

ASSET PURCHASE AGREEMENT

by and among

**TRINITY BROADCASTING CORPORATION
and
FM BROADCASTING CORP.**

and

JWBP BROADCASTING, LLC

for the Sale and Purchase of

*Stations KBCE(FM), Boyce, Louisiana, Facility No. 67947 and
KMXH(FM), Alexandria, Louisiana, Facility No. 21854*

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT ("Agreement"), made and entered into as of this 18th day of March, 2011, by and among **TRINITY BROADCASTING CORPORATION** ("Trinity") and **FM BROADCASTING CORP.** ("FM Broadcasting"), corporations organized under the laws of the State of Louisiana (collectively, "Sellers"), and **JWBP BROADCASTING, LLC**, a limited liability company organized under the laws of the State of Louisiana ("Buyer").

W I T N E S S E T H:

WHEREAS, Trinity is licensee of Station KBCE(FM), Boyce, Louisiana, Facility No. 67947, and FM Broadcasting is licensee of Station KMXH(FM), Alexandria, Louisiana, Facility No. 21854 (the "Stations"); and

WHEREAS, Sellers own or lease and desires to sell and/or assign, and Buyer desires to purchase and/or assume certain of the assets, property and business used in the operation of the Stations; and

WHEREAS, the assignment of the licenses of the Stations is subject to the prior approval of the Federal Communications Commission (the "Commission").

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

SECTION 1 **ASSETS TO BE SOLD**

1.1 On the Closing Date, Sellers shall sell, assign, transfer, convey, set over, and deliver to Buyer, and Buyer shall purchase and/or accept assignment of the following assets (hereinafter collectively the "Assets") free and clear of any security interests, claims, encumbrances, liens, or liabilities except for Permitted Liens and the "Assumed Obligations" (as defined in Paragraph 5.1). "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; (iv) with respect to the Leased Property, such other easements, rights of way, building and use restrictions and other exceptions that do not in any material respect detract from the value of the property subject thereto or impair the use thereof in the ordinary course of the business of the Stations; and (v) 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**, and all franchises, licenses, permits, and authorizations issued by any administrative body or licensing authority or governmental or regulatory agency, other than Commission Authorizations, used in connection with the operation of the Stations (hereinafter "Other Authorizations") which are listed in **Schedule 1.1.1**.

1.1.2 **Tangible Personal Property.** All of Sellers' rights in and to all fixed and tangible property used or held for use in the operation of the Stations, including but not limited to tangible personal property 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 **Leased Property.** Sellers' interests in the real property leased by Sellers and used or useful in the operation of the Stations, and all fixtures and appurtenances thereto ("Leased Property"), as set forth on **Schedule 1.1.3**.

1.1.4 **Agreements.** All Sellers' rights to and in the contracts and agreements to which Sellers or the Stations is a party which are listed in **Schedule 1.1.4** (other than real estate leases which are listed in Schedule 1.1.3), together with all contracts and agreements and leases, entered into or acquired by the Sellers between the date hereof and the Closing Date which have been approved in writing by Buyer or otherwise not prohibited herein (hereinafter collectively "Agreements"), and all right, title, and interest of Sellers 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 Sellers or the Stations is a party and to be assumed by Buyer pursuant to this Agreement (hereinafter collectively "Advertising Contracts" and, together with the Agreements, the "Contracts"). The only agreements for advertising time for trade, barter, or similar arrangement that Buyer shall be required to assume are listed on **Schedule 1.1.4**.

1.1.5 **Intangibles.** All right, title, and interest of Sellers in and to logos, jingles, marketing plans, copyrights, trademarks, trade names, websites, domain names, and other intangible property of Sellers set forth on **Schedule 1.1.5** attached hereto and made a part hereof (hereinafter collectively the "Intangibles"), and in any call signs associated with the Stations.

1.1.6 **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.

1.2 **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 Sellers, such as certificates of deposit, Treasury bills and other marketable securities on hand and/or in banks;

1.2.2 Sellers’ accounts receivable for services performed by Sellers in connection with the operation of the Stations prior to Closing except to the extent provided in Section 1.5;

1.2.3 All claims, rights and interest of Sellers (i) to any refunds of taxes or fees of any nature whatsoever, (ii) to any deposits, prepaid expenses, or utility deposits, or (iii) whether mature, contingent, or otherwise, against third parties, 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 Sellers not assumed by Buyer;

1.2.6 Sellers’ records or materials relating to Sellers generally and not substantially 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 Sellers with respect to matters arising prior to the Closing Date;

1.2.8 Any non-transferable shrink-wrapped computer software and any other non-transferable computer licenses that are not material to the operation of the Stations;

1.2.9 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 Sellers; and

1.2.10 The assets listed on **Schedule 1.2** (if any).

1.3 **Assignments of Contracts.** Buyer and Sellers 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 Sellers and/or the Stations, may not, by their terms, be assignable. Such contracts are identified by an asterisk on **Schedule 1.1.3 and 1.1.4**. 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 Sellers thereunder. Notwithstanding the foregoing, in such event, upon request of

Buyer, Sellers will cooperate with Buyer in all lawful ways to provide for Buyer all benefits to which Sellers is entitled under such Contracts so long as Buyer undertakes to perform or cause to be performed the obligations of Sellers under such Contracts, and any transfer or assignment to Buyer by Sellers 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. Sellers will use their 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 Sellers, to the extent reasonably requested by Sellers, to obtain any such consents, *provided, however*, that Buyer shall have no obligation to make substantial expenditures or grant any substantial financial accommodation to obtain any such consent. Consent to the assignment of all contracts marked with a double asterisk (the "Material Contracts") 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.** No later than ten business days prior to Closing, Sellers shall complete a search for liens and encumbrances by a reputable lien search company, current as of 30 days from the anticipated Closing Date, the results of which shall be provided to Buyer. Prior to or at Closing (or if closing proceeds are to be used, within a reasonable period following assignment), Sellers 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"). The cost of the lien search shall be borne by Sellers.

1.5 **Collection of Accounts Receivable.** On the Closing Date, Sellers shall provide Buyer with a listing of all of Sellers' accounts receivable as of that date and shall assign to Buyer the Accounts Receivable for purposes of collection only all of Seller's accounts receivable that are less than 120 days old (the "Sellers' Accounts Receivable"). For a period of One Hundred and Twenty (120) days following the Closing Date (the "Collection Period"), Buyer shall use such efforts as are reasonable and in the ordinary course of business to collect the Sellers' Accounts Receivable. This obligation, however, shall not extend to the institution of litigation, employment of counsel, or any other extraordinary means of collection. So long as the Sellers' Accounts Receivable are in Buyer's possession, neither Sellers nor their agents shall make any solicitation of them for collection purposes or institute litigation for the collection of any amounts due thereunder. All payments received by Buyer during the Collection Period from any person or entity obligated with respect to any of the Sellers' Accounts Receivable shall be applied first to Sellers' account, and only after full satisfaction thereof, to Buyer's account; *provided, however*, that if during the Collection Period any account debtor contests in writing the validity of its obligation with respect to any Sellers' Account Receivable, then Buyer shall return that Sellers' Account Receivable to Sellers after which Sellers shall be solely responsible for the collection thereof. Within ten (10) calendar days after the end of each calendar month during the Collection Period (or if such day is a weekend or holiday, on the next business day), Buyer shall furnish Sellers with a list of the funds collected during the prior calendar month with respect to Sellers' Accounts Receivable and shall pay to Sellers the full amount collected with respect to

the Sellers' Accounts Receivable during such month. Conversely, within five (5) calendar days of such receipt, Sellers shall report to Buyer the receipt of any payment received directed by Sellers with respect to any of the Sellers' Accounts Receivable during the Collection Period.

Any of the Sellers' Accounts Receivable that are not collected during the Collection Period shall be reassigned to Sellers at the end of the Collection Period, after which Buyer shall have no further obligation to Sellers with respect to the Sellers' Accounts Receivable; *provided, however*, that all funds subsequently received by Buyer (without time limitation) that can be specifically identified, whether by accompanying invoice or otherwise, as a payment on any Sellers' Accounts Receivable belonging to Sellers shall be promptly paid to Sellers.

Buyer shall not have the right to discount, compromise, settle, or adjust the amounts of any of the Sellers' Accounts Receivable without Sellers' prior written consent, or to withhold any proceeds of the Sellers' Accounts Receivable (except as provided above) or to retain any uncollected after the expiration of the Collection Period for any reason whatsoever any of the Sellers' Accounts Receivable. Sellers shall at all times be responsible for the payment of all salesperson's, agency, and representative commissions due with respect to the Sellers' Accounts Receivable.

SECTION 2

PURCHASE PRICE

2.1 **Purchase Price.** In consideration of Sellers' performance of this Agreement, the total purchase price (the "Purchase Price") to be paid by Buyer for the assets shall be Six Hundred Thousand Dollars (\$600,000.00), as adjusted pursuant to Section 3, hereto. The Purchase Price shall be paid as follows:

(a) upon execution of this Agreement, Buyer shall place into escrow, with Sellers' counsel as escrow agent, pursuant to a signed Escrow Agreement the sum of Thirty Thousand Dollars (\$30,000.00) (the "Deposit");

(b) at Closing, Buyer and Sellers shall jointly instruct the Escrow Agent to deliver the Deposit, but not the interest thereon, to Sellers and Buyer shall pay to Sellers via same day wire transfer or certified check, the remainder of the Purchase Price, less the Hold Back (as defined in Section 6.4.3); and

(c) ninety (90) days after Closing, subject to the provisions of Section 6.4.3, the remainder of the Hold Back will be released to Sellers, which shall constitute full satisfaction of the Purchase Price.

2.5 **Allocation of Purchase Price.** Sellers and Buyer agree to allocate the Purchase Price among the Purchased Assets in accordance with the allocation schedule to be attached hereto as **Schedule 2.5**, which allocation schedule will be determined prior to the Closing (the "Allocation Schedule"). Sellers and Buyer will each file an IRS Form 8594 consistent with the Allocation Schedule.

SECTION 3 **ADJUSTMENTS**

3.1 **Adjustment Time.** The “Adjustment Time” as used herein shall be 12:01 A.M. current local time on the 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 3.4 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 equipment under any lease or tenancy of real property, and any and all equipment leases described in **Schedule 1.1.4.**

(b) Personal property taxes, 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, cable television, and sanitation and garbage disposal) furnished to or in connection with the Stations.

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

(f) Unpaid or prepaid obligations of Sellers with respect to any, contract or agreement which Buyer assumes, including, without limitation, prepaid premiums on any insurance policies that Sellers has agreed to assign to Buyer and Buyer elects to assume. Sellers shall be compensated by Buyer for any Security Deposits, if any, previously paid by Sellers for any such obligations in any amounts to which it is entitled; *provided, however*, that no adjustment will be made with respect to a net positive or negative balance under trade or barter contracts except to the extent that such positive or negative balance exceeds Five Thousand Dollars (\$5,000.00).

(g) Any revenue in any form (including, without limitation, cash and credit) received by Sellers with respect to Buyer’s operation of the Stations after Closing.

(h) All other items of revenue or expense 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 Sellers, 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 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.

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

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) business days after notice of such determination thereof has been given to Buyer or Sellers, 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 Sellers and one-half by Buyer.

SECTION 4 **APPLICATION TO AND CONSENT BY COMMISSION**

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

4.2 **Application For Commission Consent.**

(a) Sellers 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 expiration of the Due Diligence Period (as defined in Section 9.2.1), each party shall have prepared its portion of an application on FCC Form 314 to request Commission consent to assign the Commission Authorizations from Sellers to Buyer (the "Assignment Applications") and all information, data, exhibits, resolutions, statements, and other materials necessary and proper in connection with such Assignment Applications and shall have filed such portion of the an Assignment Application with the Commission. Each party further agrees expeditiously to prepare Assignment Application amendments, respond to oral or written inquiries, and answer pleadings whenever such are required by the Commission or its rules. After the Assignment Application is filed, Buyer and Sellers shall diligently prosecute the Assignment Applications and otherwise use their commercially reasonable efforts to obtain the Commission's consent as soon as possible.

(b) Each party shall bear its own expenses incurred for the preparation, filing, and prosecution of the Assignment Applications. The parties agree that counsel for Buyer shall

file the Assignment Application. All filing fees imposed by the Commission shall be paid one-half by Sellers and one-half by Buyer.

(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 circumstances which constitutes a breach by that party or any of its representations, warranties, or covenants in this Agreement. Buyer and Sellers 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 Sellers prior to the Closing Date, whether existing now or in the future, except for (i) Permitted Liens, and (ii) liabilities being assumed under the Agreements and any executory obligation that exist for the broadcast of air time (the "Assumed Obligations").

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 Sellers accruing after the Closing Date under the Assumed Obligations. Buyer shall assume such unperformed duties of Sellers only to the extent that such duties accrue on or after Closing based on the operation of the Station after the Closing Date. 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 Sellers 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"). Subject to Section 1.3, with respect to each Contract being assumed by Buyer at Closing Sellers shall provide to Buyer an estoppel agreement signed by the other party to each such Contract (a), if consent is required, agreeing to the assignment of such Contract, and (b) certifying that Sellers are not in breach of such Contract, that each such Contract is in full force and effect, and that all payments heretofor due under such Contract have been paid in full.

5.3 **Sellers' Liability.** Sellers 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.

5.4 **Actions.** After Closing, Buyer shall cooperate with Sellers in the investigation, defense, or prosecution of any of the actions which are pending or threatened against Sellers with respect to the Stations and set forth in **Schedule 6.7.1** at no cost to Buyer.

SECTION 6
REPRESENTATIONS WARRANTIES AND COVENANTS OF SELLERS

6.1 **Sellers' Best Knowledge.** "To the best of Sellers' knowledge" shall mean the actual knowledge of any of Seller's principals with respect to such subject matter.

6.2 **Standing.**

6.2.1 Sellers each are corporations organized and in good standing under the laws of the State of Louisiana and has the full power to own the assets and to carry on the business of the Stations as they are now being conducted and is qualified and in good standing in the State of Louisiana.

6.2.2 Sellers have the full power and authority to enter into this Agreement and to execute all of Sellers' Closing Documents that require Sellers' signatures.

6.3 **Binding Effect of Agreement.** This Agreement constitutes a valid and binding obligation of Sellers enforceable against Sellers in accordance with the terms of this Agreement. Upon execution, the Sellers' Closing Documents will constitute valid and binding obligations of Sellers enforceable against Sellers 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 either of Sellers' Articles of Incorporation or By-Laws, or any contract provision or other commitment to which Sellers or the Stations is a party or under which it or its property is bound, or any judgment or order of which Sellers have received notice, 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.

6.4 **Tangible Personal Property.**

6.4.1 **Tower Sites.** Sellers are not selling and Buyer is not purchasing any real property from Sellers. **Schedule 1.1.3** contains a description of the real property leased by Sellers, which leases will be assigned to and assumed by Buyer (the "Leased Property"). Except as set forth on **Schedule 6.4.1**, the Leased Property is accessible by public roads. To the best of Sellers' knowledge, the Leased Property and the structures located thereon, and the present uses thereof, conform in all material 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 Sellers' knowledge, threatened condemnation or eminent domain proceedings that may have a material adverse effect on Buyer's use of the Leased Property for the operation of the Stations after Closing. There are no structural defects in the towers, buildings, structures and other improvements located on the Leased Property. All utilities that are necessary for the present operation of the Stations have been connected to the Leased Property and are in working order. Except as set forth on **Schedule 6.4.1**, on the Closing Date the transmitting facilities of the Stations, including the tower, guy wires, and ground systems are located entirely on the confines of the Leased Property.

6.4.2 **Tangible Personal Property.** **Schedule 1.1.2** contains a list of all material items of Tangible Personal Property included in the Assets. Sellers represent and warrant 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, Sellers are 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, debts, 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, debts, or claims of any kind or nature whatsoever, other than Permitted Liens.

6.4.3 **Condition of Property.** At Closing, the Tangible Personal Property listed in **Schedule 1.1.2** (except as expressly noted therein) shall be transferred in good operating condition, reasonable wear and tear excepted, and any repairs or replacement of equipment necessary to maintain the Stations' operations in accordance with its Commission license and all Commission rules and regulations shall be made by Sellers prior to the Closing. Specifically, Sellers shall make the repairs or adjustments to Tangible Personal Property that are listed in **Schedule 6.4.3** prior to Closing.

For a 90-day period following Closing (the "Repair Period"), Twenty-Five Thousand Dollars (\$25,000.00) of the Purchase Price (the "Hold Back") shall be held back in escrow for (i) the completion of the repairs or adjustments to the Stations listed on **Schedule 6.4.3** and not completed prior to Closing; and (ii) any remediations necessary in response to the ABIP provided for in Section 9.2.1 that have not been completed prior to Closing. In the event that Buyer discovers during the Repair Period that any repairs or adjustments listed on **Schedule 6.4.3** or required to be made pursuant to the ABIP inspection provided in Section 9.2.1 have not been made, Buyer shall give Sellers and Escrow Agent written notice of the further adjustments or repairs necessary accompanied by an itemization of the anticipated cost of such adjustments or repairs, and Escrow Agent shall be permitted to release to Buyer such portions of the Hold Back as are necessary to effectuate the adjustments or repairs.

Sellers warrants that at Closing the Stations' equipment will be sufficient to operate the Stations at full power, in accordance with their most recent technical licenses, and that the equipment is currently operating in material compliance with Commission rules, regulations, and policies except as indicated in **Schedule 6.4.3**. Except for the Excluded Assets, Sellers do not have any material assets used, held for use in, or required for, the conduct of the business of the Stations as they are presently being conducted 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 Sellers.

6.5 **Agreements.** **Schedule 1.1.3** contains a list of 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 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, and except for agreements that do not require post-Closing payments by Buyer of more than \$1,500.00 each or \$3,000.00 in the aggregate for both Stations) to which, as of the date hereof, Sellers and/or the Stations are a party or by which Sellers and/or the Stations may be bound or obligated in any way.

6.6 **Authorizations.** Sellers are the authorized legal holder of all licenses, permits, and authorizations necessary to operate the business of the Stations as they are 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 limit in any respect the operation of the Stations as now operated. All such Commission Authorizations are validly existing authorizations for the operation of the facilities described therein. Except as set forth in **Schedule 6.6**, Sellers are operating the Stations substantially in accordance with all material terms of the Commission Authorizations, the underlying construction permits and all rules, regulations and policies of the Commission. Except as set forth in **Schedule 6.6**, there is no action pending or, 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, except as set forth in **Schedule 6.6**, and except those affecting the industry generally, 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 their operation.

6.7 **Litigation and Insurance.**

6.7.1 **Litigation; Compliance With Law.** Except as set forth in **Schedule 6.7.1** or **Schedule 6.6**, to the best of Sellers' knowledge, 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 segments of the broadcasting industry in general, except as set forth in **Schedule 6.7.1**, there is no complaint, claim, litigation, investigation, or judicial, administrative, or other proceeding of any nature pending or, to the best of Sellers' knowledge, threatened, including, without limitation, a grievance, arbitration, or insolvency or bankruptcy proceeding, against the Stations, Sellers, or any of the Assets being sold or transferred to Buyer, which may (a) adversely affect the Assets or the Commission Authorizations to be assigned hereunder, or the operation of the Stations in substantially the same manner as it is currently operated, or the ability of Buyer to own and operate the Stations in substantially the same manner as they are currently operated, or the use, ownership, or operation of any of the Assets by Buyer in substantially the same manner as such Assets are currently used or operated, (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 the issuance or imposition of any administrative sanction that might adversely affect the Assets or the Commission Authorizations, or the operation of the Stations or the ability of Buyer to own and operate the Stations in substantially the same manner as they are currently operated or the use, ownership, or operation of any of the Assets by Buyer in substantially the same manner as such Assets are currently used or operated. In addition, except as set forth in **Schedule 6.7.1**, there is no litigation, proceeding, or any investigation or proceeding pending or, to Sellers' knowledge that has been threatened, which would result in a

material adverse effect upon the Stations or its business, operations, prospects, or conditions (financial or otherwise). Sellers 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. Sellers are 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 as of the date hereof.

6.8 **Taxes and Other Matters.**

6.8.1 **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 Sellers relating to the Assets, the Stations, and/or their operation pursuant to any law or regulation which, if not filed, would materially adversely affect Buyer's full enjoyment and/or benefit of the Assets, have been duly filed, and all taxes, interest, assessments, and penalties which are due to any taxing authority (whether federal, state, or local) with respect to any tax period ending on or prior to the making of this warranty which, if not paid, would materially adversely affect Buyer's full enjoyment and/or benefit of the Assets, have been duly paid.

6.8.2 **Bankruptcy.** No voluntary or, to Sellers' knowledge, involuntary petition in bankruptcy, receivership, insolvency, or reorganization with respect to Sellers, or petition to appoint a receiver or trustee of Sellers' property, has been filed by or, to Sellers' knowledge, against Sellers. Sellers have 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.

6.8.3 **OSHA Matters.** There is no liability that will be attached to Buyer due to any violation by Sellers of the Occupational Safety and Health Act ("OSHA"). To the best of Sellers' knowledge, Sellers are in compliance with the requirements of the OSHA and the regulations promulgated thereunder and any similar laws or regulations of any state or local jurisdiction ("OSHA"). Sellers have 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 Sellers 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. Sellers have heretofore furnished to Buyer copies of all citations heretofore issued to Sellers 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.

6.8.4 **No Liabilities Attaching to Buyer.** Except as expressly provided in this Agreement, to the knowledge of Sellers, there are no liabilities of any kind or nature whatsoever of Sellers 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 **Environmental Matters.** To the knowledge of Sellers, there is no liability that will be attached to Buyer due to any violation by Sellers of any environmental laws. Sellers make the following representations and warranties with respect to environmental matters.

(a) To Sellers' knowledge, Sellers have 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 Sellers alleging any failure to comply with any such law, rule or regulation.

(b) To Sellers' knowledge, except as set forth on **Schedule 6.9**, Sellers have no liability (and to the best of Sellers' knowledge, Sellers have 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 Sellers 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 that constitutes any of the Assets.

(c) To Sellers' knowledge, except as set forth on **Schedule 6.9**, Sellers have no liability (and there is no basis related to the past or present operations, properties, or facilities of Sellers for any present or future charge, complaint, action, suit, proceeding, hearing, investigation, claim, or demand against Sellers 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) To Sellers' knowledge, Sellers have 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, to the best of Sellers' knowledge, 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, in connection with any of the Assets.

(e) To the best of Sellers' knowledge, all properties and equipment used in the business of Sellers 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) Except as described in **Schedule 6.9**, to the best of Sellers' knowledge, 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 Sellers, or by any other party on any Leased Property.

6.10 **No Untrue Statements or Omission**. No representation or warranty made by Sellers in this Agreement or any Schedule, exhibit, statement, certificate, or other document heretofore or hereafter furnished by Sellers, 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 Sellers 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.

6.11 **Sole Remedy**. The parties have agreed that should any representations and warranties of any party prove untrue, the other party shall have the specific rights and remedies herein specified as the exclusive remedy therefor. Buyer is acquiring the Assets subject only to the specific representations and warranties set forth in this Section 6.

SECTION 7

WARRANTIES, REPRESENTATIONS AND COVENANTS OF BUYER

Buyer covenants, represents, and warrants as follows:

7.1 **Organization and Standing**. Buyer is a limited liability company organized and in good standing under the laws of the State of Louisiana.

7.2 **Authorization and Binding Obligation**. Buyer has all necessary power and authority to enter into this Agreement and all of Buyer'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 Buyer's Articles of Organization or By-Laws or 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 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 Buyer from being the assignee of the Commission Authorizations or from being the owner and operator of the Stations. Buyer is financially qualified to fully and timely consummate the transaction contemplated herein. There are no grounds relating to the qualification of Buyer for the filing of a petition to deny or objection which might reasonably be expected to result in the Commission's denial of approval of the Assignment Application.

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 Sellers 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. All representations and warranties of Buyer 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 8

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

8.1 **Affirmative Covenants of Sellers.** From the date of this Agreement until the Closing Date, Sellers shall have complete control and supervision of and sole responsibility for the Stations or their operation. During such period, Sellers 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 Sellers 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, including entering into such agreements as are consistent with Sellers' past practice.

8.1.5 Use their best efforts to keep the Stations and their Assets and properties substantially intact, including their present operations and physical facilities.

8.1.6 Deliver to Buyer within ten (10) business 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, Sellers will furnish a written summary thereof).

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

8.2 **Negative Covenants of Sellers.** Between the date hereof and the Closing Date, Sellers 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.

8.2.2 Other than in the usual and ordinary course of business, sell or dispose of any of the Assets; Sellers shall replace all Assets thus disposed of in the usual and ordinary course of business with assets having utility at least equal to the utility 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 transmission, 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 Sellers' normal standards of maintenance.

8.3 **Failure of Broadcast Transmissions.** Sellers shall give Buyer prompt written notice 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) is operated at less than ninety percent (90%) of its licensed power. Unless such event is due to the actions of Buyer, 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.** As a condition precedent to the execution of this Agreement, Sellers shall have given Buyer access to the Station to allow for preparation of the **Schedule 6.4.3** concerning repairs necessary prior to Closing to the Tangible Personal Property. Moreover, between the date hereof and the Closing Date (and in particular, the Due Diligence Period, as defined in Section 9.2.1), Sellers will give to Buyer and its authorized representatives and agents, including engineers, accountants, lawyers, and other representatives, reasonable access by prior appointment during reasonable hours to the Assets; provided, however, that Buyer acknowledges and agrees that it may not disclose the nature of the transaction contemplated herein with any employees of Sellers other than the employees specifically designated by Sellers to provide Buyer with access to the Assets. Sellers 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. Sellers also agree 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. Sellers agree to extend reasonable 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.** From and after the date on which the Assignment Applications are filed with the Commission, the Sellers will not take any action to preclude or discourage any of the Sellers' employees from accepting an offer of employment extended by the Buyer; provided, however, Buyer shall notify Sellers prior to contacting such employees.

8.6 **Restrictions on Buyer.** 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 Sellers 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 requirements of law and this Agreement.

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 Applications by the Commission. Furthermore, Buyer shall give prompt notice to Sellers 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 Sellers contained in this Agreement.

SECTION 9

CONDITIONS FOR CLOSING

9.1 **Closing.** The Closing of the transactions contemplated by this Agreement (the "Closing") shall take place on a date (the "Closing Date") after the Assignment Application has been granted by the Commission's staff under delegated authority which is mutually agreeable to the parties, which date shall not in any event be more than five (5) business days after the date of the Commission action (the "Order") granting the Assignment Application and such action has become a Final Order, *provided, however*, that the parties shall not be obligated to proceed to Closing if the conditions precedent to Closing have not been satisfied or waived. For purposes of this Agreement, the term "Final Order" shall mean an 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. The Closing shall be accomplished on the Closing Date by exchanging the closing documents required by this Agreement and such other closing documents as the parties may reasonably require in person, by mail or air courier and by Buyer's delivery of that portion of the Purchase Price (including the Deposit) to be paid at Closing by wire transfer or physical delivery of a certified or cashier's check.

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 Buyer's satisfaction, in Buyer's sole discretion after Buyer's completion of a due diligence examination of the Station, its Assets, the Leased Property, and any relevant documentation, that the Stations' condition is as represented during the course of the negotiations of the transaction(s) contemplated by this Agreement. In the event Buyer determines within 30 days after the date hereof (the "Due Diligence Period"), in its sole discretion, that either Station is not as represented during the course of negotiations, Buyer shall have the right to terminate this Agreement and return of the Deposit.

Moreover, at Sellers' expense and (except as provided below) prior to the Closing Date, Sellers shall provide to Buyer, evidence of Sellers' compliance with the Alternative Broadcast Inspection Program ("ABIP") authorized by the Louisiana Association of Broadcasters (the "Inspection"), by delivery of the applicable Certificate of Compliance for each Station. Failure to do so shall entitle Buyer to either (i) terminate this Agreement and return of the Deposit, or (ii) consummate this transaction and to correct at Sellers' cost (up to the Hold Back amount) any deficiencies identified by the Inspection.

To the extent feasible, Buyer's inspection of the Stations shall occur no later than the ABIP Inspection. In the event the ABIP Inspection has not been completed and the results of the ABIP Inspection have not been received within the Due Diligence Period specified above, the

Due Diligence Period and termination period shall be extended until five (5) business days after Buyer's receipt of the ABIP Inspection report.

9.2.2 Sellers shall have delivered to Buyer the Sellers' Closing Documents as described in Section 10.1 below.

9.2.3 Each of the Sellers' 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, except in respect of such changes as are contemplated or permitted by this Agreement.

9.2.4 Sellers 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 material compliance therewith on the Closing Date.

9.2.5 Sellers shall be the holder of the Commission Authorizations listed in **Schedule 1.1.1.**

9.2.6 Sellers shall have taken all internal and other actions necessary to consummate this transaction.

9.2.7 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 permitted or contemplated herein or that have been agreed to and accepted by Buyer, in its reasonable discretion, and that there have been no material, adverse changes in the Station's condition, business, or prospects, and that there are no regulatory, legal, engineering, or other impediments to Buyer's operation of the Station in accordance with its license.

9.2.8 If consent is required under the terms of such agreement, any parties to any Material Contract as designated pursuant to Section 1.3 shall have consented to the assignment of Sellers' rights on terms substantially similar to the terms enjoyed by Sellers at the time of execution of this Agreement.

9.2.9 The Commission shall have granted its consent to the Assignment Applications, and such consent shall have become a Final Order.

9.3 **Conditions Precedent to Obligations of Sellers.** The performance of the obligations of the Sellers under this Agreement is subject to the satisfaction of each of the following express conditions precedent, provided that Sellers 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, together with all other 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.

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

9.3.4 The Commission shall have granted its consent to the Assignment Applications, and such consent shall have become a Final Order (unless such Final Order is waived by Sellers).

9.3.5 Buyer shall have taken all internal and other actions necessary to consummate this transaction.

9.3.6 Buyer shall have delivered to Sellers the Buyer's Closing Documents as described in Section 10.2.

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 Sellers, after application of the provisions of Section 16.2 hereof, 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 Sellers, 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 Sellers 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 Sellers.** In case of the failure of any of the conditions precedent described in Section 9.3 hereof, and if Buyer, after application of the provisions of Section 16.2 hereof, has failed to cure the same, Sellers 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, Sellers shall have the right, at its option, to exercise any or all of its rights or remedies for default provided in Section 16 hereof, including the right to the Deposit plus all interest accrued thereon. Sellers shall not be deemed to have waived any failure by Buyer to fulfill any of the conditions precedent described in Section 9.3 if Sellers do 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 Sellers.** At the Closing, Sellers shall deliver to Buyer the following ("Sellers' Closing Documents"):

10.1.1 An executed Bill 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 An executed Assignment/Assumption Agreement in form and substance reasonably satisfactory to Buyer assigning to Buyer the Agreements and Intangibles to be assigned hereunder.

10.1.3 An executed Assignment of Licenses in form and substance reasonably satisfactory to counsel for Buyer assigning the Commission Authorizations to Buyer.

10.1.4 An executed Assignment/Assumption of Leases in form and substance reasonably satisfactory to Buyer assigning to Buyer the real property leases to be assigned hereunder.

10.1.5 A certificate executed by Sellers stating that (a) all of the representations and warranties of Sellers 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 Sellers on or prior to the Closing Date have been performed in all material respects.

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

10.1.7 The estoppel agreements described in Section 5.2.

10.2 **Closing Documents to be Delivered by Buyer.** At the Closing, in addition to that portion of the Purchase Price required to be paid at Closing, Buyer shall deliver to Sellers the following ("Buyer's Closing Documents"):

10.2.1 A certificate executed by Buyer 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 Sellers.

SECTION 11

BROKERAGE

Sellers and Buyer each represent and warrant to the other that other than Media Services Group and The Proctor Group, Inc., each 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. All brokerage obligations due to Media Services Group shall be the sole obligation of Sellers, and all brokerage obligations due to The Proctor Group, Inc. shall be the sole obligation of Buyer. Buyer and Sellers hereby agree to indemnify each other from and against any claim of any such obligation or liability by any other person or entity, 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 Sellers' Agreements, Representations, and Warranties.

(a) Subject to Section, 12.1(b), for a period of one (1) year following the Closing, Sellers 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 ("Damages"), arising out of or sustained by Buyer by reason of:

(i) any breach of any warranty, representation, or agreement of Sellers 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;

(ii) 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 Sellers under any lease, contract, or agreement (other than the Agreements on or after Closing) or under the Agreements prior to Closing);

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

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

(b) Notwithstanding the foregoing or anything else herein to the contrary, after Closing, (i) Seller shall have no liability to Buyer under Section 12.2(a) until Buyer's

aggregate Damages exceed an aggregate amount equal to \$4,500.00, after which such threshold amount shall be excluded from any calculation of Damages, and (ii) the maximum aggregate liability of Seller under Section 9.2(a) shall be an amount equal to fifty percent (50%) of the Purchase Price.

12.2 **Breach of Buyer's Agreements, Representations and Warranties**. For a period of one (1) year following the Closing, Buyer shall reimburse Sellers for, and indemnify and hold harmless Sellers from and against, any Damages arising out of or sustained 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 Sellers 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 one year. Any claim to indemnification in respect of a covenant or agreement shall be made within one year of the Closing Date. Buyer and Sellers 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 following the Closing in connection with any breach or other violation by the other party of its representations, warranties, or covenants contained in this Agreement. The provisions of this Section 12.4 were specifically bargained-for between Buyer and Sellers, and were taken into account by Buyer and the Sellers in arriving at the Purchase Price and in agreeing to provide the specific representations and warranties set forth herein.

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 Sellers at all times before the Closing of this Agreement. If any such loss or damage occurs, Sellers 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 Sellers do not fully replace or restore any such lost or damaged Asset or Assets having an aggregate replacement value of at least One Thousand Dollars (\$1,000) or which have a material adverse impact upon the operation of the Stations by the time the Closing otherwise would be held, and the cost of such replacements, restoration or repairs is in the aggregate Five Thousand Dollars (\$5,000.00) 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 Sellers. If the cost of such uncompleted replacement, restoration or repairs exceeds Five Thousand Dollars (\$5,000.00) in the aggregate, Buyer may, at its option, upon written notice to Sellers, either (i) terminate this Agreement, or (ii) elect to close without restoration, in which event Sellers 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. Buyer and Sellers shall split equally the Commission filing fee associated with the Assignment Application. 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 Sellers with the requirements of any such statutes, and Sellers agree to indemnify and hold Buyer

harmless against any claim made against Buyer by any creditor of Sellers 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 Sellers as the case may be, if the party seeking to terminate is not in material default or breach of this Agreement, upon written notice to the other promptly upon the occurrence of any of the following:

(a) by Sellers or Buyer 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, and such breach is not timely cured as provided in Section 16.2, below;

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

(c) by Buyer, as provided in Section 9.2.1;

(d) if by nine months from the date of execution of this Agreement, the Assignment Applications have not been granted and such grant has not become a Final Order (unless both Sellers and Buyer waive such condition); or

(e) on the Closing Date, Sellers 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 the period provided in Section 16.2.

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. If the default is not curable or has not been cured within thirty (30) 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 thirty (30) 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, no notice shall be required or cure period afforded, and this Agreement may be terminated immediately.

16.3 Sellers agree 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 Sellers' performance under this Agreement, in addition to any other remedy to which it is entitled at law, and Sellers agree 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

16.4 Buyer agrees that in the event Sellers terminate this Agreement pursuant to Section 16.1(a) or 16.1(e) or Buyer terminates this Agreement for any reason other than those set forth in this Agreement, Sellers shall be entitled to the Deposit, plus all interest accrued thereon.

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 one year following Closing.

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 Sellers 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 Any notice, demand, or request required or permitted to be given under the provisions of the Agreement shall be in writing and shall be deemed to have been duly delivered on the date of personal delivery or on the date of delivery by email with a "read receipt" or other confirmation of delivery, or on the date of receipt if mailed by registered or certified mail, postage prepaid and return receipt requested, and shall be deemed to have been received on the date of personal delivery or on the date set forth on the return receipt, to the following addresses:

If to Sellers:

Trinity Broadcasting Corporation
c/o Urban Radio Broadcasting, LLC
134 S. Dixie Hwy
Suite 206
Hallandale Beach FL 33009

FM Broadcasting Corp.
c/o Urban Radio Broadcasting, LLC
134 S. Dixie Hwy
Suite 206
Hallandale Beach FL 33009

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

Joanna E. Iglesias, Esq.
Bilzin Sumberg Baena Price & Axelrod LLC
1450 Brickell Ave.
Suite 2300
Miami, FL 33131-3456

If to Buyer:

Mr. Jerry Williams, Jr.
c/o Beaird Properties, LLC
Suite 1112 Beaird Tower
Shreveport, LA 71101

and

JB Beaird
Beaird Properties, LLC
Suite 1112 Beaird Tower
Shreveport, LA 71101

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
Email: dja@commlaw.tv

Any 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 an entity under common control of Buyer. 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 representations, warranties, and covenants of Sellers hereunder, and (ii) the benefit of all indemnifications provided by Sellers hereunder. Sellers 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, notwithstanding the provisions of Section 14, either Sellers 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.

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 Louisiana.

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, that nothing in this provision shall impair a party's rights pursuant to Sections 12 or 16 hereof.

19.11 **Publicity.** Sellers and Buyer agree that, except as may be required by applicable law, all public announcements relating to this agreement or the transactions contemplated hereby, including announcements to Sellers' 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 the sole 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 Rapides Parish, Louisiana. No party shall oppose or assert a defense against such litigation in said courts on the grounds that the court lacks personal jurisdiction.

19.13 **Confidentiality.** Buyer and Sellers, and their respective employees, agents, and representatives, shall each keep confidential all information obtained with respect to the other in connection with the negotiation and performance of this Agreement, except where such information is known or available through other lawful sources or where its disclosure is required in accordance with applicable law. If the transactions contemplated hereby are not consummated for any reason. Buyer and Sellers, and their respective employees, agents and representatives, shall return to the other, without retaining a copy thereof, any written information, including all financial information, obtained from the other in connection with this Agreement and the transactions contemplated hereby, and shall forever preserve the confidentiality of such information. The parties recognize that a breach of this covenant of confidentiality may cause substantial, irreparable harm to the other's business and therefore agree that injunctive relief would be appropriate to enforce any breach of this covenant.

[signatures on the following page]

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

SELLERS:

**TRINITY BROADCASTING
CORPORATION**

By: 
Kevin Wagner, President

FM BROADCASTING CORP.

By: 
Kevin Wagner, President

BUYER:

JWBP BROADCASTING, LLC

By: _____,
_____, Managing Member

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

SELLERS:

**TRINITY BROADCASTING
CORPORATION**

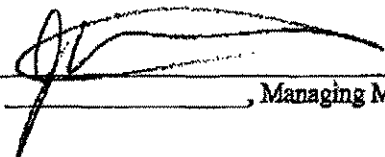
By: _____
Kevin Wagner, President

FM BROADCASTING CORP.

By: _____
Kevin Wagner, President

BUYER:

JWBP BROADCASTING, LLC

By:  _____, Managing Member

LIST OF EXHIBITS AND SCHEDULES

Schedule 1.1	Liens
Schedule 1.1.1	Commission Authorizations
Schedule 1.1.2	List of Tangible Personal Property
Schedule 1.1.3	Real Property Leases
Schedule 1.1.4	Contracts, Agreements and Leases (other than leased real property)
Schedule 1.1.5	Intangible Assets
Schedule 1.2	Excluded Tangible Personal Property
Schedule 2.5	Allocation of Purchase Price
Schedule 6.4.1	Issues with respect to Real Property Leases
Schedule 6.4.3	Items to be Repaired Prior to Closing
Schedule 6.6	Deficiencies -- Authorizations
Schedule 6.7.1	Deficiencies - Operations
Schedule 6.8.1	Litigation
Schedule 6.9	Environmental Matters