

## ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is made as of February \_\_\_\_, 2004 among Chaparral Broadcasting Company, Inc. a \_\_\_\_\_ corporation (the "Chaparral"), Jerrold T. Lundquist ("Lundquist" and together with Chaparral, the "Seller") and Lakeshore Media, LLC, an Illinois limited liability company ("Buyer").

### W I T N E S S E T H

WHEREAS, Chaparral owns and operates radio broadcast Station KMER(AM), facility ID 10335, licensed to Kemmerer, Wyoming ("KMER") pursuant to certain licenses, authorizations and approvals (the "KMER FCC Authorizations") issued by the Federal Communications Commission (the "FCC"); and

WHEREAS, Lundquist owns and operates radio broadcast Stations KAOX(FM), facility ID 31169, licensed to Kemmerer, Wyoming ("KAOX") and KDWY(FM), facility ID 77947, licensed to Diamondville, Wyoming ("KDWY") and together with KMER and KAOX, the "Stations") pursuant to certain licenses, authorizations and approvals (the "KAOX/KDWY FCC Authorizations" and together with the KMER FCC Authorizations, the "FCC Authorizations") issued by the FCC; and

WHEREAS, Lundquist is the record and beneficial owner of 100% of all of the issued and outstanding shares of Chaparral; and

WHEREAS, subject to the terms and conditions set forth herein, Sellers desire to assign to Buyer and Buyer desires to acquire from Seller, the FCC Authorizations and the other tangible and intangible assets and properties used or held for use in the operation of the Stations.

NOW, THEREFORE, taking the foregoing into account, and in consideration of the mutual covenants and agreements set forth herein, the parties, intending to be legally bound, hereby agree as follows:

## ARTICLE I

### SALE AND PURCHASE

Section 1.1 Stations Assets. Subject to and in reliance upon the representations, warranties and agreements herein set forth, and subject to the terms and conditions herein contained, Seller shall grant, convey, sell, assign, transfer and deliver to Buyer on the Closing Date (as hereinafter defined) all interests of each Seller in all properties, assets, privileges, rights, interests and claims, real and personal, tangible and intangible, of every type and description, wherever located, including its business and goodwill (except for Excluded Assets as defined in Section 1.2) used or held for use in the business and operations of any of the Stations (collectively, the "Stations Assets"). Without limiting the foregoing, the Stations Assets shall include the following:

(a) Licenses and Authorizations. All of the FCC Authorizations issued with respect to any of the Stations including, without limitation, all rights in and to each of the Stations' call letters and any variations thereof, all translators used by or relating to any of the Stations, and all of those FCC Authorizations listed and described on Schedule 1.1(a) attached hereto, and all applications therefor, together with any renewals or extensions thereof and additions thereto.

(b) Tangible Personal Property. All interests of each Seller as of the date of this Agreement in all equipment, electrical devices, antennas, cables, vehicles, furniture, fixtures, office materials and supplies, hardware, tools, spare parts, and other tangible personal property of every kind and description, used or held for use in connection with the business and operations of any of the Stations including, without limitation, those listed and described on Schedule 1.1(b) attached hereto, and any additions and improvements thereto between the date of this Agreement and the Closing Date (collectively, the "Tangible Personal Property").

(c) Real Property. All interests of each Seller as of the date of this Agreement in all land, leaseholds, licenses, rights-of-way, easements and other interests of every kind and description in and to all of the real property and buildings, towers, transmitters, antennae, fixtures and improvements thereon, used or held for use in the business and operations of any of the Stations including, without limitation, those listed and described on Schedule 1.1(c) attached hereto, and any additions and improvements thereto between the date of this Agreement and the Closing Date (collectively, the "Real Property").

(d) Time Sales Agreements. All orders and agreements entered into in the ordinary course of business for the sale of advertising time on the Stations for cash that are cancelable without penalty that exist on the Closing Date, to the extent related to the Stations.

(e) Contracts. Those Contracts (as hereinafter defined) used in connection with the business and operations of any of the Stations that are listed and described on Schedule 1.1(e) attached hereto.

(f) Intangible Property. All interests of each Seller as of the date of this Agreement in all trademarks, trade names, service marks, copyrights, franchises, patents, jingles, slogans, logotypes, trade secrets, internet addresses, domain names, telephone numbers (used solely by Seller in regards to any of the Stations) and other intangible rights, used or held for use in connection with the business and operations of any of the Stations including, without limitation, all right, title and interest in and to the marks consisting of each Station's call letters and any and all variations thereof, and all of those listed and described on Schedule 1.1(f) attached hereto, and those acquired by Seller between the date hereof and the Closing Date (collectively, the "Intangible Property").

(g) Programming and Copyrights. All interests of each Seller as of the date of this Agreement in all programs and programming materials and elements of whatever form or nature used or held for use in the business and operations of any of the Stations, whether recorded on tape or any other substance or intended for live performance, and whether completed or in production, and all related common-law and statutory copyrights, if any, used or held for use in the business and

operations of any of the Stations, together with all such programs, materials, elements and copyrights acquired by either Seller in the business and operations of any of the Stations between the date hereof and the Closing Date.

(h) Files and Records. All FCC logs and other records that relate to the operation of any of the Stations, and all files and other records of each Seller relating to the business and operations of any of the Stations (other than duplicate copies of such files (“Duplicate Records”)) including, without limitation, all schematics, blueprints, engineering data, customer lists, reports, specifications, projections, statistics, promotional graphics, original art work, mats, plates, negatives and other advertising, marketing or related materials, and all other technical and financial information concerning the Stations and the Stations Assets, if any.

(i) Claims. Any and all claims and rights against third parties if and to the extent that they relate to or affect the use or operation of any of the Stations Assets after the Closing Date including, without limitation, all rights under manufacturers’ and vendors’ warranties.

(j) Prepaid Items. All deposits, reserves and prepaid expenses relating to the Stations and prepaid taxes relating to the Stations or the Stations Assets, to the extent adjusted for under Section 1.5(a).

(k) Goodwill. All of each Seller’s goodwill in, and going concern value of, each of the Stations.

(l) Internet Websites. All Internet domain leases and domain names of each the Stations, the exclusive right (subject only to rights of third-party vendors) to the use of HTML content located and publicly accessible from those domain names, and the “visitor” email data base for those sites, if any.

Section 1.2 Excluded Assets. There shall be excluded from the Stations Assets and retained by Seller, to the extent in existence on the Closing Date, all cash, cash equivalents, accounts receivable, publicly traded securities, insurance policies, pension, profit sharing and all other employee benefit plans, claims and rights against third parties, the other assets identified on Schedule 1.2, and any duplicate records of the Seller (the “Excluded Assets”).

### Section 1.3 Liabilities.

(a) The Stations Assets shall be sold and conveyed to Buyer free and clear of all mortgages, liens, deeds of trust, security interests, pledges, restrictions, prior assignments, charges, claims, defects in title and encumbrances of any kind or type whatsoever (collectively, “Liens”) except: (i) liens for real estate taxes not yet due and payable for which Buyer receives a Purchase Price adjustment under Section 1.5; and (ii) the post-Closing obligations of Seller that Buyer shall assume under leases and contracts assigned to it, if any, that are listed on Schedules 1.1(c) and 1.1(e).

(b) Except as otherwise specifically provided in this Agreement, including without limitation Section 1.5, Buyer shall not assume or be liable for, and does not undertake to attempt to,

assume or discharge: (i) any liability or obligation of Seller arising out of or relating to any contract, lease agreement, or instrument; (ii) any liability or obligation of Seller arising out of or relating to any employee benefit plan otherwise relating to employment (all employment obligations shall be brought current by Seller as of the Closing Date, including the payment of all accrued benefits and severance pay and all bonuses, if any, whether or not such benefits or bonuses are due as of the Closing Date); (iii) any liability or obligation of Seller arising out of or relating to any litigation, proceeding or claim (whether or not such litigation, proceeding or claim is pending, threatened or asserted before, on or after the Closing Date); (iv) any other liabilities, obligations, debts or commitments of Seller whatsoever, whether accrued now or hereafter, whether fixed or contingent, whether known or unknown; or (v) any claims asserted against the Stations or any of the Stations Assets to the extent relating to any event (whether act or omission) prior to the Closing Date including, without limitation, the payment of all taxes.

(c) Buyer shall in no event assume any liability or obligation arising (i) from the assignment to Buyer of any Contract in violation of its terms or (ii) from any other breach or default by Seller upon or prior to Closing under any Contract, nor shall Buyer be required to hire or employ any Stations employee nor assume liability or obligation in regard to any Stations employee.

(d) Seller retains and shall hereafter pay, satisfy, discharge, perform and fulfill all obligations and liabilities of it not expressly assumed by Buyer hereunder as they become due, without any charge or cost to Buyer.

#### Section 1.4 Purchase Price.

(a) Purchase Price. The purchase price to be paid for the Stations Assets will be an amount equal to the sum of (i) Two Million Dollars (\$2,000,000) plus or minus (ii) the Closing Date Adjustments pursuant to Section 1.5 (the "Purchase Price").

(b) Method of Payment. Within five business days after execution, Seller shall place in escrow an earnest money deposit equal to One Hundred Thousand Dollars (\$100,000) (the "Earnest Money") pursuant to an Escrow Agreement attached hereto and made a part hereof. Upon Closing, the balance of the Purchase Price shall be paid by Buyer in immediately available funds pursuant to written instructions of the Seller to be delivered by Seller to Buyer at least four (4) business days prior to Closing.

(c) Allocation of Purchase Price. The Purchase Price shall be allocated between Tangible Property and the Intangible Property in accordance with an allocation to be prepared by Buyer, and that shall be reasonably satisfactory to Seller, which allocation schedule shall be agreed to by the parties on or before the Closing Date. Seller and Buyer shall use such allocation for all purposes related to the valuation of the Station Assets, including, without limitation, in connection with any federal, state, county or local tax returns and, unless required to do so in accordance with a "determination" as defined in Section 1313(a)(1) of the Code, neither Seller nor Buyer shall take any position in any tax return, tax proceeding, tax audit or otherwise that is inconsistent with such allocation.

Section 1.5 Adjustments.

(a) The operation of the Stations and the income and normal operating expenses attributable thereto through the date preceding the Closing Date (the "Adjustment Date") shall be for the account of Seller and thereafter for the account of Buyer, and, if any income or expense is properly allocable or credited, then it shall be allocated, charged or prorated accordingly. Expenses for goods or services received both before and after the Adjustment Date, power and utilities charges, frequency discounts, prepaid time sales agreements, deposits and rents and similar prepaid and deferred items shall be prorated between Seller and Buyer as of the Adjustment Date in accordance with generally accepted accounting principles. All special assessments and similar charges or liens imposed against the Real Property and Tangible Personal Property in respect of any period of time through the Adjustment Date, whether payable in installments or otherwise, shall be the responsibility of Seller, and amounts payable with respect to such special assessments, charges or liens in respect of any period of time after the Adjustment Date shall be the responsibility of Buyer, and such charges shall be adjusted as required hereunder. To the extent that any of the foregoing prorations and adjustments cannot be determined as of the Closing Date, Buyer and Seller shall conduct a final accounting and make any further payments, as required on a date mutually agreed upon, within ninety (90) days after the Closing.

(b) With respect to trade, barter or similar agreements for the sale of time for goods or services ("Barter Agreements") assumed by Buyer pursuant to Section 1.1(d) or (e), if any, if there exists on the date of assumption an aggregate negative barter balance (i.e., the amount by which the value of air time (based upon the Station's then prevailing rates) to be provided exceeds the fair market value of goods or services to be received therefor, then to the extent that aggregate negative barter balance exceeds \$5,000, such excess will be treated as prepaid time sales and adjusted for as a proration in Buyer's favor. If there exists on such date an aggregate positive barter balance (i.e., the amount by which the value of airtime (based upon the Station's then prevailing rates) to be provided is less than the fair market value of goods or services to be received therefor, then to the extent that such aggregate positive barter balance exceeds \$5,000 such excess will be treated as a prepaid expense and adjusted for as a proration in Seller's favor.

Section 1.6 Closing. The consummation of the sale and purchase of the Stations Assets provided for in this Agreement (the "Closing") shall take place at a date and time designated by Buyer within fifteen (15) business days after the date of the FCC Consent (as defined in Section 10.11) becomes Final (as defined in Section 10.11) for each Application (as defined in Section 10.11). Alternatively, the Closing may take place at such other place, time or date as the parties may mutually agree upon in writing. The date on which the Closing is to occur is referred to herein as the "Closing Date."

ARTICLE II

REPRESENTATIONS AND WARRANTIES OF SELLER

Chaparral and Lundquist jointly and severally represent and warrant to Buyer as follows:

Section 2.1 Corporate Status. Chaparral is a corporation, duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization (as first set forth above). Chaparral is duly qualified to do business and is in good standing in such states in which the failure to so qualify would have a material adverse effect on the business of the Stations. Each Seller has the requisite power to carry on the business of their respective Stations as they are now being conducted and to own and operate their respective Stations, and each Seller has the requisite power to enter into and complete the transactions contemplated by this Agreement (the "Subject Transaction"). Neither Seller has used any name in the operation of its business other than their respective names as first set forth above and the Stations' call letters.

Section 2.2 Authority. All company actions necessary to be taken by or on the part of either Seller in connection with the Transactions contemplated hereby have been duly and validly taken, and this Agreement has been duly and validly authorized, executed, and delivered by Seller and constitutes the legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms, except as may be limited by bankruptcy laws and general principles of equity.

Section 2.3 No Conflict. The execution, delivery and performance of this Agreement and the consummation of the Subject Transaction will not (a) conflict with or violate any organizational documents of Seller; (b) conflict with or violate or result in any breach of or any default under, result in any termination or modification of, or cause any acceleration of any obligation under, any Contract (as defined in Section 2.4) to which either Seller is a party or by which it is bound, or by which any of the Stations or any of the Stations' Assets may be affected ; or (c) violate any judgment, decree, order, statute, law, ordinance, rule or regulation applicable to either Seller, any of the Stations or any of the Stations' Assets.

Section 2.4 Contracts. All written or unwritten contracts, agreements, leases or instruments or other commitments including, without limitation, all indentures, mortgages, guarantees, surety arrangements, and all contracts or agreements for the purchase or sale of merchandise, programming or advertising time on a radio Stations or for the rendition of services (each a "Contract" and collectively, "Contracts"), which relate to the any of the Stations Assets, to which either Seller is a party to or bound by, or which are used in, related to or necessary for the business and operations of any of the Stations are described on Schedules 1.1(c) and 1.1(e). Seller has delivered to Buyer true and complete copies of all written Contracts or oral understandings listed on Schedules 1.1(c) and 1.1(e).

Section 2.5 No Breach. Neither Seller is in violation or breach of any of the material terms, conditions or provisions of any Contract, or any court order, judgment, arbitration award, or decree relating to or affecting any of the Stations or the Stations Assets to which Seller is a party or by which it is bound.

Section 2.6 Financial Statements. Attached as Schedule 2.6 hereto are copies of Seller's unaudited financial statements (balance sheets and income statements) relating to the business and operations of the Stations for the 3 previous calendar years ended December 31, 2003 (the "Financial Statements"). The Financial Statements were prepared using generally accepted accounting principles consistently applied, fairly and accurately reflects the financial condition of

Seller with respect to the Stations during the periods covered, and do not fail to reflect any material information bearing on the financial condition or operating results of the Stations.

Section 2.7 Liabilities. To its knowledge, Seller has no material liabilities or obligations relating to the Stations or the Stations Assets of any kind or nature, due or not yet due, liquidated or unliquidated, fixed, contingent or otherwise, except as and to the extent reflected in the Financial Statements, and except as incurred since the Balance Sheet Date in the ordinary course of business.

Section 2.8 Taxes. To the extent that the failure to do so would impose a liability or obligation on Buyer or would interfere with Buyer's full use and enjoyment of the Station Assets subsequent to the Closing, each Seller has filed all applicable federal, state, local and foreign tax returns required to be filed, in accordance with provisions of law pertaining thereto, and has paid all taxes, interest, penalties and assessments (including, without limitation, income, withholding, excise, unemployment, Social Security, occupation, transfer, franchise, property, sales and use taxes, import duties or charges, and all penalties and interest in respect thereof) required to have been paid with respect to or involving the Stations or the Stations Assets, or Seller has accrued for any of the foregoing if not yet due. Neither Seller has been advised that any of its returns, federal, state, local or foreign, have been or are being audited.

Section 2.9 Licenses. Each Seller is the holder of the respective FCC Authorizations listed and described on Schedule 1.1(a). Such FCC Authorizations constitute all of the licenses, authorizations and approvals required under the Communications Act of 1934, as amended (the "Communications Act"), or the rules, regulations and policies of the FCC for, and used in the operation of, the Stations. The FCC Authorizations are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated and have not expired. There is not pending or, to Seller's knowledge, threatened, any action by or before the FCC to revoke, suspend, cancel, rescind or modify any of the FCC Authorizations (other than proceedings to amend FCC rules of general applicability), and there is not now issued or outstanding or pending or threatened, by or before the FCC, any order to show cause, notice of violation, notice of apparent liability, or notice of forfeiture or complaint against either Seller or any of the Stations. The Stations are operating in material compliance with the FCC Authorizations, the Communications Act, and the rules, regulations and policies of the FCC.

Section 2.10 Additional FCC Matters.

(a) Each Seller maintains public files for the Stations as required by FCC rules. With respect to FCC licenses, permits and authorizations, Seller is operating only those facilities for which an appropriate FCC Authorization has been obtained and is in effect, and Seller is in material compliance with the conditions of each such FCC Authorization, including, without limitation, the payment of all FCC regulatory fees.

(b) Neither Seller is aware of any facts indicating that either Seller is not in compliance with all material requirements of the FCC, the Communications Act, or any other applicable federal, state and local statutes, regulations and ordinances. Neither Seller is aware of any facts and neither Seller has received any notice or communication, formal or informal, indicating that

the FCC is considering revoking, suspending, canceling, rescinding or terminating any FCC Authorization.

(c) To each Seller's knowledge, the operation of the Stations does not cause or result in exposure of workers or the general public to levels of radio frequency radiation in excess of the "Radio Frequency Protection Guides" recommended in "American National Standard Safety Levels with Respect to Human Exposure to Radio Frequency Electromagnetic Fields 300 kHz to 100 GHz" (ANSI/IEEE C95.1-1992), issued by the American National Standards Institute, and renewal of the FCC Authorizations would not constitute a "major action" within the meaning of Section 1.1301, et seq., of the FCC's rules.

Section 2.11 Approvals and Consents. Except as described in Schedule 2.11 hereto, the execution, delivery and performance by each Seller of this Agreement and the consummation by it of the Transactions contemplated hereby will not require any consent, permit, license or approval of, or filing with or notice to, any person, entity or governmental or regulatory authority under any provision of law applicable to either Seller or any Contract or Real Property lease, except as contemplated by Section 10.11 (Application for FCC Consent).

Section 2.12 Stations Assets. The Stations Assets constitute all of the assets, with the exception of capital, necessary to conduct the present operations of all of the Stations. Schedule 1.1(b) contains a description of all items of Tangible Personal Property. Seller has good, valid and marketable title to all of the Stations Assets, and on the Closing Date the Tangible Personal Property will be conveyed to Buyer free and clear of all Liens (other than Permitted Encumbrances). Each item of Tangible Personal Property used in the operation of the Stations, including, without limitation, all equipment and electrical devices, is in good operating condition (reasonable wear and tear excepted), is free from material defect and damage, is functioning in the manner and for the purposes for which was intended, has been maintained in accordance with industry standards and regulation of the FCC, and does not require any repairs other than normal routine maintenance.

Section 2.13 Real Property.

(a) Schedule 1.1(c) contains descriptions of all real property owned or leased by each Seller and used or held for use in connection with the business and operations of any of the Stations and leases or licenses or other rights to possession of any real property so used or held which identifies the particular property used for any of the Stations' studio and transmitter sites.

(b) Each Seller's interests in Real Property are as follows: Each Seller has fee simple title to the Real Property described on Schedule 1.1(c) as being so owned (the "Owned Property"). As to the Owned Property, Seller has good, valid and marketable fee simple title to such premises and all buildings, towers, antennae, fixtures and improvements located thereon, free of any Liens (other than Permitted Encumbrances). To either Seller's knowledge, the Owned Property includes sufficient access to the Stations' facilities without need to obtain any other access rights.

(c) The Real Property and all of the buildings, towers, antennae, fixtures and improvements owned or leased by either Seller, and all heating and air conditioning equipment,

plumbing, electrical and other mechanical facilities, and the roof, walls and other structural components of the Real Property which are part of, or located in, such buildings, towers, transmitters, antennae, fixtures or improvements located thereon, (i) are in good operating condition and repair (reasonable wear and tear excepted), (ii) comply, as to either Seller's uses, in all material respects with applicable zoning laws and the building, health, fire and environmental protection codes of all applicable governmental jurisdictions, (iii) have no known structural defects (iv) are adequate and suitable for the purposes for which they are presently being used and (v) do not require any repairs other than normal routine maintenance to maintain them good condition and repair.

(d) Each Seller's interests in Real Property not described in Section 2.13(b) herein are as follows: Each Seller leases, as a tenant, the premises described on Schedule 1.1(c). The leases listed in Schedule 1.1(c) hereto constitute all the Real Property leases to which either Seller is a party (either as lessor or lessee) and which are required or useful in the conduct of the business of the Stations. Each Seller has delivered to Buyer true and complete copies of such leases.

(e) With respect to the leases of Real Property listed in Schedule 1.1(c) hereto, each Seller has good title to its interest in such Real Property, free and clear of all Liens (other than Permitted Encumbrances). With respect to each such lease, (i) each such lease is in full force and effect, and is valid, binding and enforceable in accordance with its terms; (ii) all accrued and currently payable rents and other payments required thereunder have been paid; (iii) each such lease was to each Seller's knowledge entered into in the ordinary course of business and has provided for peaceable possession since the beginning of either Seller's occupancy thereof; (iv) each Seller and, to its knowledge, each other party thereto has complied in all material respects with all respective covenants and provisions thereof; (v) neither Seller is, and to its knowledge, no other party thereto is, in default in any respect thereunder; (vi) neither Seller has, and to its knowledge, no other party thereto has, asserted any defense, set off or counterclaim thereunder; (vii) no waiver, indulgence, or postponement of any obligations thereunder has been granted by any party; and (viii) no notice of default or termination has been given or received by either Seller, no event of default has occurred and is continuing, and no condition exists and no event has occurred that, with the giving of notice, the lapse of time, or the happening of any further event would become a default or permit early termination thereunder. Each such lease provides sufficient access to the each Station's facilities without need to obtain any other access rights. Except as set forth in Schedule 2.11 hereto, no third-party consent or approval is required for the assignment of any such lease to Buyer, or for the consummation of the Transactions contemplated hereby.

#### Section 2.14 Environmental Matters.

(a) As used herein, (i) the term "Environmental Laws" shall mean any and all state, federal, and local statutes, regulations and ordinances relating to the protection of human health and the environment, and (ii) the term "Hazardous Material" shall mean any hazardous or toxic substance, material, or waste including, without limitation, those substances, materials, pollutants, contaminants and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 C.F.R. § 172.101) or by the United States Environmental Protection Agency as hazardous substances (40 C.F.R. Part 302 and amendments thereto), petroleum products (as defined in Title I to the Resource Conservation and Recovery Act, 42 U.S.C. § 6991-6991(i)) and their derivatives, and such

other substances, materials, pollutants, contaminants and wastes as become regulated or subject to cleanup authority under any Environmental Laws.

(b) Each Seller represents and warrants that, except as set forth on Schedule 2.14:

(i) All activities of either Seller with respect to the Stations and the Real Property have been and are being conducted in material compliance with all federal, state and local statutes, ordinances, rules, regulations and orders, as well as all requirements of common law concerning those activities, repairs or construction of any improvements, manufacturing processing and/or handling of any materials, and discharges to the air, soil, surface water or groundwater;

(ii) Neither Seller has any knowledge of the release or presence of any Hazardous Material on, in, from or onto the Real Property;

(iii) Neither Seller has generated, manufactured, refined, transported, stored, handled, disposed of or released any Hazardous Material on the Real Property, nor has neither Seller permitted the foregoing;

(iv) Each Seller has obtained all approvals and caused all notifications to be made as required by Environmental Laws on account of each Seller's actions, omissions or ownership of the Stations;

(v) Each Seller has obtained all required registrations with, licenses from, or permits issued by governmental agencies or authorities pursuant to environmental, health and safety laws, and all such registrations, licenses or permits are in full force and effect;

(vi) Neither Seller has received any notice of any violation of any Environmental Laws with respect to the Stations or the Stations Assets;

(vii) No action has been commenced or, to either Seller's knowledge, threatened regarding either Seller's compliance with any Environmental Laws;

(viii) No tanks used for the storage of any Hazardous Material above or below ground are present, or were to either Seller's knowledge at any time present, on or about the Real Property;

(ix) No action has been commenced or, to either Seller's knowledge, threatened regarding the presence of any Hazardous Material on or about the Real Property;

(x) No Hazardous Materials are present in any medium in the operations of the Stations (or of Seller with respect to the Stations) and/or at the Real Property in such a manner as may require investigation or remediation under any applicable law;

(xi) No asbestos or asbestos-related products, oils or petroleum-derived compounds, CFCs, or PCBs are located on or about the Stations or the Real Property unless such structures containing asbestos or asbestos-related products or equipment containing PCB's are properly contained and labeled;

(c) Except for survival or indemnification limitations in agreements pursuant to which either Seller acquired any of the Stations, neither Seller has and will not release or waive the liability of any previous owner, lessee, or operator of the Real Property or any party who may be potentially responsible for the presence or removal of Hazardous Material on or about the Real Property. Neither Seller has any contractual or, to its knowledge, other indemnification obligation regarding Hazardous Material to any party.

(d) Each Seller shall defend (with counsel approved by Buyer), fully indemnify, and hold Buyer harmless from and against all claims, judgments, damages, penalties, fines, costs, liabilities, or losses (including, without limitation, sums paid in settlement of claims, reasonable attorneys' fees, reasonable consultant fees, and reasonable expert fees) that are imposed on, paid by, or asserted against Buyer, its successors or assigns, by reason or on account of, or in connection with, or arising out of (a) the presence or suspected presence of Hazardous Material in the soil, groundwater, or soil vapor on or about the Real Property, or (b) the migration of any Hazardous Material from or onto the Real Property, or (c) the violation of any Environmental Law, and, with respect to (a), (b) and (c), that existed as of or prior to the date of Closing. This indemnification of Buyer by each Seller includes, without limitation, costs incurred in connection with any of the following:

(i) any investigative or remedial action involving the presence of Hazardous Material on or about the Real Property or releases of Hazardous Material from the Real Property;

(ii) any allegations made by any governmental authority or any private citizen or entity or group of citizens or entities as to the violation of any Environmental Laws involving the Real Property or the operations conducted thereon; and/or

(iii) any injury or harm of any type to any person or entity or damage to any property arising out of, in connection with, or in any way relating to (A) the generation, manufacture, refinement, transportation, treatment, storage, recycling, disposal or release, or other handling of Hazardous Material on or about the Real Property or pursuant to the operations conducted thereon, and/or (B) the violation of any Environmental Laws, and/or (C) the contamination of the Real Property.

Section 2.15 Compliance with Law. The Stations, the Stations Assets and each Seller with respect to the Stations and the Stations Assets, are in all material respects in compliance with all requirements of law, federal, state and local, and all requirements of all governmental bodies or agencies having jurisdiction over any of them, the operation of any of the Stations, the use of its properties and assets (including the Stations Assets), and the Real Property. Without limiting the foregoing, Each Seller has paid all monies and obtained all licenses, permits, certificates and authorizations needed or required for the operation of each of the Stations and the use of the Real

Property. To each Seller's knowledge, each Seller has properly filed all reports and other documents required to be filed with any federal, state, local or foreign government or subdivision or agency thereof to the extent that any failure to have filed any such report or document would impose any liability or obligation upon Buyer or would interfere with Buyer's full use and enjoyment of the Station Assets subsequent to the Closing. Neither Seller has received any notice, not heretofore complied with, from any federal, state or municipal authority or any insurance or inspection body that any of its properties, facilities, equipment or business procedures or practices fails to comply with any applicable law, ordinance, regulation, building or zoning law, or requirement of any public authority or body.

Section 2.16 Insurance. Each Seller maintains insurance policies relating to each of the Stations and the Stations Assets bearing the policy numbers, for the terms, with the companies, in the amounts, providing the general coverage set forth on Schedule 2.16 hereto. All of such policies are in full force and effect and neither Seller is in default of any provision thereof. Neither Seller has received notice from any issuer of any such policies of its intention to cancel, terminate or refuse to renew any policy issued by it.

Section 2.17 Employment Matters.

(a) There are no collective bargaining agreements, or written or oral agreements relating to the terms and conditions of employment or termination of employment, covering any employees, consultants or agents of the Stations, except as listed and described in Schedule 2.17 hereto. Except as listed and described in Schedule 2.17, no employee of any of the Stations has a written employment Contract. Neither Seller is engaged in any unfair labor practice or other unlawful employment practice, and there are no unfair labor practice charges or other employee related complaints, grievances or arbitrations, against either Seller pending before the National Labor Relations Board, the Equal Employment Opportunity Commission, the Occupational Safety and Health Administration, the Department of Labor, any arbitration tribunal or any other federal, state, local or other governmental authority by or concerning Seller's employees, except as described in Schedule 2.17. There is no strike, picketing, slowdown or work stoppage by or concerning such employees pending against or involving Seller. No representation question is pending or, to either Seller's knowledge, threatened respecting any of either Seller's employees. Seller has delivered to Buyer copies of all letters, memoranda of understanding, past practices, assurances or other agreements modifying such collective bargaining agreements and other similar employee agreements.

(b) The Stations and each Seller with respect to the Stations, are now in compliance with all labor and employment laws including, without limitation, federal, state, local and other applicable laws, rules, regulations, ordinances, orders and decrees concerning collective bargaining, unfair labor practices, payments of employment taxes, occupational safety and health, worker's compensation, the payment of wages and overtime, and equal employment opportunity. To each Seller's knowledge, the Stations and each Seller with respect to the Stations, are not liable for any arrears or wages, benefits, taxes, damages or penalties for failing to comply with any law, rule, regulation, ordinance, order or decree relating in any way to labor or employment.

(c) Buyer shall have no obligation or liability due to or because of any past service liability, vested benefits, retirement plan insolvencies or other retirement plan or past employment

obligation (except as provided herein) under local, state or federal law (including the Employee Retirement Income Security Act of 1974, as amended), resulting from the purchase of the Stations or from former employees of Seller becoming employees of Buyer.

(d) Set forth on Schedule 2.17 are the names of all present employees of Seller and the positions, total annual compensation and accrued vacation and sick time of each.

Section 2.18 Litigation. Except as disclosed in Schedule 2.18, there are no suits, arbitrations, administrative charges or other legal proceedings, claims or governmental investigations pending against, or, to its knowledge, threatened against, any of the Stations or either Seller relating to or affecting any of the Stations or any of the Stations Assets nor, to the knowledge of either Seller, is there any basis for any such suit, arbitration, administrative charge or other legal proceeding, claim or governmental investigation. Neither Seller has been operating under or subject to, or in default with respect to, any judgment, order, writ, injunction or decree of any court or federal, state, municipal or other governmental department, commission, board, agency or instrumentality, foreign or domestic.

Section 2.19 Intangible Property. Except as set forth on Schedule 2.19, each Seller has all right, title and interest in and to all material Intangible Property used in the operation of their respective Stations. Schedule 1.1(f) contains a description of all Intangible Property used in the operation of all of the Stations. Neither Seller has received any notice of any claim that any Intangible Property or the use thereof conflicts with, or infringes upon, any rights of any third party (and there is no basis for any such claim of conflict). Except as set forth on Schedule 2.19, each Seller has the sole and exclusive right to use the Intangible Property related to their respective stations. No service provided by the Stations or any programming or other material used, broadcast or disseminated by any of the Stations infringes upon any copyright, patent or trademark of any other party.

Section 2.21 Brokers. There is no broker or finder or other person entitled to a commission or brokerage fee or payment in connection with this Agreement or the Transactions contemplated hereby as a result of any agreement of, or action taken by, Seller.

Section 2.24 Affiliates. Except as set forth on Schedule 2.24, no Affiliate of either Seller is party with Seller to any Contract or has an interest in any of the Stations Assets or any property used in the operation of any of the Stations. Neither Seller nor any Affiliate of either Seller has any financial interest in any supplier, advertiser or customer of either Seller or in any other business with which either Seller does business or competes. For purposes of this Agreement, an "Affiliate" has the meaning given it in Rule 12b-2 of Regulation 12B (as presently in effect) under the Securities Exchange Act of 1934.

Section 2.25 Disclosure. No provision of this Agreement (including the Schedules and Exhibits attached hereto), or any document or agreement delivered or made pursuant to the terms of this Agreement, relating to either Seller, any of the Stations or any of the Stations Assets, knowingly contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact required to be stated in order to make the statement, in light of the circumstances in which it is made, not misleading.

### ARTICLE III

#### REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller:

Section 3.1 Status. Buyer is an Illinois limited liability company, and is duly organized, validly existing and in good standing under the laws of the State of Illinois. Buyer has the requisite power to enter into and complete the transactions contemplated hereby.

Section 3.2 No Conflicts. Neither the execution, delivery and performance by Buyer of this Agreement nor the consummation by Buyer of the Transactions contemplated hereby will: (a) conflict with or violate the articles of organization or operating agreement; or (b) violate any judgment, decree, order, law, ordinance, statute, rule or regulation applicable to Buyer.

Section 3.3 Corporate Action. All limited liability company actions necessary to be taken by or on the part of Buyer in connection with the Subject Transaction have been duly and validly taken, and this Agreement has been duly and validly authorized, executed and delivered by Buyer and constitutes the legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with and subject to its terms.

Section 3.4 Brokers. Other than Media Services Group, there is no broker or finder or other person entitled to a commission or brokerage fee or payment in connection with this Agreement or the Transactions contemplated hereby as a result of any agreement of or action taken by Buyer.

### ARTICLE IV

#### COVENANTS OF SELLER

Seller covenants and agrees that from the date hereof until the completion of the Closing:

Section 4.1 Operation of the Business.

(a) Each Seller shall continue to carry on the business of the Stations and keep its books and accounts, records and files in the usual and ordinary manner in which the business has been conducted in the past. Each Seller shall operate the Stations in accordance with the terms of the FCC Authorizations and in compliance in all material respects with all applicable laws, rules and regulations and all applicable FCC rules and regulations. Each Seller shall maintain the FCC Authorizations in full force and effect and shall timely file and prosecute any necessary applications for renewal of the FCC Authorizations. Each Seller will deliver to Buyer, within ten (10) Business Days after filing, copies of any reports, applications or responses to the FCC related to the Stations which are filed from prior to the Closing.

(b) Seller shall use commercially reasonable efforts to preserve the business organization of the Stations intact to retain substantially as at present the Stations' employees, consultants and agents, and preserve the goodwill of the Stations' suppliers, advertisers, customers and others having business relations with them.

(c) Nothing contained in this Agreement shall give Buyer any right to control the programming, operations or any other matter relating to the Stations prior to the Closing Date, and Seller shall have complete control of the programming, operations and all other matters relating to the Stations up to the Closing Date.

(d) Each Seller shall keep all Tangible Personal Property in good operating condition (ordinary wear and tear excepted) and repair and maintain adequate and usual supplies of inventory, office supplies, spare parts and other materials as have been customarily maintained in the past. Each Seller shall preserve intact the Stations Assets and maintain in effect its current casualty and liability insurance on the Stations Assets.

(e) Neither Seller shall, by any act or omission cause any of the representations and warranties set forth in Article II to become untrue or incorrect, and shall cause the conditions to Closing set forth in Article VII to be satisfied, and ensure that the Transactions contemplated hereby shall be consummated as set forth herein.

(f) Prior to the Closing Date, neither Seller shall not, without the prior written consent of Buyer:

(i) sell, lease, transfer, or agree to sell, lease or transfer, any Stations Assets except for non-material sales or leases, in the ordinary course of business or items which are being replaced by assets of equal or superior kind, condition and value;

(ii) except as may be required by applicable law, grant any raises to employees of any of the Stations, pay any substantial bonuses or enter into any contract of employment with any employee or employees of any of the Stations, except in the ordinary course of business;

(iii) renew, renegotiate, modify, amend or terminate any existing time sales contracts with respect to any of the Stations except in the ordinary course of business;

(iv) renew, amend or terminate any Contract except in the ordinary course of business;

(v) enter into any new contract with respect to any of the Stations except in the ordinary course of business;

(vi) apply to the FCC for any construction permit that would restrict the present operations of any of the Stations, or make any change in any of the buildings, leasehold improvements or fixtures of any of the Stations, except in the ordinary course of business; or

(vii) enter into any barter or trade contracts relating to any of the Stations that are prepaid, or any contract with an Affiliate of Seller relating to the Stations.

Section 4.2 Access to Facilities, Files and Records. At the request of Buyer, each Seller shall from time to time give or cause to be given to the officers, employees, accountants, counsel, agents, consultants and representatives of Buyer: (a) full access during normal business hours to all facilities, properties, accounts, books, deeds, title papers, insurance policies, licenses, contracts, records and files of every character, equipment, machinery, fixtures, furniture, vehicles, notes and accounts payable and receivable of each Seller with respect to any of the Stations; and (b) all such other information concerning the affairs of any of the Stations as Buyer may reasonably request. Any investigation or examination by Buyer shall not in any way diminish or obviate any representations or warranties of Seller made in this Agreement or in connection herewith. Each Seller shall cause its accountants and any agent of either Seller in possession of either Seller's books and records to cooperate with Buyer's requests for information pursuant to this Agreement.

Section 4.3 Representations and Warranties. Seller shall give detailed written notice to Buyer promptly upon learning of the occurrence of any event that would cause or constitute a breach, or that would have caused a breach had such event occurred or been known to Seller prior to the date hereof, of any of Seller's representations or warranties contained in this Agreement.

Section 4.4 Consents.

(a) Seller shall use commercially reasonable efforts to obtain consents to assignment of each Contract marked with an asterisk [we must see all contacts including leases before we know what will be required consents]on Schedule 2.11 (the "Required Consents"). If Seller does not obtain by Closing a consent required to assign a Contract hereunder, Buyer shall not be required to assume such Contract, and this Agreement and any assignment executed pursuant hereto shall not constitute an assignment thereof, but to the extent permitted by law shall constitute an equitable assignment by Seller and assumption by Buyer of Seller's rights and obligations under such Contract, with Seller making available to Buyer the benefits thereof and Buyer performing the obligations thereunder on Seller's behalf, and Seller shall use its commercially reasonable best efforts after Closing to obtain any such consents.

Section 4.5 Notice of Proceedings. Seller will promptly notify Buyer in writing upon: (a) becoming aware of any order or decree or any complaint praying for an order or decree restraining or enjoining the consummation of this Agreement or the Transactions contemplated hereby; or (b) receiving any notice from any governmental department, court, agency or commission of its intention (i) to institute an investigation into, or institute a suit or proceeding to restrain or enjoin, the consummation of this Agreement or the Transactions contemplated hereby, or (ii) to nullify or render ineffective this Agreement or the Transactions contemplated hereby if consummated.

Section 4.6 Consummation of Agreement. Subject to the provisions of Section 10.1, neither Seller shall take any action that would make the consummation of this Agreement contrary to the Communications Act or the rules, regulations or policies of the FCC.

Section 4.7 Confidentiality. Any and all information, disclosures, knowledge or facts regarding Buyer or its business or properties to which Seller is exposed as a result of the negotiation, preparation or performance of this Agreement shall be confidential and shall not be divulged, disclosed or communicated to any other person, firm, corporation or entity, except for Seller's employees, attorneys, accountants, investment bankers, investors and lenders, and their respective attorneys, on a need-to-know basis for the purpose of consummating the Transactions contemplated hereby.

Section 4.8 Title Insurance; Liens. Seller, at Seller's expense and within ten (10) days prior to closing, will (i) deliver commitments from a title company acceptable to Buyer to issue to Buyer at standard rates ALTA extended coverage owner's and leasehold title insurance policies with respect to the owned and leased Real Property with no exceptions other than Permitted Encumbrances (the "Title Commitments"), and (ii) deliver to Buyer an ALTA Survey (the "Survey") to the Buyer and (iii) deliver to Buyer all UCC, judgment, litigation and state and federal tax lien search reports (showing searches in the name of Seller and the call letters of the Stations) for all jurisdictions (state and local) where any Stations Assets are located necessary to assure that no liens are filed or recorded against the Stations Assets (the "Lien Search Reports").

Section 4.9 Employee Matters.

(a) Buyer may offer employment to any of Seller's employees of any of the Stations (each an "Employee") who is available for work on the Closing Date. Any such offer shall be for employment at will by Buyer as new employees of Buyer (subject to any applicable probation period not prohibited by law) to occupy positions designated by Buyer and pursuant to the terms and conditions determined by Buyer in its sole discretion. Buyer shall have no obligation to hire or employ any Stations Employee.

(b) Seller agrees to make available to Buyer, to the fullest extent permitted by law, all information and materials requested by Buyer from the personnel files of each Employee who shall have elected to accept employment with Buyer.

(c) Buyer assumes no obligation to continue or assume any compensation arrangements or liabilities of either Seller (including, without limitation, any salary, bonuses, fringe benefits, insurance plans, or pension or retirement benefits under any compensation or retirement plan maintained by Seller) to any such Employee.

(d) Each Seller agrees to remain responsible for the payment of all accrued benefits in accordance with the terms of each Seller's respective retirement plans, including any retiree medical, dental and life insurance plan, if any. Buyer shall not at any time assume any liability under Seller's retirement plans for the payment of benefits to any active or any terminated, vested or retired participants in Seller's retirement plans.

(e) Each Seller shall retain the responsibility for payment of all medical, dental, health and disability claims incurred by any Employee prior to the Closing Date, and Buyer shall not assume any liability with respect to such claims. Each Seller also agrees to retain responsibility for any disability payments to Employees on medical or disability leave at the Closing Date until such time as

such Employee is offered employment by Buyer, in its sole discretion, or as otherwise required under applicable law or regulation.

(f) Each Seller agrees that it shall retain, consistent with its normal employment practices, all liabilities and obligations, if any (including, without limitation, the liability and obligation for all wages, salary, vacation pay and unemployment, medical, dental, health and disability benefits), for those former employees of either Seller who retired or terminated employment prior to the Closing Date or otherwise do not become employees of Buyer.

(g) Any Employee who becomes an employee of Buyer on the Closing Date and who was eligible to participate in Seller's 401(k) plan shall become eligible to participate in Buyer's 401(k) plan without regard to the eligibility requirements contained therein. As of the Closing Date, Buyer shall cause its 401(k) plan to permit Employees who participate in the Seller's 401(k) plan to elect to make direct rollovers of their account balances in Seller's 401(k) plan into the Buyer's 401(k) plan; provided, however, that, such action is in full compliance with all applicable law and regulations, including the Code, as of the date of the proposed rollover.

## ARTICLE V

### COVENANTS OF BUYER

Buyer covenants and agrees that from the date hereof until the completion of the Closing:

Section 5.1 Representations and Warranties. Buyer shall give notice to Seller upon learning of the occurrence of any event that would cause or constitute a breach or would have caused a breach had such event occurred or been known to Buyer prior to the date hereof, of any of the representations and warranties of Buyer contained in this Agreement.

Section 5.2 Application for FCC Consent. Buyer will take, or cooperate in the taking of, all commercially reasonable steps that are necessary to expedite the prosecution of the Application to a favorable conclusion. Buyer will promptly provide Seller with copies of any pleading, order or other document served on it relating to the Application.

Section 5.3 Consummation of Agreement. Subject to the provisions of Section 10.1, Buyer shall use all commercially reasonable efforts to fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement, and to cause the Transactions contemplated hereby to be fully carried out.

Section 5.4 Notice of Proceedings. Buyer will promptly notify Seller in writing upon: (a) becoming aware of any order or decree or any complaint praying for an order or decree restraining or enjoining the consummation of this Agreement or the Transactions contemplated hereby; or (b) receiving any notice from any governmental department, court, agency or commission of its intention (i) to institute an investigation into, or institute a suit or proceeding to restrain or enjoin, the consummation of this Agreement or such transactions, or (ii) to nullify or render ineffective this Agreement or such transactions if consummated.

Section 5.5 Confidentiality. Any and all information, disclosures, knowledge or facts regarding Seller, the Stations and its operation and properties received from Seller, its agents or representatives, including that derived from or resulting from Buyer's or its agents' or representatives' acts or conduct (including, without limitation, acts or conduct of Buyer's officers, employees, accountants, counsel, agents, consultants or representatives, or any of them under the provisions of Section 4.2), shall be confidential and shall not be divulged, disclosed or communicated to any other person, firm, corporation or entity, except for Buyer's attorneys, accountants, investment bankers, investors and lenders, and their respective attorneys for the purpose of consummating the Transactions contemplated hereby.

## ARTICLE VI

### 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 on the Closing Date:

#### Section 6.1 Representations, Warranties and Covenants.

(a) Each of the representations and warranties of Buyer contained in this Agreement shall have been true and correct in all material respects as of the date when made and shall be deemed to be made again on and as of the Closing Date and shall then be true and correct in all material respects, except to the extent changes are permitted or contemplated pursuant to this Agreement.

(b) Buyer shall have performed and complied in all material respects with each and every covenant and agreement required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

(c) Buyer shall have furnished Seller with a certificate, dated the Closing Date and duly executed by an officer authorized on behalf of Buyer to give such a certificate, to the effect that the conditions set forth in Sections 6.1(a) and (b) have been satisfied.

#### Section 6.2 Proceedings.

(a) Neither Seller nor Buyer shall be subject to any restraining order or injunction restraining or prohibiting the consummation of the Transactions contemplated hereby.

(b) In the event such a restraining order or injunction is in effect, this Agreement may not be abandoned by Seller pursuant to this Section 6.2 prior to the Final Closing Date (as defined below), but the Closing shall be delayed during such period. This Agreement may be abandoned after the Final Closing Date if such restraining order or injunction remains in effect. Seller shall take all reasonable steps to have any such order dissolved or terminated in order to effectuate the Closing.

Section 6.3 FCC Authorization. The FCC Consent for each of the Chaparral Application (as defined in Section 10.11) and the Lundquist Application (as defined in Section 10.11) shall have been initially approved by the FCC.

Section 6.4 Deliveries. Buyer shall have complied with each and every one of its obligations set forth in Section 8.2.

## ARTICLE VII

### 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 on the Closing Date:

Section 7.1 Representations, Warranties and Covenants.

(a) Each of the representations and warranties of Seller contained in this Agreement shall have been true and correct in all material respects as of the date when made and shall be deemed to be made again on and as of the Closing Date and shall then be true and correct in all material respects.

(b) Each Seller shall have performed and complied with in all material respects each and every covenant and agreement required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

(c) Each Seller shall have furnished Buyer with a certificate, dated the Closing Date and duly executed by an officer authorized on behalf of Seller to give such a certificate, to the effect that the conditions set forth in Sections 7.1(a) and (b) have been satisfied.

Section 7.2 Proceedings.

(a) Neither Seller nor Buyer shall be subject to any restraining order or injunction restraining or prohibiting the consummation of the Transactions contemplated hereby.

(b) In the event such a restraining order or injunction is in effect, this Agreement may not be abandoned by Buyer pursuant to this Section 7.2 prior to the Final Closing Date, but the Closing shall be delayed during such period. This Agreement may be abandoned after such date if such restraining order or injunction remains in effect. Buyer shall take all reasonable steps to have any such order dissolved or terminated in order to effectuate the Closing.

Section 7.3 Environmental Assessment. Seller allowing Buyer access to the Real Property so that, prior to Closing, Buyer, at Buyer's sole expense shall have received an environmental assessment (the "Environmental Assessment") of the Real Property conducted by

an environmental consulting firm satisfactory to Buyer, including the certificate of the environmental engineer, stating in substance that, following all appropriate inquiry into the previous ownership and uses of such real estate consistent with good commercial or customary practice, the engineer has concluded that there is no environmental condition on or affecting any of the Real Property that would either (i) materially impair the use of that real estate for the operation of the Stations or (ii) require remedial action to bring the Real Property into compliance with all applicable environmental laws and regulations. In the event the environmental assessment discloses an environmental problem that can be remedied by the expenditure of Twenty-Five Thousand Dollars (\$25,000.00) or less, Seller will remedy the problem, at its expense, prior to the Closing. In the event that the cost of remedying the environmental problem will exceed Twenty-Five Thousand Dollars (\$25,000), Seller may agree to reduce the Purchase Price by the full amount of what it will cost to remedy the problem, in which event the Closing will take place at the reduced price, or Buyer, in Buyer's sole election, may terminate this Agreement in which case Buyer shall be entitled to a return of the Earnest Money and all interest earned thereon.

Section 7.4 FCC Authorization. The FCC Consent for the Lundquist Application and for the Chaparral Application shall have become Final.

Section 7.4 Deliveries. Seller shall have complied with each and every one of its obligations set forth in Section 8.1.

## ARTICLE VIII

### ITEMS TO BE DELIVERED AT THE CLOSING

Section 8.1 Deliveries by Seller. At the Closing, each Seller shall deliver to Buyer duly executed by each Seller or such other signatory as may be required by the nature of the document:

- (a) bills of sale, certificates of title, endorsements, assignments, general warranty deeds and other good and sufficient instruments of sale, conveyance, transfer and assignment, in form and substance reasonably satisfactory to Buyer, sufficient to sell, convey, transfer and assign the FCC Authorizations and the other Stations Assets to Buyer free and clear of any Liens (other than Permitted Encumbrances) and to quiet Buyer's title thereto;
- (b) the Required Consents and any other Consents obtained by either Seller;
- (c) certified copies of resolutions, duly adopted, which shall be in full force and effect at the time of the Closing, authorizing the execution, delivery and performance by Chaparral of this Agreement, and the consummation of the Transactions contemplated hereby;
- (d) the certificate referred to in Section 7.1(c);
- (e) Title Commitments, the Survey and the Lien Search Reports; and

Section 8.2 Deliveries by Buyer. At the Closing, Buyer shall deliver to Seller:

- (a) the Purchase Price, which shall be paid in the manner specified in Section 1.4;
- (b) an instrument or instruments of assumption of the Contracts and Real Property leases, in form and substance reasonably satisfactory to Seller, to be assumed by Buyer pursuant to this Agreement;
- (c) certified copies of resolutions, duly adopted, which shall be in full force and effect at the time of the Closing, authorizing the execution, delivery and performance by Buyer of this Agreement and the consummation of the Transactions contemplated hereby; and
- (d) the certificate referred to in Section 6.1(c).

## ARTICLE IX

### SURVIVAL; INDEMNIFICATION

Section 9.1 Survival. All representations, warranties, covenants and agreements contained in this Agreement, or in any certificate, agreement, or other document or instrument delivered pursuant hereto, shall survive (and not be affected in any respect by) the Closing and any investigation conducted by any party hereto and any information which any party may receive for a period of eighteen (18) months after the Closing Date, except those under this Article IX that relate to Deficiencies (defined below) for which notice in reasonable detail based upon then available information is given by the indemnified party to the indemnifying party prior to expiration, which shall survive until resolved.

Section 9.2 Indemnification.

(a) Subject to Section 9.1, the remainder of this Article IX, from and after Closing, each Seller (an “Indemnifying Party”) hereby agrees to indemnify, defend and hold harmless Buyer, the directors, officers and employees of Buyer and all Affiliates of Buyer, and their respective successors and assigns (collectively, the “Buyer Indemnitees”) from, against and in respect of, and to reimburse the Buyer Indemnitees for, the amount of any and all Deficiencies (as defined in Section 9.3(a)).

(b) Subject to Section 9.1 and the remainder of this Article IX, from and after Closing, Buyer (an “Indemnifying Party”) hereby agrees to indemnify, defend and hold harmless Seller, the directors, officers and employees of Seller and all Affiliates of Seller, and their respective successors and assigns (collectively, the “Seller Indemnitees”) from, against and in respect of, and to reimburse the Seller Indemnitees for, the amount of any and all Deficiencies (as defined in Section 9.3(b)).

Section 9.3 Definition of “Deficiencies.”

(a) As used in this Article IX, the term “Deficiencies” when asserted by Buyer Indemnitees or arising out of a third party claim against Buyer Indemnitees shall mean any and all losses, costs, damages, liabilities and claims sustained by the Buyer Indemnitees and relating to, arising out of, based upon or resulting from:

(i) any misrepresentation, breach of warranty, or any non-fulfillment of any representation, warranty, covenant, obligation or agreement on the part of either Seller contained in or made pursuant to this Agreement (including the Schedules and Exhibits attached hereto), or any document or agreement delivered or made pursuant to the terms of this Agreement;

(ii) any failure by either Seller to pay or perform any obligation relating to any of the Stations or any of the Stations Assets that is not expressly assumed by Buyer pursuant to the provisions of this Agreement;

(iii) any litigation, proceeding or claim by any third party relating to the business or operations of any of the Stations or any of the Stations Assets prior to the Closing Date no matter when brought or made, whether or not set forth in Schedule attached hereto or otherwise disclosed to Buyer;

(iv) any severance pay or other payment required to be paid with respect to any employee of any of the Stations; and

(v) any and all acts, suits, proceedings, demands, assessments and judgments, and all fees, costs and expenses of any kind, related or incident to any of the foregoing (including, without limitation, any and all Legal Expenses (as defined in Section 9.6 below)).

(b) As used in this Article IX, the term “Deficiencies” when asserted by Seller Indemnitees or arising out of a third party claim against Seller Indemnitees shall mean any and all losses, damages, liabilities and claims sustained by the Seller Indemnitees and related to, arising out of, based upon or resulting from:

(i) any misrepresentation, breach of warranty, or any non-fulfillment of any representation, warranty, covenant, obligation or agreement on the part of Buyer contained in or made pursuant to this Agreement (including the Schedules and Exhibits attached hereto), or any document or agreement delivered or made pursuant to the terms of this Agreement;

(ii) any failure by Buyer to pay or perform any obligation or liability relating to the Stations that is expressly assumed by Buyer pursuant to the provisions of this Agreement and which arises after the Closing Date;

(iii) any litigation, proceeding or claim by any third party to the extent relating to the business or operations of the Stations after the Closing Date no matter when brought or made, whether or not set forth on any Schedule attached hereto or otherwise disclosed to Buyer; and

(iv) any and all acts, suits, proceedings, demands, assessments and judgments, and all fees, costs and expenses of any kind, related or incident to any of the foregoing (including, without limitation, any and all Legal Expenses).

Section 9.4 Procedures.

(a) In the event that any claim shall be asserted by any third party against the Buyer Indemnitees or Seller Indemnitees (Buyer Indemnitees or Seller Indemnitees, as the case may be, hereinafter, the “Indemnitees”), which, if sustained, would result in a Deficiency, then the Indemnitees, as promptly as practicable after learning of such claim, shall notify the Indemnifying Party of such claim, and shall extend to the Indemnifying Party a reasonable opportunity to defend against such claim, at the Indemnifying Party’s sole expense and through legal counsel reasonably acceptable to the Indemnitees, provided that the Indemnifying Party proceeds in good faith, expeditiously and diligently. The Indemnitees shall, at their option and expense, have the right to participate in any defense undertaken by the Indemnifying Party with legal counsel of their own selection. No settlement or compromise of any claim which may result in a Deficiency may be made by the Indemnifying Party without the prior written consent of the Indemnitees unless: (A) prior to such settlement or compromise the Indemnifying Party acknowledges in writing its obligation to pay in full the amount of the settlement or compromise and all associated expenses; and (B) the Indemnitees are furnished with a full release.

(b) In the event that the Indemnitees assert the existence of any Deficiency against the Indemnifying Party, they shall give written notice to the Indemnifying Party of the nature and amount of the Deficiency asserted. If the Indemnifying Party within a period of thirty (30) calendar days after the giving of the Indemnitees’ notice, shall not give written notice to the Indemnitees announcing its intent to contest such assertion of the Indemnitees (such notice by the Indemnifying Party being hereinafter referred to as the “Contest Notice”), such assertion of the Indemnitees shall be deemed accepted and the amount of the Deficiency shall be deemed established.

(c) The Indemnitees and the Indemnifying Party may agree in writing, at any time, as to the existence and amount of a Deficiency, and, upon the execution of such agreement, such Deficiency shall be deemed established.

Section 9.5 Payment of Deficiencies. The Indemnifying Party hereby agrees to pay the amount of established Deficiencies within ten (10) calendar days after the establishment thereof. The amount of established Deficiencies shall be paid in cash.

Section 9.6 Legal Expenses. As used in this Article IX, the term “Legal Expenses” shall mean any and all fees (whether of attorneys, accountants or other professionals), costs and expenses of any kind reasonably incurred by any person identified herein and its counsel in investigating, preparing for, defending against, or providing evidence, producing documents or taking other action with respect to any threatened or asserted claim.

Section 9.7 Exclusive Remedies. Notwithstanding anything to the contrary set forth in this Agreement, no party shall be entitled to recover from the other for any consequential damages, which shall not constitute Deficiencies.

## ARTICLE X

### MISCELLANEOUS

Section 10.1 Termination. This Agreement may be terminated at any time prior to Closing, subject to the last sentence of this Section 10.1: (a) by the mutual consent of Seller and Buyer; (b) by Buyer or Seller, if the FCC has denied the approvals contemplated by this Agreement in an order which has become Final, at which time the Earnest Money and all interest earned thereon shall be returned to Buyer; (c) by Buyer or Seller, if the Closing has not taken place within 360 days of the date of this Agreement (the "Final Closing Date") for reasons other than through the failure of the party seeking to terminate this Agreement to comply fully with its obligations under this Agreement, at which time the Earnest Money and all interest earned thereon shall be returned to Buyer; (d) by Buyer, if on the Closing Date, Seller has failed to satisfy the conditions set forth in Section 7.1 or 7.4; (e) by Buyer, if Seller has failed to cure a material breach of any of its representations, warranties or covenants under this Agreement by the earlier of (x) the Closing Date, or (y) ten (10) calendar days after it receives notice from Buyer of such breach provided, however, that is notice of default is given ten (10) days or less prior to the Closing Date, the Closing Date shall automatically be extended to the first business day following the last day of the cure period; (f) by Seller, if on the Closing Date, Buyer has failed to satisfy the conditions set forth in Section 6.1 or 6.4; or (g) by Seller, if Buyer has failed to cure a material breach of any of its representations, warranties or covenants under this Agreement by the earlier of (x) the Closing Date, or (y) ten (10) calendar days after it receives notice from Seller of such breach provided, however, that is notice of default is given ten (10) days or less prior to the Closing Date, the Closing Date shall automatically be extended to the first business day following the last day of the cure period. Any termination pursuant to any provision of this Section 10.1 shall not relieve any party of any liability it would otherwise have for a breach of this Agreement occurring prior to termination. In the event of any Termination of this Agreement pursuant to either Sections 10.1 (a), (b), (c), (d) or (e), Buyer in addition to any other remedies it may have available to it, shall receive the Earnest Money and all interest earned thereon. In the Event Seller terminates this Agreement pursuant to Section 10.1 (f) or (g), Seller, shall be entitled to retain the Earnest Money as its sole and exclusive remedy.

Section 10.2 Specific Performance. The parties acknowledge that the Stations and of a special, unique and extraordinary character, and that damages alone are an inadequate remedy for a breach of this Agreement. In the event of a breach or threatened breach by Seller of any representation, warranty, covenant or agreement under this Agreement, at Buyer's election, in addition to any other remedy available to it, Buyer shall be entitled to an injunction restraining any such breach or threatened breach and, subject to obtaining any requisite approval of the FCC, to enforcement of this Agreement by a decree of specific performance requiring Seller to fulfill its obligations under this Agreement. Such right of specific performance or injunctive relief shall be in addition to, and not in lieu of, Buyer's right to recover damages and to pursue any other remedies available for breach. In any action by Buyer to specifically enforce the breaching party's obligation to close the transactions contemplated by this Agreement, Seller shall waive the defense that there is an adequate remedy at law or in equity.

Section 10.3 Expenses. Each party hereto shall bear all of its expenses incurred in connection with the Transactions contemplated hereby including, without limitation, accounting and legal fees incurred in connection herewith; provided, however, that: (a) Seller and Buyer shall each pay one-half of: (i) the FCC filing fees required to be paid in connection with the Application, and (ii) the cost of the Lien Search Reports; (b) Seller shall pay, and Buyer shall not have any liability or responsibility for, any sales or other transfer taxes arising from the transfer of the Stations Assets to Buyer and any cost to obtain the Title Commitments and Estoppel Certificates.

Section 10.4 Bulk Sales Laws. Seller agrees to indemnify and hold Buyer harmless from all claims made by creditors with respect to non-compliance with any bulk sales law.

Section 10.5 Remedies Cumulative. Prior to Closing, the remedies provided in this Agreement shall be cumulative and shall not preclude the assertion by any party hereto of any other rights or the seeking of any other remedies against the other party hereto.

Section 10.6 Further Assurances. From time to time prior to, on and after the Closing Date, each party hereto will execute all such instruments and take all such actions as any other party shall reasonably request, without payment of further consideration, in connection with carrying out and effectuating the intent and purpose hereof and the Transactions contemplated hereby including, without limitation, the execution and delivery of any and all confirmatory and other instruments in addition to those to be delivered on the Closing Date, and any and all actions which may reasonably be necessary to complete the Transactions contemplated hereby. The parties shall cooperate fully with each other and with their respective counsel and accountants in connection with any steps required to be taken as part of their respective obligations under this Agreement.

Section 10.7 Public Announcements.

(a) Prior to the Closing Date, no party shall, without the approval of the other party hereto, make any press release or other public announcement concerning the Transactions contemplated hereby, except (i) to announce it has been entered into, and (ii) as and to the extent that such party shall be so obligated by law, in which case such party shall give advance notice to the other party and the parties shall use their best efforts to cause a mutually agreeable release or announcement to be issued.

(b) Notwithstanding the foregoing, the parties acknowledge that the rules and regulations of the FCC require that public notice of the Transactions contemplated hereby be made after the Application has been filed with the FCC and that Seller shall broadcast notice of the sale on the Stations in accordance therewith.

Section 10.8 Broadcast Transmission Interruption. Seller shall give prompt written notice to Buyer if any of the following (a "Service Interruption") occurs: (i) the regular broadcast transmissions of any of the Stations in the normal and usual manner is interrupted or discontinued; (ii) Stations KAOX or KDWY are operated at less than their licensed antenna height above average terrain or less than eighty percent (80%) of their licensed effective radiated power; or (iii) Station KMER is operated at less than eighty percent (80%) of its licensed power. If on the

Closing Date, any of the Stations is not operating with its licensed facilities at full power, or, if between the date hereof and the Closing, any of the Stations has experienced Service Interruptions aggregating seventy-two (72) hours in any thirty (30) day period (whether or not consecutive) or has experienced three (3) or more Service Interruptions each lasting four (4) hours or more, Buyer may, at its option: (i) terminate this Agreement, or (ii) postpone the Closing until the problem resulting in the Service Interruption is cured to Buyer's satisfaction. In the event of termination of this Agreement by Buyer pursuant to this Section, the Escrow Deposit shall be returned to Buyer and the parties shall be released and discharged from any further obligation hereunder. Notwithstanding anything herein to the contrary, a disruption in service due to a disruption in power provided by a public utility will not be deemed a Service Interruption.

Section 10.9 Risk of Loss. The risk of loss, damage or destruction to any of the Stations Assets shall be borne by Seller at all times up to the Closing Date. In the event of any such loss, damage, or destruction, the proceeds of any claim for any loss, payable under any insurance policy with respect thereto, shall be used to repair, replace, or restore any such property to its former condition, subject to the conditions stated below. In the event of any loss or damage to any of the Stations Assets, Seller shall notify Buyer thereof in writing immediately. Such notice shall specify with particularity the loss or damage incurred, the cause thereof (if known or reasonably ascertainable), and the insurance coverage. In the event that the subject property is not completely repaired, replaced or restored on or before Closing, then Seller's responsibility for such loss shall survive Closing.

Section 10.11 Applications for FCC Consent. Within five (5) business days after the date of this Agreement, Seller and Buyer shall join in and file separate applications with the FCC for consent to assign the licenses for KAOX and KDWY to Buyer (the "Lundquist Application") and for consent to assign the license for KMER to Buyer (the "Chaparral Application" collectively the "Assignment Applications"), and they shall diligently take all steps necessary or desirable and proper expeditiously to prosecute the Assignment Applications and to obtain the FCC's determination that grant of the Assignment Applications will serve the public interest, convenience and necessity. Each Seller shall promptly provide Buyer with a copy of any pleading, order or other document served on either Seller relating to either Application. Each Seller shall furnish all information required by the FCC and shall be represented at all meetings or hearings scheduled to consider either Application. The FCC's written consent to the Application is referred to herein as the "FCC Consent." In the event that Closing occurs hereunder prior to the receipt of a Final FCC Consent, then Seller's obligations under this Section 10.11 shall survive the Closing. For purposes of this Agreement, the term "Final" shall mean that action shall have been taken by the FCC (including action duly taken by the FCC's staff, pursuant to delegated authority) which shall not have been reversed, stayed, enjoined, set aside, annulled or suspended; with respect to which no timely request for stay, petition for rehearing, appeal or certiorari or sua sponte action of the FCC with comparable effect shall be pending; and as to which the time for filing any such request, petition, appeal, certiorari or for the taking of any such sua sponte action by the FCC shall have expired or otherwise terminated. Upon written request of Buyer, each Seller agrees to take all steps necessary, proper or desirable to obtain extension(s) of the Final FCC Consent.

Section 10.12 Section 1031 Exchange. To facilitate the transfer of the Stations Assets as part of a like-kind exchange under Section 1031 of the Internal Revenue Code, Buyer may assign

its rights under this Agreement (in whole or in part) to a “qualified intermediary” under section 1.1031(k)-1(g)(4) of the treasury regulations (but such assignment shall not relieve it of its obligations under this Agreement). If Buyer gives notice of such assignment, Seller shall provide Buyer with a written acknowledgment of such notice prior to Closing and convey the Stations Assets (or such portion thereof as is designated in writing by the qualified intermediary) to or on behalf of the qualified intermediary at Closing and otherwise cooperate therewith, but shall have no obligation to incur any expense in connection therewith other than incidental legal fees.

## ARTICLE XI

**11. ENFORCEMENT OF REMEDIES; DISPUTES.** Except for (i) the right of Buyer to seek specific performance in accordance with Section 10.2 hereof and (ii) the right of either party to enforce the provisions of or any determination made pursuant to this section, the parties agree to resolve any disputes arising out of or in connection with this Agreement as provided in this section.

**11.1. Appointment of Dispute Panel.** If any dispute is not resolved in the time permitted by this Agreement or, if no time is specified, within five (5) days of the date either party gives the other notice that it intends to invoke the provisions of this section, each party will name one arbitrator who shall be a person with one of the following qualifications (a) substantial experience in radio ownership or management, (b) an accountant with experience in radio broadcasting, or (c) a radio broadcasting consultant, and, within five (5) days of their

appointment, the two arbitrators so selected shall select a third arbitrator with similar qualifications (the "Dispute Panel"). To the extent the party appointed arbitrators do not agree as to the appointment of a third arbitrator the decision as to the appointment of a third arbitrator shall be made by the American Arbitration Association in Chicago, Illinois in accordance with its rules. In the event one party names an arbitrator within the time period specified herein and the other party fails to do so, the Dispute Panel shall be comprised of the sole arbitrator who was timely named who shall have the full power and authority to resolve the dispute pursuant to the provisions of this Article 15.

**11.2. Decision Process.** Each party may submit such materials as it may elect to the Dispute Panel provided that a copy of such material is delivered by hand or overnight courier to the other party. Neither party will contact any member of the Dispute Panel to discuss the dispute unless the other party is present in person or by conference telephone call or the other party consents. The Dispute Panel will request and review such information as its members deem necessary to resolve the dispute. The Dispute Panel and each party will treat all information received by it as confidential and will destroy such information when the dispute is resolved. The Dispute Panel will resolve the matters presented to it so as to give each Party the benefit of its bargain by applying the provisions of this Agreement and, to the extent the Agreement is not dispositive, the customs and practices which, in the view of Dispute Panel, are common to transactions of this nature. The Dispute Panel will render its decision as soon as possible, but in any event, within thirty (30) days of the appointment of the third expert. The decision will be in writing and signed by each member of the dispute panel. The decision may include an award of damages as permitted by this agreement. Any third party may rely upon an original copy of the written decision or a copy of the decision certified by any member of the Dispute Panel as evidence of the decision.

**11.3. Binding Effect.** The decision of a majority of the members of the Dispute Panel will be binding and final with respect to both parties and may be enforced by seeking preliminary and permanent injunctive relief or entry of a judgment by a court of competent jurisdiction.

**11.4. Costs and Fees.** Each party will bear the costs and fees of the expert appointed by it plus half of the costs and expenses of the third expert. If the Dispute Panel determines by majority decision that the position of a party lacks substantial merit or was taken primarily to delay or otherwise impair the business efforts of the other party, then that party will pay the costs and fees of all the members of the panel plus the other party's reasonable attorney's fees.

**11.5. Enforcement of Remedies; Disputes.** Except for the right of Buyer to seek specific performance of the Seller's obligation to consummate this Agreement or the right of either party to enforce the provisions of or any determination made pursuant to this section, the parties agree to resolve any disputes arising out of or in connection with this Agreement as provided in this Section 11.5.

## ARTICLE XII

### GENERAL PROVISIONS

Section 12.1 Successors and Assigns. Except as otherwise expressly provided herein, this Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective representatives, successors and assigns. Neither party may assign any of its rights or delegate any of its duties hereunder without the prior written consent of the other, and any such attempted assignment or delegation without such consent shall be void, provided however, that Buyer may assign its rights and obligations hereunder in whole or in part without Seller's consent, provided that Buyer shall continue to remain liable hereunder.

Section 12.2 Amendments; Waivers. The terms, covenants, representations, warranties and conditions of this Agreement may be changed, amended, modified, waived, or terminated only by a written instrument executed by the party waiving compliance. The failure of any party at any time or times to require performance of any provision of this Agreement shall in no manner affect the right of such party at a later date to enforce the same. No waiver by any party of any condition or the breach of any provision, term, covenant, representation or warranty contained in this Agreement, whether by conduct or otherwise, in any one or more instances shall be deemed to be or construed as a further or continuing waiver of any such condition or of the breach of any other provision, term, covenant, representation or warranty of this Agreement.

Section 12.3 Notices. All notices, requests, demands and other communications required or permitted under this Agreement shall be in writing (which shall include notice by facsimile transmission) and shall be deemed to have been duly made and received when personally served, or when delivered by Federal Express or a similar overnight courier service, expenses prepaid, or, if sent by facsimile communications equipment, delivered by such equipment, addressed as set forth below:

(a) if to Seller, then to:                   Jerrold Lundquist  
  Chaparral Broadcasting, Inc.  
  14 Cockanoe Dr.  
  Westport, CT 06880  
  Telecopier No.: (203) 462-2813

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

David Tillotson, Esq.  
4606 Charleston Terrace, NW  
Washington, DC 20007  
Telecopier No.: (202) 965-2018

(b) if to Buyer, then to: Lakeshore Media, LLC  
980 N. Michigan Avenue  
Suite 1880  
Chicago, Illinois 60611  
Attention: Bruce Buzil  
Telecopier No.: (312) 587-9520

with a copy (which shall not constitute notice) to: Greenberg Traurig  
77 West Wacker Drive  
Suite 2400  
Chicago, Illinois 60601  
Attention: Robert E. Neiman  
Telecopier No.: (312) 456-8435

Any party may alter the address to which communications are to be sent by giving notice of such change of address in conformity with the provisions of this Section providing for the giving of notice. Any such notice or communication shall be deemed to have been received (i) when delivered, if personally delivered, (ii) when sent, if sent by telecopy on any day that is not a Saturday, Sunday, legal holiday or other day on which banks in San Antonio, Texas are required to be closed (each a "Business Day") (or, if not sent on a Business Day, on the next Business Day after the date sent by telecopy), (iii) on the next Business Day after dispatch, if sent by nationally recognized, overnight courier guaranteeing next Business Day delivery, and (iv) on the fifth Business Day following the date on which the piece of mail containing such communication is posted, if sent by mail.

Section 12.4 Captions; References. The captions of Articles and Sections of this Agreement are for convenience only and shall not control or affect the meaning or construction of any of the provisions of this Agreement. References to an "Article" or "Section" when used without further attribution shall refer to the particular article or section of this Agreement.

Section 12.5 Governing Law. This Agreement and all questions relating to its validity, interpretation, performance and enforcement shall be governed by and construed in accordance with the laws of the State of Delaware, without giving effect to principles of conflict of laws.

Section 12.6 Entire Agreement. This Agreement, together with all Exhibits and Schedules attached hereto, constitutes the full and entire understanding and agreement between the parties with regard to the subject matter hereof, and supersedes all prior agreements, understandings, inducements or conditions, express or implied, oral or written, relating to the subject matter hereof. The express terms hereof control and supersede any course of performance and/or usage of trade inconsistent with any of the terms hereof. This Agreement has been prepared by all of the parties hereto, and no inference of ambiguity against the drafter of a document therefore applies against any party hereto.

Section 12.7 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any party whose signature

appears thereon, and all of which shall together constitute one and the same instrument. This Agreement shall become binding when one or more counterparts hereof, individually or taken together, shall bear the signatures of all of the parties reflected hereon as the signatories.

Section 12.8 Waiver of Jury Trial; Attorney's Fees. If, notwithstanding the provisions of Article 11, any law suit is filed to resolve an issue as to the interpretation or enforcement of this agreement and is not dismissed on the basis of Section 11, each party irrevocably waives trial by jury and the right thereto in any and all litigation in any court with respect to, in connection with, or arising out of this Agreement.

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first above written.

BUYER:

LAKESHORE MEDIA, LLC.

By: \_\_\_\_\_

Name: *Bruce Busby*

Title: *CO-MANAGER*

SELLER:

CHAPARRAL BROADCASTING, INC.

By: \_\_\_\_\_

Name:

Title:

\_\_\_\_\_  
Jerrold T. Lundquist

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

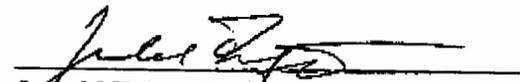
IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first above written.

BUYER: LAKESHORE MEDIA, LLC.

By: \_\_\_\_\_  
Name:  
Title:

SELLER: CHAPARRAL BROADCASTING, INC.

By:   
Name: J. T. LUNDQUIST  
Title: PRESIDENT

  
Jerrold T. Lundquist

Schedules

- 1.1(a) - Licenses and Authorizations
- 1.1(b) - Tangible Personal Property
- 1.1(c) - Real Property
- 1.1(e) - Contracts
- 1.1(f) - Intangible Property
- 2.6 - Financial Statements
- 2.11 - Consents
- 2.14 - Environmental Matters
- 2.16 - Insurance Policies
- 2.17 - Employment Matters

Exhibits

- Exhibit A - Stations List

Schedule 1.1 (a)

Licenses and Authorizations

License for Station KDWY(FM), Diamondville, WY, Facility ID 77947

License for Station KAOX(FM), Kemmerer, WY, Facility ID 31169

License for Station KMER(AM), Kemmerer, WY, Facility ID 10335

License for Aural STL WPYP 956

License for Aural STL WPYP 955

License for Aural STL WPTP 488