

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT ("Agreement") is dated as of ~~August~~ ^{September} 3, 2003, and is by and between Crawford Broadcasting Co., Inc. ("Seller") and Metro Video Productions, Inc. ("Buyer").

RECITALS

WHEREAS, Seller holds an authorization issued by the Federal Communications Commission ("FCC") for Class A Television Station WBKA-LP, authorized to operate on Channel 22, Bucyrus, Ohio (the "Station") and Seller owns certain other assets relating to the Station;

WHEREAS, Buyer desires to purchase the assets and to assign the FCC license relating to the Station owned by Seller, and Seller is willing to sell such assets to Buyer.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, Seller and Buyer hereby agree as follows:

ARTICLE I ASSETS TO BE CONVEYED

1.1 **Transfer of Assets.** On the Closing Date (as defined below), Seller will sell, transfer, assign and convey to Buyer, and Buyer will purchase from Seller the following assets (collectively, the "Assets"):

(a) **FCC Authorization.** The authorization(s) issued by the FCC for the construction and/or operation of the Station (the "FCC Authorization") and all pending applications related thereto. The current FCC Authorization is a license, a copy of which is attached hereto as Schedule 1.1(a).

a. (b) **Personal Property.** The tangible personal property owned by Seller and used or useful in connection with the operation of the Station (the "Personal Property"), which is listed on Schedule 1.1(b) attached hereto, including any additions thereto or replacements thereof made between the date of this Agreement and the Closing Date. The Assets shall include, but not be limited to the following:

(i) **Andrew HJ7-50A Transmission Line.** The Channel 22 transmission line as more particularly described on Schedule 1.1(b) attached hereto.

(ii) **Bogner B8UT Broadcast Antenna or Equivalent.** All of Seller's interest in the existing antenna Bogner Model B8UT antenna for the Station, as is, where is, on the tower where it is now mounted.

(iii) **Engineering Study.** An Engineering Study prepared for Seller by de Treil, Lundin & Rackley, Inc. to relocate the Station.

(c) **Tower Space.** The space currently utilized by Station on the tower as currently configured ("Tower Space") for a period of seven (7) years to commence from the date of Final Order (as that term is defined herein). The Tower Space shall be provided by Seller to Buyer at no fee for the seven year period. At the end of the seven year period, Buyer shall have the option to enter into a lease for the Tower Space at a rate of Three Hundred Dollars (\$300.00) per month for an additional term of seven (7) years. During Buyer's occupation of the Tower Space, Buyer shall pay to Seller the amount of One Hundred Dollars (\$100.00) per month for electricity use of Station. Seller shall maintain the tower in compliance with all FCC and Federal Aviation Administration rules and regulations during the Station's occupation of the Tower Space.

(d) **Intangible Property.** All of Seller's rights, title and interest in and to the intangible property rights of Seller (including the call letters "WBKA"), which are used or useful in connection with the operations of the Station (collectively, the "Intangible Property").

1.2 **Excluded Assets.** The Assets to be conveyed to Buyer at Closing by Seller shall include only those Assets described in Section 1.1 above. Any other assets are not to be included in the Assets and are to be excluded from this sale transaction. Such excluded assets (the "Excluded Assets") shall include, but not be limited to, the following:

- (a) **Cash.** Seller's cash or cash equivalents.
- (b) **Corporate Records.** Seller's internal corporate, tax and accounting books and records.
- (c) **Contracts.** Any contracts of Seller.
- (d) **Employee Benefit Programs.** Any employee benefit plans or programs of Seller.

1.3 **Liabilities.** The Assets will be delivered to Buyer by Seller at Closing free and clear of all debts, liens, encumbrances and other liabilities.

ARTICLE II PURCHASE PRICE AND PAYMENT

2.1 **Purchase Price.** The purchase price for the Assets shall be ONE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS (\$175,000.00) payable in full in cash at closing.

2.2 **Escrow and Payment at Closing.** Upon execution of this Agreement, Buyer will deposit with Irwin, Campbell & Tannenwald, P.C. as Escrow Agent the amount of SEVENTEEN THOUSAND FIVE HUNDRED DOLLARS (\$17,500.00) (the "Escrow Deposit"). The Escrow Deposit shall be paid to Seller at Closing by the Escrow Agent together with an additional payment by Buyer in the amount of ONE HUNDRED FIFTY-SEVEN

THOUSAND FIVE HUNDRED DOLLARS (\$157,500.00) as payment of the Purchase Price. Interest accrued on the Escrow Deposit shall be paid to Buyer at Closing. In the event of termination of the APA because Buyer is in default and Seller is not in default, the Escrow Deposit shall be paid to Seller as liquidated damages and as Seller's sole remedy against Buyer for Buyer's failure to purchase the Assets. Otherwise, if Closing is not held, the Escrow Deposit shall be returned to Buyer.

2.3 **Allocation.** The Purchase Price shall be allocated among the Assets in a manner to be agreed upon between the parties.

ARTICLE III SELLER'S REPRESENTATIONS AND WARRANTIES

Seller makes the following representations and warranties to Buyer, all of which shall be true and correct at Closing:

3.1 **Organization.** Seller is a corporation duly organized, validly existing and in good standing under the laws of the State of Arkansas.

3.2 **Authorization.** The execution and delivery of this Agreement by Seller has been duly authorized by all necessary corporate action on its part. This Agreement has been duly and validly executed and delivered by Seller and constitutes a legal, valid and binding obligation of Seller enforceable against Seller in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency or similar laws affecting the rights of creditors generally, and equitable principles. At the Closing, Seller will provide Buyer with a certified resolution adopted by Seller's Board of Directors authorizing the execution, delivery, and performance of this Agreement.

3.3 **No Defaults.** The execution, delivery and performance of this Agreement by Seller will not (a) conflict with any provision of the Articles of Incorporation or Bylaws of Seller, (b) result in a default (or give rise to any right of termination, cancellation or acceleration) under or conflict with any of the terms, conditions or provisions of any agreement, contract, note, bond, mortgage or other instrument or obligation to which Seller is a party or by which Seller or any of the Assets may be bound, (c) in any respect contravene or violate any law, statute, rule, regulation, order, injunction or decree of any federal, state or local governmental authority or agency applicable to Seller or the Station, or (d) result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever on any of the Assets.

3.4 **FCC Authorization.** Seller is the holder of the FCC Authorization. Seller has delivered to Buyer a true and complete copy of the FCC Authorization. The FCC Authorization was validly issued and is in full force and effect. The FCC Authorization, as specified under FCC File No. BLTTL-19890227IQ, will not expire until 10/01/2005. There is not now pending or, to the best of Seller's knowledge, threatened any action by or before the FCC to revoke, cancel, rescind, modify or refuse to renew the FCC Authorization; and there is not now pending

or, to the best of Seller's knowledge, threatened, issued or outstanding by or before the FCC, any investigation, Order to Show Cause, Notice of Violation, Notice of Apparent Liability or Notice of Forfeiture or complaint against Seller with respect to the FCC Authorization.

3.5 **Condition and Adequacy of the Assets.** The Assets, as set forth in Section 1.1, are to be conveyed and delivered to Buyer in an "as is" condition.

3.6 **Litigation and Compliance with Laws.** There is no litigation pending by or against or, to the best of Seller's knowledge, threatened against Seller which may adversely affect the Station or any of the Assets or Seller's ability to perform in accordance with the terms of this Agreement. Seller has all licenses, franchises, permits and other governmental authorizations that are legally required to enable it to operate the Station in accordance with the FCC Authorization and applicable laws. Seller is in compliance in all material respects with all governmental authorizations and all applicable federal, state and local laws, rules and regulations, including without limitation those imposing taxes.

3.7 **Instruments of Conveyance; Good Title.** The instruments to be executed by Seller and delivered to Buyer at the Closing, conveying the Assets to Buyer, will be in a form sufficient to transfer to Buyer all rights and interests of Seller in the Assets free and clear of all debts, liabilities, obligations, liens, claims and encumbrances.

3.8 **Approvals.** No approval of any third party, governmental agency or court is required to be obtained by Seller with regard to the assignment of the FCC Authorization and other Assets except the approval by the FCC as provided herein.

3.9 **Material Omission.** Seller has not failed to disclose any material fact within its knowledge which would make any statement or representation in this Agreement inaccurate or misleading.

3.10 **Brokers.** Seller represents that it has not engaged any third party to act as a finder, broker, or similar consultant in connection with this Agreement and the transactions contemplated hereby, except for United Television Partners ("UTP") which has provided services on behalf of Seller. Seller shall be solely responsible for any fee due to UTP in connection with this Agreement and the transactions contemplated hereby. Seller agrees to indemnify and hold Buyer harmless with respect to any claim for a finder's, broker's or similar commission or fee made by UTP or any other third party on the basis of the conduct of the Seller in connection with this Agreement.

ARTICLE IV BUYER'S REPRESENTATIONS AND WARRANTIES

Buyer makes the following representations and warranties to Seller, all of which shall be true and correct at Closing:

4.1 **Organization.** Buyer is a corporation duly organized, validly existing and in good standing under the laws of the State of Ohio.

4.2 **Authorization.** The execution and delivery of this Agreement by Buyer has been duly authorized by all necessary corporate action on its part. This Agreement has been duly and validly executed and delivered by Buyer and constitutes a legal, valid and binding obligation of Buyer enforceable against Buyer in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency or similar laws affecting the rights of creditors generally, and equitable principles. At the Closing, Buyer will provide Seller with a certified resolution adopted by Buyer's Board of Directors authorizing the execution, delivery, and performance of this Agreement.

4.3 **No Defaults.** The execution, delivery and performance of this Agreement by Buyer will not (a) conflict with any provision of the Articles of Incorporation or Bylaws of Buyer, (b) result in a default (or give rise to any right of termination, cancellation or acceleration) under or conflict with any of the terms, conditions or provisions of any material agreement, contract, instrument or agreement to which Buyer is a party or by which Buyer may be bound, or (c) in any material respect violate any law, statute, rule, regulation, order, injunction or decree of any federal, state or local governmental authority or agency applicable to Buyer.

4.4 **Brokers.** There is no broker or finder or other person who would have any valid claim against Buyer for a commission or brokerage fee in connection with this Agreement or the transactions contemplated hereby as a result of any agreement, understanding or action by Buyer.

4.5 **Qualifications as a Broadcast Licensee.** Buyer knows of no fact that would, under existing law and the existing rules, regulations and practices of the FCC, disqualify Buyer as the holder of the FCC Authorization. Up to and including the Closing Date, Buyer will take no action which it knows or has reason to know could cause such disqualification.

4.6 **Material Omission.** Buyer has not failed to disclose any material fact within its knowledge which would make any statement or representation in this Agreement inaccurate or misleading.

ARTICLE V FCC APPLICATION

5.1 **FCC Application.** The sale of the Assets from Seller to Buyer is contingent on the approval of the FCC. Within five (5) business days after execution of this Agreement, Seller and Buyer will join together to file an application with the FCC requesting its consent to the assignment of the FCC Authorization from Seller to Buyer (the "FCC Application"). Seller and Buyer will diligently take, or cooperate in the taking of, all steps that are necessary or desirable to expedite the preparation, filing and good faith prosecution of the FCC Application.

ARTICLE VI SELLER'S COVENANTS

Seller covenants and agrees as follows:

6.1 **Preservation of Assets.** Unless and until this Agreement is terminated without closing and any disputes regarding such termination have been resolved, Seller shall not sell, assign, transfer, convey or otherwise dispose of, with or without consideration, any material part of the Assets, other than to Buyer.

6.2 **Exclusive Dealing.** Seller shall not offer or seek to offer, or entertain or discuss any offer, to sell the Station or any material part of the Assets, nor shall it permit its owners to offer, seek to offer, or entertain or discuss any offers to sell, convey or transfer any interest in Seller if such sale of an interest would have an adverse effect upon the transaction contemplated by this Agreement.

ARTICLE VII CONDITIONS TO THE OBLIGATIONS OF SELLER

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

7.1 **Representations and Warranties.** The representations and warranties of Buyer contained in this Agreement shall, without material exception, be true and correct at and as of the Closing Date as though such representations and warranties were made at and as of such time.

7.2 **Covenants and Agreements.** Buyer shall have performed all of its covenants and agreements required by this Agreement to be performed or complied with on or prior to the Closing Date.

7.3 **FCC Consent.** The FCC shall have given its consent ("FCC Consent") to the assignment of the FCC Authorization from Seller to Buyer, without any conditions materially adverse to Seller.

ARTICLE VIII CONDITIONS TO THE OBLIGATIONS OF BUYER

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

8.1 **Representations and Warranties.** The representations and warranties of Seller contained in this Agreement shall, without material exception, be true and correct at and as of the Closing Date as though such representations and warranties were made at and as of such time.

8.2 **Covenants and Agreements.** Seller shall have performed all of its covenants and agreements required by this Agreement to be performed or complied with on or prior to the Closing Date.

8.3 **FCC Consent.** The FCC shall have given the FCC Consent, without any conditions materially adverse to Buyer, and at Buyer's option, such FCC Consent shall have become a final order (*i.e.*, no longer subject to any further administrative or judicial review) ("Final Order").

ARTICLE IX CLOSING

9.1 **Time and Place of Closing.** The closing ("Closing") of the sale and purchase of the Assets shall be held in the offices of Buyer located at 3225 West Elm Street, Lima, Ohio 45805-2518, at a mutually agreed upon time within ten (10) business days after the parties are advised of the FCC Consent; provided, however, that, at Buyer's option, Closing will be postponed until ten (10) calendar days after the FCC Consent has become a Final Order (the "Closing Date"). Closing may be held via facsimile and/or overnight delivery, without the parties personally present at the same location.

9.2 **Deliveries by Seller.** At the Closing, Seller will deliver to Buyer the following, in form and substance reasonably satisfactory to Buyer:

(a) An instrument assigning to Buyer all right, title and interest of Seller in the FCC Authorization.

(b) A bill of sale conveying to Buyer all right, title and interest of Seller in the personal property included in the Assets.

(c) A certificate, dated as of the Closing Date, signed by an authorized officer of Seller, certifying that all representations, warranties, covenants and agreements made by Seller herein are true and correct as of the Closing Date.

(d) A certified copy of Seller's Board of Directors resolution authorizing the execution, delivery, and performance of this Agreement.

9.3 **Deliveries by Buyer.** At the Closing, Buyer will deliver to Seller the following in form and substance reasonably satisfactory to Seller:

(a) A copy of any necessary notification and instruction delivered to the Escrow Agent authorizing disbursement to Seller of the Escrow Deposit and the payment to Seller of the remainder of the Purchase Price.

(b) A certificate, dated as of the Closing Date, signed by an authorized officer of Buyer, certifying that all representations, warranties, covenants and agreements made by Buyer herein are true and correct as of the Closing Date.

(c) A certified copy of Buyer's Board of Directors resolution authorizing the execution, delivery, and performance of this Agreement.

ARTICLE X INDEMNIFICATION

10.1 **Survival.** All representations, warranties, covenants and agreements of Seller and Buyer contained in this Agreement or in any related document shall survive the Closing for a period of one (1) year.

10.2 **Threshold Limitation.** Neither Buyer nor Seller shall be entitled to recover under this Agreement if Closing occurs, for any indemnification claims or for any breach of this Agreement until the aggregate losses, damages or expenses suffered by it in connection therewith exceed Three Thousand Dollars (\$3,000,00) (the "Threshold"), and then only to the extent the aggregate of such losses, damages or expenses exceeds the Threshold.

10.3 **Indemnification of Buyer By Seller.** Subject to Section 11.2, Seller agrees that it shall indemnify and hold Buyer and its successors and assigns harmless from and against any and all damages, claims, losses, expenses, costs, obligations and liabilities, including without limitation liabilities for reasonable attorney's fees and disbursements ("Loss and Expense") suffered directly or indirectly by Buyer by reason of, or arising out of:

(a) any breach of representation or warranty made by Seller pursuant to this Agreement,

(b) any failure by Seller to perform or fulfill any of its covenants or agreements set forth in this Agreement,

(c) any failure by Seller to pay or perform when due any of its liabilities or obligations arising out of or related to the Assets, and

(d) any litigation, proceeding or claim by any third party relating to the Assets or the Station prior to the Closing Date.

10.4 **Indemnification of Seller By Buyer.** Subject to Section 11.2, Buyer agrees that it shall indemnify and hold Seller and its successors and assigns harmless from and against any and all Loss and Expense suffered directly or indirectly by Seller by reason of, or arising out of:

(a) any breach of representation or warranty made by Buyer pursuant to this Agreement,

(b) any failure by Buyer to perform or fulfill any of its covenants or agreements set forth in this Agreement,

(c) any failure by Buyer to pay or perform when due any of its liabilities or obligations arising out of or related to the Assets, and

(d) any litigation, proceeding or claim by any third party relating to the Assets or the Station prior to the Closing Date.

10.5 **Notices of Claims.** If Seller or Buyer believes that it has suffered or incurred any Loss and Expense, it shall notify that other party promptly in writing and within the applicable time period specified in Section 10.1 above and also in a sufficiently timely manner to allow the indemnifying party to defend against the claim, describing such Loss and Expense, the amount thereof, if known, and the method of computation of such Loss and Expense, all with reasonable particularity and containing a reference to the provisions of this Agreement in respect of which such Loss and Expense shall have occurred. If the indemnifying party does not defend a claim by a third party in a timely manner, the indemnified party may itself defend at the expense of the indemnifying party. If the indemnifying party does defend, the indemnified party may participate at its own expense. In the event that a third party claimant and the indemnifying party reach agreement on a settlement that includes a general release in favor of the indemnified party, but the indemnified party refuses to consent to the settlement, the indemnifying party may pay the amount that was agreed upon for the settlement and then will be released from any further indemnification obligation with respect to that claim.

ARTICLE XI TERMINATION; LIQUIDATED DAMAGES

11.1 **Termination.** This Agreement may be terminated by the mutual consent of Seller and Buyer at any time or upon the occurrence of one of the following events prior to or on the Closing Date:

(a) by Seller, if not then in default, if Buyer is in breach in any material respect of any of Buyer's representations, warranties, covenants or agreements contained herein and fails to cure said breach within fifteen (15) days after notification by Seller to Buyer; or

(b) by Buyer, if not then in default, if Seller is in breach in any material respect of any of Seller's representations, warranties, covenants or agreements contained herein and fails to cure said breach within fifteen (15) days after notification by Buyer to Seller; or

(c) by either party, if not then in default, if Closing has not occurred by the date which is eighteen (18) months after the date of this Agreement; or

(d) by either party if the FCC denies the FCC Application in an order which has become final or designates for hearing the FCC Application or any other application or authorization relating to the Station or if the FCC revokes or cancels the FCC Authorization for any reason.

11.2 **Liabilities Upon Termination.** In the event this Agreement is terminated pursuant to Section 11.1 above, no party hereto shall have any liability to the other unless the termination occurs because of a breach by one party of its representations, warranties, covenants or agreements. If this Agreement is terminated by Seller pursuant to Section 11.1(a) above, Seller shall be entitled to receive the Escrow Deposit from the Escrow Agent as liquidated damages. Seller's receipt of the Escrow Deposit as liquidated damages shall be Seller's sole remedy at law or in equity for Buyer's breach hereunder if Closing does not occur.

ARTICLE XII MISCELLANEOUS PROVISIONS

12.1 **Risk of Loss.** The risk of any loss, damage or destruction to any of the Assets from fire or other force majeure shall be borne by Seller at all times prior to the Closing Date hereunder. All operation and expense of the Station attributable to the time up to the Closing Date shall be for the account of the Seller; all operation and expense on and after the Closing Date shall be for the account of Buyer.

12.2 **Expenses.** Each party shall pay the cost of its own counsel; and, except as otherwise provided herein, all other costs and expenses incurred in connection with this Agreement and the transactions contemplated herein will be paid by the party incurring such costs and expenses. Seller and Buyer will share equally any sales or use taxes imposed upon the transactions contemplated herein and shall divide equally any filing fees assessed by the FCC in connection with the FCC Application.

12.3 **Notices.** All notices and other communications hereunder shall be in writing and shall be deemed given when delivered by hand or by facsimile transmission or mailed by registered or certified mail (return receipt requested), postage prepaid, or by a reputable overnight delivery service to the parties at the following address (or at such other address for a party as shall be specified by like notice):

(a) *If to Buyer, to:*

Metro Video Productions, Inc.
3225 W. Elm Street
Lima, Ohio 45805
Attention: Gregory J. Phipps, President
Fax No.: (419) 224-3167

(b) *If to Seller, to:*

Crawford Broadcasting Corporation
PO Box 839 Bucyrus, Ohio 44820
Attention: David Sharrock
(419) 562-3830

12.4 **Assignment.** This Agreement and all of its terms shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. This Agreement shall not be assigned by Seller. Buyer may assign this Agreement and Buyer's rights and obligations thereunder to any commonly owned or controlled corporation, limited liability company, or other legal entity.

12.5 **Governing Law.** Except to the extent governed by federal law, this Agreement shall be governed by, construed and enforced in accordance with the internal laws of the State of Ohio (and not the laws pertaining to conflicts or choice of law).

12.6 **Counterparts.** This Agreement may be executed in several counterparts, all of which taken together shall constitute one and the same instrument, notwithstanding that each party may execute a different counterpart. This Agreement shall be effective and legally binding upon delivery of facsimile signatures.

12.7 **Entire Agreement; Amendments.** This Agreement, including the exhibits and schedules hereto, embody the entire agreement and understanding of the parties with respect to the subject matter hereof and supersede all prior agreements and understandings between the parties. This Agreement may not be amended except in writing signed by each party.

12.8 **Specific Performance.** Each of Seller and Buyer acknowledges and agrees that the other party would be damaged irreparably in the event any of the provisions of this Agreement are not performed in accordance with their specific terms or otherwise are breached. Accordingly, each of Seller and Buyer agrees that the Buyer shall be entitled to an injunction or injunctions to prevent breaches of the provisions of this Agreement and to enforce specifically this Agreement and the terms and provisions hereof in any action instituted in any court of the United States or any state thereof having jurisdiction over the parties and the matter, in addition to any other remedy to which it may be entitled at law or in equity. Seller's remedy shall be limited to recovery from Buyer of the Purchase Price. Neither party shall be entitled to recover consequential or punitive damages or lost profits and may recover only actual out of pocket damages in connection with this Agreement.

12.9 **Confidentiality.** Buyer and Seller each agrees to use its best efforts to keep confidential (except for disclosure to attorneys, accountants, bankers, underwriters, investors, etc. as may be appropriate in furtherance of this transaction) all negotiations made between Buyer and Seller pursuant to this Agreement, and all information of a confidential nature obtained by it from the other in connection with this transaction, except for such disclosures as may be necessary in connection with the filing and prosecution of the FCC Application. In the event that Closing is not held, each party will return to the other all documents and other materials received by it that were identified as confidential when provided and which contain information not publicly known or available.

12.10 **Headings.** The headings and captions in this Agreement are for the convenience of the parties only and are not to be interpreted as limiting the meaning of any of the provisions of this Agreement.

12.11 **Section 73.1150 Certification.** Prior to the Closing, control of the Station will be the sole right and responsibility of Seller. After the Closing, control and operation of the Station will be the sole right and responsibility of the Buyer. Pursuant to Section 73.1150 of the FCC's Rules and Regulations, the Seller hereby certifies that it will retain no right of reversion of the FCC Authorizations and no right to reassignment of the FCC Authorizations in the future and does not reserve the right to use the facilities of the Station for any period whatsoever after Closing.

IN WITNESS WHEREOF, Seller and Buyer have caused this Agreement to be signed by their respective duly authorized officers as of the date first above written.

Crawford Broadcasting Corporation

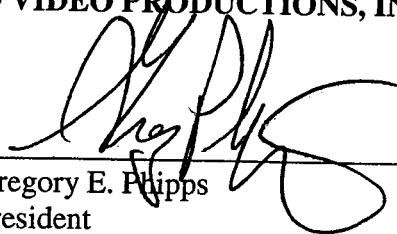
By:



David Sharrock
President

METRO VIDEO PRODUCTIONS, INC.

By:



Gregory E. Phipps
President

SCHEDULE 1.1(a)
FCC Authorization

SCHEDULE 1.1(b)
Personal Property