, after due investigation, by any other party on any Real Property.

6.9.4 **OSHA Matters.** To the best of Seller's knowledge, Seller is in compliance with the requirements of the Occupational Safety and Health Act and the regulations promulgated thereunder and any similar laws or regulations of any state or local jurisdiction ("OSHA"). Seller has not received any citation from the Occupational Safety and Health Administration or any comparable administration of any state or local jurisdiction (an "Administration") or any Administration inspector setting forth any respect in which the facilities or operation of Seller are not in compliance with OSHA, or the regulations under such act, which non-compliance has not been corrected or remedied to the satisfaction of such Administration or inspector. Seller has heretofore furnished to Buyer copies of all citations heretofore issued to Seller and relating to the Stations under OSHA and copies of all

correspondence from and to such Administration and any Administration inspectors during the past three (3) years.

6.9.5 **No Liabilities Attaching to Buyer.** Except as expressly provided in this Agreement, there are no liabilities of any kind or nature whatsoever of Seller that attach or will, after the consummation of the transaction contemplated hereby, attach to Buyer, including, without limitation, any liability for or arising out of: (a) employee withholding, (b) worker's compensation, or (c) unemployment compensation.

6.9.6 **No Untrue Statements or Omission.** No representation or warranty made by Seller in this Agreement or any Schedule, exhibit, statement, certificate, or other document heretofore or hereafter furnished by Seller, or on its behalf, to Buyer and pursuant to this Agreement or in connection with the transactions contemplated hereby contains or will contain any knowingly untrue statement or knowingly omits to state a material fact necessary to make the statements contained therein not misleading. All representations and warranties of Seller set forth in this Agreement shall be true, complete and accurate in all material respects as of the Closing Date as if made on that date.

SECTION 7

WARRANTIES, REPRESENTATIONS AND COVENANTS OF BUYER

Buyer covenants, represents, and warrants as follows:

7.1 **Organization and Standing.** Buyer is a corporation organized under the laws of the State of Georgia, and is duly qualified to do business and be in good standing in the State of Georgia.

7.2 **Authorization and Binding Obligation.** Buyer has all necessary power and authority to enter into this Agreement and all of Seller's Closing Documents that require Buyer's signature. The execution, delivery and performance of this Agreement (as of the date of execution of this Agreement and on the Closing Date) and the Buyer's Closing Documents (on the Closing Date) are or will be authorized by all necessary actions of Buyer. This Agreement constitutes a valid and binding obligation of Buyer enforceable against Buyer in accordance with the terms of this Agreement. Upon execution, the Buyer's Closing Documents will constitute valid and binding obligations of Buyer, enforceable against Buyer in accordance with their respective terms.

7.3 **No Contravention.** The execution, delivery, and performance of this Agreement or any of the Closing Documents do not violate any contract provision or other commitment to which Buyer is a party or under which it or its property is bound, or any judgment or order, and, except as contemplated herein.

7.4 **Litigation.** Except for administrative rule making or other proceedings of general applicability to the broadcast industry, there is no litigation, proceeding, judgment, claim, action,

investigation or complaint threatened against or affecting it which would affect Buyer's authority or ability to carry out this Agreement.

7.5 **Buyer's Qualifications.** There is no fact that would, under present law (including the Communications Act of 1934, as amended) and the present rules and regulations of the Commission, disqualify Designee from being the assignee of the Stations. Buyer is financially qualified, as that expression is defined by the FCC, to file the Assignment Application and to consummate the transaction contemplated herein.

7.6 **No Untrue Statements or Omission.** No representation or warranty made by Buyer in this Agreement or any Schedule, exhibit, statement, certificate, or other document heretofore or hereafter furnished to Seller and pursuant to this Agreement or in connection with the transaction contemplated hereby contains or will contain any knowingly untrue statement or knowingly omits to state a material fact necessary to make the statement contained therein not misleading.

SECTION 8

SELLER'S CONDUCT OF BUSINESS PRIOR TO CLOSING AND BUYER'S ACCESS TO INFORMATION

8.1 **Affirmative Covenants of Seller.** From the date of this Agreement until the Closing Date, except as contemplated the the TBA, Seller shall have complete control and supervision of and sole responsibility for the Stations or their operation, and during such period, except as contemplated by the TBA, Seller shall:

8.1.1 Operate the Stations in accordance in all material respects with the rules and regulations of the Commission, the Commission Authorizations and the Other Authorizations and file all ownership reports, employment reports and other documents required to be filed during such period and maintain copies of the Stations' required filings.

8.1.2 Maintain all of the Tangible Personal Property, as specified in **Schedule 1.1.2**, so that when the same are delivered to Buyer they shall satisfy all the warranties in all material respects on the part of Seller set forth herein, subject to reasonable wear and tear.

8.1.3 Maintain the existing inventory levels of the Stations (including spare parts, tubes, equipment and the like) and shall replace inventory items expended, depleted or worn out.

8.1.4 Operate the Stations in the ordinary course of business and substantially in the same manner as heretofore operated, particularly with regard to maintaining current year budgeted levels for operating expenses in the areas of programming, sales, technical and advertising and promotion.

8.1.5 Follow their usual and customary policies with respect to extending credit for sales of air time and advertising on the Stations and with respect to collecting accounts recently arising from such extension of credit.

8.1.6 Use their best efforts to keep the Stations and their Assets and properties substantially intact, including their present operations, physical facilities, working conditions, and their relationships with lessors, advertisers, suppliers, customers and employees.

8.1.7 Deliver to Buyer within ten (10) days after filing thereof with the Commission copies of any and all reports, applications, and/or responses relating to the Stations which are filed with the Commission on or prior to the Closing Date, including a copy of any Commission inquiries to which the filing is responsive (in the event of an oral Commission inquiry, Seller will furnish a written summary thereof).

8.1.8 Give prompt notice to Buyer of any occurrence that comes to Seller's attention that may constitute a misrepresentation, breach of warranty, or nonfulfillment of any covenant or condition on the part of the Seller or Buyer contained in this Agreement.

8.2 **Negative Covenants of Seller.** Between the date hereof and the Closing Date, Seller shall not, with respect to the Assets, the Stations, or the operation thereof, without the consent of Buyer, which consent shall not be unreasonably withheld:

8.2.1 By any act or omission surrender, modify adversely, forfeit, or fail to renew under regular terms the Commission Authorizations or any Other Authorizations with respect to the Stations or give the Commission grounds to institute any proceeding for the revocation, suspension or modification of any such Commission Authorization, or fail to prosecute with due diligence any pending applications with respect to such Commission Authorizations or Other Authorizations.

8.2.2 Other than in the usual and ordinary course of business, sell or dispose of any of the Assets; Seller shall replace all Assets thus disposed of in the usual and ordinary course of business with assets having an aggregate value at least equal to the aggregate value of the Assets sold or otherwise disposed of.

8.2.3 Create or suffer or permit the creation of any mortgage, conditional sales agreement, security interest, lien, hypothecation, pledge, encumbrance, restriction, liability, charge, claim or imperfection of title on any of the Assets or with respect thereto.

8.2.4 Fail to repair or maintain any of its transmitting, studio, and other technical equipment or any other equipment, supplies, and other Tangible Personal Property used or usable in the operations of the Stations in accordance with the normal standards of maintenance applicable in the broadcast industry (and in no event at a standard below that standard at the date hereon).

8.2.5 Except as contemplated by the terms of the TBA make any expense reductions which would create a material adverse change in the operations and financial condition of the Stations or which might adversely impact on the present or future value of the Stations' Assets.

8.2.6 Except as contemplated by the terms of the TBA take any action that could reasonably be expected to result in an impairment of the value or business of the Stations.

8.3 **Failure of Broadcast Transmissions.** Seller shall give prompt written notice to Buyer if any of the following (a “Specified Event”) shall occur and continue for a period in excess of seventy-two hours: (i) the transmission of the regular broadcast programming of the Stations in the normal and usual manner is interrupted or discontinued; or (ii) the Stations are not operated in accordance with the directional parameters specified in the Stations’ licenses or is operated at less than ninety percent (90%) of its licensed power. Unless any such Specified Event is the result of Buyer’s operation of the Station pursuant to the TBA, if any three or more Specified Events occur prior to the Closing Date, then Buyer may, at its option: (i) terminate this Agreement, or (ii) proceed in the manner set forth in Paragraph 16.1 or 16.2.

8.4 **Access to Equipment and Information.** Between the date hereof and the Closing Date, Seller will give to Buyer and its authorized representatives and agents, including engineers, accountants, lawyers, and other representatives, reasonable access by prior appointment during reasonable business hours to the Assets. Seller shall furnish to Buyer such information and materials concerning the Stations’ affairs as Buyer may reasonably request, so far as such access, information and materials pertain to the operation of the Stations. Seller also agrees that prior to the Closing Date, Buyer’s engineer may inspect the equipment of the Stations to insure that the equipment complies with all warranties and conditions set forth in Section 6. Seller agrees to extend full cooperation to said engineer, including such access to the equipment and to logs pertaining thereto at such time or times as said engineer shall reasonably request.

8.5 **Employment Offers.** Upon notice to the Seller, and at mutually agreeable times, the Seller will permit the Buyer to meet with its employees prior to the Closing Date. The Buyer may, at its option, extend offers of employment to all or any of the Seller’s employees effective on the Closing Date, it being understood that Buyer shall have no obligation to employ any of the employees of Seller. From and after the execution of this Agreement, the Seller shall use its best efforts to assist Buyer in retaining those employees of the Stations which the Buyer wishes to hire in connection with the operation of the Stations by the Buyer subsequent to the Closing, and the Seller will not take any action to preclude or discourage any of the Seller’s employees from accepting any offer of employment extended by the Buyer.

8.6 **Restrictions on Buyer.** Except as provided below, nothing contained in this Agreement shall give Buyer any right to control the programming or operations of the Stations prior to the Closing Date and Seller shall have complete control of the programming and operation of the Stations between the date hereof and the Closing Date and shall operate the Stations in conformity with the public interest, convenience and necessity and with all other requirements of law and this Agreement. This paragraph shall not be deemed to preclude or prohibit the parties from entering into the TBA or any similar type of agreement between the date hereof and the Closing. The TBA and any other such similar agreement shall comply in all respects with the FCC’s rules, regulations and policies governing such agreements.

8.7 **Buyer’s Covenants.** From the date of this Agreement until the Closing Date, Buyer covenants that it will take no action, or fail to take any action, that would disqualify it

from becoming the licensee of the Stations or delay the grant of the Assignment Application by the Commission. Furthermore, Buyer shall give prompt notice to Seller of any occurrence that comes to Buyer's attention that may constitute a misrepresentation, breach of warranty or nonfulfillment of any covenant or condition on the part of Buyer or Seller contained in this Agreement.

8.8 Modification of CP File No. BPH-19970925NI. During the pendency of the Assignment Applications, Seller agrees, if requested by Buyer, to file an application for modification of construction permit (FCC Form 301) for the modification of Construction Permit File No. BPH-19970925NI. Buyer agrees to reimburse Seller for all reasonable costs incurred in the filing and prosecution of such application.

SECTION 9 **CONDITIONS FOR CLOSING**

9.1 **Closing.** The Closing of the transactions contemplated by this Agreement (the "Closing") shall take place within five (5) business days after the date on which the last of the FCC Applications granting consent to the assignment of Station is granted (the "Order") unless a petition to deny or informal objection is filed prior to the issuance of such Order, in which case (unless waived by Buyer), Closing shall not occur until five business days after the grant becomes a "Final Order"; and *provided further*, that the parties shall not be obligated to proceed to Closing if (1) the Order includes conditions materially adverse to Buyer or Seller; or (2) the conditions precedent to Closing have not been satisfied or waived. For purposes of this Agreement, the term "Final Order" shall mean a final order of the Commission which is not reversed, stayed, enjoined or set aside, and with respect to which no timely request for stay, reconsideration, review, rehearing or notice of appeal or determination to reconsider or review is pending, and as to which the time for filing any such request, petition or notice of appeal or for review by the Commission, and for any reconsideration, stay or setting aside by the Commission on its own motion or initiative, has expired.

9.2 **Conditions Precedent to Obligations of Buyer.** The obligations of the Buyer under this Agreement are subject to the satisfaction of each of the following express conditions precedent (provided that Buyer may, at its election, waive any of such conditions on the Closing Date, notwithstanding that such condition is not fulfilled) on the Closing Date:

9.2.1 Seller shall have delivered to Buyer the Seller's Closing Documents as described in Section 10.1 below.

9.2.2 Each of the Seller's representations and warranties contained in this Agreement or in any Schedule, certificate, or document delivered pursuant to the provisions hereof, or in connection with the transactions contemplated hereby, shall be true and correct in all material respects at and as of the Closing Date with the same force and effect as if each such representation or warranty were made at and as of such time.

9.2.3 Seller shall have performed and complied in all material respects with all covenants, agreements and obligations required by this Agreement to be performed or complied with by it prior to the Closing Date and shall be in full compliance therewith on the Closing Date.

9.2.4 Seller shall be the holder of the Commission Authorizations and Other Authorizations listed in **Schedule 1.1.1**.

9.2.5 Seller shall have taken all internal and other actions necessary to consummate this transaction.

9.2.6 Seller shall have delivered to Buyer an inventory of the Tangible Personal Property to be conveyed, current as of the Closing Date. There shall be no material changes between **Schedule 1.1.2** and the inventory of Tangible Personal Property as of the Closing Date other than changes that have been agreed to and accepted by Buyer, in its reasonable discretion.

9.2.7 Any parties to any material agreement as designated pursuant to Section 1.3 shall have consented to the assignment of Seller's rights on terms identical to the terms enjoyed by Seller at the time of execution of this Agreement, and shall have signed estoppel agreements certifying that Seller is not in breach in any of the terms and conditions of the lease or agreement and that the lease or agreement remains in full effect.

9.2.8 The Commission shall have granted its written consent to the Assignment Applications, and such consent shall be in full force and effect and shall contain no conditions that are materially adverse to Buyer.

9.3 **Conditions Precedent to Obligations of Seller.** The performance of the obligations of the Seller under this Agreement is subject to the satisfaction of each of the following express conditions precedent, provided that Seller may, at its election, waive any of such conditions at Closing, notwithstanding that such condition is not fulfilled on the Closing Date:

9.3.1 Each of Buyer's representations and warranties contained in this Agreement or in any certificate or document delivered pursuant to the provisions hereof, or in connection with the transactions contemplated hereby, shall be true in all material respects at and as of Closing Date, as though each such representation or warranty was made at and as of such time, except in respect of such changes as are contemplated or permitted by this Agreement.

9.3.2 Buyer shall perform all of the obligations set forth in Section 2 of this Agreement with respect to the payment of the Purchase Price.

9.3.3 Buyer shall have agreed in form reasonably acceptable to Seller to assume all obligations under the Agreements assigned to Buyer arising on or after Closing.

9.3.4 The Commission shall have granted its written consent to the Assignment Application, and such consent shall be in full force and effect and shall contain no conditions that are materially adverse to Seller.

9.4 **Failure of Conditions Precedent to Obligations of Buyer.** In case of the failure of any of the conditions precedent described in Section 9.2 hereof, and if Seller, after having received notice of such failure from Buyer and having had fifteen (15) calendar days has failed to cure same, Buyer shall have the right to terminate this Agreement without liability. In addition, if the failure of such condition precedent constitutes a material default by Seller, Buyer shall have the right, at its option, to exercise any or all of its rights or remedies for default provided in Section 16 hereof. Buyer shall not be deemed to have waived any failure by Seller to fulfill any of the conditions precedent described in Section 9.2 if Buyer does not have actual knowledge of such failure at the time of Closing.

9.5 **Failure of Conditions Precedent to Obligations of Seller.** In case of the failure of any of the conditions precedent described in Section 9.3 hereof, and if Buyer, after having received notice of such failure from Seller and having had a reasonable opportunity, has failed to cure the same, Seller shall have the right to terminate this Agreement without liability. In addition, if the failure of such condition precedent results from a material default by Buyer, Seller shall have the right, at its option, to exercise any or all of its rights or remedies for default provided in Section 16 hereof. Seller shall not be deemed to have waived any failure by Buyer to fulfill any of the conditions precedent described in Section 9.3 if Seller does not have actual knowledge of such failure at the time of Closing.

SECTION 10 **OBLIGATIONS AT CLOSING**

10.1 **Closing Documents to be Delivered by Seller.** At the Closing, Seller shall deliver to Buyer the following (“Seller’s Closing Documents”):

10.1.1 Executed Bills of Sale in form and substance reasonably satisfactory to Buyer transferring to Buyer all Tangible Personal Property to be transferred hereunder, except as provided in Section 1.1.2 hereof.

10.1.2 Warranty deeds for the sale of the Real Property being transferred.

10.1.3 Executed Assignment/Assumption Agreements in form and substance reasonably satisfactory to Buyer assigning to Buyer the Agreements and Intangibles to be assigned hereunder.

10.1.4 Executed Assignment of Licenses in form and substance reasonably satisfactory to counsel for Buyer assigning the Commission Authorizations to Buyer.

10.1.5 Certified copies of the resolutions of the Seller authorizing the execution, delivery, and performance of this Agreement by Seller and the consummation of the transactions provided for herein, together with an incumbency certificate.

10.1.6 Certificates executed by Seller's President stating that (a) all of the representations and warranties of Seller set forth in this Agreement are in all material respects true, correct, and accurate as of the Closing Date, and (b) all covenants set forth in this Agreement to be performed by Seller on or prior to the Closing Date have been performed in all material respects.

10.1.7 Copies of all material Business Records as described in Section 1.1.5 hereof, but excluding those described in Section 1.2.6 hereof.

10.1.8 Possession and/or ownership of and all right, title and/or interest in and to the Assets.

10.2 **Closing Documents to be Delivered by Buyer.** At the Closing, in addition to the Purchase Price, Buyer shall deliver to Seller the following ("Buyer's Closing Documents"):

10.2.1 A certificate executed by Buyer's chief executive officer stating that: (a) all of the representations and warranties of Buyer set forth in this Agreement are in all material respects true, correct, and accurate as of the Closing Date, and (b) all covenants set forth in this Agreement to be performed by Buyer on or prior to the Closing Date have been performed in all material respects.

10.2.2 An Assignment/Assumption Agreement executed by Buyer, in form and substance reasonably satisfactory to Seller.

10.2.3 A certified copy executed by Buyer's chief executive officer of the resolutions of the Board of Directors of Buyer authorizing the execution, delivery and performance of this Agreement by Buyer and the consummation of the transactions provided for herein.

SECTION 11 **BROKERAGE**

Seller and Buyer each represent and warrant to the other that other than Robert Thorburn, it knows of no broker, finder, or intermediary who has been involved in the transactions provided for in this Agreement or who might be entitled to a fee or commission upon the consummation of such transactions. Buyer agrees to pay the brokerage fee due to Robert Thorburn. Buyer and Seller hereby agree to indemnify each other from and against any claim of any such obligation or liability by any person, and any expense incurred in defending against any such claim, including reasonable attorneys' fees, that shall have resulted from any conduct, activity, or action taken, or allegedly taken, by the indemnifying party.

SECTION 12
INDEMNIFICATIONS

12.1 **Breach of Seller's Agreements, Representations, and Warranties.** Seller shall reimburse Buyer for, and indemnify and hold harmless Buyer from and against, any loss, damage, liability, obligation, deficiency, claim, suit, cause of action, demand, judgment, or expense (including without limitation, payments, fines, penalties, interest, taxes, assessments, and reasonable attorneys' fees and accounting fees), contingent or otherwise, whether incurred or asserted prior to or after the Closing Date, arising out of or sustained by Buyer which exceed an aggregate of One Thousand Dollars (\$1,000.00) (except for a failure to discharge an Excluded Obligation, for which Buyer will be fully indemnified) by reason of:

(a) any breach of any warranty, representation, or agreement of Seller contained under this Agreement or in any certificate or other instrument furnished to Buyer pursuant to this Agreement or in connection with any of the transactions contemplated hereby;

(b) except for obligations or liabilities expressly assumed by Buyer herein, the operation of the Stations or the ownership of the Assets prior to Closing (including, but not limited to, any and all claims, liabilities, and obligations arising or required to be performed by Seller under any lease, contract, or agreement (other than the Agreements on or after Closing) or under the Agreements prior to Closing);

(c) except for obligations or liabilities expressly assumed by Buyer herein, any transaction entered into by Seller or arising in connection with the Stations or the operation of the business thereof or any of the Assets prior to the Closing; or

(d) any and all actions, suits, or proceedings, incident to any of the foregoing.

12.2 **Breach of Buyer's Agreements, Representations and Warranties.** Buyer shall reimburse Seller for, and indemnify and hold harmless Seller from and against, any loss, damage, liability, obligation, deficiency, claim, suit, cause of action, demand, judgment, or expense (including without being limited to, payments, fines, penalties, interest, taxes, assessments, reasonable attorneys' fees and accounting fees of any kind or nature), contingent or otherwise, arising out of or sustained by Seller which exceeds an aggregate of One Thousand Dollars (\$1,000.00) by reason of:

(a) any breach of any warranty, representation, or agreement of Buyer contained under this Agreement or any certificate or other instrument furnished by Buyer pursuant to this Agreement or in connection with any of the transactions contemplated hereby;

(b) the operation of the Stations subsequent to Closing (including, but not limited to, any and all claims, liabilities and obligations arising or required to be performed on or after Closing under the Agreements);

(c) any transaction entered into by Buyer or arising in connection with the Stations or the operation of the Stations subsequent to the Closing;

(d) any and all liabilities or obligations of Seller expressly assumed by Buyer pursuant to this Agreement; or

(e) any and all actions, suits, or proceedings incident to any of the foregoing.

12.3 **Notice of Claim.** All representations and warranties contained in this Agreement shall be deemed continuing representations and warranties and shall survive the Closing for a period of two (2) years. Any claim to indemnification in respect of a covenant or agreement shall be made before the expiration of the second anniversary of the Closing Date. Buyer and Seller agree to give prompt written notice to each other of any claim for indemnification under Sections 12.1 or 12.2 hereof (“Notice of Claim”), which amount is believed to be required to discharge the obligations of the indemnifying party resulting therefrom. Within ten (10) business days after having been given the Notice of Claim, the indemnifying party may deliver to the other party (i) a written notice of objection to the payment of such claim (“Notice of Objection”), which Notice of Objection shall set forth the basis for such objection; or (ii) a written notice that the indemnifying party intends to defend against such claim in good faith (“Notice of Intention to Defend”). If such a Notice of Intention to Defend is delivered, the indemnifying party shall have the right to hold in abeyance its claim for indemnification if and so long as such defense is conducted by the indemnifying party at the latter’s expense in a manner effective to protect the indemnified party against such claim. If no Notice of Objection or Notice of Intention to Defend is given within the prescribed ten (10) business day period, the indemnifying party shall promptly pay to the indemnified party the amount set forth in the Notice of Claim. If the parties are unable to resolve any Notice of Claim and corresponding Notice of Objection, either party may take whatever action it deems reasonable, including without limitation, the filing of a claim, petition, or other pleading in a court of competent jurisdiction.

12.4 **Sole Remedy.** Except as provided to the contrary in this Agreement, the right to indemnification pursuant to this Section shall be the sole and exclusive remedy of each party in connection with any breach or other violation by the other party of its representations, warranties, or covenants contained in this Agreement.

SECTION 13 **RISK OF LOSS**

The risk of any loss or damage to the Assets by fire, theft, breakage, explosion, earthquake, accident, flood, rain, storm, riot, act-of-God, or public enemy, or any other casualty or cause, reasonable wear and tear excepted, which impairs the ability of the Stations to broadcast is assumed and shall be borne by the Seller at all times before the Closing of this Agreement. If any such loss or damage occurs, Seller shall give prompt written notice of the loss or damage to Buyer and shall promptly take all steps to rebuild, replace, restore or repair any such damaged property at its own cost and expense. In the event that Seller does not fully replace or restore any such lost or damaged Asset or Assets by the time the Closing otherwise would be held, and the cost of such replacements, restoration or repairs is in the aggregate Twenty Thousand Dollars (\$20,000) or less, the Closing shall occur as scheduled and the amount necessary to replace, restore or repair the damaged or lost property shall be credited against the

Purchase Price to be paid to Seller. If the cost of such uncompleted replacement, restoration or repairs exceeds Twenty Thousand Dollars (\$20,000) in the aggregate, Buyer may, at its option, upon written notice to Seller, either (i) terminate this Agreement, or (ii) elect to close without restoration, in which event Seller will deliver all insurance proceeds paid or payable by reason of the loss or damage to Buyer. If Buyer terminates this Agreement under this Section, each party shall bear its own expenses.

SECTION 14 **FEES AND EXPENSES**

Each party shall pay its own attorneys' fees and expenses which it initiates, creates, or incurs in connection with the negotiation, preparation and execution of this Agreement. Local transfer and title fees and sales taxes, if any, shall be paid by Seller. Real estate and recording fees assessed or levied in connection with the sale of the Real Property to Buyer hereunder shall be paid in accordance with the custom prevailing in the State of Georgia on the Closing Date. Seller shall pay the FCC filing fee associated with the Assignment Application and shall be reimbursed by Buyer for one-half of the aggregate amount of such fees. All other expenses incurred in connection with this transaction shall be borne by the party incurring same.

SECTION 15 **BULK SALES LAW**

The parties do not believe that any bulk sales or fraudulent conveyance statute applies to the transactions contemplated by this Agreement. Buyer therefore waives compliance by Seller with the requirements of any such statutes, and Seller agrees to indemnify and hold Buyer harmless against any claim made against Buyer by any creditor of Seller as a result of a failure to comply with any such statute.

SECTION 16 **DEFAULT AND TERMINATION**

16.1 Termination. This Agreement may be terminated prior to the Closing by either Buyer or Seller, if the party seeking to terminate is not in material default or breach of this Agreement, upon written notice to the other upon the occurrence of any of the following:

(a) if the other is in material breach or default of its respective covenants, agreements, or other obligations herein, or if any of its representations herein are not true and accurate in all material respects when made or when otherwise required by this Agreement to be true and accurate;

(b) if the Commission denies the Assignment Application or any part thereof or designates any part thereof for a trial-type hearing;

(c) if the grant of the Assignment Application by the Commission has not become a Final Order within nine (9) months after the Assignment Application is accepted for

filing with the Commission (unless Buyer elects pursuant to Section 9.1 to waive the requirement of a Final Order, and a Closing has occurred); or

(d) on the Closing Date, Seller or Buyer, as the case may be, have failed to comply with its obligations under Section 9.2 or 9.3 of this Agreement, and does not cure such failure within 15 calendar days of the Closing Date.

16.2 A party shall be in “default” under this Agreement if it makes any material misrepresentation to the other party in connection with this Agreement, or materially breaches or fails to perform any of its representations, warranties, or covenants contained in this Agreement. Non-material breaches or failures shall not be grounds for declaring a party to be in default, postponing the Closing, or terminating this Agreement. If either party believes the other to be in default hereunder, the former party shall provide the other with written notice specifying in reasonable detail the nature of such default. Except for monetary defaults, if the default is not curable or has not been cured within fifteen (15) calendar days after delivery of that notice (or such additional reasonable time as the circumstances may warrant provided the party in default undertakes diligent, good faith efforts to cure the default within such fifteen (15) calendar day period and continues such efforts thereafter), then the party giving such notice may terminate this Agreement and/or exercise the remedies available to such party pursuant to this Agreement, subject to the right of the other party to contest such action through appropriate proceedings. Notwithstanding the foregoing, in the event of monetary default, time shall be of the essence, and this Agreement may be terminated immediately.

16.3 Buyer recognizes that if the transaction contemplated by this Agreement is not consummated as a result of Buyer’s default, Seller would be entitled to compensation, the extent of which is extremely difficult and impractical to ascertain. To avoid this problem, the parties agree that if this Agreement is not consummated due to the default of Buyer, Seller shall be entitled to receive as liquidated damages the Escrow Deposit, including all interest earned thereon. The parties agree that such amount shall constitute liquidated damages and shall be in lieu of any other remedies to which Seller might otherwise be entitled due to Buyer’s wrongful failure to consummate the transaction contemplated by this Agreement. Buyer and Seller acknowledge and agree that liquidated damage amount is reasonable in light of the anticipated harm which will be caused by Buyer’s breach of this Agreement, the difficulty of proof of loss, the inconvenience and non-feasibility of otherwise obtaining an adequate remedy, and the value of the transaction to be consummated hereunder.

16.4 Seller agrees that the Assets include unique property that cannot be readily obtained on the open market and that Buyer will be irreparably injured if this Agreement is not specifically enforced. Therefore, Buyer shall have the right specifically to enforce Seller’s performance under this Agreement, in addition to any other remedy to which it is entitled at law, and Seller agrees to waive the defense in any such suit that Buyer has an adequate remedy at law and to interpose no opposition, legal or otherwise, as to the propriety of specific performance as a remedy.

SECTION 17
SURVIVAL OF WARRANTIES

17.1 All representations and warranties made by the parties in this Agreement shall be deemed made for the purpose of inducing the other to enter into this Agreement, and shall survive the Closing and remain operative and in full force and effect, for a period of two (2) years.

17.2 Neither the acceptance nor the delivery of property hereunder shall constitute a waiver of any covenant, representation, warranty, agreement, obligation, undertaking, or indemnification of Seller or Buyer contained in this Agreement, all of which shall, unless otherwise specifically provided, survive the Closing hereunder in accordance with the terms of this Agreement and shall be binding upon and inure to the benefit of all of the parties hereto, their heirs, legal representatives, successors and assigns.

SECTION 18
NOTICES

18.1 All notices, requests, demands, waivers, consents and other communications required or permitted hereunder shall be in writing and be deemed effective upon receipt, whether in person (against receipt) to the party to be notified at the address set out below or sent by registered or certified mail, or by express mail or courier, postage prepaid, return receipt requested, to the party to be notified, as follows:

If to Seller:

Mr. James Popwell, Sr.
500 Commerce St.
Hawkinsville, GA 31036

With a copy (which shall not constitute notice) to:

Dan J. Alpert, Esq.
The Law Office of Dan J. Alpert
2120 N. 21st Rd.
Arlington, VA 22201

If to Buyer:

Mr. Cecil Staton
Staton Broadcasting, Inc.
6316 Peake Rd.
Macon, GA 31210

With a copy (which shall not constitute notice) to:

Timothy K. Brady, Esq.
Law Offices of Timothy K. Brady
P.O. Box 71309
Newman, GA 30271-1309

Either party may change its address for notices by written notice to the other given pursuant to this Section. Any notice purportedly given by a means other than as provided in this Section shall be invalid and shall have no force or effect.

SECTION 19 **MISCELLANEOUS**

19.1 **Headings.** The headings of the Sections of this Agreement are for convenience of reference only, and do not form a part thereof, and do not in any way modify, interpret or construe the meaning of the sections themselves or the intentions of the parties.

19.2 **Entire Agreement.** This Agreement and any other agreements entered into contemporaneously herewith set forth the entire agreement of the parties and are intended to supersede all prior negotiations, understandings, and agreements and cannot be altered, amended, changed or modified in any respect or particular unless each such alteration, amendment, change or modification shall have been agreed to by each of the parties hereto and reduced to writing in its entirety and signed and delivered by each party. No provision, condition or covenant of this Agreement shall be waived by either party hereto except by a written instrument delivered to the other party and signed by the party consenting to and to be charged with such waiver.

19.3 **Binding Effect and Assignment.** This Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective successors and permitted assigns. Buyer may freely assign this Agreement to any corporation under common control of Buyer's principals, and upon the prior written consent of Seller, Buyer may assign any or all of the rights and benefits under this Agreement to any third party which is qualified to be a Commission licensee and which has the financial capacity to close this transaction. Should Buyer assign its rights to acquire the Stations it is acquiring hereunder, Buyer's assignee shall be entitled, without limitation, to (i) rely on all of the representation, warranties and covenants of Seller hereunder, and (ii) to the benefit of all indemnifications provided by Seller hereunder. Seller will cooperate with Buyer and execute any documents reasonably necessary to effectuate such assignment.

19.4 **Additional Documents.** The parties hereto agree to execute, acknowledge and deliver, at or after the Closing Date, such other and further instruments and documents as may be reasonably necessary to implement, consummate and effectuate the terms of this Agreement, the effective vesting in Buyer of title to the Assets, and/or the successful processing by the Commission of the application to be filed with it, as provided in Section 4.2.

19.5 **Counterparts.** This Agreement may be executed in one or more counterparts, all of which together shall comprise one and the same instrument.

19.6 **Legal Actions.** If either Seller or Buyer initiates any legal action or lawsuit against the other involving this Agreement, the prevailing party in such action or suit shall be entitled to receive reimbursement from the other party for all reasonable attorneys' fees and other costs and expenses incurred by the prevailing party in respect of that litigation, including any appeal, and such reimbursement may be included in the judgment or final order issued in such proceeding. Any award of damages following judicial remedy or arbitration as a result of the breach of this Agreement or any of its provisions shall include an award of prejudgment interest from the date of the breach at the maximum rate of interest allowed by law.

19.7 **Governing Law.** The parties agree that this Agreement and the transaction herein contemplated shall be interpreted, construed, and enforced under and according to the laws of the State of Georgia.

19.8 **Counsel.** Each party has been represented by its own counsel in connection with the negotiation and preparation of this Agreement and, consequently, each party hereby waives the application of any rule of law to the effect that any provision of this Agreement shall be interpreted or construed against the party whose counsel drafted that provision.

19.9 **Time is of the Essence.** Time shall be of the essence in this Agreement and the performance of each and every provision hereof.

19.10 **Severability.** If any term or provision of this Agreement or its application shall, to any extent, be declared to be invalid or unenforceable, the remaining terms and provisions shall not be affected and shall remain in full force and effect and to such extent are severable; provided, however, neither party shall have any obligation to consummate the transactions contemplated by this Agreement if it is adversely affected in any respect whatsoever and regardless of immateriality by a determination that any term or provision of this Agreement or its application shall, to any extent, be invalid or unenforceable.

19.11 **Publicity.** Seller and Buyer agree that all public announcements relating to this agreement or the transactions contemplated hereby, including announcements to employees, will be made only as may be agreed upon in writing by the parties, which consent shall not be unreasonably withheld.

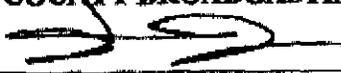
19.12 **Choice of Forum.** The parties agree that that the only and exclusive forum for any action brought to resolve any dispute arising out of this Agreement shall be the federal or state courts having jurisdiction over Hawksinsville, Georgia. No party shall oppose or assert a defense against such litigation in said courts on the grounds that the court lacks personal jurisdiction.

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed and executed by their proper officers thereunto duly authorized as of the day and year first above written.

SELLER:

TRI-COUNTY BROADCASTING, INC.

By: 

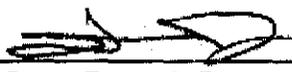
James Popwell, Sr.
President

METRO COM CORP.

By: 

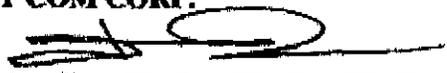
James Popwell, Sr.
President

MULTI-SERVICE CORP.

By: 

James Popwell, Sr.
President

WEST COM CORP.

By: 

James Popwell, Sr.
President

BUYER:

STATON BROADCASTING, INC.

By: 

Cecil Staton
President

LIST OF EXHIBITS AND SCHEDULES

Schedule 1.1	Liens
Schedule 1.1.1	Commission and Other Authorizations
Schedule 1.1.2	Description of Tangible Personal Property
Schedule 1.1.3	Contracts, Agreements and Leases (other than leased real property)
Schedule 1.1.3.1	Real Property and Leases of Real Property
Schedule 1.1.4	Intangible Assets
Schedule 1.2.9	Excluded Tangible Personal Property
Exhibit A	Escrow Agreement

Schedule 1.1

Liens

None.

Schedule 1.1.1

Commission and Other Authorizations

Metro Com Corp.

WKKN(FM), Cordele, GA, Facility No. 60414
Antenna Structure Registration (studio) 1235408
WPWC458
BNP-20000128ACO

Multi Service Corp.

WPMX(FM), Statesboro, GA, Facility No. 51398
WPVN866

WHKN(FM), Millen, GA, Facility No. 54511
KC24545

Tri-County Broadcasting, Inc.

WQSY(FM), Hawkinsville, GA, Facility No. 67693
Antenna Structure Registration (studio) 1235409
WPWC459

WCEH(AM), Hawkinsville, GA, Facility No. 67705

Schedule 1.1.2

List of Tangible Personal Property

- 1 6-drawer metal desk
- 1 2-drawer wooden desk with 2-drawer extension
- 1 4-drawer wooden credenza
- 2 Upholstered chairs
- 3 Wooden end tables
- 2 Lamps
- 3 Swivel desk chairs
- 2 6-foot artificial trees
- 3 2' x 2 ½' framed wall picture
- 1 2 ½' x 3' framed wall picture
- 1 Upholstered love seat
- 2 Starplus 6-line, 25-station telephones
- 1 Compaq Presario computer with monitor and keyboard
- 2 Electronic calculators
- 1 Lexmark X63 color printer

MANAGERS OFFICE

- 1 2-drawer wooden desk with 2-drawer extension
- 1 Starplus 6-line, 25-station telephone

BREAK ROOM

- 1 Table
- 1 4-drawer metal file cabinet
- 1 Swivel desk chair
- 2 Chairs
- 1 Microwave oven
- 1 Starplus 6-line, 25-station telephone

OUTSIDE STUDIO

- 1 1995 Ford Aerostar Van (88,600 miles)
- 1 4' x 8' K-98 banner
- 1 75' tower
- 1 STL transmitter dish
- 1 3' dish
- 1 10' dish
- 1 12' dish

BACK ROOM

Page 2 of 3

- 1 Gates metal rack
- In rack:
 - 1 GE AM/FM radio
 - 1 Energy-Onix STI-1 STL transmitter
 - 1 Orban 8100A Optimod-FM
 - 1 Musicam Starguide II satellite receiver
 - 2 Musicam Starguide III satellite receivers
 - 1 Sedat AD 4595 Digital Audio Receiver
 - 1 SAM PI-963 Program Interrupt Switch
 - 1 SAM IIIJ-961 EAS Encoder/Decoder
 - 1 Broadcast Tools 8 x 2 Dual Stereo Switch
 - 1 Jones Digital Audio Network Receiver
 - 1 RDS computer (for Phantom)
 - 2 SAM RR962 AM/FM tuners
 - 1 Rolls R579 Quartz PLL Synthesized Tuner
 - 1 Broadcast Tools 6X1B Switcher/Router
 - 1 Trippline BC Pro Uninterruptible Power Supply
 - 1 Radio Shack UHF/VHF/FM Amplifier
- 1 6' metal ladder
- 1 Dirt Devil vacuum cleaner
- 1 Hewlett-Packard Deskjet 697C color printer
- 1 Sony AM/FM radio
- 1 Microdyne 1100-PCDR(3) SCPC Demodulator
- 1 Microdyne 1100-FFC(X1) R(DC)L 70 MHz Down Converter
- 1 Smith-Corona typewriter
- 1 Canon Starwriter 80 word processor
- 1 Brother Intellifax 1270 fax machine
- 1 Chair
- 1 10-pot control board
- 1 3-shelf wooden cabinet
- 1 Marti M-30BT Remote Pick-up Transmitter

WKRN

CONTROL ROOM

Page 3 of 3

- 1 Tables
- 1 Wooden computer cabinet
- 1 Weather computer with monitor and keyboard
- 1 Zenith TV/VCR combo with remote control
- 1 Starplus 6-line, 25 station telephone
- 1 10-pot control board
- 2 Bose speakers
- 2 Optimus speakers
- 1 Panasonic KX-1150 printer
- 1 Zephyrus WX-12 GOES Weather Direct Receiver
- 1 DEI EAS computer with monitor and keyboard
- 1 Sampo monitor and keyboard (for Phantom)
- 1 Wall Clock
- 1 Ulimeter 100
- 1 Gentner SPH-4 phone controller
- 2 Pioneer PD-F100 CD players
- 1 Technics dual cassette deck
- 1 Sony MDS-JE-320 mini-disk player/recorder
- 2 Shure SM7 microphones with booms

TRANSMITTER SITE

- 1 9' x 15' metal building
- 1 CCA FM 10,000 DS Broadcast Transmitter
- 1 Hampton Bay Air Conditioner
- 1 AM/FM radio
- 2 3CX10000A7 (spare parts)

In rack:

- 1 Telephone
- 1 Sine Systems RP-8 Relay Panel
- 1 Sine Systems R/C-1/B Remote Controller
- 1 CCA FM 60G Exciter
- 1 Energy-Onix STL-R STL Receiver

OUTSIDE TRANSMITTER

- 1 STL Receiver dish
- 3 FM bays
- 300' (1-) Transmitter line

Studio location WPMX - WHKN

Equipment

- 2 Tascam BR-20 reel to reels
- 6 Sony single disc CD players
- 4 Sony CDP-CX235 200 disc players
- 1 Gentner SPH-10 phone hybrid
- 1 Gentner SPH-3A phone hybrid
- 1 Onkyo Dual cassette player
- 1 Technics Dual Cassette
- 2 RDS Phantoms
- 2 Broadcast Tools switchers
- 2 Sunsi studio audio monitors
- 4 JBL studio audio monitors
- 6 studio mic arms
- 2 Radio systems distributions amps
- 2 Tascam PA-20 amps
- 2 Symetrix 528-E microphone processors
- 1 BOSS VT-1 voice transformer
- 2 Davis digital tuners
- 1 TFT EAS 930 EAS receiver
- 1 TFT EAS 911 EAS encoder
- 1 TFT EAS 940-A
- 2 Aphex Aural Exciters
- 1 Belar mono modulation monitor
- 1 Belar stereo modulation monitor
- 1 Marti STL 15-C STL transmitter
- 1 Energy Onix STL transmitter
- 2 Orban Optimods
- 1 DGS receiver
- 1 Arrakis Trakstar 8 audio editor
- 4 Shur SM7 microphones
- 4 Sennheiser studio microphones
- 3 Sony minidisk recorders
- 2 Jones digital receivers
- 2 Starguide III receivers
- 2 Arrakis 1200-10S consoles
- 3 Equipment racks
- 1 ARRAKIS 2000 GC CONSOLE

WPMY-WHKN

Studio location

Equipment cont....

- 1 SCPC satellite receiver
- 1 Brother words processor
- 1 Compaq Presario 2286 desktop PC
- 1 Hewlett Packard 648 Deskjet printer
- 3 Sharp adding machines
- 1 stand-alone Xerox copier (Condition unknown)
- 1 Smith Corona typewriter
- 1 Brother word processor
- 1 Okidata dot matrix printer
- 1 Epson dot matrix printer
- 1 binder
- HP 17 color copier
- 1 HP Laserjet laser printer
- 1 HP Deskjet 648-C printer
- Brother Intellifax 1270
- 1 Premio Tower PC
- 1 HP tower PC

WPMX Tower

- 1 CCA Broadcast transmitter**
- 1 CCA FM60-G Exciter**
- 1 Sine Systems RP-8 relay panel**
- 1 AFS-2 remote facilities controller**
- 1 R15C Marti receiver**
- 1 Frigidare window-mount A/C**
- 1 tower (108 meters, 6bays)**
- 1 GAST automatic dehydrator**
- 1 Sony telephone**

WHKN Tower

- 1 CCM Broadcast transmitter
- 1 RFS Cablewave dehydrator
- 1 Equipment rack
- 1 Energy Onix STL receiver
- 1 Modulation Science composit clipper
- 1 Sine Systems RFC remote facility controller
- 1 Sine Systems RP-8 relay Panel
- 1 GE telephone
- 1 BGW Systems model 85 power amplifier
- 1 CR-10 RPU receiver
- 1 Transmitter-type antenna with coax
- 1 440 ft tower
- 3 Satellite dishes
- 1 Stove
- 1 Microwave
- 1 3-piece living room suite
- 1 Central air unit
- 4 desks
- 7 chairs

EQUIPMENT INVENTORY WQSY/WCEH

PRODUCTION STUDIO

- 1 7 FEET TALL ARTIFICIAL PLANT
- 1 PIONEER CD PLAYER
- 1 RCA CASSETTE DECK
- 1 RADIO SYSTEMS DA-16 DISTRIBUTION AMP
- 1 DIGITECH DSP 256 XL MULTI EFFECTS PROCESSOR
- 1 SONY MINIDISC DECK
- 2 ROLLS HR11C MIKE PROCESSORS
- 1 DUETTE COMANDER CYBEX SWITCHING UNIT
- 1 DG SYSTEMS DIGITAL GENERATOR
- 1 COMPUTER KEYBOARD
- 1 COMPUTER MONITOR
- 1 AUDITRONICS 16 CHANNEL CONTROL BOARD
- 2 BOOM MIC STANDS
- 1 AT&T MLS-12D PHONE
- 2 SHURE SM7 MICS
- 1 WALL CLOCK
- 2 OFFICE CHAIRS

LOBBY

- 2 LAMPS

- 1 WALL CLOCK
- 1 SIX FEET TALL ARTIFICIAL TREE
- 1 END TABLE
- BILL'S OFFICE
- 1 COMPAQ PRESARIO COMPUTER
- 1 SWIVEL CHAIR
- 2 LEATHER OFFICE CHAIRS
- 1 WALL CLOCK
- 1 PHONE
- 1 OFFICE DESK

- BALL'S OFFICE
- 1 OFFICE DESK
- 1 COMPAQ PRESARIO COMPUTER
- 2 WING CHAIRS
- 1 SWIVEL CHAIR
- 1 END TABLE
- 1 LAMP

wpsy

1 2 DRAWER FILE SAFE
2 SWIVEL CHAIRS
1 CALCULATOR
WALL CLOCK
1 OFFICE DESK

SALES OFFICE 1
2 SWIVEL CHAIRS
2 OFFICE CHAIRS
1 LAMP
1 BROTHER WORD PROCESSOR
2 PHONES
1 WALL CLOCK
1 LAMP
1 2 DRAWER METAL FILE CABINET
2 OFFICE DESKS
1 CALCULATOR

RACK IN HALL

1 CCA FM BROADCAST TRANSMITTER
1 HARRIS AM TRANSMITTER
1 MARTI STL TRANSMITTER
1 ROLLS SYNTHESIZED TUNER RS 79
1 ROLLS SYNTHESIZED TUNER RS 78B
2 PI963 SAM PROGRAM INTERRUPT SWITCH
1 HU-961 SAM EAS ENCODER/DECODER
1 JONES SATELLITE NET AUDIO NETWORK RECEIVER
1 DAVIS AM/FM DIGITAL TUNER
2 BROADCAST TOOLS 8X2 STEREO SWITCHER
SCIENTIFIC ATLANTA DIGITAL SATELLITE RECEIVER
RDS AM PHANTOM HARDDRIVE UNIT
RDS FM PHANTOM HARDDRIVE UNIT
RADYNE COMSTREAM DIGITAL AUDIO RECEIVER
NPR SATELLITE SERVICES SWITCHER
2 STARGUIDE III MUSICAM
1 ROLLS DUAL 15 EQUALIZER
1 ORBAN 9100A AM OPTIMOD
1 ORBAN 8100A FM OPTIMOD
1 FX30 EXCITER
1 SINE SYSTEMS DIAL UP AUDIO INTERFACE
1 RAM SR64 SWITCHER

WPSY

BEHIND RACK

- 1 TRIPP LITE BC UPS BATTERY BACK UP FOR PHANTOMS
- 1 AMERICAN MEGA TRENDS COMPUTER
- 1 3 FOOT STEP LATTER
- 4 2 DRAWER METAL FILE CABINETS

OFFICE SUPPLY ROOM

- 3 4 DRAWER METAL FILE CABINETS

CONTROL ROOM

- 1 16 CHANNEL CONTROL BOARD
- 1 KEYBOARD
- 1 COMPUTER MONITOR
- 1 48X MAX COMPUTER
- 1 PIONEER DOUBLE CASSETTE DECK
- 1 PIONEER 6 DISC CD PLAYER
- 1 PIONEER 18 DISC CD PLAYER
- 2 AIWA 100 DISC CD PLAYERS
- 1 PHONE
- 1 ELECTRO VOICE MIC
- 1 SHURE SM7 MIC
- 1 CYBEX SWITCHVIEW
- 2 BOOM MIC STANDS
- 1 OKIDATA MICROLINE 320 PRINTER
- 1 WING CHAIR
- 1 SYMETRIX 420 STEREO AMPLIFIER
- 1 ZEPHRYUS WEATHER RECEIVER
- 1 RADIO SYSTEMS TELEPHONE INTERFACE
- 2 SWIVEL CHAIRS
- 3 LEATHER OFFICE CHAIRS

CONFERENCE ROOM

- 1 MAGNAVOX VCR/TV
- 1 PANASONIC SHREDPED PAPER SHREDDER
- 1 6 FOOT BY 3 FOOT CONFERENCE TABLE
- 4 LEATHER OFFICE CHAIRS
- 1 HULETTE PACKARD COLOR COPIER 155
- 1 METAL 2 DRAWER FILE
- 1 PHONE

TRAFFIC OFFICE

- 1 SYSTEMAX 52X MAX COMPUTER
- 1 HULETTE PACKARD DESKJET 712C PRINTER
- 1 HULETTE PACKARD LASERJET 1100 PRINTER
- 1 PHONE
- 2 2 DRAWER METAL FILE CABINET

wpsy

KITCHEN

WHIRLPOOL MICROWAVE

FRIDGEDARE 12.5 CUBIC FOOT REFRIDGERATOR

SALES OFFICE 2

2 PHONES

1 CALCULATOR

1 METAL 2 DRAWER FILING CABINET

2 SWIVEL CHAIRS 1 LAMP

1 BROTHER WORD PROCESSOR

1 6 FOOT ARTIFICIAL PLANT

2 OFFICE DESKS

WQSY TRANSMITTER SITE INVENTORY
December 17, 2002

CCA 10,000 watt transmitter

Marti studio-transmitter link receiver

CCA exciter

Sine Systems telephone interface

Equipment rack

Air compressor

White-Westinghouse window unit air conditioner

Telephone

Metal four-shelf storage unit

Barstool

Miscellaneous parts

Radio

Schedule 1.1.4

Intangible Assets

Call Letters WPMX, WHKN, WKKN, WMRZ, WCEH and WQSY

Exhibit A

Escrow Agreement

ESCROW AGREEMENT

This Escrow Agreement is made and entered into as of this 8th day of May, 2003 by and between **TRI-COUNTY BROADCASTING, INC.**, (“Tri-County”), **MULTI-SERVICE CORP.** (“Multi-Service”); **WEST COM CORP.** (“West Com”) and **METRO COM CORP.** (“Metro Com”), each a corporation organized under the laws of the State of Georgia (when referred together hereinafter, “Seller”), and **STATON BROADCASTING, INC.**, a corporation organized under the laws of the State of Georgia; and **DAN J. ALPERT** (“Escrow Agent”).

W I T N E S S E T H :

WHEREAS, the Buyer and Seller are parties to a certain Asset Purchase Agreement (the “Purchase Agreement”) relating to the sale and purchase of substantially all of the assets of Seller used in the operation of radio broadcast WQSY(FM), WCEH(AM), WPMX(FM), WHKN(FM), and WKKN(FM), and construction permits BNP-20000128ACO and BPH-19970925NI (the “Stations”) as described in an Asset Purchase Agreement (“APA”) of even date herewith; and

WHEREAS, the terms of the Purchase Agreement require that an escrow deposit in the principal amount of One Hundred and Sixty-Severn Thousand five Hundred Dollars (\$167,500.00) be deposited with the Escrow Agent, to be held and subsequently to be disbursed in accordance with the terms set forth herein.

NOW, THEREFORE, for and in consideration of the mutual covenants and in consideration of the mutual benefits to be derived therefrom, the parties hereto agree as follows:

1. The Escrow Agent acknowledges receipt of a wire transfer in the amount of \$167,500.00 (hereafter “Cash”). Escrow Agent shall hold the Cash in such manner as shall be directed in writing by Buyer and Seller or, in the absence of such directions, in federally insured money market or savings accounts.
2. Escrow Agent shall act hereunder as a depository only. The Escrow Agent is not a party to or bound by the Purchase Agreement or any other agreement, document or understanding to which Buyer and Seller are parties and is not responsible or liable in any manner for the sufficiency, correctness, genuineness or validity of any of the agreements or documents existing between Buyer and Seller, and the Escrow Agent undertakes no responsibility or liability for the form and execution of such agreements and documents or the identity, authority, title or rights of any person executing any such agreements and documents.
3. The Escrow Agent shall not be liable for any action that it may in good faith take or refrain from taking in connection herewith, believed by it to be authorized or within the rights and powers conferred upon it by this Agreement, and may consult with counsel of its own choice and shall have full and complete authorization and protection for any action taken or suffered by it hereunder in good faith and in accordance with the opinion of such counsel, except that Escrow Agent’s obligation

to present the escrow deposit for payment in accord with the instructions given in Section 1 above is absolute and not subject to such protection.

4. The Escrow Agent is authorized to act upon any document, request, or notice which is believed by it in good faith to be genuine and signed or presented by the proper party or parties, and shall be protected in so acting.

5. All notices to the Escrow Agent as required or provided for herein shall be made in writing and served on each other party hereto in the manner specified in the Purchase Agreement and to the Escrow Agent at The Law Office of Dan J. Alpert, 2120 N. 21st Rd., Arlington, VA 22201, Fax: 703-243-8692, or at such other address as the Escrow Agent may subsequently designate by written notice to each other party hereto and shall be sent by registered or certified mail, return receipt requested.

6. The Escrow Agent shall disburse Cash (together, with all interest accrued on the Cash, the "Escrowed Funds") as follows:

- (a) Should the Escrow Agent be served with a notice from the Buyer and Seller stating that the Purchase Agreement is to be consummated, then the Escrow Agent shall, upon receipt of such notice, forward the Escrowed Funds in such manner as the notice may direct.
- (b) On the tenth (10th) business day after Escrow Agent's receipt of written notice from the Seller (with evidence of service of such notice on Buyer) stating that the Purchase Agreement is to be terminated prior to the Closing (as defined by the Purchase Agreement; hereafter the "Closing") and Seller is requesting the Escrowed Funds as liquidated damages pursuant to the Purchase Agreement, then the Escrow Agent shall pay the Escrowed Funds to Seller and any remainder to Buyer provided, however, that Escrow Agent shall make no such payment if Buyer, prior to the expiration of the aforesaid 10-day period, has provided Escrow Agent with a countervailing claim to the Escrowed Funds or otherwise claims that Seller is not entitled to the Escrowed Funds, in which event Escrow Agent will make no distribution of the Escrowed Funds unless and until (i) it receives joint notice, signed by both Buyer and Seller, containing instructions as to the disposition of the undistributed Escrowed Funds, or (ii) it is instructed by a court of competent jurisdiction which has resolved the dispute between the parties as evidenced by a certified copy of a court order or judgment which has become final (meaning that the order or judgment is no longer subject to appeal to or review by a court of competent jurisdiction).
- (c) On the tenth (10th) business day after Escrow Agent's receipt of written notice from the Buyer (with evidence of service of such notice on Seller) that the Purchase Agreement is to be terminated prior to the Closing, and Buyer is requesting return of the Escrowed Funds, then the Escrow Agent shall return the Escrowed Funds to the Buyer provided, however, that Escrow Agent shall

make no such distribution if Seller, prior to the expiration of the aforesaid 10-day period, has provided Escrow Agent with a countervailing claim to the Escrowed Funds or otherwise claims that Buyer is not entitled to the Escrowed Funds, in which event Escrow Agent will make no distribution of the Escrowed Funds unless and until (i) it receives a joint notice, signed by both Buyer and Seller, containing instructions as to the disposition of the Escrowed Funds or (ii) it is instructed by a court of competent jurisdiction which has resolved the dispute between the parties as evidenced by a certified copy of a court order or judgment which has become final (meaning that the order or judgment is no longer subject to appeal to or review by a court of competent jurisdiction).

- (d) Notwithstanding the foregoing, the Escrow Agent shall comply with any instructions signed by both Buyer and Seller concerning disposition of the Escrowed Funds.

7. In the event conflicting notices are served upon the Escrow Agent pursuant to Paragraphs 6(b) or (c) above, then the Escrow Agent may, at its sole option, (a) continue to hold and collect and deposit all interest earned on the Cash or (b) advise all parties of the filing of an interpleader action in a court of competent jurisdiction for the Commonwealth of Virginia, whereupon the Escrow Agent shall then promptly file the interpleader action, and place the Escrowed Funds in the registry of the Court. Buyer and Seller jointly and severally agree to pay the Escrow Agent's costs, including reasonable attorneys' fees which the Escrow Agent may expend or incur in such interpleader suit, the amount of such costs to be fixed and judgment therefor to be rendered by the Court in such suit, provided, however, that the losing party of any such dispute shall be required to reimburse the amounts paid to Escrow Agent by the prevailing party. Upon the filing of the interpleader action and the payment of the Escrowed Funds into the registry of the Court, the Escrow Agent shall be fully released and discharged from all obligations imposed on it in this Agreement.

8. The Escrow Agent's liability under this Agreement shall be confined to the things specifically provided for herein.

9. The Escrow Agent may resign by giving 30 days' prior notice thereof to Buyer and Seller, and upon providing Buyer and Seller with evidence that a substitute escrow agent has agreed to all of the terms and conditions of this Agreement and agrees to be bound hereunder, upon Seller's and Buyer's written acceptance of such substitute escrow agent, that substitute escrow agent may perform each and every duty of Escrow Agent as required by this Agreement.

10. Capitalized terms used herein and not defined herein or otherwise conventionally capitalized shall have the meanings ascribed thereto in the Purchase Agreement.

11. The construction and performance of this Escrow Agreement shall be governed by the laws of the Commonwealth of Virginia without giving effect to the choice of law provisions thereof.

12. Any action arising out of any dispute concerning this Escrow Agreement shall be brought in the state or federal courts having jurisdiction over Hawkinsville, Georgia. No party to this Escrow Agreement shall oppose or defend against such an action on the grounds that such court lacks personal jurisdiction.

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

IN WITNESS WHEREOF, the parties hereto have caused this Escrow Agreement to be executed on the day and year first above written.

BUYER

STATON BROADCASTING, INC.

By: _____
Cecil Staton
President

ESCROW AGENT

DAN J. ALPERT

By: _____

SELLER

TRI-COUNTY BROADCASTING, INC.

By: _____
James Popwell, Sr.
President

METRO COM CORP.

By: _____
James Popwell, Sr.
President

MULTI-SERVICE CORP.

By: _____
James Popwell, Sr.
President

WEST COM CORP.

By: _____
James Popwell, Sr.
President