

CONTRIBUTION, NOTE PURCHASE, AND RECAPITALIZATION AGREEMENT

This Agreement (this “Agreement”) is entered into as of March 28, 2008, by and among GoodRadio.TV, LLC, a Florida limited liability company (“LLC”), GoodRadio.TV Holdings, LLC, a Florida limited liability company (“Holdings”), Verax Capital Partners, L.P., a Delaware limited partnership (“VCP”), Verax Radio Partners, L.P., a Delaware limited partnership, and certain of their Affiliates, and certain of the members of the LLC, each of which is listed on the signature pages hereto (the “LLC Unitholders”). Each of the above referenced parties are sometimes herein referred to individually as a “Party” and collectively as the “Parties.”

Verax (as defined below), will contribute cash to the LLC in exchange for, and the LLC will issue to Verax, LLC Class A Units of the LLC (the “Unit Purchase”).

Additionally, the LLC desires to issue and sell to Verax, and Verax has agreed to purchase, pursuant to this Agreement, LLC's Promissory Notes executed the date hereof (the “Promissory Note”) in the aggregate original principal amount of \$9.0 million, in the forms attached hereto.

Now, therefore, in consideration of the premises and the mutual promises herein made, and in consideration of the representations, warranties, covenants and agreements herein contained, the Parties agree as follows.

ARTICLE I

DEFINITIONS

“Action” has the meaning set forth in Section 3.17.

“Affiliate” has the meaning set forth in Rule 12b-2 of the regulations promulgated under the Securities Exchange Act of 1934, as amended.

“Agreement” has the meaning set forth in the preface.

“Ancillary Documents” means the Operating Agreement, the Registration Rights Agreement, the Employment Agreements, the Release, the Verax Promissory Note, the Intercreditor and Subordination Agreement, the Security Agreement, and the Amended and Restated Credit Agreement, each substantially in the form attached here to in Exhibit A.

“Amended and Restated Credit Agreement” means the Amended and Restated Credit Agreement among the LLC, Pacific Media Capital, LLC, a Delaware limited liability company, and other parties thereto to be entered into at the Closing, as the same may be amended from time to time.

“Business Day” means a day other than Saturday, Sunday or any day on which banks located in the State of New York are authorized or obligated to close.

“Cap” has the meaning set forth in Section 8.04(b).

“Closing” has the meaning set forth in Section 2.03.

“Closing Date” means the day on which the Closing occurs.

“COBRA” means Part 6 of Subtitle B of Title I of ERISA, Section 4980B of the Code and any similar state Law.

“Code” means the Internal Revenue Code of 1986, as amended.

“Communications Laws” means, collectively, the Communications Act of 1934, as amended, and the rules, regulations, and published orders promulgated or issued thereunder by the FCC.

“Contract” has the meaning set forth in Section 3.15.

“Damages” has the meaning set forth in Section 8.02(a).

“Employment Agreement” means an employment agreement between the LLC or its Subsidiaries and Dean Goodman, substantially in the form attached hereto as Exhibit B, and George Pelletier, substantially in the form attached hereto as Exhibit C.

“Employee Benefit Plan” means each “employee benefit plan” (as defined in Section 3(3) of ERISA) and each other benefit plan, program or arrangement maintained, sponsored, contributed to or required to be contributed to or by the LLC or its Subsidiaries or with respect to which the LLC or its Subsidiaries has any current or potential liability or obligation.

“Environmental, Health and Safety Laws” means, whenever in effect, all Laws and other requirements having the force or effect of Law, all judicial and administrative orders and determinations, all contractual obligations and all common law concerning pollution or protection of the environment, public health and safety, or employee health and safety.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

“ERISA Affiliate” means any Person at any relevant time considered a single employer with the LLC or its Subsidiaries under Section 414 of the Code.

“FCC” means the Federal Communications Commission or any successor entity.

“FCC Applications” has the meaning set forth in Section 6.06(b).

“FCC Consent” means action by the FCC (including action duly taken by the FCC’s staff pursuant to delegated authority) granting its consent to the transfer of control of those authorizations, licenses, permits, and other approvals, issued by the FCC, and used in the operation of the LLC and its Subsidiaries from Dean Goodman to VCP.

“FCC Licenses” means any and all authorizations, licenses, permits, and other approvals, issued by the FCC, and used in the operation of the LLC and its Subsidiaries.

“Financial Statements” has the meaning set forth in Section 3.07.

“Fundamental Representations” has the meaning set forth in Section 8.01.

“GAAP” has the meaning set forth in the Operating Agreement.

“Governmental Authority” means any (i) federal, state, local, municipal, foreign, or other government; (ii) governmental or quasi-governmental authority of any nature (including any governmental agency, branch, department, official, or entity and any court or other tribunal); or (iii) body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory, or Taxing Authority.

“Governmental Permits” means all licenses, permits, franchises, approvals, authorizations, qualifications, clearances, registrations, notifications, exemptions, certificates of need, accreditations, participation agreements, consents or orders of, any Governmental Authority or any other Person necessary for the LLC or its Subsidiaries to carry on its business.

“Indebtedness” means at a particular time, without duplication, (i) any indebtedness for borrowed money or issued in substitution for or exchange of indebtedness for borrowed money (including to the LLC Unitholders), (ii) any indebtedness evidenced by any note, bond, debenture or other debt security, (iii) any indebtedness for the deferred purchase price of property with respect to which a Person is liable, contingently or otherwise, as obligor or otherwise (other than trade payables and other current liabilities incurred in the ordinary course of business which are not more than six months past due), (iv) any commitment by which a Person assures a creditor against loss (including contingent reimbursement obligations with respect to letters of credit), (v) any indebtedness guaranteed in any manner by a Person (including guarantees in the form of an agreement to repurchase or reimburse), (vi) any obligations under capitalized leases with respect to which a Person is liable, contingently or otherwise, as obligor, guarantor or otherwise, or with respect to which obligations a Person assures a creditor against loss, (vii) any indebtedness secured by a Lien on a Person’s assets, (viii) any amounts owed by the LLC or any of its Subsidiaries under any noncompetition agreements or consulting agreements, and (ix) accrued interest to and including the Closing Date in respect of any of the obligations described in the foregoing clauses (i) through (vii) of this definition and all premiums, penalties, charges, fees, expenses and other amounts due in connection with the payment and satisfaction in full of such obligations which will be paid or prepaid at the Closing.

“Indemnified Party” has the meaning set forth in Section 8.03.

“Indemnifying Party” has the meaning set forth in Section 8.03.

“Intellectual Property” means all of the following in any jurisdiction throughout the world: (i) inventions (whether or not patentable and whether or not reduced to practice), improvements thereto, and patents, patent applications, and patent disclosures, together with reissues, continuations, continuations-in-part, divisions, revisions, extensions, and reexaminations thereof; (ii) trademarks, service marks, trade dress, logos, slogans, trade names, and corporate names (and all translations, adaptations, derivations and combinations of the foregoing) and Internet domain names, together with all goodwill associated with each of the foregoing; (iii) copyrights and copyrightable works; (iv) registrations and applications for any of the foregoing; (v) trade secrets and confidential information (including ideas, formulae, compositions, know-how, manufacturing and production processes and techniques, research and development information, drawings, specifications, designs, plans, proposals, technical data, financial, business and marketing plans and customer and supplier lists and related information); and (vi) computer software (including source code, executable code, data, databases and documentation).

“Interim Financial Statements” has the meaning set forth in Section 6.09.

“IRS” means the Internal Revenue Service.

“Key Employee” has the meaning set forth in Section 3.18.

“Knowledge,” with respect to the LLC means the actual knowledge of any of Dean Goodman, W. Lawrence Patrick, Susan K. Patrick, and George Pelletier, within their areas of expertise and after reasonable inquiry.

“Latest Balance Sheet” has the meaning set forth in Section 3.07(a).

“Law” means all laws, statutes, rules, regulations, ordinances and other pronouncements having the effect of law of the United States, any foreign country or any domestic or foreign state, county, city or other political subdivision or of any Governmental Authority.

“Leased Real Property” has the meaning set forth in Section 3.12(b).

“Leases” has the meaning set forth in Section 3.12(b).

“Liens” means (i) any mortgage, deed of trust, security interest, pledge, bailment (in the nature of a pledge or for the purposes of security), charge, attachment or other lien, (ii) any option, right of first refusal or right of first offer, (iii) any conditional-sale or title-retention agreement (including a lease in the nature thereof), (iv) any restriction, restrictive covenant, reservation or other encumbrance or title defect, and (v) with respect to real property, any easement, right-of-way, covenant, conditions or matter customarily considered a title issue that would be disclosed by a survey or physical inspection of such real property (including zoning violations and encroachments).

“LLC” has the meaning set forth in the preface.

“LLC Class A Units” means the Class A Units of LLC, having the rights, preferences and privileges of Class A Units, as set forth in the Operating Agreement.

“LLC Class B Units” means the Class B Units of LLC, having the rights, preferences and privileges of Class B Units, as set forth in the Operating Agreement.

“LLC Fundamental Representation” has the meaning set forth in Section 8.01.

“LLC Intellectual Property” has the meaning set forth in Section 3.14(a).

“LLC Transaction Expenses” means all fees, costs and expenses reasonably incurred on or prior to the Closing by or on behalf of the LLC and its Subsidiaries but not including any Unitholder Transaction Expenses in anticipation of, in connection with, or otherwise related to, the transactions contemplated by this Agreement and/or any related or alternative transactions (including all of the fees, expenses and other costs of legal counsel, investment bankers, brokers, accountants and other representatives and consultants), and which remain unpaid as of immediately prior to the Closing, which amount is \$1,500,000.

“LLC Unitholder Fundamental Representation” has the meaning set forth in Section 8.01.

“LLC Unitholders” has the meaning set forth in the preface.

“LLC Units” means the LLC Class A Units and LLC Class B Units, collectively.

“Material Adverse Effect” means any effect or change that, individually or aggregated together with any other effect or change, would reasonably be expected to be materially adverse to the business, the assets and properties, the customer, supplier or employee relationships, condition (financial or otherwise), operating results or operations of the LLC and its Subsidiaries as a whole; provided that any change, event or effect arising from: (i) conditions affecting the businesses of the LLC generally or the United States economy generally, which such conditions do not disproportionately impact the business of the LLC; (ii) acts of terrorism, acts of war or the escalation of hostilities, which such acts do not disproportionately impact the business of the LLC; (iii) changes in financial, banking or securities markets generally (including any disruption thereof and any decline in the price of any market index); (iv) any changes in applicable accounting rules required by GAAP; (v) changes in any laws, rules or regulations or interpretations thereof by courts or any Governmental Authority, which such changes do not disproportionately impact the business of the LLC; or (vi) any change in or effect on the business of the LLC that is cured by the LLC prior to the Closing (provided that any such changes, events or effects described in any of clauses (i), (ii), (iii) or (v) do not, individually or in the aggregate, have a disproportionate affect on the business, assets and properties, customer, supplier or employee relationships, condition, operating results or operations of the LLC) shall not be taken into account in determining whether a “Material Adverse Effect” has occurred.

“Operating Agreement” means the Amended and Restated Limited Liability Company Agreement of LLC, to be entered into at the Closing, as the same may be amended from time to time.

“Ordinary Course of Business” means the ordinary course of business consistent with past custom and practice, including, after giving effect to the impact of seasonality on the business as conducted by the LLC and its Subsidiaries, with respect to quantity, frequency and volume or amount.

“Party” and “Parties” each have the meaning set forth in the preface.

“Patrick Brokerage Agreement” means the oral agreement between the LLC and Patrick Communications, whereby Patrick Communications is to be paid a brokerage fee in the amount of \$300,000 upon a merger of the LLC or sale of substantially all of the assets of the LLC.

“Permitted Liens” means (i) Liens for Taxes which are either not yet due and payable, and for which reserves in an amount reasonably determined by the LLC on a basis consistent with past practice have been established on the Financial Statements, (ii) statutory Liens of landlords for amounts not yet due and payable, (iii) Liens of carriers, warehousemen, mechanics and materialmen incurred in the Ordinary Course of Business for amounts which are either not yet due and payable or are being contested in good faith by appropriate proceedings, and in either case for which reserves in an amount reasonably determined by the LLC on a basis consistent with past practice have been established on the Financial Statements, (iv) the Subleases, (v) with respect to real property, any easement, right-of-way, covenant, conditions, restriction, restrictive covenant or reservation, any matter customarily considered a title issue that would be disclosed by a survey or physical inspection of such real property (including zoning violations and encroachments), and any other encumbrance or title defect, which do not or would not materially impair, restrict or interfere with the use or occupancy of such real property in the operation of the business of the LLC or its Subsidiaries on such real property in the Ordinary Course of Business, (vi) zoning, building codes and other land use

laws regulating the use or occupancy of real property or the activities conducted thereon which are imposed by any Governmental Authority having jurisdiction over such real property which are not violated by the current use or occupancy of such real property or the operation of the businesses of the LLC or its Subsidiaries or any violation of which would not be material, (vii) the Liens provided for in the Ancillary Documents, and (viii) any Permitted Lien as defined in the Amended and Restated Credit Agreement.

“Person” means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, or a Governmental Authority.

“Pre-Closing Tax Period” has the meaning set forth in Section 9.01.

“Prohibited Transaction” has the meaning set forth in Section 406 of ERISA and Section 4975 of the Code.

“Promissory Note” has the meaning set forth in the preface.

“Real Property” has the meaning set forth in Section 3.12(a).

“Registration Rights Agreement” means the Registration Rights Agreement to be entered into at the Closing, as the same may be amended from time to time.

“Release” means the release granted by each LLC Unitholder to LLC.

“Rules” has the meaning set forth in Section 10.11.

“Securities Act” means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

“Straddle Period” has the meaning set forth in Section 9.02.

“Subleases” has the meaning set forth in Section 3.12(b).

“Subsidiary” means, with respect to any Person, any corporation, limited liability company, partnership, association or business entity of which (i) if a corporation, a majority of the total voting power of units of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof, or (ii) if a limited liability company, partnership, association or other business entity (other than a corporation), a majority of the partnership or other similar ownership interest thereof is at the time owned or controlled, directly or indirectly, by any Person or one or more Subsidiaries of that Person or a combination thereof. For purposes hereof, a Person or Persons shall be deemed to have a majority ownership interest in a limited liability company, partnership, association or other business entity (other than a corporation) if such Person or Persons shall be allocated a majority of limited liability company, partnership, association or other business entity gains or losses or shall be or control any managing director or general partner of such limited liability company, partnership, association or other business entity. For purposes hereof, references to a “Subsidiary” of any Person shall be given effect only at such times that such Person has one or more Subsidiaries, and, unless otherwise indicated, the term “Subsidiary” refers to a Subsidiary of the LLC. Without limiting the generality of effect of the foregoing, Subsidiaries of the LLC will include

the following entities for so long as they remain Subsidiaries of the LLC: GoodRadio.TV Holdings, LLC, Dean Radio.TV Company-Newton, LLC, Dean Radio.TV Company-Grinnell, LLC, Dean Radio.TV Company-Fairfield, LLC, GoodRadio.TV-Missouri, LLC, Dean Radio.TV Company-Clinton, LLC, Christine Radio, LLC, GoodRadio.TV License Holdings, LLC, Newton License Co, LLC, Grinnell License Co, LLC, Fairfield License Co, LLC, Cameron/Bethany License Co, LLC, Waynesville/Lebanon License Co, LLC, Moberly/Macon License Co, LLC, Festus/Farmington License Co, LLC, Clinton License Co, LLC, and Christine CP Co, LLC.

“Tax” means (i) any federal, state, local, or foreign income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental, customs duties, capital stock, franchise, profits, withholding, social security, unemployment, disability, real property, personal property, ad valorem, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated, or other charge of any kind whatsoever, including any interest, penalty, or addition thereto, whether disputed or not, (ii) any and all liability for amounts described in clause (i) of any member of an affiliated, consolidated, combined or unitary group of which the LLC (or any predecessor thereof) is or was a member on or prior to the Closing Date, including pursuant to Treasury Regulations Section 1.1502-6 or any analogous or similar state, local, or foreign law or regulation, and (iii) any and all liability for amounts described in clause (i) of any Person (other than the LLC) imposed on the LLC as a transferee or successor, by contract or pursuant to any Law, which Taxes relate to an event or transaction occurring before the Closing.

“Tax Return” means any return, declaration, report, claim for refund, or information return or statement filed or required to be filed with a Taxing Authority relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

“Taxing Authority” means any governmental agency, board, bureau, body, department or authority of any United States federal, state or local jurisdiction or any foreign jurisdiction, having or purporting to have jurisdiction with respect to any Tax.

“Third Party Claim” has the meaning set forth in Section 8.05.

“Threshold” has the meaning set forth in Section 8.04(a).

“Treasury Regulations” means the regulations under the Code promulgated by the United States Treasury Department.

“Unit Purchase” has the meaning set forth in the preface.

“Unitholder Transaction Expenses” means the fees, costs, and expenses incurred by or on behalf of any LLC Unitholder in connection with representation of their own individual or collective interests in the transactions contemplated hereby, including, without limitation, those relating to the escrow feature relating to the replacement note with Frequency, LLC.

“Verax” means Verax Capital Partners, L.P., a Delaware limited partnership, Verax Radio Partners, L.P., a Delaware limited partnership, and any additional co-investment limited partnership formed for the purposes of investing in the LLC of which Verax Capital GP, LLC, a Delaware limited liability company (or any other LLC controlled by the individual members of the general partner as of the date herein), is the general partner. “Verax” as used in this Agreement shall be deemed to include any such co-investment limited partnership, and any such co-

investment limited partnership shall be deemed to have given, on a several basis, all representations and warranties and shall be subject to, on a several basis, all covenants in this Agreement. The identity of any such co-investment limited partnership will be provided prior to the filing of the FCC Applications

“Verax Transaction Expenses” means all fees, costs and expenses reasonably incurred by or on behalf of Verax in anticipation of, in connection with, or otherwise related to, the transactions contemplated by this Agreement (including the reasonable fees, expenses and other costs of legal counsel, accountants and other representatives and consultants and recruiting fees, expenses and costs).

ARTICLE II

THE CLOSING

Section 2.01 Unit Purchase At the Closing, subject to the terms and conditions set forth in this Agreement, Verax shall purchase from the LLC and the LLC shall issue to Verax that number of LLC Class A Units as set forth opposite such LLC Unitholder’s name on the Unit Purchase Schedule attached hereto in exchange for cash, by wire transfer in immediately available funds to the LLC, which amounts shall equal \$200,000 in the aggregate.

Section 2.02 Note Purchase At the Closing, subject to the terms and conditions set forth in this Agreement, LLC hereby agrees to sell to Verax, and by its acceptance hereof, Verax agrees to purchase from LLC, the principal amount of the Promissory Note as set forth above and on terms as set forth therein.

Section 2.03 The Closing The closing shall occur upon the satisfaction or waiver of the conditions in Article VII (the “Closing”). The Closing shall take place at the offices of Ropes & Gray, LLP, 1211 6th Avenue, New York, New York 10036 by 4:00 p.m. local time on the date hereof (the “Closing Date”).

Section 2.04 Deliveries at the Closing Upon the Closing, the Parties shall deliver or cause to be delivered each of the following:

(a) each of LLC, Verax, and the LLC Unitholders shall execute and deliver the Operating Agreement;

(b) each of LLC and the LLC Unitholders shall execute and deliver the Registration Rights Agreement;

(c) each of the LLC and each of Dean Goodman and George Pelletier shall execute and deliver to LLC an Employment Agreement;

(d) each LLC Unitholder shall execute and deliver to LLC a Release;

(e) each of LLC and Verax shall execute and deliver the Promissory Note;

(f) the LLC shall cause Dow Lohnes PLLC to execute and deliver an opinion addressed to the LLC and the LLC Unitholders in form and substance reasonably satisfactory to Verax regarding FCC matters pertaining to the transactions contemplated herein; and

(g) the LLC shall cause Greenberg Traurig, LLP to execute and deliver an opinion addressed to the LLC and the LLC Unitholders in form and substance reasonably satisfactory to Verax; and

(h) all other documents required to be delivered by or on behalf of any Party pursuant to Article VII shall, to the extent not previously delivered, be delivered by or on behalf of such Party.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF THE LLC

As a material inducement to Verax to enter into and perform its obligations under this Agreement, the LLC represents and warrants to Verax as of the date hereof as follows:

Section 3.01 Organization of the LLC and its Subsidiaries

(a) The LLC is a limited liability company duly organized, validly existing and in good standing under the Laws of Florida and is duly qualified to do business as a foreign limited liability company and is in good standing in every jurisdiction in which it is required to be qualified except to the extent the failure to be so qualified has not and would not be expected to result in a Material Adverse Effect. Schedule 3.01(a) lists all of the jurisdictions in which the LLC is qualified to do business as a foreign limited liability company.

(b) Each Subsidiary of the LLC is a corporation, limited partnership, or limited liability company duly organized, validly existing and in good standing under the Laws of its state of organization and is duly qualified to do business as a foreign entity and is in good standing in every jurisdiction in which it is required to be qualified except to the extent the failure to be so qualified has not and would not be expected to result in a Material Adverse Effect. Schedule 3.01(b) lists all of the jurisdictions in which each such Subsidiary is organized or qualified to do business as a foreign entity.

Section 3.02 Authorization of Transaction Each of the LLC and each Subsidiary has requisite power and authority and all material licenses, permits and authorizations necessary to own and operate its properties, to carry on its businesses as now conducted or proposed to be conducted, to execute and deliver this Agreement and each Ancillary Document, and to perform its obligations hereunder and thereunder. The LLC has unanimously authorized and approved and adopted the execution, delivery and performance of this Agreement by the LLC and consummation of the transactions contemplated hereby. This Agreement constitutes the valid and legally binding obligation of the LLC, enforceable in accordance with its terms and conditions (except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally or by general equitable principles).

Section 3.03 Noncontravention; Consents

(a) The LLC has delivered to Verax a complete and correct copy of each of the LLC's and each Subsidiary's operating agreements, articles of incorporation and other organizational and constituent documents, each as amended to date. Except as set forth on Schedule 3.03 and subject to obtaining the FCC Consent, neither the execution and the delivery of this Agreement or any Ancillary Document, nor the consummation of the transactions contemplated hereby, will (i) violate any Law to which the LLC or any Subsidiary is subject or any provision of the articles of incorporation or bylaws or similar organizational documents of the LLC or any Subsidiary or (ii) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice under, any Contract or (iii) result in the imposition of any Lien upon any of the assets of the LLC or any Subsidiary, except, in the case of clause (ii) or (iii), for any such conflicts, violations, breaches, defaults or other occurrences that have not and would not be expected to result in a Material Adverse Effect.

(b) Except as set forth on Schedule 3.03, other than the FCC Consent, or as otherwise obtained prior to the date hereof, no consent, approval, license, permit, order or authorization of, or registration, declaration or filing with, any Governmental Authority or, with respect to the Contracts, any other Person, is required to be obtained by or on behalf of the LLC or any Subsidiary for the execution, delivery and performance of this Agreement or the consummation of the transactions contemplated hereby. The consent pertaining to the Consulting Agreement between GoodRadio.TV – Missouri, LLC and David L. Shepherd dated July 2007, is valid, binding, and enforceable against David L. Shepherd in accordance with its terms (except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally or by general equitable principles).

(c) The FCC Licenses are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated and have not expired, and are not subject to any material conditions except for conditions applicable to broadcast licenses generally or as otherwise disclosed on the face of the FCC Licenses. LLC and its Subsidiaries are operating, and have operated, in compliance in all material respects with the terms of the FCC Licenses and the Communications Act and FCC rules and policies, and LLC and its Subsidiaries have timely filed or made all material applications, reports and other disclosures required by the FCC to be filed or made with respect to LLC and its Subsidiaries and have timely paid all FCC regulatory fees with respect thereto. Except for administrative rulemakings, legislation or other proceedings affecting the broadcast industry generally and except as may be set forth on Schedule 3.03, there is not, as of the date of this Agreement, pending or, to LLC's knowledge, threatened by or before the FCC any material proceeding, notice of violation, order of forfeiture or complaint or investigation against or relating to LLC or any of its Subsidiaries. The word material used in this Section 3.03(c) is not synonymous with the term Material Adverse Effect, but instead shall mean any matter that may reasonably be expected to jeopardize the authority of the LLC or any Subsidiary to continue to hold under current terms and conditions any of the main station broadcast licenses issued to them by the FCC.

Section 3.04 Subsidiaries The LLC does not own or control, directly or indirectly, any interest in any other corporation, partnership, limited liability company, association or other entity other than as listed on Schedule 3.04.

Section 3.05 Capitalization Schedule 3.05 sets forth the classes and number of authorized units of LLC membership interests and the percentage equity interests of each Subsidiary immediately prior to the Closing, and the number of issued and outstanding LLC Units immediately prior to the date hereof. All of such issued and outstanding shares have been duly authorized and are validly issued and fully paid. The LLC Units constitute the only equity interest of the LLC authorized, issued or outstanding immediately prior to the Closing, and there are no outstanding or authorized options, warrants, purchase rights, subscription rights, conversion rights, exchange rights or other contracts or commitments that could require the LLC to issue, sell, or otherwise cause to become outstanding any of its equity. There are no outstanding or authorized unit appreciation, phantom unit, profit participation or similar rights with respect to the LLC or any repurchase, redemption or other obligation to acquire for value of any class of units of the LLC, except as set forth on Schedule 3.05.

Section 3.06 Brokers' Fees Except as set forth on Schedule 3.06, the LLC has no liability or obligation to pay any fees or commissions to any broker, finder, or agent (including Patrick Communications) with respect to the transactions contemplated by this Agreement.

Section 3.07 Financial Statements Schedule 3.07 contains true and correct copies of the following unaudited financial statements: the unaudited consolidated balance sheet of the LLC as of January 31, 2008 (the "Latest Balance Sheet") and the related statements of income from August 2007 through December 2007 and for January 2008 (together with the Latest Balance Sheet, the "Financial Statements").

Except as set forth on Schedule 3.07, each of the Financial Statements (including in all cases the notes thereto, if any) has been based on information contained in the books and records of the LLC and fairly presents in all material respects the financial condition and results of operations of the LLC as of the times and for the periods referred to therein, and the Financial Statements have been prepared in accordance with GAAP applied on a consistent basis throughout the periods covered thereby (subject, in the case of the unaudited Financial Statements, to the absence of footnotes and to normal year-end adjustments (none of which would, alone or in the aggregate, be material)). The Indebtedness of the LLC as of March 12, 2008 does not exceed the amount set forth in Schedule 3.07, and shall not materially change as of the Closing.

Section 3.08 Absence of Changes Since December 7, 2007, except as otherwise contemplated or permitted by this Agreement or the Promissory Note or as set forth on Schedule 3.08, the businesses of the LLC and its Subsidiaries taken as a whole have been conducted in all material respects in the Ordinary Course of Business consistent with past practice and through the date of this Agreement. Since December 7, 2007, there has not been any Material Adverse Effect. Since December 7, 2007, except as set forth on Schedule 3.08 or as expressly contemplated by this Agreement, neither the LLC nor any of its Subsidiaries has:

- (a) sold, leased, transferred or assigned any of its assets, tangible or intangible, or purchased any assets or properties of any Person, in each case other than in the Ordinary Course of Business;
- (b) entered into any agreement, contract, lease or license (or series of related agreements, contracts, leases and licenses) that would be a Contract outside the Ordinary Course of Business (other than employment agreement terminable at will);

(c) other than as a result of the transactions contemplated by this Agreement, caused or suffered any acceleration, amendment, termination (partial or complete), modification or cancellation, or granted any waiver or given any consent or release with respect to any (i) Lease or (ii) any Contract (other than employment agreements terminable at will) and, to the LLC's Knowledge, no party intends to take any such action;

(d) imposed or suffered to exist any Lien (other than Permitted Liens) upon any of its assets, tangible or intangible;

(e) made any capital investment in, any loan to or any acquisition of the securities or assets of, any Person (or series of related capital investments, loans, or acquisitions) either in an amount greater than \$10,000 or outside the Ordinary Course of Business;

(f) issued any note, bond, or other debt security or created, incurred, assumed, or guaranteed any Indebtedness in an amount greater, individually or in the aggregate, more than \$10,000;

(g) cancelled, compromised, waived, or released any right or claim (or series of related rights or claims) either involving more than \$10,000 or outside the Ordinary Course of Business;

(h) made any capital expenditures or commitments therefor exceeding \$10,000 in the aggregate;

(i) delayed or postponed the payment of accounts payable and other obligations and liabilities outside the Ordinary Course of Business

(j) changed conduct related to cash management customs and practices (including with respect to maintenance of working capital balances and inventory levels, collection of accounts receivable, payment of accounts payable, accrued liabilities, and other liabilities and pricing and credit policies);

(k) sold, securitized, factored or otherwise transferred any accounts receivable;

(l) experienced any material damage, destruction, or loss (whether or not covered by insurance) to any real or personal property or material equipment;

(m) entered into any employment contract or agreement (other than the Employment Agreements or employment agreements terminable at will), written or oral, or modified the terms of any such existing contract or agreement nor entered into any collective bargaining agreement or modified the terms of any such existing agreement;

(n) granted any increase in the base compensation of any of its current or former directors, officers, managers, members, partners, employees or consultants other than any increase that, when combined with all other increases in the prior 12-month period, did not exceed 5% of the compensation on the date of such increase or increases and was in the

Ordinary Course of Business, or made any payment of consideration of any nature whatsoever (other than salary, bonus, commissions, consulting fees and employee fringe benefits in the Ordinary Course of Business) to any of its current or former directors, officers, members, partners, employees or consultants;

(o) paid or agreed to become obligated to pay any bonus in any 12-month period to any of its directors, officers or employees of more than \$50,000 in the case of any individual, or \$100,000 in the aggregate (other than the Employment Agreements);

(p) adopted, amended or modified, in any material way, or terminated any bonus, profit-sharing, incentive, severance or other similar plan, contract or commitment for the benefit of any of its directors, officers or employees;

(q) made any loans or advances to any of its directors, officers, employees or Affiliates;

(r) granted any license or sublicense of any rights under or with respect to any LLC Intellectual Property other than periodic joint promotions with advertisers in the Ordinary Course of Business;

(s) disclosed any material confidential information other than pursuant to a written confidentiality and non-disclosure agreement;

(t) authorized or effected any amendment or change in its article of organization or other organizational documents;

(u) instituted any Action for an amount involving in excess of \$50,000 in the aggregate or involving equitable or injunctive relief;

(v) issued, sold, or otherwise disposed of any of its capital stock or other equity interests, or granted any options, warrants, or other rights to purchase or obtain (including upon conversion, exchange, or exercise) any of its capital stock or other equity interests, or modified or amended any right of any holder of any of its outstanding membership or other equity interests;

(w) declared, set aside, or paid any dividend or made any distribution with respect to its capital stock or other equity interests (whether in cash or in kind) or redeemed, purchased, or otherwise acquired any of its capital stock or other equity interests;

(x) been made subject to, or, to the Knowledge of the LLC, been threatened with any Action; or

(y) authorized or entered into any agreement, contract or commitment to do any of the foregoing.

Section 3.09 Absence of Undisclosed Liabilities Except as set forth on Schedule 3.09, neither the LLC nor any Subsidiary has any liability (whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or unaccrued, whether liquidated or

unliquidated, and whether due or to become due and regardless of when asserted), and, to the Knowledge of the LLC, there is no basis for any proceeding, hearing, investigation, charge, complaint, claim with respect to any liability, except in either case for (i) liabilities set forth on the Latest Balance Sheet, and (ii) immaterial liabilities which have arisen since the date of the Latest Balance Sheet in the Ordinary Course of Business.

Section 3.10 Legal Compliance

(a) Each of the LLC and each Subsidiary has been operated in compliance with all applicable Laws relating to the conduct of the business of the LLC, except for such instances of non-compliance as would not reasonably be expected to have a Material Adverse Effect, and has not received any written notice that it is in violation or default thereof that remain outstanding and unresolved.

(b) Schedule 3.10(b) sets forth a complete and correct list and brief description of each radio-related permit and all other material Governmental Permits owned, held or possessed by the LLC or any Subsidiary, as of the date hereof. Except as set forth on Schedule 3.10(b), (i) each of the LLC and each Subsidiary has fulfilled and performed in all material respects its obligations under each of the material Governmental Permits which it owns, holds or possesses, and (ii) no written notice of cancellation, default or material dispute concerning any radio-related permit or any other material Governmental Permit has been received by the LLC or any Subsidiary. None of the LLC nor any Subsidiary (i) has been a party to or subject to any proceeding seeking to revoke, suspend or otherwise limit any material Governmental Permit, (ii) is in material breach or violation of, or material default under, any material Governmental Permit, and (iii) has received any notice from any Governmental Authority that any of its properties, facilities, material equipment, operations or business procedures or practices fails in any material respect to comply with any applicable Law. There has been no decision by the LLC or any Subsidiary not to renew any Governmental Permit. Other than for purposes of the first sentence of this Section 3.10(b), the word material used in this Section 3.10(b) is not synonymous with the term Material Adverse Effect, but instead shall mean any matter that may reasonably be expected to jeopardize the authority of the LLC or any Subsidiary to continue to hold under current terms and conditions any of the main station broadcast licenses issued to them by the FCC.

Section 3.11 Title to Properties

(a) Each of the LLC and each Subsidiary is in possession of and owns good and marketable title to, or holds a valid leasehold in, free and clear of all Liens (other than Permitted Liens), all of the properties and assets (i) reflected on the Latest Balance Sheet, or (ii) otherwise used in the business of the LLC and its Subsidiaries as currently conducted, except as set forth on Schedule 3.11(a).

(b) To the Knowledge of the LLC, except as set forth on Schedule 3.11(b), none of the buildings, improvements, machinery or equipment of the LLC or any Subsidiary is required to be replaced or maintained in order for the LLC and each Subsidiary to continue to conduct its business as currently conducted which replacement or maintenance would reasonably be expected to cost greater than \$25,000 individually or \$50,000 in the aggregate in the six-month period from and after the date of this Agreement.

Section 3.12 Real Property

(a) Schedule 3.12(a) lists the street address or a brief description of all real property owned by LLC or any Subsidiary and used or held for use in connection with the business and operations of LLC or its Subsidiaries (each, a “Real Property”). With respect to each Real Property set forth on Schedule 3.12(a):

(i) LLC or its Subsidiaries has fee simple title to the Real Property described in Schedule 3.12(a); LLC or its Subsidiaries 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 Liens); and the Real Property includes sufficient access to the facilities without need to obtain any other access rights; and

(ii) the Real Property and all of the buildings, towers, antennae, fixtures and improvements owned by LLC or its Subsidiaries, 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, (A) are in good operating condition and repair (reasonable wear and tear excepted), (B) comply, as to LLC's or its Subsidiaries' uses, in all material respects with applicable zoning laws and the building, health, fire and environmental protection codes of all applicable governmental jurisdictions, (C) have no known structural defects, (D) are adequate and suitable for the purposes for which they are presently being used, and (E) do not require any repairs other than normal routine maintenance to maintain them in good condition and repair.

(b) Schedule 3.12(b) lists (i) the street address or a brief description of all real property leased or subleased by the LLC or any Subsidiary or which the LLC or any Subsidiary otherwise has the right to use or occupy (each, a “Leased Real Property”), (ii) all leases, subleases and other agreements under which the LLC or any Subsidiary leases, subleases, uses or occupies any Leased Real Property (including all amendments and extensions of, guaranties of any such leases, subleases or other agreements) (collectively, the “Leases”), and (iii) any subleases or other agreements under which any Person subleases or otherwise has the right to use or occupy all or any portion of any Leased Real Property (collectively, the “Subleases”). Neither the LLC nor any Subsidiary leases, subleases or otherwise uses or occupies any Leased Real Property under an oral or other unwritten agreement. The LLC has delivered to Verax correct and complete copies of the Leases and Subleases. With respect to each Lease and Sublease set forth on Schedule 3.12(b):

(i) the Lease or Sublease is legal, valid, binding, enforceable, and in full force and effect (except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally or by general equitable principles);

(ii) neither the LLC nor any Subsidiary is, and, to the Knowledge of the LLC, no other party to the Lease or Sublease, is in material breach or default of any such Lease or Sublease, and, to the Knowledge of the LLC, no event has occurred which, with notice or lapse of

time, could reasonably be expected to constitute a material breach or default or permit termination, modification, or acceleration thereunder;

(iii) the other party to such Lease is not an Affiliate of, and otherwise does not have any economic interest (by contract or otherwise) in, the LLC or any Subsidiary;

(iv) no security deposit or portion thereof deposited with respect to such Lease or Sublease has been applied in respect of a breach or default under such Lease or Sublease which has not been redeposited in full;

(v) there are no oral agreements or forbearance programs in effect and, to the LLC's Knowledge, no material disputes as to any Lease or Sublease; and

(vi) neither the LLC nor any Subsidiary has assigned, transferred, conveyed, mortgaged, deeded in trust, collaterally assigned, encumbered or placed or suffered to exist any Lien, other than Permitted Liens, on any interest under any Lease or subleased or granted the right to use or occupy any Leased Real Property to any Person (except under the Subleases).

(c) Improvements. To the LLC's Knowledge, all buildings, structures, improvements, fixtures, building systems and equipment, and all components thereof, included in the Leased Real Property are sufficient in the reasonable judgment of the LLC for the operation of the business of the LLC as presently conducted or proposed to be conducted.

Section 3.13 Tax Matters

(a) All material Tax Returns required to have been filed by the LLC or any Subsidiary have been filed prior to the due date for such Tax Returns (taking into account extensions), and each such Tax Return is true, correct, accurate in all material respects and prepared in accordance with applicable Law. All income or material non-income Taxes due and owing of the LLC or any Subsidiary have been paid whether or not shown on any Tax Return. Neither the LLC nor any Subsidiary is delinquent with respect to the payment of any income or material non-income Tax. The LLC and each Subsidiary, as applicable, has timely withheld and paid to the appropriate Taxing Authority all amounts required to have been withheld and paid under applicable Tax Law in connection with amounts paid or owing to any third-party. The LLC only owns equity interests (directly or indirectly) of entities or persons that are taxed as partnership for U.S. federal income tax purposes.

(b) Except as set forth on Schedule 3.13(b), there is no current audit, claim, action, suit, proceeding or investigation by a Taxing Authority of the LLC or any Subsidiary in respect of any Taxes, nor has the LLC or any Subsidiary been informed in writing of the commencement or anticipated commencement of any such activity. There are no Liens on any assets of the LLC or any Subsidiary that arose in connection with any failure (or alleged failure) to pay any Tax other than Permitted Liens. Neither the LLC nor any Subsidiary has waived any statute of limitations in respect of Taxes or agreed to any extension of time with respect to a Tax assessment or deficiency to the extent such waivers or extensions are still outstanding. Schedule 3.13(b) contains a list of all jurisdictions (whether foreign or domestic) in which the LLC files income Tax Returns. No written claim has ever been made by a Taxing

Authority in a jurisdiction where the LLC or any Subsidiary does not file Tax Returns that it is or may be subject to taxation or to a requirement to file Tax Returns in that jurisdiction.

(c) Except as set forth on Schedule 3.13(c), neither the LLC, any Subsidiary nor any member of any affiliated, consolidated, combined or unitary group of which the LLC or any Subsidiary is a member has granted any extension or waiver of the statute of limitations period applicable to any Tax Return, which period (after giving effect to such extension or waiver) has not yet expired. The LLC has made available to Verax copies of all material Tax Returns for the LLC filed for all periods since January 1, 2006, and all private letter rulings, determination letters, closing agreements and other correspondence issued by or received from any Taxing Authority since the same date.

(d) Except as set forth on Schedule 3.13(d)(i), neither the LLC nor any Subsidiary has any liability for the Taxes of any Person under any state, local or foreign analogue of Section 1.1502-6 of the Treasury Regulations, as a transferee or successor, by contract or otherwise (other than customary commercial contracts not primarily related to Taxes). Except as set forth on Schedule 3.14(d)(ii), neither the LLC nor any Subsidiary is a party to any Tax allocation or sharing agreement.

(e) Except as set forth on Schedule 3.13(e), the LLC is not a party to any "reportable transaction" within the meaning of Section 1.6011-4 of the Treasury Regulations or to any understanding or arrangement in Section 6111 of the Code or, with respect to a "tax shelter," in Section 6662(d)(2) of the Code.

(f) Neither the LLC nor any Subsidiary will be required to include any item of income in, or exclude any item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Closing Date as a result of (i) any change in method of accounting for a taxable period ending on or prior to the Closing Date, (ii) any "closing agreement" as described in Section 7121 of the Code (or any corresponding or similar provision of state, local or foreign Tax law) executed on or prior to the Closing Date, (iii) any intercompany transactions or any excess loss account described in the Treasury Regulations under Section 1502 of the Code (or any corresponding or similar provision of state, local or foreign Tax law), (iv) any installment sale or open transaction disposition made on or prior to the Closing Date or (v) any prepaid amounts received on or prior to the Closing Date.

(g) The unpaid taxes of the LLC and each of its Subsidiaries (i) did not as of the date of the Latest Balance Sheet exceed the reserve for Taxes (excluding any reserve for deferred Taxes established to reflect timing differences between book and Tax income) set forth on the face thereof (rather than in any notes thereto) and (ii) does not, as of the Closing Date, exceed the amount of that reserve, as adjusted for the passage of time through the Closing Date in accordance with the past custom and practice of the relevant entity in filing its Tax Returns.

(h) None of the LLC and its Subsidiaries has made any payments, or has been or is a party to any agreement, contract, arrangement or plan that could result in it making payments, (x) that have resulted or would result, separately or in the aggregate, in the payment of any "excess parachute payment" within the meaning of Section 280G of the Code or in the

imposition of an excise Tax under Section 4999 of the Code (or any corresponding provisions of state, local or foreign Tax law) or (y) that will be required to be included in gross income under Section 409A(a)(1)(A) of the Code.

(i) Since January 1, 2006, none of the LLC and its Subsidiaries has, other than as a result of the transactions contemplated by this Agreement, made or changed any tax election, changed an annual accounting period, adopted or changed any accounting method, filed any amended Tax Return, entered into any closing agreement, settled any Tax claim or assessment relating to the LLC, surrendered any right to claim a refund of Taxes, consented to any extension or waiver of the limitation period applicable to any Tax claim or assessment relating to the LLC, or taken any other similar action relating to the filing of any Tax Return or the payment of any Tax, if such election, adoption, change, amendment, agreement, settlement, surrender, consent or other action would reasonably be expected to have the effect of increasing the Tax liability of the LLC for any period ending after the Closing Date or decreasing any Tax attribute of the LLC existing on the Closing Date.

Section 3.14 Intellectual Property

(a) Except as set forth on Schedule 3.14(a), the LLC or a Subsidiary owns and possesses all right, title and interest in and to all of the Intellectual Property set forth on Schedule 3.14(c) and owns and possesses all right, title and interest in and to or has a valid and enforceable license to use pursuant to a license agreement set forth on Schedule 3.14(c) all other Intellectual Property (in each case free and clear of all Liens other than Liens listed on Schedule 3.14(c) and Permitted Liens) necessary for the operation of the business of the LLC or any of its Subsidiaries as presently conducted (collectively, the “LLC Intellectual Property”). Immediately subsequent to the Closing, the LLC Intellectual Property will be owned by or available for use by the LLC or the applicable Subsidiary on terms and conditions identical to those under which the LLC or any Subsidiary owned or used the LLC Intellectual Property immediately prior to the Closing.

(b) To the Knowledge of the LLC, neither the LLC nor any Subsidiary has infringed upon or misappropriated, and the operation of the business of the LLC or any Subsidiary as presently conducted does not infringe upon or misappropriate any material Intellectual Property rights of any Person, and neither the LLC nor any Subsidiary has received in the eighteen (18) month period prior to the date hereof any written charge, complaint, claim, demand, or notice alleging any such infringement or misappropriation (including any claim that the LLC or any Subsidiary must license or refrain from using any Intellectual Property of any Person), nor does the LLC or any Subsidiary have Knowledge of any facts that could be reasonably expected to indicate a likelihood of any infringement or misappropriation by any Person with respect to any LLC Intellectual Property. To the Knowledge of the LLC, no Person has infringed upon or misappropriated any LLC Intellectual Property.

(c) Schedule 3.14(c) sets forth a complete and correct list of all of the following owned by the LLC or any Subsidiary: (i) patented or registered Intellectual Property and pending patent applications and applications for registrations of other Intellectual Property; (ii) material unregistered trademarks, material unregistered service marks, registered trade names, registered corporate names, and registered Internet domain names; and (iii) all computer software owned by the LLC or any Subsidiary. With respect to each item of Intellectual Property required to be set forth on Schedule 3.14(c):

(i) the item is not subject to any outstanding injunction, judgment, order, decree, ruling, or charge;

(ii) no action, suit, proceeding, hearing, investigation, complaint, claim, or demand is pending other than the prosecution of proceedings to obtain registered Intellectual Property in the Ordinary Course of Business or, to the Knowledge of the LLC, is threatened that challenges the legality, validity, enforceability, use, or ownership of the item;

(iii) the LLC has not agreed to indemnify any Person for or against any infringement or misappropriation of Intellectual Property rights with respect to the item;

(iv) no loss or expiration of such items is threatened, pending or reasonably foreseeable, except for patents expiring at the end of their statutory terms (and not as a result of any act or omission by the LLC or any Subsidiary, including a failure by the LLC or any Subsidiary to pay any required maintenance fees);

(v) each of the LLC and each Subsidiary has taken all necessary action in its reasonable judgment to maintain and protect all of the material LLC Intellectual Property; and

(vi) Except as set forth on Schedule 3.14(c)(vi), all Persons who have participated in the creation or development of such item on behalf of the LLC or any Subsidiary have executed and delivered to the LLC or such Subsidiary, as applicable, a valid and enforceable agreement (a) providing for the nondisclosure by such Person of any confidential information of the LLC, and (b) providing for the assignment by such Person to the LLC or such Subsidiary of any Intellectual Property arising out of such Person's employment by, engagement by or contract with the LLC.

(d) To the LLC's Knowledge, the LLC Intellectual Property is valid and enforceable.

(e) To the LLC's Knowledge, the LLC has not experienced any incident in which personal information of any Person was or may have been stolen or improperly accessed, and the LLC has no Knowledge of any facts suggesting the likelihood of the foregoing, including without limitation, any breach of security or any notices or complaints from any Person regarding the improper access or disclosure of personal information.

(f) Each of the LLC and each Subsidiary has collected, used, imported, exported and protected all personally identifiable information, and other information relating to individuals, in accordance with the privacy policies of such LLC in all material respects and in accordance with all applicable Law in all material respects.

Section 3.15 Contracts and Commitments Except as set forth on Schedule 3.15, neither the LLC nor any Subsidiary is a party to or bound by any outstanding:

(a) contract for the employment of any officer, individual employee, or other person or entity on a full-time, part-time, consulting or other basis or agreement providing severance benefits or "change-of-control" payments or relating to loans to officers, directors, employees or affiliates, other than advances in the Ordinary Course of Business;

- (b) agreement or indenture relating to the borrowing of money or to the mortgaging, pledging or otherwise placing a Lien on any asset or group of assets of the LLC or any Subsidiary;
- (c) partnership, joint venture or equityholders' agreement;
- (d) obligation, or guarantee of any obligation, for borrowed money or otherwise;
- (e) agreement with respect to the lending or investing of its funds;
- (f) lease or agreement under which it is lessee of or holds or operates any personal property, owned by any other party, except for any lease of personal property under which the aggregate annual rental payments do not exceed \$50,000;
- (g) lease or agreement under (other than the Subleases) which it is lessor of or permits any third party to hold or operate any property, real or personal, owned or controlled by it;
- (h) agreement relating to the licensing of Intellectual Property by the LLC to a third party or by a third party to the LLC or any Subsidiary (except for licenses of commercially available off-the-shelf software with an aggregate purchase price no greater than \$50,000), and all other agreements affecting the LLC's or any Subsidiary's ability to use any Intellectual Property;
- (i) contract or group of related contracts (excluding purchase orders entered into in the Ordinary Course of Business) for the purchase or sale of products or services (other than employment agreements) under which the undelivered balance of such products and services has a selling price in excess of \$50,000;
- (j) material contract or agreement concerning confidentiality or non-competition (other than agreements with current or former employees or consultants);
- (k) any profit sharing, unit option, unit purchase, stock appreciation, deferred compensation, severance or other similar plan or arrangement for the benefit of its current or former directors, officers, or employees;
- (l) any collective bargaining agreement; or
- (m) any other material agreement (or group of related agreements) not entered into in the Ordinary Course of Business.

Each contract required to be disclosed on Schedule 3.15 (each a "Contract") is in full force and effect and constitutes a legal, valid and binding obligation of the LLC or a Subsidiary, as applicable (except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally or by general equitable principles). Except as specifically set forth on Schedule 3.15, the LLC has performed in all material respects all obligations required to be performed by it and is not in material default under or in breach of nor in receipt of any claim of default or breach under any Contract; and no event has occurred which with the passage of time or the giving of notice or both would reasonably be expected to result in a material default or material breach under any Contract. The LLC has provided or made available to Verax a correct and complete copy of each contract set forth on Schedule 3.15 (or, in the case of any oral contracts, a true and correct description of such contracts on Schedule 3.15), in each case together with all amendments, waivers or other changes thereto.

Section 3.16 Insurance Schedule 3.16 lists and briefly describes each insurance policy maintained by the LLC or any Subsidiary with respect to its properties, assets and business. All of such insurance policies are in full force and effect, and neither the LLC nor any Subsidiary is in material default with respect to its obligations under any of such insurance policies, has received any notification of cancellation of any of such insurance policies, or has a claim outstanding which would reasonably be expected to cause a material increase in the rates of such insurance policies. All premiums due under such policies have been paid when due. The insurance policies listed in Schedule 3.16 provide coverages in scope and amount of not less than the minimums required by applicable Governmental Authority, Law and any Contract. Neither the LLC nor any Subsidiary has been denied coverage by any insurer from which insurance has been sought nor received notice that any insurer under any policy referred to in this Section 3.16 is denying liability with respect to a claim thereunder or defending under a reservation of rights clause.

Section 3.17 Litigation Except as set forth on Schedule 3.17, since January 1, 2007, there has not been any action, suit, proceeding (including arbitration proceeding), investigation, complaint, claim, order, governmental charge or inquiry (“Action”) pending or, to the LLC’s Knowledge, threatened against the LLC or any Subsidiary or any of their respective material assets or properties. Neither the LLC nor any Subsidiary has received any notice of any accident, happening or event which is caused or allegedly caused by or otherwise involving any services performed in connection with or on behalf of the LLC or any Subsidiary that would reasonably be expected to result in or serve as a basis for a material claim or damage to the LLC or any Subsidiary. There is no action, suit, proceeding or investigation by the LLC or any Subsidiary currently pending or, to the Knowledge of the LLC, which the LLC intends to initiate. Neither the LLC nor any Subsidiary is subject to or bound by any judgment, order or decree of any court or Governmental Authority (other than any judgment, order or decree generally applicable to the broadcast industry), nor has the LLC nor any Subsidiary received any written opinion or memorandum or legal advice from legal counsel to the effect that the LLC or any Subsidiary is exposed, from a legal standpoint, to any liability which may be material. Neither the LLC nor any Subsidiary is a party to any legal action to recover monies due it or for damages sustained by it.

Section 3.18 Employees Schedule 3.18 sets forth, for each director, officer, and each employee of the LLC or any Subsidiary with an aggregate compensation in excess of \$27,500 for the last Fiscal Year (each a “Key Employee”), such Person’s name, job title, salary and any other compensation for the twelve (12) month period ended December 31, 2007. To the Knowledge of the LLC, no such Key Employee, or group of employees of the LLC or any Subsidiary, has notified in writing the LLC or any Subsidiary of such Person’s intent to terminate employment with the LLC or such Subsidiary, and to the LLC’s Knowledge, except as disclosed on Schedule 3.18 there are no material disputes, disagreements or controversies between the LLC or any Subsidiary, on the one hand, and any employee or consultant of the LLC or any Subsidiary or any labor group or union organization, on the other hand. Except as disclosed on Schedule 3.18, to the Knowledge of the LLC, no unfair labor practice complaint or sex or age discrimination claim has been brought against the LLC or any Subsidiary before the National Labor Relations Board or any other Governmental Authority. There has been no work stoppage, strike or other concerted action by employees of the LLC or any Subsidiary, nor, to the Knowledge of the LLC, is any such action threatened. Each of the LLC and each Subsidiary has complied in all material respects with all Laws relating to the employment of labor, including provisions thereof relating to wages, hours, equal opportunity, collective bargaining and the payment of social security and other taxes and does not have any material labor relations problems (including any union organization activities, threatened or actual strikes or work stoppages or material grievances).

Section 3.19 Employee Benefits Schedule 3.19 contains an accurate and complete list of each Employee Benefit Plan. With respect to each Employee Benefit Plan, the LLC previously made available to Verax true and complete copies of, where applicable, (i) the three (3) most recent annual reports (Form 5500 series, with all applicable attachments), (ii) the plan and trust documents and all amendments thereto, (iii) summary plan descriptions, (iv) the most recent favorable determination letter issued by the IRS, and (v) all related insurance contracts, other funding arrangements and administrative service agreements.

(a) None of the LLC any Subsidiary, or any ERISA Affiliate maintains, sponsors, contributes to, has any obligation to contribute to, or has any current or contingent obligation or liability under or with respect to (i) any “defined benefit plan” as defined in Section 3(35) of ERISA or any other plan subject to the funding requirements of Section 412 of the Code or Section 302 or Title IV of ERISA, (ii) any “multiemployer plan” as defined in Section 3(37) of ERISA, or (iii) any benefit plan, program or arrangement that provides for post-retirement or post-termination medical, life insurance or other similar benefits (other than health continuation coverage required by COBRA). None of the LLC, any Subsidiary, or any ERISA Affiliate has any current or contingent liability or obligation under Title IV of ERISA. The LLC and the ERISA Affiliates have complied and are in compliance in all material respects with the requirements of COBRA.

(b) With respect to each Employee Benefit Plan, all payments, premiums, contributions, reimbursements and accruals for all periods ending prior to or as of the Closing Date shall have been made or properly accrued on the Latest Balance Sheet and there is no unfunded liability which is not reflected on the Latest Balance Sheet.

(c) Each Employee Benefit Plan has been maintained, funded and administered in accordance with its terms and in material compliance with all applicable Laws, including ERISA and the Code. With respect to each Employee Benefit Plan, (i) there have been no non-exempt Prohibited Transactions, and (ii) no “fiduciary” (as defined in Section 3(21) of ERISA) has any liability or obligation for breach of fiduciary duty or any other failure to act or comply in connection with the administration or investment of the assets of such Employee Benefit Plan. No actions, suits, proceedings, hearings, audits, claims, charges or investigations with respect to any Employee Benefit Plan (other than routine claims for benefits) are pending or to the Knowledge of the LLC, threatened, and, to the Knowledge of the LLC, there are no facts that would reasonably be expected to give rise to any such material action, suit, proceeding, hearing, audit, claim, charge or investigation.

(d) Each Employee Benefit Plan which is intended to be a qualified plan within the meaning of Section 401(a) of the Code has been determined by the IRS to be so qualified, nothing has occurred that could adversely affect the qualification of such Employee Benefit Plan, and each such Employee Benefit Plan has been timely amended to comply with the provisions of the legislation commonly referred to as “GUST” and “EGTRRA” and has been submitted to the IRS for a determination or opinion letter that takes the GUST amendments into account within the GUST remedial amendment period.

(e) Each of the LLC and each Subsidiary has, for purposes of each Employee Benefit Plan, correctly classified those individuals performing services as common law employees, leased employees, independent contractors or agents of the LLC and each Subsidiary. Neither the LLC nor any Subsidiary has any liability or obligation under ERISA or the Code by reason of being considered a single employer under Section 414 of the Code with any Person other than the LLC or Subsidiary.

(f) The transactions contemplated by this Agreement will not cause the acceleration of vesting in, or payment of, any benefits under any Employee Benefit Plan and will not otherwise accelerate or increase any liability or obligation under any Employee Benefit Plan.

(g) Since December 07, 2007, neither the LLC nor any Subsidiary has (i) granted to any Person an interest in a nonqualified deferred compensation plan (as defined in Section 409A(d)(1) of the Code) which interest has been or, upon the lapse of a substantial risk of forfeiture with respect to such interest, will be subject to the Tax imposed by Section 409A(a)(1)(B) or (b)(4)(A) of the Code, or (ii) modified the terms of any nonqualified deferred compensation plan in a manner that could cause an interest previously granted under such plan to become subject to the Tax imposed by Section 409(a)(1)(B) or (b)(4) of the Code, in either case assuming that any amendments to any such nonqualified deferred compensation plan will be timely made in order to bring such plan into compliance with Section 409A of the Code by the end of any amendment period provided under proposed or final regulations promulgated under Section 409A of the Code.

Section 3.20 Environment, Health and Safety Each of the LLC and each Subsidiary has complied in all material respects at all times with all Environmental, Health and Safety Laws, including all permits, licenses, and other authorizations that are required for the ownership and operation of the business of the LLC and the Subsidiaries under all applicable Environmental, Health and Safety Laws. Neither the LLC nor any Subsidiary, nor, to the LLC's Knowledge, any predecessor of any of the foregoing, has treated, stored, handled or disposed of, arranged for the disposal of, transported, released or exposed any Person to any substance, including any petroleum or any hazardous substance, or owned or operated any property or facility contaminated by any substance so as to give rise to any current or future liability under any Environmental, Health and Safety Laws. Except as set forth on Schedule 3.20, no action, suit, proceeding, hearing, investigation, charge, complaint, claim, demand or written or oral notice has been filed or commenced against the LLC or any Subsidiary alleging any violation of or liability under Environmental, Health and Safety Laws. Neither the LLC nor any Subsidiary has assumed, undertaken, become subject to, or provided an indemnity with respect to, any liability of any other Person with respect to any Environmental, Health and Safety Laws. There are no underground storage tanks, asbestos-containing materials, or polychlorinated biphenyl-containing equipment or materials for which the LLC or any Subsidiary has any responsibility or liability at any Leased Real Property or at any of the LLC's or its Subsidiaries' own real property. The LLC has delivered or made available to Verax all environmental reports, audits, assessments and other material environmental documents prepared for and relating to the LLC, any of its respective predecessors or any of the past or present facilities (including the Leased Real Property) that are in its possession, custody or reasonable control.

Section 3.21 Customers Schedule 3.21 lists the twenty (20) largest customers of the LLC during the 12-month period ended December 31, 2007. To the Knowledge of Dean Goodman and George Pelletier, none of the customers listed in Schedule 3.21, except as otherwise disclosed in Schedule 3.21, have informed the LLC that it intends to materially reduce its quantity of business with the LLC. For the purposes of this Section 3.21 only, "Knowledge" shall mean after reasonable inquiry of only the general managers of the LLC's radio stations.

Section 3.22 Affiliate Transactions Except as set forth on Schedule 3.22, no officer, director, shareholder or employee of the LLC or any relative of such an officer, director, shareholder or employee is, or since January 1, 2007, has been, involved in any business arrangement or business relationship with the LLC or any of its Subsidiaries or has any interest in any property (real, personal

or mixed, tangible or intangible) used by the LLC or any Subsidiary, except solely as a shareholder, director or employee.

Section 3.23 Powers of Attorney Except as set forth on Schedule 3.23, there are no outstanding powers of attorney executed on behalf of the LLC or any Subsidiary.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF THE LLC UNITHOLDERS

As a material inducement to Verax to enter into and perform its obligations under this Agreement, each LLC Unitholder, severally and not jointly, represents and warrants to Verax and the LLC as of the date hereof as follows:

Section 4.01 LLC Units Such LLC Unitholder beneficially owns the LLC Units set forth opposite such LLC Unitholder's name on the Schedule of LLC Unitholders. Such LLC Units are free and clear of any and all Liens other than restrictions under the Securities Act and state securities Laws.

Section 4.02 Authority

(a) Such LLC Unitholder has the authority individually or under its governing documents to execute and deliver this Agreement and each Ancillary Document to be executed and delivered by or on behalf of such LLC Unitholder pursuant to this Agreement and to carry out the transactions and obligations contemplated hereby and thereby. This Agreement and each Ancillary Document executed and delivered by such LLC Unitholder pursuant to this Agreement constitute the valid and binding obligations of such LLC Unitholder, enforceable in accordance with their respective terms (except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally or by general equitable principles), and each has been duly authorized by such LLC Unitholder, as applicable.

(b) In the case of Legacy Management Group, Inc., neither the execution and delivery by such LLC Unitholder of this Agreement and the other agreements, documents and instruments contemplated hereby, nor the consummation by such LLC Unitholder of the transactions contemplated hereby and thereby, conflicts with or results in a breach of any provisions of such LLC Unitholder's organizational documents. The execution and delivery by such LLC Unitholder of this Agreement and the Ancillary Documents, and the consummation by such LLC Unitholder of the transactions contemplated hereby and thereby, will not violate, or conflict with, or result in a breach of any provision of, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) result in acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice, or result in the imposition or creation of a Lien upon or with respect to the LLC Units under (i) any Law, injunction, judgment, order, decree, ruling, charge, or other restriction of any government, government agency, or court to which such LLC Unitholder is subject or (ii) any of the terms, conditions or provisions of any note, bond, mortgage, indenture, deed of trust, lease, contract or other agreement to which such LLC Unitholder is a party, or by which such LLC Unitholder or any of its properties is bound.

Section 4.03 Noncontravention; Consents The execution, delivery and performance of this Agreement and the Ancillary Documents, and the performance of the obligations hereunder and

thereunder by such LLC Unitholder does not require any consent, approval, authorization or other action by, or filing with, or notification to, any Governmental Authority or any other Person by such LLC Unitholder, except that the consummation of the transactions proposed in this Agreement and the Transaction Documents is subject to the prior approval of the FCC in the FCC Consent.

Section 4.04 Litigation There is no Action pending or, to such LLC Unitholder's knowledge, threatened, against such LLC Unitholder, which, if adversely determined (a) would reasonably be expected to delay, hinder or prevent the consummation of the transactions contemplated by this Agreement by such LLC Unitholder.

Section 4.05 Brokers Except as set forth on Schedule 4.05, such LLC Unitholder has not incurred or become liable for any broker's commission or finder's fee relating to or in connection with the transactions contemplated by this Agreement (including with regards to Patrick Communications).

Section 4.06 New Member Representations and Warranties

(a) Investor Suitability. Such LLC Unitholder is an "accredited investor" as such term is defined in Rule 501 under the Securities Act.

(b) Investment Experience. Such LLC Unitholder has such knowledge, experience and skill in evaluating and investing in securities, based on actual participation in financial, investment and business matters, so that it is capable of evaluating the merits and risks of an investment in the LLC Class B Units and has such knowledge, experience and skill in financial and business matters that it is capable of evaluating the merits and risks of the investment in LLC and the suitability of the LLC Units as an investment and can bear the economic risk of an investment in the LLC Units. No guarantees have been made or can be made with respect to the future value, if any, of the LLC Units, or the profitability or success of LLC's business.

(c) Purchase for Own Account. Such LLC Unitholder is acquiring the LLC Units for its own account with the present intention of holding such securities for purposes of investment, and it has no intention of selling such securities in a public distribution in violation of the federal securities Laws or any applicable state securities Laws.

ARTICLE V

REPRESENTATIONS AND WARRANTIES OF VERAX

As a material inducement to the LLC and each LLC Unitholder to enter into and perform its obligations under this Agreement, Verax represents and warrants to the LLC and each LLC Unitholder as follows:

Section 5.01 Organization Verax is a duly organized limited partnership and is validly existing, and in good standing under the Laws of the State of Delaware.

Section 5.02 Authorization of Transaction Verax has the requisite power and authority to execute and deliver this Agreement and each Ancillary Document to which it is a party and to perform its obligations hereunder and thereunder. Each of this Agreement and each Ancillary Document to which it is a party has been duly authorized by all requisite action, has been duly

executed and delivered by Verax and constitutes the valid and legally binding obligation of Verax, enforceable in accordance with its terms and conditions (except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally or by general equitable principles).

Section 5.03 Noncontravention; Consents Neither the execution and the delivery of this Agreement or any of the Ancillary Documents to which Verax is a Party, nor the consummation of the transactions contemplated hereby or thereby at the Closing, will (i) violate any Law to which Verax is subject or any provision of its limited liability company agreement, or (ii) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice under the certificate of formation of Verax or the Operating Agreement or any agreement, contract, lease, license, instrument, or other arrangement to which Verax is a party or by which Verax is bound or to which any of its assets is subject. Except as set forth in Schedule 5.03, Verax is not required to give any notice to, make any filing with or obtain any authorization, consent or approval of any Governmental Authority or Person in connection with the execution and delivery of this Agreement or any Ancillary Document or the performance by Verax at the Closing of any of the transactions contemplated hereby or thereby.

Section 5.04 Litigation Verax is not party to any pending or, to Verax's knowledge, threatened litigation which would reasonably be expected to affect or prohibit the consummation of the transactions contemplated hereby or by any of the Ancillary Documents.

Section 5.05 Brokers' Fees Assuming the accuracy of the representations and warranties of LLC and the LLC Unitholders set forth in Section 3.06 and Section 4.05 and compliance by the LLC and the LLC Unitholders of their obligations under Section 6.02, and except as contemplated by the Corporate Development and Administrative Services Agreement to be entered into on the date hereof by and among LLC and Verax Capital, LLC, no Person is or will be entitled to broker's, finder's, investment banker's, financial adviser's or similar fees from LLC in connection with this Agreement or any of the transactions contemplated hereby.

Section 5.06 New Member Representations and Warranties

(a) Investor Suitability. Verax is an "accredited investor" as such term is defined in Rule 501 under the Securities Act.

(b) Investment Experience. Verax has such knowledge, experience and skill in evaluating and investing in securities, based on actual participation in financial, investment and business matters, so that Verax is capable of evaluating the merits and risks of an investment in the LLC Units and has such knowledge, experience and skill in financial and business matters that Verax is capable of evaluating the merits and risks of the investment in LLC and the suitability of the LLC Units as an investment and can bear the economic risk of an investment in the LLC Units. No guarantees have been made or can be made with respect to the future value, if any, of the LLC Units, or the profitability or success of LLC's business.

(c) Purchase for Own Account. Verax is acquiring the LLC Units for its own account with the present intention of holding such securities for purposes of investment, and it has no intention of selling such securities in a public distribution in violation of the federal securities Laws or any applicable state securities Laws.

Section 5.07 FCC Qualifications.

(a) Verax is legally, financially, and otherwise qualified under the Communications Laws to acquire and hold a controlling interest in the LLC and to control and hold an attributable interest (as defined by the FCC's broadcast rules, 47 C.F.R. § 73.3555) in the FCC Licenses, (b) no waiver of or exemption from any provision of the Communications Laws is necessary for the FCC Consent to be obtained; and (c) to the knowledge of Verax, there are no facts or circumstances that might reasonably be expected to (i) result in the FCC's refusal to grant the FCC Consent, (ii) materially delay obtaining the FCC Consent or (iii) cause the FCC to impose a material condition or conditions on its granting of the FCC Consent.

ARTICLE VI**ADDITIONAL AGREEMENTS**

Section 6.01 Press Releases From and after the Closing, no press release or other public announcement (including in any trade journal or other publication) of the transactions contemplated hereby shall be made without the prior written consent of LLC and Verax,.

Section 6.02 Transaction Expenses The LLC shall be responsible for all of the LLC Transaction Expenses and Verax Transaction Expenses, and the LLC Unitholders shall be responsible for all of the Unitholder Transaction Expenses.

Section 6.03 Access Without limiting the generality or effect of Section 9.04, after the Closing Date and until the sixth (6th) anniversary thereof, LLC shall, and shall cause its Subsidiaries to (i) use commercially reasonable efforts to maintain and (ii) make available for inspection and copying by the LLC Unitholders or any representative of the LLC Unitholders, at the sole cost and expense of such LLC Unitholders, and upon reasonable request and reasonable notice, during normal business hours of LLC or its Subsidiaries, as applicable, the books, records and other documents pertaining to the business of the LLC and in existence on the Closing Date, as they relate to such LLC Unitholder's preparation or filing of Tax Returns or any other reasonable request for such information by any LLC Unitholder. Notwithstanding anything contained herein to the contrary, (i) LLC and its Subsidiaries shall not be required to retain or preserve any such books, records or other documents and (ii) LLC and its Subsidiaries shall not be required to provide access to any such books, records or other documents, if, upon advice of counsel, such access would cause a waiver of any attorney-client or other privilege with respect to any matter. Except as required by applicable Law, each LLC Unitholder shall maintain in strict confidence any confidential or proprietary information contained in any such books, records or other documents.

Section 6.04 Further Assurances From and after the date of this Agreement, upon the request of any Party, each other Party will do, execute, acknowledge and deliver all such further acts, assurances, deeds, assignments, transfers, conveyances and other instruments and papers as may be reasonably required or appropriate to carry out the transactions contemplated hereby

Section 6.05 Control The parties acknowledge and agree that, for the purposes of the Communications Act and any other applicable Law, this Agreement, the Operating Agreement, and the Ancillary Agreements are not intended to, and shall not be construed to, transfer control of the LLC or the FCC Licenses or give Verax any right to, directly or indirectly, control, supervise or direct, or attempt to control, supervise or direct, the programming,

operations or any other matter relating to radio broadcast stations operated by the LLC and its Subsidiaries prior to the grant of the FCC Consent.

Section 6.06 Cooperation in Obtaining FCC Consent

(a) Upon the terms and subject to the conditions set forth in this Agreement and the Operating Agreement, Dean Goodman, the LLC and Verax each shall use their respective commercially reasonable efforts to take, or cause to be taken, all appropriate action, and to do, or cause to be done, and to assist and cooperate with the other party hereto in doing, all things necessary or appropriate under the Communications Laws to obtain the FCC Consent, and to cause such FCC Consent to become final, i.e., not subject to further administrative or judicial reconsideration or review.

(b) Upon the Closing, Dean Goodman, the LLC and Verax shall cause to be filed with the FCC the applications requesting the FCC Consent (the "FCC Applications"). Dean Goodman, the LLC and Verax shall prosecute the FCC Applications with all reasonable diligence to obtain the FCC Consent. The LLC shall pay the filing fees relating to FCC Applications, irrespective of whether the Closing occurs. The LLC and Verax shall use commercially reasonable efforts to oppose any petitions to deny or other objections filed with respect to the FCC Applications to the extent such petition or objection relates to such party. Each party hereto will promptly provide to the other parties a copy of any pleading, order or other document served on or delivered to it relating to the FCC Applications.

(c) Neither Dean Goodman, the LLC nor Verax shall take any action that would, or fail to take such action the failure of which to take would reasonably be expected to have the effect of materially delaying, impeding or preventing the receipt of the FCC Consent. Prior to receipt of the FCC Consent, neither Verax nor its Affiliates shall acquire or make, or agree to acquire or make, any investment in any corporation, partnership, other business organization or any division thereof that holds, or has an attributable interest in (as defined by the FCC broadcast ownership rules, 47 C. F. R. § 73.3555), any license, authorization, permit or approval issued by the FCC in any of the market areas of any of the radio broadcast stations licensed to Subsidiaries of the LLC. Each of the LLC and Verax shall use its commercially reasonable efforts to defend through litigation any claim asserted in court by any Person in order to avoid entry of, or to have vacated or terminated, any decree, order or judgment (whether temporary, preliminary or permanent) that would reverse, stay, vacate or remand the FCC Consent.

(d) Without limiting the generality of the foregoing, Verax agrees, in respect of any matter arising out of Verax's qualifications to hold a controlling interest in the LLC, to take promptly any and all steps necessary to eliminate each impediment under the Communications Law that could reasonably be expected to prevent Verax from holding an attributable interest in the LLC and a controlling interest in the FCC Licenses, so as to enable the parties to obtain the FCC Consent as promptly as practicable, including committing to or effecting, by trust, insulation, or otherwise, such restructurings or divestitures by Verax as may be required to obtain the FCC Consent without material delay.

Section 6.07 FCC Approvals In the event that any action to be taken under this Agreement would result in a change of control of any license, permit or other authorization issued by the FCC such that the prior approval or consent of the FCC is required for the consummation of such action under the Communications Laws as then in effect, the obtaining of

such approval or consent of the FCC shall be a condition for the consummation of such action and the parties hereto shall cooperate and use all commercially reasonable efforts to make any required filings with the FCC to obtain such consent of the FCC prior to the taking of such action.

Section 6.08 Maintenance of Business and Assets

(a) From the date of this Agreement until the receipt of the FCC Consent, except (i) with the prior written consent of Verax, (ii) as required by law, including the Communications Laws, (iii) as otherwise expressly contemplated by this Agreement or the Operating Agreement, the LLC shall:

(i) operate and cause its Subsidiaries to operate in the ordinary course of business and in compliance with the Communications Laws and with all other applicable laws, regulations, rules and orders;

(ii) not sell, lease or dispose of or agree to sell, lease or dispose of any of the material assets of the LLC and its Subsidiaries unless replaced with similar items of substantially equal or greater value and utility, or incur, assume, or suffer to exist, directly or indirectly, any Indebtedness on or with respect to any of its assets, of any kind, whether now owned or hereafter acquired, or any income or profits therefrom other than the Indebtedness contemplated by the agreements listed in Annex A;

(iii) other than to the extent required by law, (i) not enter into any employment, labor or union agreement or plan (or amendments of any such existing agreements or plan) that will be binding upon the LLC or its Subsidiaries on and after the Closing, with the exception of oral employment agreements terminable at will for replacement employees at substantially the same terms and conditions as the replaced employee, or (ii) increase the compensation payable to any employee of the LLC or its Subsidiaries, except for scheduled adjustments in the compensation of non-executive employees and bonuses and other compensation payable by the LLC or its Subsidiaries in connection with the consummation of the transactions contemplated by this Agreement;

(iv) use commercially reasonable efforts, subject to its other obligations under this Agreement, to maintain the employment at the LLC or its Subsidiaries;

(v) not enter into new material contracts or materially amend or waive material rights under any existing material contracts that would be binding upon the LLC or its Subsidiaries following the Closing, provided that the LLC or its Subsidiaries may enter into (a) time sales agreements with advertisers in the ordinary course of business for cash at prevailing rates and cancelable on not more than 30 days notice (b) renewals of existing contracts; and (c) replacement contracts and agreements with substantially the same terms as existing contracts and agreements that expire by their terms or are cancelled by the contracting party between the date of this Agreement and the Closing Date;

(vi) not sell, transfer or assign (or agree to sell, transfer or assign or cause to be sold, transferred, or assigned) any Units or any interest therein, and not permit to exist any Indebtedness upon any Units except as already provided for by agreements currently in effect;

(vii) not declare, set aside for payment or pay any distribution payable in cash, property or Units on, or make any other distribution in respect of any of its Units to its LLC Unitholders in their capacity as such;

(viii) not effect any recapitalization, reclassification or like change in the capitalization of the LLC or its Subsidiaries;

(ix) not amend or otherwise change the certificate of formation, articles or organization, or operating agreement of any of the Subsidiaries;

(x) not cancel or compromise any material debt, claim or waiver or release any material right of the LLC or its Subsidiaries;

(xi) not enter into any commitment for capital expenditures of the LLC or its Subsidiaries in excess amounts provided for in the current capital budgets of the LLC and its Subsidiaries;

(xii) take no action, directly or indirectly, that would result in any change of control of the LLC or any of the Subsidiaries;

(xiii) use the proceeds of the Verax Investment for any purpose other than (a) (i) to finance the amount due under the Third Amended and Restated Promissory Note dated August 7, 2007 among GoodRadio.TV, LLC and Frequency, LLC, (ii) to pay transactional fees, costs, and expenses incurred in connection with this Agreement and the other agreements executed the date hereof, and the transactions contemplated hereby and thereby and (b) thereafter, consistent with the terms and conditions here, for its lawful and permitted purposes, including, without limitation, for ongoing working capital, capital expenditures and general company purposes consistent with the annual operating and capital budgets ;

(xiv) not change the LLC's or any of its Subsidiaries' name, organizational identification number, state of organization or organizational identity;

(xv) use commercially reasonable efforts to maintain operating and capital expenditures at levels not in excess of those set forth in the current operating and capital budgets of the of the LLC and its Subsidiaries;

(xvi) not directly or indirectly amend, modify, alter, increase, or change any of the terms or conditions of (a) any agreement, instrument, document, indenture, or other writing evidencing or concerning material Indebtedness, or (b) any agreement executed the date hereof to the extent such amendment, modification, alteration, increase, or change would adversely affect Verax, the LLC or its Subsidiaries;

(xvii) not (a) cancel or terminate any of the FCC Licenses or consent to any cancellation or termination thereof, (b) except as permitted pursuant to this Agreement, sell, assign or otherwise dispose of (by operation of law or otherwise) any part of its respective interest in any rights under any FCC Licenses, (c) amend, supplement or otherwise modify any of the FCC Licenses in a manner that would be materially adverse to the LLC or its Subsidiaries, (d) waive, fail to enforce, or release any material right, interest or entitlement of any kind,

howsoever arising under or in respect of any of the FCC Licenses, or vary or agree to the variation in any respect of any of the provisions of any of the FCC Licenses in a manner that would be materially adverse to the LLC or its Subsidiaries, or (e) petition, request, or take any other legal or administrative action which seeks, or may reasonably be expected, to rescind, terminate or suspend any of the FCC Licenses or amend or modify any of the FCC Licenses in a manner that would be materially adverse to the LLC or its Subsidiaries.

(xviii) at its expense, take all commercially reasonable steps (a) to perform and comply, and cause each of its Subsidiaries to perform and comply, in all material respects with all terms and provisions of each of the FCC Licenses required to be performed or complied with by it or them; and (b) to maintain, or cause to be maintained, each of the FCC Licenses in full force and effect;

(xix) maintain current programming policies of the Subsidiaries of the LLC, including without limitation enforcement of current policies related to compliance with the Communications Laws, except for changes required (a) to respond to changes in the Communications Laws or FCC policy and (b) changes that the LLC or the Subsidiaries determine, in the good faith exercise of their discretion as licensees of the FCC, are necessary and appropriate to address the needs and interests of the communities of license they are authorized to serve;

(xx) use commercially reasonable efforts, consistent with obligations under this Agreement, to preserve its operations, organization and reputation intact, to preserve the goodwill and business of its advertisers, suppliers, and others having business relations with it, and to continue to conduct its financial operations, including its credit and collection policies, with no less effort, as in the prior conduct of its business;

(xxi) maintain advertising and promotional expenditures for the Subsidiaries of the LLC at substantially the levels prescribed in the operating budget for the LLC and its Subsidiaries as in effect on the date of this Agreement;

(xxii) maintain existing insurance policies or reasonably comparable insurance coverage and to obtain similar insurance coverage for new properties, assets or operations;

(xxiii) maintain its books and records substantially in accordance with generally accepted accounting practices;

(xxiv) not make any material change in its method of financial, book, tax, or other accounting; and

(xxv) not undertake any action that reasonably could be expected to result in material harm to Verax's economic interests in the LLC.

Section 6.09 Financial Statements The LLC shall deliver to Verax on or before March 28, 2008 a true and correct copy of the unaudited consolidated balance sheet of the LLC dated February 29, 2008 and the related statements of income for February 2008 (collectively, the "Interim Financial Statements").

Section 6.10 Patrick Communications Brokerage Fee The LLC and LLC Unitholders hereby agree and acknowledge as follows:

(a) the transactions contemplated by this Agreement and the Ancillary Documents do not constitute a merger or sale for purposes of the Patrick Brokerage Agreement, and W. Lawrence Patrick and Susan Patrick, on behalf of Patrick Communications, waive any rights to receive any of the Patrick Brokerage Agreement funds that could be payable solely by operation of the transactions described in this Agreement and the Ancillary Documents; and

(b) if and when a merger or sale as contemplated by the Patrick Brokerage Agreement occurs, neither the LLC nor Verax nor any of their Affiliates, will be obligated to pay Patrick Communications any consideration in respect of the Patrick Brokerage Agreement.

ARTICLE VII

CONDITIONS

Section 7.01 Conditions to Obligation of Verax The obligation of Verax to consummate the transactions to be performed by it in connection with the Closing is subject to satisfaction of the following conditions as of the Closing:

(a) Representations and Warranties. Each of the representations and warranties made by the LLC and the LLC Unitholders in this Agreement shall be true and correct (in all material respects if such representation and warranty is not qualified by materiality) or true and correct (if such representation and warranty is qualified by materiality), in each case, as of the Closing Date, as though made on the Closing Date (except for those representations and warranties which expressly relate to an earlier date, in which case such representations and warranties shall be true and correct as of such earlier date).

(b) Performance of Covenants. Each of the LLC and each LLC Unitholder shall have performed and complied with all of its covenants and agreements required to be performed or complied with by it under this Agreement in all material respects, to be determined without regard to any qualifications therein referencing the terms "materiality", "Material Adverse Effect", "substantial", or other terms of similar import and/or effect.

(c) Absence of Litigation. As of the Closing, there shall not be any injunction, writ, or temporary restraining order or any other order of any nature issued by a court or governmental agency of competent jurisdiction directing that the transactions provided for herein or any of them not be consummated as herein provided.

(d) Employment Agreements. The LLC shall have entered into an employment agreement with Dean Goodman in the form attached hereto. The LLC shall have entered into an employment agreement with George Pelletier in the form attached hereto.

(e) Consents. LLC shall have received a consent in form and substance reasonably satisfactory to LLC, with respect to each item listed on Schedule 3.03.

(f) Resignations. LLC shall have received the resignations, effective as of the Closing, of each officer and director of the LLC (other than Dean Goodman and George Pelletier).

(g) FIRPTA Certificate. Each of the LLC and the LLC Unitholders shall have delivered to Verax a statement, dated as of the Closing Date and sworn under penalties of perjury, and issued pursuant to Treasury Regulation §1.1445-5(b) certifying that such LLC Unitholder is not a foreign person.

(h) Deliveries. LLC and the LLC Unitholders shall have delivered or caused to be delivered each item required to be delivered by them pursuant to Section 2.04.

(i) FCC Consent. LLC and the LLC Unitholders shall have (i) uploaded into the FCC CDBS electronic filing system any and all applications necessary in order to obtain FCC Consent to the transfer of control of LLC to Verax; (ii) provided Leventhal Senter & Lerman PLLC, communications counsel for Verax; with the necessary codes, passwords, and filing fees and related information to file such applications with the FCC; and (iii) irrevocably authorized and directed in writing Verax's said communications counsel to file such applications with the requisite filing fees immediately following and on the same day as the execution of the Operating Agreement.

(j) Restructuring. The LLC shall, following receipt of all required approvals of the FCC, form a Florida holding company above those subsidiaries holding the FCC Licenses and below the operating companies, where the holding company shall hold the membership interests of those subsidiaries holding the FCC Licenses.

(k) Legend Communications Option Exercise and Closing. The LLC shall have exercised its option with respect to the Legend Communications stations as set forth in the Option Agreement between Legend Communications of Missouri, LLC, a Wyoming limited liability company, and GoodRadio.TV-Missouri, LLC, a Delaware limited liability company, dated August 7, 2007, and an asset purchase agreement shall be entered into among the parties thereto as contemplated by such Option Agreement as of the Closing.

(l) Execution of the Ancillary Documents. The Ancillary Documents shall be executed substantially in the form attached hereto in Exhibit A.

Section 7.02 Conditions to Obligation of the LLC and the LLC Unitholders. The obligation of the LLC and the LLC Unitholders to consummate the transactions to be performed by them in connection with the Closing is subject to satisfaction of the following conditions as of the Closing:

(a) Representations and Warranties. Each of the representations and warranties made by Verax in this Agreement shall be true and correct (in all material respects if such representation and warranty is not qualified by materiality) or true and correct (if such representation and warranty is qualified by materiality), in each case, as of the Closing Date, as though made on the Closing Date (except for those representations and warranties which expressly relate to an earlier date, in which case such representations and warranties shall be true and correct as of such earlier date).

(b) Performance of Covenants. Verax shall have performed and complied with all of the covenants and agreements required to be performed or complied with by it under this Agreement.

(c) Absence of Litigation. As of the Closing, there shall not be any injunction, writ, or temporary restraining order or any other order of any nature issued by a court or governmental agency of competent jurisdiction directing that the transactions provided for herein or any of them not be consummated as herein provided.

(d) Deliveries. Verax shall have delivered or caused to be delivered each item required to be delivered by them pursuant to Section 2.04.

(e) Employment Agreements. The LLC shall have entered into an employment agreement with Dean Goodman in the form attached hereto. The LLC shall have entered into an employment agreement with George Pelletier in the form attached hereto.

Section 7.03 Waiver Notwithstanding anything to the contrary contained herein, any conditions contained in this Article VII that have not been fulfilled at the Closing shall be deemed to have been waived by the Parties hereto.

ARTICLE VIII

INDEMNIFICATION

Section 8.01 Survival of Representations, Warranties, Covenants and Agreements

All of the Parties' representations, warranties and covenants (to the extent fully performed before Closing) contained in this Agreement shall survive the Closing until the earlier of (A) the date that is twenty-four (24) months after the Closing Date, and (B) the date that is thirty (30) days following delivery to the LLC of the audited financial statements for the year ended December 31, 2009 except (i) for those contained in the representations and warranties of the LLC and each LLC Unitholder set forth in any of Section 3.01 through Section 3.06 (other than Section 3.03 (Noncontravention; Consents)) (each a "LLC Fundamental Representation"), and in Article IV (other than Section 4.03 (Noncontravention; Consents) and Section 4.04 (Litigation)) (each a "LLC Unitholder Fundamental Representation" and together with the LLC Fundamental Representations, the "Fundamental Representations"), (ii) for those contained in the representations and warranties of the LLC set forth in any of Section 3.13 (Tax Matters), Section 3.19 (Employee Benefits) and Section 3.20 (Environmental, Health and Safety), and (iii) for those contained in the representations and warranties of Verax set forth in any of Section 5.01 through Section 5.05 (other than Section 5.03 (Noncontravention; Consents) and Section 5.04 (Litigation)), which in each case (i), (ii) and (iii) which shall continue in full force and effect until the thirtieth (30th) day after the expiration of the applicable statute of limitations (after giving effect to any extensions or waivers). The covenants of the Parties hereunder to be performed in whole or in part after Closing shall survive for the later of thirty (30) days after the date on which such covenants are performed in full or the applicable statute of limitations. The liabilities of each party under its respective representations, warranties and covenants will expire as of the expiration of the survival period except that such expiration will not include, extend or apply to (i) any such representation, warranty or covenant, the breach or nonperformance of which has been asserted in good faith by a party in accordance with this Article VIII prior to such expiration, or (ii) any fraudulent misrepresentation or breach of warranty or covenant.

Section 8.02 Indemnification Generally

(a) Subject to the limitations set forth in this Article VIII, Dean Goodman shall indemnify and hold harmless the LLC and Verax, and their respective Affiliates, officers, directors, managers, equity holders, partners, employees, agents and representatives, and their respective successors and assigns (the “Verax Indemnified Parties”), against and in respect of any and all claims, costs, expenses, damages, liabilities, diminution in value, losses or deficiencies (including reasonable attorney fees and other costs and expenses incident to any suit, action or proceeding) (“Damages”) arising out of, resulting from, or incurred in connection with any fraud or intentional misrepresentation by any of the LLC Unitholders in any representation or warranty made by the LLC Unitholders or any of them in this Agreement, any Ancillary Documents or in any document, Schedule, instrument or certificate delivered pursuant to this Agreement (in each case, such Damages (but not the determination of whether any such representation or warranty is inaccurate or has been breached) to be determined without regard to any qualifications therein referencing the terms “materiality” or “Material Adverse Effect” or other terms of similar import and/or effect).

(b) Subject to the limitations set forth in this Article VIII, the LLC Unitholders shall indemnify and hold harmless the Verax Indemnified Parties against and in respect of any and all Damages arising out of, resulting from, or incurred in connection with any (i) inaccuracy in any representation or breach of Sections 4.01, 4.02 or 4.03 (in each case, such Damages (but not the determination of whether any such representation or warranty is inaccurate or has been breached) to be determined without regard to any qualifications therein referencing the terms “materiality” or “Material Adverse Effect” or other terms of similar import and/or effect), and (ii) any liability under the Patrick Brokerage Agreement. For the purposes of this Section 8.02(b), the LLC Unitholders shall be severally and not jointly liable.

(c) Subject to the limitations set forth in this Article VIII, the LLC shall indemnify and hold harmless Verax Indemnified Parties (other than the LLC) against and in respect of any and all Damages arising out of, resulting from, or incurred in connection with (i) any inaccuracy in any representation or breach of any warranty made by the LLC or LLC Unitholders in this Agreement (in each case, such Damages (but not the determination of whether any such representation or warranty is inaccurate or has been breached) to be determined without regard to any qualifications therein referencing the terms “materiality” or “Material Adverse Effect” or other terms of similar import and/or effect), and/or (ii) the breach by LLC of any covenant or agreement to be performed by it hereunder.

(d) Subject to the limitations set forth in this Article VIII, Verax shall indemnify and hold harmless the LLC and each LLC Unitholder against and in respect of any and all Damages arising out of, resulting from, or incurred in connection with (i) any inaccuracy in any representation or breach of any warranty made by Verax in this Agreement (in each case, such Damages (but not the determination of whether any such representation or warranty is inaccurate or has been breached) to be determined without regard to any qualifications therein referencing the terms “materiality” or “Material Adverse Effect” or other terms of similar import and/or effect), and/or (ii) the breach by Verax of any covenant or agreement to be performed by it hereunder.

Section 8.03 Special Definitions Any Person providing indemnification pursuant to the provisions of this Article VIII is hereinafter referred to as an “Indemnifying Party” and any Person entitled to be indemnified pursuant to the provisions of this Article VIII is hereinafter referred to as an “Indemnified Party.”

Section 8.04 Limitations Notwithstanding anything herein to the contrary:

(a) the LLC Unitholders shall not be required to indemnify any Person pursuant to, and shall not have any liability under, Sections 8.02(b), until the aggregate amount of all Damages for which the LLC Unitholders would, but for this Section 8.04(a), be liable under Section 8.02 exceeds on a cumulative basis an amount equal to \$50,000 (the “Threshold”); provided that, once such Damages exceed the Threshold, the LLC Unitholders shall become liable for all such Damages (from and including the first dollar thereof); provided, further, that the Threshold set forth in this Section 8.02(a) shall not apply to any Damages to the extent related to any claim to the extent based on fraud or intentional misrepresentation;

(b) the LLC shall not be required to indemnify any Person pursuant to, and shall not have any liability under, Sections 8.02(c), until the aggregate amount of all Damages for which the LLC Unitholders would, but for this Section 8.04(b), be liable under Section 8.02 exceeds the Threshold; provided that, once such Damages exceed the Threshold, the LLC shall become liable for all such Damages (from and including the first dollar thereof); provided, further, that the Threshold shall not apply to any Damages to the extent related to any inaccuracy or breach by the LLC of any Fundamental Representation or of Section 3.13 (Tax Matters), Section 3.19 (Employee Benefits), Section 3.20 (Environmental, Health and Safety) or any claim to the extent based on fraud or intentional misrepresentation;

(c) the LLC Unitholders shall not be required to indemnify any Person pursuant to, and shall not have any further liability under, Section 8.02(b) once the aggregate amount of all payments made by the LLC Unitholders in respect of the indemnification obligations under Sections 8.02(b) equals \$4.0 million (the “Cap”); provided that this Section 8.04(c) shall not apply to any amounts payable in respect of Damages related to any claim based on fraud or intentional misrepresentation, and, provided further, that no such amounts shall be counted towards the Cap.

(d) the LLC shall not be required to indemnify any Person pursuant to, and shall not have any further liability under, Section 8.02(c) once the aggregate amount of all payments made by the LLC in respect of the indemnification obligations under Section 8.02(c) equals the Cap; provided that this Section 8.04(d) shall not apply to any amounts payable in respect of Damages related to any inaccuracy or breach of any Fundamental Representation or of Section 3.13 (Tax Matters), Section 3.19 (Employee Benefits), Section 3.20 (Environmental, Health and Safety) or any claim based on fraud or intentional misrepresentation, and, provided further, that no such amounts shall be counted towards the Cap.

(e) for purposes of determining liability of any LLC Unitholder under this Article VIII for any Damages, appropriate reductions shall be made to reflect the net recovery pursuant to any insurance policy actually received by any Indemnified Party in respect of such Damages (adjusted to reflect any costs associated with such recovery, including deductibles, retrospective premium adjustments, experience-based premium adjustments and indemnification obligations). If an indemnification payment is received by any Indemnified Party, and such Indemnified Party later recognizes insurance recoveries or costs, as described in the immediately preceding sentence in respect of the related Damages or indemnification payments that were not previously accounted for with respect to such Damages or indemnification payments when made, such Indemnified Party shall promptly notify LLC and the LLC Unitholders; promptly, but in any event no later than 5 Business Days after delivery of such notice by the Indemnified Party, the LLC Unitholders or the applicable LLC Unitholder, as the case may be, shall pay to the Indemnified Party an amount equal to any such insurance costs or, as the case may be, the Indemnified Party shall pay to the LLC Unitholders or the applicable LLC Unitholder, as the case may be, an amount equal to the lesser of (A) any such

insurance recoveries and (B) the actual amount of the indemnification payments previously paid by such LLC Unitholders or LLC Unitholder, as the case may be, with respect to such Damages. Any amounts payable pursuant to this Section 8.04 shall be paid in the manner set forth in Section 8.06; and

(f) LLC agrees not to withhold in respect of or set off against any payments owing to any LLC Unitholder in respect of such LLC Unitholder's LLC Class B Units or otherwise under the Operating Agreement or any other Ancillary Document all or any portion of a claim for indemnification under this Agreement unless and until such claim has been finally determined to be subject to indemnification in accordance with the terms of this Agreement, after giving effect to the procedures set forth in Section 8.05 or Section 8.06, as applicable.

Section 8.05 Procedures for Third Party Claims In the case of any claim for indemnification arising from a claim of a third party other than as contemplated by Article IX (a "Third Party Claim"), an Indemnified Party shall give prompt written notice to the Indemnifying Party of any claim or demand for which such Indemnified Party has knowledge and as to which it may request indemnification hereunder (provided that no delay on the part of the Indemnified Party in notifying any Indemnifying Party shall relieve the Indemnifying Party from any obligation hereunder unless, and then solely to the extent, the Indemnifying Party is actually prejudiced thereby). Such notice shall identify with reasonable specificity the basis under which indemnification or reimbursement is sought pursuant to this Article VIII. The Indemnifying Party shall have 30 days (but only 15 days with respect to notices involving Tax issues) after receipt of such notice to assume the conduct and control, through counsel reasonably acceptable to the Indemnified Party at the expense of the Indemnifying Party, of the settlement or defense thereof, and the Indemnified Party shall cooperate with it in connection therewith; provided that the Indemnifying Party shall permit the Indemnified Party to participate in such settlement or defense through counsel chosen by such Indemnified Party, provided that the fees and expenses of such counsel shall be borne by such Indemnified Party; provided, further that the Indemnifying Party shall not be entitled to assume any defense (and shall pay the fees and expenses of counsel retained by the Indemnifying Party) unless (i) the Indemnifying Party notified the Indemnified Party in writing within 30 days (but only 15 days with respect to notices involving Tax issues) after the Indemnified Party has given notice of the Third Party Claim that the Indemnifying Party will indemnify the Indemnified Party from and against the entirety of any Damages (without any limitations) the Indemnified Party may suffer resulting from, arising out of, relating to, in the nature of, or caused by the Third Party Claim, (ii) the Indemnifying Party provides the Indemnified Party with evidence reasonably acceptable to the Indemnified Party that the Indemnifying Party will have the financial resources to defend against the Third Party Claim and fulfill its obligations hereunder, and (iii) the Third Party Claim involves only money damages and does not seek an injunction or other equitable relief. In addition, the Indemnifying Party shall not be entitled to assume any defense to the extent such Third Party Claim involves any criminal proceeding, action, indictment, allegation or investigation, or counsel to the Indemnified Party shall have reasonably concluded that there is a conflict of interest between the Indemnified Party and the Indemnifying Party in the conduct of the defense of such Third Party Claim. No compromise or settlement of any Third Party Claim may be effected by the Indemnifying Party without the Indemnified Party's consent, which shall not be unreasonably withheld, conditioned or delayed, unless (i) there is no finding or admission of any violation of Law and no effect on any other claims that may be made against such Indemnified Party or its Affiliates and (ii) each Indemnified Party that is party to such Third Party Claim is fully and unconditionally released from liability with respect to such claim. The Indemnifying Party shall have no indemnification

obligations with respect to any Third Party Claim which shall be settled by the Indemnified Party without the prior written consent of the Indemnifying Party, which consent shall not be unreasonably withheld, conditioned or delayed.

Section 8.06 Procedures for Inter-Party Claims In the event that an Indemnified Party determines that it has a claim for Damages against an Indemnifying Party hereunder (other than as a result of a Third Party Claim), the Indemnified Party shall give prompt written notice thereof to the Indemnifying Party, specifying the amount of such claim and any relevant facts and circumstances in reasonable detail relating thereto (provided that no delay on the part of the Indemnified Party in notifying any Indemnifying Party shall relieve the Indemnifying Party from any obligation hereunder unless, and then solely to the extent, the Indemnifying Party is actually prejudiced thereby). The Indemnified Party shall provide the Indemnifying Party with reasonable access to its and its Affiliates' (including in the case of LLC, the LLC's) books and records for the purpose of allowing the Indemnifying Party a reasonable opportunity to verify any such claim for Damages, it being understood that the foregoing shall not require any such access that would constitute a waiver of privilege. The Indemnifying Party shall notify the Indemnified Party within 20 days following its receipt of such notice if the Indemnifying Party disputes its liability to the Indemnified Party under this Article VIII. If the Indemnifying Party does not so notify the Indemnified Party, the claim specified by the Indemnified Party in such notice shall be conclusively deemed to be a liability of the Indemnifying Party under this Article VIII, and the Indemnifying Party shall pay the amount of such liability to the Indemnified Party on demand or, in the case of any notice in which the amount of the claim (or any portion of the claim) is estimated, on such later date when the amount of such claim (or such portion of such claim) becomes finally determined. If the Indemnifying Party has timely disputed its liability with respect to such claim as provided above, the Indemnifying Party and the Indemnified Party shall negotiate in good faith to resolve such dispute. Promptly, but in any event within five Business Days following the final determination of the amount of any Damages claimed by the Indemnified Party (whether determined in accordance with this Section 8.06, or by arbitration as provided for in Section 10.11(a)), the Indemnifying Party shall pay such Damages to the Indemnified Party by wire transfer or certified check made payable to the order of the Indemnified Party.

Section 8.07 Treatment of Indemnity Payments Following the Closing, to the extent consistent with applicable Law, any payment made pursuant to this Article VIII shall be treated by the Parties, for federal income Tax and other applicable Tax purposes, as an adjustment to the cash proceeds received by the LLC or paid by Verax for the Unit Purchase in the transactions contemplated by this Agreement.

Section 8.08 Exclusive Remedy Notwithstanding anything contained in this Agreement to the contrary, except as provided in Section 10.10, and absent fraud or intentional misrepresentation, the provisions of this Article VIII and Article IX shall be the sole and exclusive remedies (subject to all of the limitations contained herein) for the parties hereto for any claim arising under or out of this Agreement.

ARTICLE IX

TAX MATTERS

The following provisions shall govern the allocation of responsibility as between LLC and the LLC Unitholders for certain tax matters following the Closing Date:

Section 9.01 Tax Indemnification Each LLC Unitholder shall jointly and severally indemnify each of Verax, the LLC, and their respective Affiliates, officers, directors, managers, equity holders, partners, employees, agents and representatives, and any of their successors or assigns, and hold them harmless from and against Damages attributable to (i) all Taxes (or the non-payment thereof) of the LLC for all taxable periods ending on or before the Closing Date and the portion through the Closing for any taxable period that includes (but does not end on) the Closing Date (“Pre-Closing Tax Period”), (ii) all Taxes of any member of an affiliated, consolidated, combined or unitary group of which the LLC (or any predecessor) is or was a member on or prior to the Closing Date, including pursuant to Treasury Regulation §1.1502-6 or any analogous or similar state, local, or foreign law or regulation, and (iii) any and all Taxes of any Person (other than the LLC) imposed on the LLC as a transferee or successor, by contract or pursuant to any law, rule, or regulation (other than pursuant to a customary commercial contract not primarily related to Taxes), which Taxes relate to an event or transaction occurring before the Closing.

Section 9.02 Straddle Period For purposes of this Agreement, in the case of any taxable period that includes (but does not end on) the Closing Date (a “Straddle Period”), the amount of any Taxes based on or measured by income or receipts of the LLC for the Pre-Closing Tax Period shall be determined based on an interim closing of the books as of the close of business on the Closing Date (and for such purpose, the taxable period of any partnership or other pass-through entity in which the LLC holds a beneficial interest shall be deemed to terminate at such time) and the amount of other Taxes of the LLC for a Straddle Period that relates to the Pre-Closing Tax Period shall be deemed to be the amount of such Tax for the entire taxable period multiplied by a fraction the numerator of which is the number of days in the taxable period ending on the Closing Date and the denominator of which is the number of days in such Straddle Period.

Section 9.03 Tax Periods / Returns

(a) The LLC Unitholders shall prepare or cause to be prepared and file or cause to be filed all Tax Returns for the LLC for all periods (or portions thereof) ending on or prior to the Closing Date that are filed after the Closing Date with all such Tax Returns to be consistent with past practice. Such LLC Unitholders shall permit LLC to review and comment on each such Tax Return described in the preceding sentence prior to filing and shall reasonably consider any changes thereto reasonably requested. To the extent permitted by applicable Law, the LLC Unitholders shall include any income, gain, loss, deduction or other tax items for such periods on their Tax Returns in a manner consistent with the Schedule K-1s furnished by the LLC to the LLC Unitholders for such periods.

(b) LLC shall prepare or cause to be prepared and file or cause to be filed all Tax Returns for the LLC for all Straddle Periods. LLC shall, prior to filing any Tax Returns described in the immediately preceding sentence, permit the LLC Unitholders to review and comment on each such Tax Return, and LLC shall reasonably consider any changes thereto reasonably requested by the LLC Unitholders.

(c) Unless otherwise required by applicable law, the Parties agree, and as of the Closing Date expect, to report the transactions effected by the transactions contemplated by this Agreement in any relevant tax returns or similar filings as (i) the contribution by Verax to the LLC of \$200,000 in cash in exchange for 200,000 Class A Units in a transaction described in Code Section 721, and (ii) the purchase of the Promissory Note for \$9.0 million in cash.

Section 9.04 Cooperation on Tax Matters Verax, the LLC, and the LLC Unitholders shall cooperate fully, as and to the extent reasonably requested by the other party, in connection with the filing of Tax Returns and any audit, litigation or other proceeding with respect to Taxes. Such cooperation shall include the retention and (upon the other party's request) the provision of records and information reasonably relevant to any such audit, litigation, or other proceeding and making employees available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder. Verax, the LLC Unitholders, and LLC agree (A) to retain all books and records with respect to Tax matters pertinent to the LLC relating to any taxable period beginning before the Closing Date until expiration of the statute of limitations (and, to the extent notified in writing by the LLC or such LLC Unitholders, any extensions thereof) of the respective taxable periods, and to abide by all record retention agreements entered into with any Taxing Authority, and (B) to give the other party reasonable written notice prior to transferring, destroying or discarding any such books and records and, if the other party so requests, the LLC or the LLC Unitholders, as the case may be, shall allow the other party to take possession of such books and records.

Section 9.05 Tax-Sharing Agreements All tax-sharing agreements or similar agreements with respect to or involving the LLC shall be terminated as of the Closing Date and any receivables or payables under any such agreements shall be settled and, after the Closing Date, the LLC shall not be bound thereby or have any liability thereunder.

Section 9.06 Certain Taxes All transfer, documentary, sales, use, stamp, registration and other such Taxes and fees (including any penalties and interest) incurred in connection with this Agreement shall be borne equally by the LLC Unitholders, on the one hand, and the LLC, on the other hand, when due, and the LLC Unitholders shall, at their own expense, file all necessary Tax Returns and other documentation with respect to all such transfer, documentary, sales, use, stamp, registration and other Taxes and fees, and, if required by applicable Law, LLC shall, and shall cause its Affiliates to, join in the execution of any such Tax Returns and other documentation.

ARTICLE X

GENERAL PROVISIONS

Section 10.01 No Third Party Beneficiaries Except as set forth in Section 8.02 and Section 9.01, this Agreement shall not confer any rights or remedies upon any Person other than the Parties and their respective successors and permitted assigns.

Section 10.02 Entire Agreement This Agreement and the documents referred to herein constitute the entire agreement among the Parties and supersede any prior understandings, agreements or representations by or among the Parties, written or oral, that may have related in any way to the subject matter hereof.

Section 10.03 Successors and Assigns This Agreement shall be binding upon and inure to the benefit of the Parties named herein and their respective heirs, successors and permitted assigns. No Party may assign either this Agreement or any of its rights, interests, or obligations hereunder without the prior written approval of the other Parties; provided that Verax may (i) assign

any or all of its respective rights and interests hereunder to one or more of its Affiliates or to any lender and (ii) designate one or more of its Affiliates to perform its obligations hereunder; provided, however, in either case (i) or (ii), Verax shall remain responsible for the performance of its respective obligations hereunder.

Section 10.04 Counterparts This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. This Agreement and any amendments hereto, to the extent signed and delivered by means of digital imaging and electronic mail or a facsimile machine, shall be treated in all manner and respects as an original contract and shall be considered to have the same binding legal effects as if it were the original signed version thereof delivered in person.

Section 10.05 Headings The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

Section 10.06 Notices All notices, requests and other communications hereunder must be in writing and will be deemed to have been duly given only if delivered personally against written receipt or by facsimile transmission against facsimile confirmation or mailed by prepaid first class certified mail, return receipt requested, or mailed by overnight courier prepaid with signature required for accepting delivery, to the parties at the following addresses or facsimile numbers:

If to the LLC:

GoodRadio.TV, LLC
525 South Flagler Drive
Suite 21A
West Palm Beach, FL 33401
Attn: Dean Goodman, Chief Executive Officer
Facsimile: (561) 832-7341

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

Dow Lohnes PLLC
1200 New Hampshire Ave., N.W.
Washington, D.C. 20036
Attn: Michael D. Basile, Esq.
Facsimile: 202-776-2222

If to the LLC Unitholders:

GoodRadio.TV, LLC
525 South Flagler Drive
Suite 21A
West Palm Beach, FL 33401
Attn: Dean Goodman, Chief Executive Officer
Facsimile: (561) 832-7341

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

Dow Lohnes PLLC
1200 New Hampshire Ave., N.W.
Washington, D.C. 20036
Attn: Michael D. Basile, Esq.
Facsimile: 202-776-2222

If to Verax:

Verax Capital Partners, L.P.
90 East Halsey Road
Suite 111
Parsippany, NJ 07504
Attn: Eric S. Koza
Facsimile: (973) 599-9450

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

Ropes & Gray LLP
1211 Avenue of the Americas
New York, NY 10036-8704
Fax: (646) 728-1530
Attention: Sanford B. Kaynor, Jr.

All such notices, requests and other communications will (a) if delivered personally to the address as provided in this Section 10.06 or by facsimile transmission to the facsimile number as provided for in this Section 10.06, be deemed given upon receipt, or, if received after 5:00 p.m. local time or on a day other than a Business Day, then on the next proceeding Business Day, (b) if delivered by mail in the manner described above to the address as provided in this Section 10.06, be deemed given upon receipt, and (c) if delivered by overnight courier to the address as provided for in this Section 10.06, be deemed given upon receipt, in each case regardless of whether such notice, request or other communication is received by any other Person to whom a copy of such notice is to be delivered pursuant to this Section 10.06. Any party from time to time may change its address, facsimile number or other information for the purpose of notices to that party by giving notice specifying such change to each of the other parties hereto.

Section 10.07 Amendments and Waivers No amendment of any provision of this Agreement shall be valid unless the same shall be in writing and signed by each of the Parties. No waiver by any Party of any default, misrepresentation, or breach of warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty, covenant or agreement hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

Section 10.08 Incorporation of Exhibits and Schedules The exhibits and schedules identified in this Agreement are incorporated herein by reference and made a part hereof.

Section 10.09 Construction and Interpretation

(a) Construction. Where a specific example is used to clarify a general statement contained herein, such specific language shall not be deemed to modify, limit or restrict in any manner the construction of the general statement to which it relates. The language used in this Agreement shall be deemed to be the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party. If any Party has breached any representation, warranty, covenant or agreement contained in this Agreement in any respect, the fact that there exists another representation, warranty, covenant or agreement relating to the same subject matter (regardless of the relative levels of specificity) which such Party has not breached shall not detract from or mitigate the fact that such Party is in breach of the first representation, warranty, covenant or agreement.

(b) Interpretation. Unless otherwise indicated to the contrary herein by the context or use thereof: (i) the words, “herein,” “hereto,” “hereof” and words of similar import refer to this Agreement as a whole and not to any particular Section or paragraph hereof; (ii) the words “Section,” “Schedule,” “Exhibit” and “preface” mean Section, Schedule, Exhibit and preface of this Agreement; (iii) the word “including” means “including, but not limited to”; (iv) masculine gender shall also include the feminine and neutral genders, and vice versa; and (v) words importing the singular shall also include the plural, and vice versa; and financial and accounting terms have the meanings ascribed to them under GAAP.

Section 10.10 Arbitration; Remedies and Governing Law

(a) Any controversy or claim arising out of or relating to this Agreement (including claims for injunctive relief) shall be settled exclusively by final and binding arbitration in Cook County, Illinois, accordance with the JAMS Comprehensive Arbitration Rules & Procedures in effect on the date of the execution of this Agreement (the “Rules”); provided, however, that if the amount of the Damages relating to the disputed indemnification claim is at issue in pending litigation with a third party, arbitration shall not be commenced until such amount is determined by a judgment or settlement agreement or if all parties agree to arbitration. Arbitration will be conducted by one arbitrator mutually selected by the parties to the dispute; provided, however, that if the parties to the dispute fail to mutually select an arbitrator within 10 Business Days after such dispute is submitted to arbitration, then either party to the dispute may request that JAMS select the arbitrator in accordance with the Rules. The parties agree to use commercially reasonable efforts to cause the arbitration hearing to be conducted within 60 days after the appointment of the arbitrator, and to use commercially reasonable efforts to cause the decision of the arbitrator to be furnished within 15 Business Days after the conclusion of the arbitration hearing. The arbitrator’s authority shall be confined to determining: (i) whether a party to the dispute is entitled to injunctive relief, and the scope of such injunctive relief to which such party is entitled; (ii) or whether a party to the dispute is entitled to recover the contested Damages (or a portion thereof), and the portion of the contested Damages such party is entitled to recover; and (iii) whether such party is the prevailing party. The final decision of the arbitrator shall include the dollar amount of the award to such party, if any, and the findings of fact and conclusions of law on which it is based shall be furnished to the parties to the dispute in writing and shall constitute a conclusive determination of the issues in question, binding upon such parties. Judgment upon the arbitration award may be entered in any court having jurisdiction thereof. In any action arising out of or relating to this Agreement, the prevailing party with respect to any particular claim as determined in arbitration as contemplated by this Section 10.10, will be entitled to its reasonable attorney’s fees and costs incurred with respect to such claim from the non-prevailing party.

(b) Without limiting the generality of the foregoing, the LLC and the LLC Unitholders hereby agree that in the event the LLC or such LLC Unitholders fail to consummate the transactions contemplated hereby in accordance with the provisions of this Agreement, Verax's remedy at Law may be inadequate. In such event, Verax shall have the right, in addition to all other rights and remedies they may have, to specific performance of the obligations of LLC and the LLC Unitholders to consummate the transactions contemplated hereby.

(c) This Agreement shall be governed by and construed in accordance with the domestic Laws of the State of New York without giving effect to any choice or conflict of Law provision or rule (whether of the State of New York or any other jurisdiction) that would cause the application of the Laws of any jurisdiction other than the State of New York.

Section 10.11 NO ADDITIONAL REPRESENTATIONS; DISCLAIMERS

EACH PARTY AGREES AND ACKNOWLEDGES THAT (A) EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN ARTICLE III, LLC MAKES NO REPRESENTATIONS OR WARRANTIES, AND EXPRESSLY DISCLAIMS ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE, EXPRESS OR IMPLIED, AS TO THE CONDITION, VALUE OR QUALITY OF THE BUSINESS OR THE ASSETS OF LLC, AND VERAX SHALL RELY ON ITS OWN EXAMINATION AND INVESTIGATION THEREOF AND THE REPRESENTATIONS AND WARRANTIES SET FORTH IN ARTICLE III AND ARTICLE IV; (B) EXCEPT AS EXPRESSLY SET FORTH IN ARTICLE IV, THE LLC UNITHOLDERS MAKE NO REPRESENTATIONS OR WARRANTIES, AND EXPRESSLY DISCLAIM ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE, EXPRESS OR IMPLIED, AS TO THE CONDITION, VALUE OR QUALITY OF THE BUSINESS OR THE ASSETS OF LLC, AND VERAX SHALL RELY ON ITS OWN EXAMINATION AND INVESTIGATION THEREOF AND THE REPRESENTATIONS AND WARRANTIES SET FORTH IN ARTICLE III AND ARTICLE IV; AND (C) EXCEPT AS EXPRESSLY SET FORTH IN ARTICLE V, VERAX MAKES NO REPRESENTATIONS OR WARRANTIES, AND EXPRESSLY DISCLAIMS ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE, EXPRESS OR IMPLIED, AS TO THE CONDITION, VALUE OR QUALITY OF THE BUSINESS OR THE ASSETS OF VERAX, AND EACH LLC UNITHOLDER SHALL RELY ON HIS, HER OR ITS OWN EXAMINATION AND INVESTIGATION THEREOF AND THE REPRESENTATIONS AND WARRANTIES SET FORTH IN ARTICLE V.

Section 10.12 Disclosure Schedules The information set forth in each section or subsection of the Disclosure Schedules shall be deemed to provide the information contemplated by, or otherwise qualify, the representations and warranties of the LLC and the LLC Unitholders set forth in the corresponding section or subsection of this Agreement and any other section or subsection of Article III or Article IV, as applicable, but only to the extent that it is reasonably apparent on the face of such disclosure that it applies to such other section or subsection of Article III or Article IV.

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

GOODRADIO.TV, LLC

By: _____
Dean Goodman
Its: Manager

LLC UNITHOLDERS

Dean Goodman

Christine Goodman

W. Lawrence Patrick

Susan K. Patrick

**LEGACY MANAGEMENT GROUP,
INC.**

By: _____
Name: Carl E. Hirsch
Title:

GOODRADIO.TV HOLDINGS, LLC

By: _____

Dean Goodman

Its: Manager

VERAX CAPITAL PARTNERS, L.P.

By: its General Partner, Verax Capital GP, LLC

By: _____
Name: Eric S. Koza
Title: Board Member

VERAX RADIO PARTNERS, L.P.

By: its General Partner, Verax Capital GP, LLC

By: _____
Name: Eric S. Koza
Title: Board Member