

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT ("APA" or "Agreement") is entered into this 1st day of April, 2002 ("Date"), by and between SARASOTA BROADCAST CORPORATION, a Florida for profit corporation and a wholly owned subsidiary of ALLIANCE BROADCASTING GROUP, INC., a for profit Indiana corporation, the licensee of AM Radio Station WIBQ, 1220 kHz, Sarasota, Florida ("ABG" or "Seller") and NOVA BROADCASTING COMPANY, a for profit Florida corporation ("NBC" or "Buyer").

Recitals

WHEREAS, Seller is the owner and operator of AM Radio Station WIBQ, 1220 kHz, Sarasota, Florida, with studio/ offices/ facilities located in Sarasota, Florida, and previously officially identified as WQSA ("Station") and holds the licenses, permits, and authorizations issued by the Federal Communications Commission, Washington, D.C. ("FCC" or "Commission");

WHEREAS, Buyer desires to acquire Seller's interests in real property, tangible and intangible assets used and useful in the operation of Station, and Seller desires to sell, transfer, and assign same to Buyer;

WHEREAS, Buyer desires to acquire and Seller desires to assign all of the licenses, permits, applications, and authorizations issued by the FCC to Seller for the operation of Station ("FCC Licenses");

WHEREAS, the Parties have agreed to regard the sale of the tangible assets as an "as is, where is" sale, subject only to those limited representations and warranties set forth herein; and

WHEREAS, this APA will not be consummated nor the FCC licenses assigned until the FCC has granted its consent and approval of the transaction contemplated by this Agreement.

NOW THEREFORE, in consideration of the mutual promises and covenants herein contained, the Parties intending to be legally bound as set forth below hereby agree:

Article 1 Status of Station and FCC Licenses

Section 1.1 Seller acquired Station when it was 'dark' and returned Station to the air at its originally licensed and present transmission site – leased land owned by the Palm Grove Mennonite Church 1087 Beneva Road, Sarasota, Florida ("Beneva Site") – in 1997 utilizing just one transmission tower and a transmitting power output of **TWO HUNDRED FIFTY (250) watts**. However, Station's underlying authority pursuant to the FCC license for its operation requires a directional array of two towers with a daytime power output of **ONE THOUSAND (1KW)** and **ONE HUNDRED FIFTY (150) watts** nighttime power. Seller was unable to rebuild in compliance with the license at the Beneva Site because of the dramatic change in the church property and surrounding property that occurred while the Station was dark. In order for Seller to operate at variance with its FCC License, it was necessary for Seller to obtain a Special Temporary Authority ("STA") from the FCC. Inasmuch each STA has a specific expiration date, Seller has had to seek extensions of its initial request. Seller's most recent STA had expired on December 29, 2001; however with assistance from Buyer, another STA has been issued and Station is back on the air.

Section 1.2 Further, it was necessary for Seller to seek another site that would meet the requirements of its underlying license. It did so and filed a Construction Permit ("CP") application with the FCC in August 1997 for a new site on Fruitville Road in Sarasota. However, ABG was unable to develop the site as planned due to environmental issues that surfaced from local authorities during the permit process. That CP has expired and while seeking another compatible site, as noted above, Seller has had to obtain STA extensions for several years.

Section 1.3 The Beneva Site's landlord authorized a new communications tower with space for cellular tenants to be erected on its property where the WQSA tower was located. County regulations required that the radio tower come down when the cellular tower was certified as complete. In September 2001, Station went 'dark' again while waiting to be repositioned to the cellular tower. NBC has assisted ABG: (i.) in installing a new broadcast transmission antenna and ancillary parts on the cellular tower; (ii.) relocating broadcast technical equipment within the building adjacent to the cellular tower; (iii.) providing studio equipment and linkage between the studio and transmission site; and placing Station in full compliance with applicable FCC Rules and Regulations.

Section 1.4 Importantly, Seller must acquire, develop, construct, and implement a new transmission site under a CP that can only be obtained through an FCC application process. Buyer agrees to assist Seller in effectuating this process.

Section 1.5 The fully licensed status of Station requires the grant and completion of the CP and implementation of a new, permanent transmission site. Buyer has assisted in obtaining the STA and returning the Station to an on-air status. It will help ABG prosecute its CP application by providing appropriate Legal, Technical, Financial, and

Consulting services and technical equipment.

Section 1.6 ABG understands and acknowledges that NBC potentially will have substantial 'out-of-pocket' expenses at risk directly resulting from providing the above equipment and services necessary to accomplish the 'goal' of assuring the continuation of the fully licensed status of Station. Accordingly, Seller agrees to allow a reduction of the purchase price as detailed in **Article 6, *infra***.

Article 2 *Assets to be Conveyed*

Section 2.1 On the Closing date, as defined below, at the Closing Place mutually agreed to by the Parties, Seller will sell, assign, convey, transfer, and deliver to Buyer, and Buyer will acquire, purchase, and accept all of the following (hereinafter collectively referred to as "Assets"):

(a) All FCC Licenses of Seller associated with Station including all of Seller's right, title, and interest in and to Stations' call letters – **W I B Q**-- as set forth in Schedule A;

(b) All other licenses, permits, and authorizations, governmental and otherwise issued to Seller, to the extent lawfully transferable, which are used, useful, or intended to be used in the operation of Station as set forth in Schedule A;

(c) All of Seller's tangible personal property, physical assets, and equipment (which are deemed personal property for the purposes of this transaction), that are used or intended to be used in the operation of Station and that are set forth in Schedule B attached hereto, together with any replacements thereof or additions thereto made between the date hereof and the Closing Date, less any retirements made in the ordinary and usual course of business due to the acquisition of similar property or assets of greater or equal value (hereinafter referred to as "Tangible Personal Assets"), free and clear of all mortgages, liens, charges, claims, pledges, security interests, and any other encumbrances unless otherwise noted in the APA;

(d) All of Seller's interests in real property associated with Station and the structures thereon and whose legal descriptions are set forth in Schedule C;

(e) The contracts, leases, and agreements which Buyer has reviewed and agreed to assume, listed and described in Schedule D, attached hereto, together with such others as Seller elects to assign and as Buyer may elect to assume at Closing, except for those contracts, leases, and agreements specifically identified as excluded in Exhibit D; and any such contracts, leases, and agreements entered into in the ordinary course of business between the date hereof and the Closing Date as hereinafter permitted and in existence as of the Closing Date. Buyer will assume and perform all of

the executory obligations of Seller under such assumed contracts, leases, and agreements from and after the Closing;

(f) All files, records, computer software lawfully transferable, and logs pertaining to the operation of Station including the Station's Public Inspection File, all contracts, leases, and agreements assigned hereunder, excluding the corporate books and records of the Seller. After the Closing Date, each Party shall promptly forward to the other Party all correspondence, documents, or payments relating to the Assets sold hereunder to which the other Party is entitled under the terms of the APA. Further, any records delivered to Buyer by Seller relating to the operation of Station and Seller's business records shall be maintained by Buyer for a period of SEVEN (7) years from and after the Closing Date. Upon reasonable prior notice, Seller shall be entitled to inspect and copy any such records for the preparation and completion of tax returns or other compilations of its operation of Stations. In the event that it wishes to dispose of such records, Buyer shall give Seller THIRTY (30) days' prior written notice and an opportunity to retrieve such records at Seller's expense; and

(g) All of Seller's right, title, and interest to any all patents, trademarks, trade names, logos, service marks, copyrights, slogans, jingles, goodwill, and other intangibles, to the extent lawfully transferable, which are used, useful, or intended to be used in the operation of Station.

Article 3 Excluded Assets, Liabilities, and Contracts

Section 3.1 The Assets being sold to Buyer include cash, accounts receivable, or prepaid deposits of Seller in existence on the Closing Date.

Section 3.2 Except as otherwise provided herein, ABG shall be solely responsible and there shall be no assumption of liability by NBC for:

(a) All agreements not expressly assumed by Buyer, including without limitation, all agreements, executed or executory, relating to "trade accounts" or any similar exchange of time on Station for goods, wares, services, advertising promotions, or any similar exchange of time on Station other than cash except that Buyer shall assume obligations under such agreements to the extent provided in Section 2.1 above or those specifically consented to by Buyer in writing. To this end, Seller shall provide a detailed list of "trade accounts" to Buyer within TWO (2) business days of the execution of this Agreement and Buyer shall notify Seller within FIVE (5) business days which "trade accounts" Buyer shall assume;

(b) Any contract of employment, insurance, pension, retirement, deferred compensation, incentive bonus, profit sharing plan, stock option, or trust; and

(c) Any litigation, proceeding, or claim of any person or entity relating to the business or operation of Station prior to and through the Closing Date, whether such litigation, proceeding, or claim is pending, threatened, or asserted before, on, or after the Closing Date unless specifically included in those assumed obligations specified in Schedule D.

Article 4 *Purchase Price and Payment*

Section 4.1 The consideration to be paid by NBC for the assets to be conveyed pursuant to the APA is **FOUR HUNDRED FIFTY THOUSAND DOLLARS (\$450,000.00)** ("Purchase Price"), subject to an allowable Deduction more specifically described in Section 4.2, *infra*. Buyer shall pay the Purchase Price in the manner set forth in the Sections that follow in this **Article**.

Section 4.2 NBC shall be permitted to reduce the Purchase Price by an amount **ONE AND ONE-HALF (1.5X)** times the total sum expended by it in its assistance of Seller in (i.) returning Station to on-air status at the Beneva Site; (ii.) providing requisite broadcast and technical equipment and professional services (ii.) obtaining an extension of the STA; (iii.) locating and filing a CP application for a new transmission site; and (iv.) acquiring, developing, constructing, and licensing a new transmitter site as more specifically set forth in **Article 1, *supra***. But, in no event shall such Purchase Price reduction total more than **ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000.00)**.

Section 4.3 On the Closing Date, Buyer shall execute a Promissory Note for an amount equal to that sum that is the difference between the Deduction and the Purchase Price ('Principal'). The Promissory Note shall contain terms wherein Buyer shall be obligated to pay Interest Payments only beginning **TWELVE (12)** months after Closing Date. Said interest rate shall be **FIVE PERCENT (5%) PER ANNUM** and shall be payable monthly on the same day of the month as the Closing Date. The Principal of the Promissory Note shall be due **SIXTY (60) MONTHS** after Closing Date.

Section 4.4 However, in the event that, prior to the due date of the Promissory Note, NBC sells Station, Seller shall cancel the Promissory Note with no further obligation for it by Buyer. Instead, Buyer and Seller shall share in the proceeds from such a subsequent transaction according to the following disbursement formula:

(a) Sale price of such a transaction shall be reduced by the Deduction Amount noted above in Section 4.2 and that Deduction Amount to be paid only to Buyer;

(b) Sale price shall be reduced further by any applicable Broker's Commission, FCC filing fees, legal fees, and any other directly

relatable fees which are considered normal and usual in this kind of broadcast station transaction; and

(c) the remaining balance of the Sale Price shall be divided equally between the Seller and Buyer herein.

Section 4.5 It is agreed between the Parties hereto that the Purchase Price is being paid for the Assets in the amounts set forth in Schedule F, attached hereto. Seller and Buyer agree to jointly and separately file Internal Revenue Service Form 8594 with their Federal income tax returns for the tax year in which the Closing Date occurs and that neither Seller or Buyer shall take a position on any income, transfer, or gain tax return, before any governmental agency charged with the collection of any such tax or in any judicial proceeding that is in any manner substantially inconsistent with the terms of any such allocation without the written consent of the other.

Article 5 Pro-rations

Section 5.1 Operation of Station and the income, expenses, and liabilities attributable thereto through the Closing shall be for the account and obligation of ABG and thereafter for the account and obligation of NBC. Expenses including, but not limited to, such items as property taxes, insurance premiums, and similar prepaid and deferred items shall be prorated between Seller and Buyer in accordance with generally accepted accounting principles, the pro-ratio to be made and paid, insofar as feasible, on the Closing Date (a full list of all items to be prorated shall be delivered by Seller to Buyer SEVEN (7) business days prior to the Closing Date, with final pro-rations due THIRTY (30) days after the Closing Date.

Article 6 Representations and Warranties of Seller

Section 6.1 Seller represents and warrants to Buyer:

(a) ABG is now and on the Closing Date shall be a for profit corporation duly organized, validly existing, and in good standing under the laws of the State of Florida and licensed to do business in the State of Florida;

(b) All necessary action to approve the execution, delivery, and performance of this Agreement and the consummation of the transaction contemplated hereby has been taken by ABG, and this APA constitutes a valid and binding agreement of Seller enforceable in accordance with its terms;

(c) From the Date hereof through the Closing Date, Seller is and will be the holder of the FCC Licenses as listed in Schedule A, attached hereto. The FCC Licenses constitute all of the authorizations required for and /or used in the operation of the Station as currently operated, and the FCC Licenses are now and on the Closing Date will be in full force and effect.;

(d) Seller has not received any notice nor has any knowledge of any pending, issued, or outstanding order by or before the FCC, or threatened, any investigation, Order to Show Cause, Notice of Violation, Notice of Apparent Liability, Notice of Forfeiture, or material complaint against the Station or Seller. In the event of the occurrence of such action, or the filing or issuance of such order, notice, or material complaint, or Seller's learning of the threat thereof, Seller shall notify Buyer of same in writing within FIVE (5) business days of such event and shall take all reasonable measures to contest in good faith or seek removal or recession of such action, order, notice, or complaint ;

(e) The financial information concerning Station as provided by Seller to buyer is true and correct in all material respects. All financial information has been prepared in the usual and ordinary course of business and accurately reflects the financial condition and obligations of Station for the periods covered;

(f) All of the Tangible Personal Assets and interests in Real Property to be acquired by Buyer are listed and described in Schedule B and C, attached hereto. Seller now has, or on the Closing Date shall have good, valid, and marketable title to the Tangible Personal Assets listed and described in Schedule B and the Real Property interests listed and described in Schedule C, free and clear of all mortgages, liens, charges, claims, pledges, security interests, and encumbrances whatsoever;

(g) The Tangible Personal Assets and Real Property are now and will be through the Closing Date fully insured;

(h) Except as noted below, the Tangible Personal Assets listed in Schedule B are sufficient to permit operation of Station in compliance with all material requirements of the FCC Licenses, the Communications Act of 1934, as amended, and the rules, regulations, policies, and procedures of the FCC in effect on the Closing Date and rules, regulations, statutes, ordinances, laws, and other requirements of all local, state, and federal governments and governmental agencies. All equipment identified in Schedule B or acquired to replace items thereon are to be purchased by Buyer "as is, where is" but shall as on the Closing Date meet the usual standards prescribed by the FCC for Stations and shall conform with other good engineering practices customary in the industry. ABG specifically states that Station's transmitter is incapable of achieving the licensed power authorized for Station. ABG reached this conclusion upon assuming control and operation of Station.

(i) No judgment is issued or outstanding against Station or Seller. Except for matters affecting the broadcast industry generally or as set forth in Schedule F, attached hereto, no litigation, action, claim, special assessment, suit, fine, judgment, proceeding, or investigation is now or on the Closing date shall be pending or outstanding before any forum, court, or governmental body, department, or agency of any kind, to which Seller or Station are a party or to the knowledge of Seller is threatened, which might result in any material adverse change in the business, prospects, or financial condition of Station, or which materially affects the broadcast licenses of Station, Station's goodwill, any of the Assets, or which has the stated purpose of seeking to enjoin or prevent the consummation of the Agreement or the transactions contemplated hereby or to recover damages by reason thereof, or which questions the validity of any action taken or to be taken pursuant to or in connection with the APA or which would have an adverse effect upon the Assignment Application;

(j) With respect to Station, Seller has no existing contract, agreement, lease, commitment, or understanding, written or oral, expressed or implied, that is to be assigned to Buyer not terminable upon THIRTY (30) DAYS notice or less without penalty or premium, or which involves payments or commitments in the aggregate or more than **ONE THOUSAND DOLLARS (\$1,000.00)**, except for the sale of broadcasting time on Stations and those other agreements listed in Schedule G. The contracts, leases, and agreements listed in Schedule D are now and on the Closing Date shall be in full force and effect and unimpaired by any act of Seller, its employees or agents, and Seller will not modify in any significant respect any such contracts, leases, and agreements without Buyer's written consent, which shall not be unreasonably withheld or delayed. Seller shall indemnify, defend, and hold Buyer harmless against all claims, directly or indirectly, obligations, liabilities, actions, or causes of actions, including Buyer's reasonable attorneys' fees and costs, arising out of Seller's contracts not listed in Schedule D. Seller is now and on the Closing Date shall be in compliance in all material respects with the terms and conditions of all of Station's contracts and shall not be in default thereunder; nor is there a claim of such breach or default known to Seller. However, on the Closing Date, each such contract on which Seller owes money in the general course of business shall be currently and timely paid, and not in default in any manner;

(k) Seller has and on the Closing Date will have filed all federal, state, and local tax returns, except as to such returns for which a valid extension has been filed, which are required to be filed as of the Closing Date, and has and on the Closing Date will have paid in full when due all taxes, interest, penalties, assessments, and deficiencies which have been assessed or levied against the Station or any of its assets or properties real or personal. Any additional taxes, interest, penalties, assessments, and deficiencies that shall become due and payable with respect to any tax return or obligation of Seller arising from the operation of Station prior to the Closing Date shall be the responsibility of Seller. Seller has and on the Closing Date will have in a proper

and timely manner filed all other reports and returns required by any governmental agency or department. Upon request of Buyer, Seller will provide confirmation of all such payments required hereunder;

(l) Buyer shall not be obligated to hire any or all of Seller's employees upon Closing or any time thereafter; and

(m) Seller has made full disclosure of all material events and facts pertaining to the operation and business of Station of which it has knowledge.

Article 7 Covenants of Seller

Section 7.1 Between the Date hereof and the Closing Date, Seller shall:

(a) Conduct the business of Station in the usual manner, in good faith, and will use its best efforts to maintain the business of Station, and shall at its own expense operate the Station in accordance with the terms of the FCC Licenses and keep all Tangible Personal Assets to be transferred hereunder now actively in use in Station's operations in substantially the same operating condition and repair as of the date hereof, reasonable wear and tear excepted;

(b) Use its best efforts to preserve the goodwill of the Station's listeners, advertisers, and others having business relations;

(c) Provide buyer and representatives of Buyer with reasonable access during normal business hours to the properties, titles, contracts, books, files, logs, records, and affairs of Station and furnish such additional information concerning Station that Buyer may reasonably request; and

(d) Produce the consent of any third parties necessary for the assignment to Buyer of any contract, lease, or agreement specified on Schedule E.

Section 7.2 Between the Date hereof and the Closing Date, ABG shall not:

(a) Enter into any agreement to sell, assign, lease, exchange, or otherwise transfer or dispose of any of Station's Assets, except for retirement in the normal and usual course of business in connection with the acquisition of similar property or assets of greater or equal value; or

(b) Change Station's call letters, modify or materially adversely change Station's facilities except as required by FCC rules or policies or make any material adverse change in Station's real property or leasehold improvements, specifically including antenna site, studio site, and other improvements and fixtures unless done so with the

approval of Buyer.

Section 7.3 All existing arrangements for the exchange of advertising for consideration other than money -- i.e., "Trades" -- as of the Date hereof are listed in Exhibit G, attached hereto. At closing, the net difference between Trades payable and Trades receivable shall not exceed **THREE THOUSAND DOLLARS (\$3,000.00)**. Between the Date hereof and the Closing Date, Seller shall not enter into any new Trades, or extensions, renewals, or modifications to any existing Trades, which pertain to Station and which will be in force on the Closing Date, without the prior written consent of Buyer.

Section 7.4 Seller shall give Buyer written notice within TWO (2) business days of any material operating problems or developments between the Date hereof and Closing Date including, but not limited to, any problems or development which might materially adversely affect the Assets being transferred herewith, and keep Buyer informed about all matters having a material financial impact on Seller.

Section 7.5 The Station's Public Inspection file and all other files, books, and records are substantially complete, in compliance with FCC Rules, and up-to-date. Seller shall perform the necessary local public notices required by the FCC concerning the filing of the FCC Form 314 Assignment of License Application for the Station.

Article 8 Buyer's Representations and Warranties

Section 7.1 NBC represents and warrants to Seller that:

(a) NBC is now and on the Closing Date will be a corporation, duly organized, validly existing and in good standing under the laws of the State of Florida;

(b) All necessary action to approve the execution, delivery, and performance of this Agreement and the consummation of the transactions contemplated hereby has been taken by Buyer, and this APA constitutes a valid and binding agreement of Buyer enforceable in accordance within its terms:

(c) Buyer is in compliance with the requirements of the Communications Act of 1934, as amended, or the rules and regulations of the FCC relating to qualifications to be a licensee of broadcasting stations and knows of no reason, circumstance, or condition existing, or reasonably to be anticipated, which would result in a finding by the FCC that it or any one of its principals is not qualified legally, financially, or otherwise to be the licensee of the Station, and Buyer will not take any action to permit any condition to exist which would disqualify Buyer from becoming such a licensee;

(d) Buyer acknowledges that it is fully aware that Seller, in entering into this Agreement, has taken the Station "off the market," will be unable to sell it to any other person or entity so long as this Agreement is in effect, may suffer financial loss if the sale is not completed, and that Seller has relied on Buyer's representations that it has the financial ability to purchase Station under the Terms of the APA. Accordingly, Buyer affirmatively states that as of the Date hereof, Buyer has sufficient funds to Close or has obtained binding financial commitments from responsible financial institutions to enable it to borrow such funds as are needed to pay the Purchase Price and will maintain such funds or commitments until the Closing Date;

(e) There is no litigation, proceeding, or governmental investigation pending and no other judicial or administrative proceedings which would materially adversely affect Buyer's power, authority, or ability to enter into this Agreement and to carry out the transactions contemplated hereby, and Buyer is aware of no such proceedings threatened or contemplated but not yet commenced, or any circumstances which might give rise to such proceedings;

(f) No un-waived contract, agreement, or other instrument or condition exists or on the Closing Date will exist which restricts, limits, or in any manner affects any aspect of the APA or the transactions contemplated hereby. The execution, delivery, and performance of this Agreement and the transactions contemplated hereby by Buyer do not, and will not at Closing Date, conflict with or result in the termination or breach of any terms, condition, or provisions of, or constitute a default under any contract, lease, agreement, or other instrument or condition by which Buyer is bound; and

(g) Buyer has not failed to disclose any material fact within its knowledge that would make any statement or representation in this Agreement inaccurate or misleading.

Article 9 Conditions Precedent to NBC'S Obligation to Close

Section 8.1 The obligation of Buyer to consummate the transactions contemplated hereby is subject to the fulfillment prior to and at the Closing Date of the following conditions:

(a) The Commission shall have given its consent to the Parties' Form 314 approving the assignment of FCC Licenses for Station from Seller to Buyer;

(b) The representations and warranties of Seller contained in the APA or in any statement, schedule, or other document delivered pursuant to the Agreement or in connection with the transactions contemplated hereby shall be true and correct in all material respects on and as of the Closing Date as though such representations and warranties were made at and as of such time;

(c) Seller shall have in all material respects performed and complied with all covenants, agreements, and conditions required by the APA to be performed or complied with by it prior to and on the Closing Date;

(d) On the Closing Date, Seller shall be the holder of the FCC Licenses. No proceedings shall be pending or threatened which may result in the revocation, cancellation, or suspension of any such FCC Licenses. And all FCC Licenses shall be in full force and effect with no conditions or special authority attached;

(e) All necessary approvals and consents to the assignment to Buyer hereunder of contracts, leases, and agreements to be assigned and assumed by Buyer hereunder, and a release of Seller's liabilities thereunder, shall have been obtained and delivered to Buyer;

(f) Between the Date hereof and the Closing date, there shall not have been any material adverse change in the operations or financial position of Station which would include the fact that there has not been any action in contemplation of, or which would constitute the basis for, the institution of an insolvency proceeding of any character;

(g) No court or governmental body or authority has issued an order barring, enjoining, or restraining the transactions contemplated by this Agreement which order remains in effect, nor is there pending before any court, governmental body, or authority any request for injunction or restraining order barring these transactions which request has not been ruled upon; and

(h) All of the requirements of **Article 18** have been met.

Article 10 Conditions Precedent to ABG'S Obligation to Close

Section 10.1 The obligation of Seller to consummate the transactions contemplated hereby is subject to the fulfillment prior to and on the Closing Date of each of the following conditions:

(a) The Commission shall have given its consent to the Form 314 application approving the assignment of the FCC Licenses of Station from Seller to Buyer;

(b) The representations and warranties of Buyer contained in the APA or in any statement, certificate, exhibit, or other document delivered pursuant to this Agreement or in connection with the transactions contemplated hereby shall be true and correct in all material respects at and as of the Closing Date as though such representations and warranties were made at and as of such time;

(c) Buyer shall have in all material respects performed and complied with all covenants, agreements, and conditions required by the APA to be performed or complied with by it prior to and at the Closing Date;

(d) No action, suit, or proceeding before any court or any governmental body or authority which relates to Buyer's qualifications and which would be materially adverse to Seller under this Agreement and the consummation thereof, shall have been instituted or threatened on or before the Closing date; and

(e) All of the requirements of **Article 19** have been met.

Article 11 *Control of Station*

Section 11.1 Between the Date of the APA and the Closing Date, control of Station shall be the sole responsibility of and in the complete discretion of Seller.

Article 12 *Commission Approval*

Section 12.1 Consummation of the purchase and sale provided for herein is conditioned upon the FCC having given its consent to the assignment from Seller to Buyer of all FCC Licenses of Seller set forth in Exhibit A. If the Parties agree to waive the requirement that said consent shall have become "final", the consummation of the purchase and sale of the Assets shall occur within FIVE (5) business days following FCC staff approval of the assignment applications.

Article 13 *Filing of Application*

Section 13.1 Buyer and Seller agree to proceed as expeditiously as practical to file or cause to be filed an application on FCC Form 314 *Application for Consent to Assignment of Broadcast Station Construction Permit or License* ("Assignment Application" or "Assignment Applications") requesting FCC consent. The Parties agree that the Assignment Applications will be filed promptly and it will be prosecuted in good faith and with due diligence. Each Party will be solely responsible for its own expense incurred in the preparation, filing, and prosecution of said Assignment Applications and the applicable FCC filing fees for same shall be paid one-half by Seller and one-half by Buyer. The Parties agree that in no case shall the Assignment Applications be filed later than FIVE (5) business days following the Date hereof.

Article 14 Termination

Section 14.1 If the transactions contemplated by this APA have not been closed within ONE HUNDRED EIGHTY DAYS (180) days from the date of acceptance for filing of the Assignment Application, either Party may, at its option, give notice of termination of this Agreement to the other.

Section 14.2 If the Commission designates the Assignment Application for hearing on issues related to Buyer's qualifications and Buyer cannot (or elects not to) amend its applications to favorably resolve the hearing issue or issues, Buyer shall have the option of terminating this Agreement by notice to Seller prior to the commencement of the hearing.

Section 14.3 In the event of a material breach by Buyer prior to Closing Date of any term or condition of this Agreement or any representation or warranty contained herein which would render Buyer unable to perform its obligations under the APA, and the continuance of said breach without cure for a period of TWENTY (20) calendar days following written notice by Seller to Buyer, Seller may in its sole discretion terminate the APA without cost, penalty, or liability of any kind to Seller upon written notice to Buyer.

Section 14.4 In the event of a material breach by Seller prior to the Closing Date of any term or condition of this Agreement or any representation or warranty contained herein, and the continuance of said breach without cure for a period of TWENTY (20) calendar days following written notice by Buyer to Seller, Buyer may in its discretion terminate this Agreement without cost, penalty, or liability of any kind to Buyer upon written notice to Seller.

Section 14.5 Because the Assets to be transferred pursuant to the terms of this Agreement are unique and not readily available on the open market, the Buyer will be seriously damaged should the purchases not be consummated through no fault of its own but for reasons attributable to Seller. Accordingly, the Buyer shall have the right to seek to enforce the terms of this Agreement by a decree of specific performance.

Article 15 Risk of Loss

Section 15.1 The risk of loss or damage to any of the Assets from fire, windstorm, casualty, liability, vandalism, burglary, or flood, or other causes whatsoever shall be upon Seller at all times prior to Closing and it shall be the responsibility of Seller to repair or cause to be repaired and to restore the Assets to their condition prior to any such loss or damages. If the Assets are not completely repaired, replaced, or restored on or before the Closing, the Buyer may deduct the replacement value or cost of repair from the Purchase Price. If however, such damage materially affects the ability of

Station to be operated in full compliance with its FCC licenses, Buyer may rescind this Agreement at no cost or expense and declare it of no further force and effect.

Section 14.5 As detailed in **Article 1, *supra***, Station, as of the date of this Agreement, has recently returned to the air after a period of being 'dark.' It has authority to operate under a STA at the Beneva Site only until September 15, 2002. Thus, it needs to find a permanent home for its transmissions system and requires the filing and grant of a CP from the FCC to build facilities on such a permanent site. Thus, Buyer may, at its option, terminate this APA and accompanying FCC proceedings upon the failure of the above-delineated requisite FCC actions. In the event Buyer elects to terminate under the provisions of this Section, it shall have no further obligation to Seller. Conversely, Seller shall have no further obligation to Buyer including no obligation to reimburse for any expenses it incurs in its efforts to assist Seller in achieving the necessary FCC actions.

Article 15 Broadcast Transmission of Station Prior to Closing

Section 15.1 If prior to the Closing Date, any event occurs which prevents the regular broadcast transmissions of Station, in the normal and usual manner in which the Station has heretofore been operating, Seller shall give written notice to Buyer within TWO (2) business days and Buyer shall be entitled, by giving written notice to Seller, to terminate this Agreement forthwith and without further obligation if broadcast transmissions are not commenced at least on a temporary basis within SEVEN (7) calendar days or such facilities are not restored so that normal and usual transmissions are resumed by the earlier of (a) FOURTEEN (14) calendar days after such event or (b) the Closing Date.

Article 16 Indemnification

Section 16.1 The several representations, warranties, covenants, and agreements of Seller and Buyer contained herein or made pursuant to the APA shall be deemed to have been made on and as of the Closing Date, shall survive the Closing, and shall remain operative and in full force and effect for a period of TWELVE (12) months after the Closing; provided, however, that all representations, warrants, covenants, and agreements relating to litigation or taxes shall remain operative until the expiration of any applicable statutes of limitations. Provided, further, that liabilities assumed or retained, as the case may be, pursuant to the Agreement, shall remain in effect until such liabilities have been fully paid or discharged in full.

Section 16.2 Each Party shall defend, indemnify, and hold harmless the other Party and its partners, officers, stockholders, directors, employees, agents, successors, and assigns from and against any all costs, losses, claims, liabilities, fines, expenses, penalties, and damages -- including reasonable attorney's fees -- in connection with or

resulting from (a) any material breach of a representation or warranty made pursuant to this Agreement; (b) any failure to perform or fulfill any covenants or agreements set forth in the APA; (c) any material failure to pay or discharge any liabilities which remained or were assumed; and (d) any litigation, proceeding, or claim by and third party relating to the business or operation of Station after Closing. If either Party believes that any Loss or Expense has been suffered or incurred pursuant to this Section, such Party shall notify the other promptly in writing describing such Loss or Expense, the amount thereof, if known, and the method of computation as well as reference to the applicable provision of this Agreement which gave rise to said Loss or Expense. No claim for indemnification pursuant to this Section shall be made unless the amount for which indemnity is claimed singly or in the aggregate, shall exceed **ONE THOUSAND DOLLARS (\$1,000.00)**.

Article 17 Seller's Performance at Closing

Section 17.1 On the Closing Date at the Closing Place, Seller shall execute and deliver or cause to be delivered to Buyer, in form and substance reasonably satisfactory to Buyer and its counsel: (a) *A Conditional Bill of Sale conveying to Buyer all of the Tangible Personal Assets and interests in Real Property to be acquired by Buyer hereunder, subject only to any First Position Liens;* (b) *One or more assignments assigning to Buyer the FCC Licenses to be acquired by Buyer hereunder;* (c) *An assignment assigning to Buyer the contracts, leases, and agreements to be assigned to Buyer hereunder together with necessary consents thereto and the original copies of said contracts, leases, agreements, and consents;* (d) *A certificate of Seller stating that all representations, warranties, covenants and in the other instruments delivered by Seller are true and correct as of the Closing Date, Seller has performed and complied with all covenants, agreements, and conditions required by the APA to be performed or complied with by Seller at or prior to Closing Date and that the Commission has granted its consent and approval to the Assignment Applications;* (e) *Copies of the files, records, computer software, and logs referred to in **Article 1** hereof;* (f) *Such other assignments, bills of sale, or instruments of conveyance, certificates of officers, and other documents as reasonably may be requested by Buyer to consummate this Agreement;* and (g) *Opinions of Seller's corporate or communications counsel, dated as of the Closing date, in form and substance satisfactory to Buyer's counsel, if any, that Seller is a corporation, duly organized, validly existing, and in good standing under the laws of the State of Indiana and authorized to do business in Florida, all necessary action to duly approve the execution, delivery, and performance of this Agreement and to the consummation of the transactions contemplated hereby has been taken by Seller and the APA constitutes a valid and binding agreement of Seller enforceable in accordance with its terms, Seller is the valid holder of Stations' FCC Licenses which are in full force and effect, and the Commission has granted its consent to the assignment of Station to Buyer from Seller; and Certification by any firm or corporation*

satisfactory to Buyer, certifying to the absence of any lien against or security interest in, or encumbrances to , the Assets being transferred hereunder.

Article 18 *Buyer's Performance at Closing*

Section 18.1 On the Closing Date at the Closing Place, Buyer shall execute and deliver or cause to be delivered to Seller, in form and substance reasonably satisfactory to Seller and its counsel, if any: (a) The Purchase Price pursuant to the provisions of **Article 4, *supra*** ; *A certificate of Buyer that all representations and warranties of Buyer as set forth in this APA or in any statement, certificate, exhibit, or other document delivered pursuant to this Agreement by Buyer are true and correct in all material respects as of the Closing Date, and Buyer has, in all material respects, performed and complied with all covenants, agreements, and conditions required by this Agreement to be performed or complied with by Buyer at or prior to the Closing Date;* (c) *Certified copies of resolutions approved by the Buyer authorizing and approving the execution, delivery, and performance of this Agreement and the transactions contemplated hereby;* (d) *Such other documents as reasonably may be requested by Seller to consummate this APA and the transactions contemplated hereby; and an opinion of Buyer's counsel dated as of Closing Date, in form and substance satisfactory to Seller's counsel that Buyer is a Florida corporation duly organized, validly existing and in good standing under the laws of the State of Florida, all necessary action to duly approve the execution, delivery, and performance of this Agreement and the consummation of the transactions contemplated hereby has been taken by Buyer and the APA constitutes a valid and binding agreement of Buyer enforceable in accordance with its terms.*

Article 19 *Finders, Consultants, and Brokers*

Section 19.1 The Parties hereto hereby represent and warrant to one another that there has been no finder, broker, or consultant involved in the negotiations leading up to the execution of this APA other than Tom McCoy. The Parties agree that ABG will be solely responsible for any compensation that may be earned upon the consummation of the Agreement.

Article 20 *Notices*

Section 20.1 All notices, demands, and requests required or permitted to be given under the provisions of this APA shall be in writing and shall be deemed duly given when given personally or mailed by registered or certified mail, return receipt requested, postage prepaid, or transmitted by facsimile, as follows: .

(a) If to Seller, Alliance Broadcasting Group:

Mr. Joe Newman
9421 Holliday Drive
Indianapolis, IN 46260

(b) If to Buyer, Nova Broadcasting Company:

Thomas McCoy
16012 Brenner Pass
Edmond, OK 73013

or any such other addresses as the Parties may from time to time designate in writing.

Article 21 Confidentiality

Section 21.1 The Parties agree to use their best efforts to keep confidential any and all information furnished to either of them by a party in the course of the negotiations and the business, technical, and legal reviews, except such information as may be available to the public or to the other party from another source not under an obligation of confidentiality. In this regard, the Parties agree to execute and be bound by such written confidentiality agreements as shall be reasonably requested by either Party.

Article 22 Exhibits

Section 22.1 All exhibits attached to this Agreement shall be deemed part of the APA and incorporated herein, where applicable, as if fully set forth therein.

Article 23 Governing Law

Section 24.1 This Agreement shall be governed by, and construed and enforced in accordance with the laws of the State of Florida. The Parties hereby consent that the jurisdiction and venue shall be in Sarasota County, Florida.

Article 24 Entire Agreement

Section 24.1 This APA (including the attached exhibits) shall constitute the full and entire understanding of the Parties with respect to the subject matter hereof, and any prior agreement or understanding concerning the same is hereby terminated and canceled in its entirety and is of no further force and effect.

Article 25 Attorney's Fees for Actions Under This Agreement

Section 25.1 If any suit, action, or proceeding is commenced by either Party to this Agreement against the other to obtain any relief by reason of any alleged breach of the representations, warranties, indemnities, or covenants contained in the APA, or to enforce any of the provisions of the Agreement or to determine either or both of the Parties' rights, duties, or obligations hereunder, the prevailing Party shall be entitled to recover reasonable attorney's fees and all costs and expenses relating to such suit, action, or proceeding.

Article 26 Effective Date and Closing Date

Section 26.1 The Effective Date of the APA is the Date set forth above and the Closing Date shall be no later than FIVE (5) business days following receipt of FCC approval to the Assignment Application.

Article 27 Binding Effect

Section 27.1 This Agreement is binding upon and shall inure to the benefit of the Parties hereto, their respective agents, representatives, officers, directors, shareholders, affiliates, assigns, heirs, and successors in interest.

Article 28 Warranty of Signatories

Section 28.1 Each of the persons signing this APA on behalf of an entity warrants and represents that he/she has the right, power, legal capacity, and authority to execute on behalf of such entity, without the concurrence or approval of any other person, any entity, or any court, and to thereby bind such entity to this Agreement.

Article 29 Counterparts

Section 29.1 This Agreement may be signed in any number of counterparts with the same effect as if the signature on each such counterpart were on the same instrument. Each fully executed set of counterparts shall be deemed to be an original, and all of the signed counterparts together shall be deemed to be one and the same instrument.

Article 30 Amendments

Section 30.1 This APA may be amended by mutual consent of the Parties, but only a written instrument duly signed by the Parties to the Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the day and year first above written.

“SELLER”
ALLIANCE BROADCASTING GROUP, INC.

By: _____
Joseph F. Newman

“BUYER”
NOVA BROADCASTING COMPANY

By: _____
Thomas McCoy

Schedule A

FCC LICENSES
(To Be Supplied)

Schedule B

TANGIBLE PERSONAL PROPERTY
(To Be Supplied)

Schedule Cr

REAL PROPERTY
(To Be Supplied)

Schedule D

CONTRACTS, LEASES, & AGREEMENTS
(To Be Supplied)

Schedule E

ALLOCATION
(To Be Supplied)

Schedule F

LITIGATION
(To Be Supplied)

Schedule G

TRADE AGREEMENTS
(To Be Supplied)