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**ASSET PURCHASE AGREEMENT**

By and between

**GFR, INC**

and

**STAGE DOOR DEVELOPMENT, INC.**

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**October \_\_\_\_, 2003**

## **ASSET PURCHASE AGREEMENT**

This Asset Purchase Agreement (the ☐Agreement☐) is made and entered into this \_\_\_ day of October, 2003, by and between **GFR, INC.** a Florida corporation (the ☐Seller☐) and **STAGE DOOR DEVELOPMENT, INC.**, an Alabama corporation (the ☐Buyer☐). Seller and Buyer are referred to singularly as the ☐Party☐ and collectively as the ☐Parties☐.

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

**WHEREAS**, Seller is the licensee of FM radio broadcast Station WTOT, operating on 101.7 MHZ, licensed to Graceville, Florida (☐Station☐) and is the owner of certain real and personal property used or useful in connection with the ownership and operation of the Station;

**WHEREAS**, Buyer desires to purchase the tangible and intangible assets as set forth herein and to be assigned the permits, licenses and any other authorizations issued by the Federal Communications Commission (the ☐FCC☐ or any other governmental agency for the operation of the Station (the ☐Governmental Authorizations☐), on the terms and conditions contained herein;

**WHEREAS**, the licenses and any other authorizations issued by the FCC for the operation of the Station may not be assigned by Seller to Buyer without the prior written consent of the FCC; and

**WHEREAS**, Seller and Buyer have reached agreement with respect to this sale and purchase.

### **A G R E E M E N T**

**NOW, THEREFORE**, in consideration of the respective representations, warranties, agreements, mutual promises and covenants herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

#### **ARTICLE I** **PURCHASED ASSETS**

1. Assets To Be Conveyed. On the Closing Date, as defined in Section 14 herein, Seller will sell, assign, transfer, convey and deliver to Buyer, and Buyer will accept, purchase and acquire from Seller, all of the assets, property rights, licenses and authorizations owned or leased by Seller and used or held for use in the operation of the Station (other than Excluded Assets, as defined in Section 1.9), all free and clear of any and all pledges, liens, or other encumbrances (hereinafter

collectively referred to as the "Purchased Assets"):

1.1. Licenses. All permits, licenses and other Governmental Authorizations issued by the FCC or any regulatory agency for the ownership and operation of the Station and any related auxiliary facilities, including, but not limited to, those listed and described on Schedule 1.1., and the right to use the Station's call letters (the "Station Licenses"), and all applications for modification, extension or renewal thereof, and any pending applications for any new licenses, permits, permissions or authorizations pending on the Closing Date, including, but not limited to, those listed on Schedule 1.1 (the "Station Applications");

1.2. [Section reserved]

1.3. Personal Property. All the tangible personal property and equipment owned or leased by Seller and presently used or useful in the operation of the Station, including, but not limited to, the transmitters, studio equipment, mobile transmitting equipment, furniture, fixtures, supplies and other property listed and described on Schedule 1.3, together with all replacements, of comparable value, and improvements or additions thereto made between the date hereof and the Closing Date;

1.4. Records. All records, including, but not limited to, all books of accounts, customer lists, supplier lists, catalogues, literature, advertising materials, promotional materials, employee personnel files, local public records, file materials, engineering data, engineering records, inventory records, product warranties, logs, programming records, photographic records, consultants' reports, rating reports, budgets, financial reports and projections, and sales, operating and business plans and records, relating to or used in the operation of the Station and not pertaining solely to Seller's corporate affairs (the "Station Records"). Nevertheless, Seller shall have reasonable access upon at least five (5) days written notice to Buyer, of all Station Records up to the date of closing for a three year period after closing.

1.5. Contracts, Leases and Agreements To Be Assigned. The Buyer agrees to assume only those contracts, leases and agreements listed in Schedule 1.5, as well as those contracts and agreements for the sale of broadcast time on the Station for cash which were entered into in the ordinary course of business and which are in effect on the Closing Date, all of which are cancelable on thirty (30) days notice or less;

1.6. Call Signs, Promotional Materials, Intangible Assets and Goodwill. All of Seller's rights in the Station's call letters, copyrights, trademarks, domain names, slogans, jingles, logos, service marks, computer software (if any), magnetic media, data processing files, systems and programs, business lists, sales and operating plans, telephone numbers, post office boxes, E-mail addresses, internet addresses, all goodwill of the Station and other intangible property rights used or held for use in the operation of the Station, but excluding the name GFR, INC.;

1.7. Deposits and Prepaid Expenses. All of Seller's right, title and interest in and to all deposits and expenses prepaid by Seller, including, without limitation, those described in Schedule 1.7 to the extent that Seller shall be given credit for such prepaid deposits and expenses; and

1.8. Accounts Receivable. All accounts receivable for the station listed on Schedule 1.8. Seller shall provide Buyer with an initial list of the Accounts Receivable 30 days after the parties execute this Agreement and provide Buyer with an updated list on the first day of each monthly thereafter until the Closing Date. Seller shall provide Buyer with a final list of the Accounts Receivable ten (10) business days before the Closing Date. If Buyer disagrees with Seller's list of Accounts Receivable no later than 30 days after Closing, the Parties shall confer with each other with regard to the matter and an appropriate adjustment and payment shall be made as agreed upon by the Parties (or if they are unable to resolve the matter, they shall select a firm of independent certified public accountants to resolve the matter, whose decision on the matter shall be binding and whose fees and expenses shall be borne equally by the Parties).

1.9. Excluded Assets. This Agreement specifically excludes from the Purchased Assets, as defined in Section 1, above:

(a) all cash (including cash deposits) or cash equivalents of Seller, however, if, as of the Closing Date, Seller holds deposits from advertisers for commercials to be broadcast on the Station after the Closing Date, Seller will convey all such deposits to Buyer, who in turn shall be responsible for such broadcasts;

(b) Seller's minute books and other books and records not related to the Station or pertaining to corporate organization; any claims, rights and interest in and to any refunds of federal, state or local taxes or fees of any nature whatsoever which relate to times prior to the Closing Date; all insurance contracts except those listed and described on Schedule 1.9(c); all rights of Seller to receive a payment which existed on or prior to the Closing Date and which relate to times prior to the Closing Date except for the Accounts Receivables; all deposits paid by Seller which relate to times prior to the Closing Date, and all choses in action of Seller;

## **ARTICLE II** **PURCHASE PRICE**

### **2. Purchase Price And Method Of Payment.**

2.1 Purchase Price. The total purchase price for the Purchased Assets shall be Five Hundred Thousand Dollars (\$500,000.00), which shall be paid in cash at the Closing.

2.2. Assumption of Liabilities. Except as specifically provided for herein, Buyer shall not assume any liability or obligation of Seller. If any Contract requires the consent of third parties for assignment, but such consent has not been obtained as of the Closing Date, then Buyer shall not be obligated to assume such Contract and may in its sole discretion elect to assume Seller's obligations under such Contract only for the period after Closing during which Buyer receives the benefits to which Seller is currently entitled under such Contract.

### **ARTICLE III**

#### **ESCROW DEPOSIT**

3. Escrow Deposit. Upon execution of this Agreement, Seller shall deposit into an Escrow a letter of credit in the sum of Twenty-five Thousand Dollars (\$25,000.00) with the Escrow Agent. In the event that the Buyer wrongfully fails to close and Seller has fully complied with the terms of the Purchase Agreement, then only in that event Buyer shall forfeit the Escrow Deposit to Seller as liquidated damages and as the exclusive remedy of Seller against Buyer.

### **ARTICLE IV**

#### **ASSIGNMENT APPLICATION**

4. FCC Applications For Consent To Assignment. Within ten (10) days of execution of this Agreement, Seller and Buyer shall join in an application to be filed with the FCC requesting consent to the assignment of the FCC licenses and other authorizations for the Station from the Seller to the Buyer, and each Party will diligently take all steps necessary or appropriate to prosecute such application. Seller shall publish and/or broadcast the notices concerning the filing of said application as required by the FCC's Rules. The expense of publishing such notices shall be borne by the Seller.

### **ARTICLE V**

#### **SELLER'S REPRESENTATIONS AND WARRANTIES**

5. Seller's Representations And Warranties. Seller represents and warrants that:

5.1. Corporate Existence and Power. Seller is a corporation, duly organized, validly existing, and in good standing under the laws of the State of Florida and it has full power to carry on its business as now being conducted and proposed to be conducted under its Articles of Incorporation and all applicable laws to enter into and to perform this Agreement (and the other agreements and instruments referred to in this Agreement).

5.2. Authorization. Execution and delivery of this Agreement (and all other agreements and instruments referred to in this Agreement) have been duly authorized by Seller's Board of Directors and shareholders and the Agreement has been duly executed and delivered to Buyer. The Agreement and the agreements and instruments called for hereunder have been duly executed by Seller and delivered to Buyer and constitutes a legal and binding obligation of Seller enforceable in accordance with their respective terms. The execution, delivery and performance by Seller of this Agreement and the agreements and instruments called for hereunder will not require the consent, approval or authorization of any person, entity or governmental authority other than the FCC.

5.3. Licenses and Authorizations. Schedule 1.1. contains a complete list of all permits, licenses and authorizations issued by the FCC or any other governmental agency which Seller holds with respect to the operation of the Station. Said permits, licenses and authorizations include all those necessary to operate the Station as they are currently operated. The Station are being operated, in all material respects, in accordance with the terms and conditions of the FCC licenses and authorizations and the FCC's rules. Seller knows of no facts which, under the Communications Act of 1934, as amended, or the FCC's Rules, would disqualify Seller from assigning the Station Licenses and other authorizations to Buyer. Seller is a FCC licensee in good standing and to Seller's Knowledge there are no proceedings or material complaints pending at the FCC as of the date hereof relating to the business or operation of the Station. For purposes of this Agreement, the term "Seller's Knowledge" shall mean the actual knowledge of Seller or information that Seller should have known in the ordinary and due course of its business or as part of Seller's due diligence necessary to comply with federal, state and local laws and shall include Seller's employees, officers, directors and shareholders. On the Closing Date, the permits, licenses and authorizations listed in Schedule 1.1, and any renewals or extensions thereof, shall be in full force and effect and free and clear of any restrictions which might limit or restrict the full operation of either of the Station (other than restrictions on the face of such Station Licenses).

5.4. Operations Prior to Closing. Between the date hereof and the Closing Date, Seller will operate the Station in material compliance with the FCC's rules and published policies and the terms and conditions of the Station Licenses and Seller shall operate the business of the Station consistent with current and past business practices in order to maintain the value of the Station's relationships with their employees, advertisers, listeners, suppliers and others.

5.5. Title to Purchased Assets. On the Closing Date, Seller will have good and marketable title to all of the Purchased Assets and to any additions and replacements thereof made in the normal course of business, free and clear of all mortgages, deeds of trust, liens, pledges, security interests, leases, easements, covenants, restrictions, charges and encumbrances. On the Closing Date, Buyer shall acquire good and marketable title to the Purchased Assets free and clear of any and all encumbrances. The Purchased Assets

constitute all of the personal properties and assets, both tangible and intangible, that are or have been used, for the business and operation of the Station as presently conducted by Seller or necessary to assure operation of the Station in conformity with (a) sound engineering practices and (b) all rules, regulations and policies of the FCC.

5.6. Insurance. Seller now has, and will continue to have until the Closing Date, insurance insuring the Purchased Assets against loss or damage by fire, casualty, life, workmen's compensation, business interruption, or other risks for an amount, and in a manner, which is consistent with Seller's past practices and is reasonable and customary for assets of a similar nature used in connection with the operation of a commercial radio Station. All such insurance policies: (i) are in full force and effect; (ii) are sufficient for compliance in all material respects by Seller with all requirements of law and of all agreements to which Seller is a party; (iii) are valid, outstanding, and enforceable policies; and (iv) insure against risks of the kind customarily insured against and in amounts customarily carried by corporations similarly situated.

5.7. Condition of Purchased Assets. All of the Purchased Assets is now, and as of the date of this Agreement, will be in a good state of repair and operating condition, ordinary wear and tear excepted; the use and condition of said real property and tangible assets is not now, and at Closing Date will not be, in material violation of any applicable statutes, regulations, or building, fire or zoning laws or regulations; and, the technical facilities of the Station are now, and at the Closing Date, will be, operated in accordance with the terms of the Station's FCC Licenses, sound engineering practices, and the rules and regulations of the FCC. Prior to Closing, Buyer shall have the right, at a time to be mutually agreed upon with Seller, to inspect and to conduct an audio proof of performance of the Station's technical facilities to insure that they are operating consistent with the Station's FCC Licenses and normal engineering standards. If such inspection and proof of performance disclose that the Station's facilities are not being operated in said manner, Buyer may, in its sole discretion, terminate this Agreement or require Seller to make such reasonable repairs and/or adjustments as may be necessary to correct such defects as were disclosed by the inspection and audio proof. In case of dispute between Buyer and Seller as to the performance of the Station's equipment, Buyer and Seller agree to hire and to share equally in the cost of a qualified independent broadcast engineer to perform measurements and inspect the Station's facilities.

5.8. Disposal of Assets. Between the date hereof and the Closing Date, Seller will not sell, agree to sell, or otherwise dispose of, without comparable replacement, any of the personal property listed in Schedule 1.3 hereto without the prior written consent of Buyer.

5.9. [Section Reserved]

5.10. Administrative Violations. Seller is not aware of any violations or pending

investigation concerning violations of the rules and regulations of the FCC, or any other federal, state or local regulatory or administrative body, including any rules regarding the employment of labor or equal employment opportunity, which individually or in the aggregate, could reasonably be expected to have a material adverse affect on the financial condition, operations or business of the Purchased Assets or Seller. Seller agrees that if, prior to the Closing Date, Seller receives an administrative or other order or notice relating to any violation of any such rules or regulations, Seller shall immediately notify Buyer thereof and Seller will use its best efforts to remove or correct all such violations. Seller shall make all necessary filings with the FCC and resolve to the satisfaction of Buyer any administrative violations. Seller shall be solely responsible for the cost of correcting or removing any such violations, including the payment of any fines, forfeitures or back pay.

5.11. [Section Reserved]

5.12. Employees. Seller has no employees.

5.13. Station Records. All documents required by the rules and regulations of the FCC to be placed in the Station's public inspection files and the Station's political broadcasting files have been placed in such files and all required equipment performance measurements required to be taken by Seller have been, and by Closing Date, will have been taken and appropriate records of such equipment performance measurements shall be contained in the Station's technical files.

5.12. No Litigation. There is no unsatisfied judgment against Seller or any of the Purchased Assets outstanding, there is no litigation, action, suit, arbitration or proceeding pending or, to Seller's Knowledge, threatened against Seller or the Purchased Assets, which would enjoin, prohibit or otherwise challenge any of the transactions contemplated hereby, nor does Seller know of any basis for any such action.

5.15. Contracts The Contracts are assignable to Buyer without consent, or, if consent of the other party to the Contract is required, Seller shall use its best efforts to secure all such consents before the Closing Date (provided that Buyer shall not be obligated to assume any obligations or liabilities arising on or after the Closing Date under any Contracts for which consent has not been secured) and shall obtain such consents with respect to all Contracts listed and described on Schedule 1.5. Upon assumption and assignment to Buyer, each Contract will be in full force and effect, and constitute a valid and binding obligation of, and will be unimpaired by any acts or omissions of Seller, Seller's employees, officers, directors or shareholders. There has not occurred as to any Contract any default by Seller or any event that, with the lapse of time or otherwise, could become a default by Seller. There has not occurred as to any Contract any default by any other party hereto or an event that, with the lapse of time or at the election of any person other than Seller, could become a default by such party. Those Contracts whose stated duration extends beyond the Closing Date will, at Closing, be in full force and effect and will be unimpaired by any acts or



omissions of Seller, Seller's employees, officers, directors or shareholders. Seller has provided to Buyer true and correct copies of all Contracts. The Contracts constitute all of the contracts, agreements, leases and commitments necessary for the operation of the Station and pursuant to which Seller has operated the Station.

5.16. Payment of Taxes. Seller has timely filed with all appropriate governmental agencies all federal, state, local and other tax or information returns and tax reports (including, but not limited to, all income tax, unemployment compensation, social security, payroll, sales and use, profit, excise, privilege, occupation, property, ad valorem, franchise, license, school and any other tax under the laws of the United States or of any state or municipal entity or of any political subdivision with valid taxing authority) due for all periods ending with the Closing Date. Seller has paid in full all federal, state, foreign, local and other governmental taxes, estimated taxes, interest, penalties, assessments and deficiencies (collectively, "Taxes") which have become due pursuant to such returns or without returns or pursuant to any assessments received by Seller. Such returns and forms are true, correct and complete in all respects, and Seller has no liability for any Taxes in excess of the Taxes shown on such returns. Prior to the Closing, Seller will pay and discharge all Taxes or other charges due on or with respect to the Purchased Assets for the sale thereof such that no liability shall be chargeable against Buyer or the Purchased Assets.

5.17. Patents, Trademarks and Copyrights. The call signs and all slogans, jingles, logos, copyrights, trademarks, service marks, and other similar intangible property rights currently used to promote or identify the Station, or otherwise used in the conduct of the Station's business are listed or described in Schedule 1.6 (the "Promotional Rights"). Seller owns or possesses all rights to use all of the Promotional Rights. Seller's use of the Promotional Rights does not infringe on the rights of another; nor has Seller received any notice to that effect. To Seller's Knowledge there has been no infringement or unlawful or unauthorized use of such Promotional Rights by any person or entity other than Seller. The operation of the Station (including by means of the use of the Promotional Rights) does not infringe any copyright, patent, trademark, trade name, service mark or other similar right of any third party.

5.18. No Misleading Statements. No statement made by Seller to Buyer, and no information delivered or to be delivered to Buyer in connection with the transactions provided for by this Agreement, contains or will contain any untrue statement of fact or omits or will omit a fact necessary in order to make such statements or information if delivered, not misleading.

5.19. [Section Reserved]

5.20. Related Party Transactions. Except for WJAQ-FM, Marianna, Florida, none of the shareholders, officers, directors or employees of Seller (i) is an officer, director, employee or consultant of, or owns or otherwise controls, any person or entity which is, or is

engaged in business as, a competitor, customer or supplier of Seller, (ii) owns, directly or indirectly, in whole or in part, any tangible or intangible property which Seller is using in connection with the business or operation of the Station; or (iii) to Seller's Knowledge, has any cause of action or other claim whatsoever against, or owes any amount to Seller, except for claims in the ordinary course of business, such as for accrued vacation pay, accrued benefits and other similar matters existing as of the date hereof.

5.21. Time Brokerage Agreement. Seller presently has not entered to a Time Brokerage Agreement for the Station and has no written or oral understanding for a Time Brokerage Agreement for the Station. Seller shall not, without the express written consent of Buyer, enter into any broadcast time sales agreement, contract, commitment or understanding other than those that are in the ordinary course of business and consistent with Seller's past practice and customary practices in the radio broadcast. No commitment or contract for the sale of broadcast time shall extend for more than six (6) months past the Closing Date unless subject to cancellation by Buyer on thirty days notice.

5.22. Hold Harmless. Seller will hold Buyer harmless for debts, obligations, and liabilities of whatever kind or nature incurred by Seller to effectuation of the transfer of the FCC Licenses of the Station, except for obligations to be performed after the Closing Date under contracts assumed by Buyer.

5.23. Absence of Insolvency. The Purchased Assets are not subject to any present or pending insolvency proceedings of any character including, without limitation, bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary, nor to Seller's Knowledge are any such proceedings with respect to the Purchased Assets threatened. Seller, with respect to the Purchased Assets, has made no assignment for the benefit of creditors, nor taken any action with a view to, or which would constitute the basis for, the institution of any such insolvency proceedings regarding the Purchased Assets.

5.24. Absence of Conflicting Agreements or Required Consents. The execution of this Agreement and the performance of the covenants herein contemplated do not, and will not as of the Closing Date, result in any breach of any of the terms, conditions or provisions of, or constitute a default under, or result in the creation of any lien, charge or encumbrance upon the Purchased Assets pursuant to any provision of law, or any indenture, agreement or other instrument to which Seller is a party or by which it may be bound or affected.

5.25. Documentation. Seller shall provide such other documents as may be reasonably necessary for the implementation and consummation of this Agreement.

5.26. Financial Statements; Liabilities. Seller has furnished Buyer with prepared financial statements for the Station for the fiscal year ending August 31, 2003 (the "Financial Statements") and will provide Buyer with monthly management compiled

financial statements (the ☐ Interim Statements ☐). The Financial Statements and Interim Statements are in accordance with the books and records of Seller and in all material respects fairly and accurately present the financial results of the operations of the Station for the periods indicated, and the position of Seller as of the dates indicated, based upon consistent reporting standards throughout the periods involved. The Financial Statements and Interim Statements have been prepared in accordance with generally accepted accounting principles.

Without limiting any of the foregoing, (i) the levels of revenue and profit from cash business of the Station as reported to Buyer by Seller are accurate in all material respects (and in any event are not less than that reported to Buyer by Seller), and (ii) the levels of expense of the Station as reported to Buyer by Seller are accurate in all material respects (and in any are not more than that reported to Buyer by Seller). In addition, Seller represents to Buyer that (i) the revenues of the Station as reported to Buyer by Seller were derived in the ordinary course of business of the Station, (ii) the expenses of the Station as reported to Buyer by Seller are not understated, (iii) there are no expenses of the Station which have been paid by any affiliate of the Seller, and (iv) except as may have occurred in the ordinary course of business since the date of the most recent Interim Statement, there are no material liabilities or obligations of Seller of any kind whatsoever, whether or not contingent, absolute, determined or determinable, which are not reflected or reserved against such Interim Statement.

## **ARTICLE VI**

### **BUYER ☐S REPRESENTATIONS AND WARRANTIES**

6. Buyer ☐s Representations and Warranties. Buyer represents and warrants to Seller that:

6.1. Corporate Existence and Power. Buyer is a corporation, duly organized, validly existing, and in good standing under the laws of the State of Alabama and it has the full power under its Articles of Incorporation and all applicable laws to enter into and to perform this Agreement. At the time of closing, the Buyer will be qualified to do business in Florida.

6.2. Corporate Authorization. Execution and delivery of this Agreement (and all other agreements and instruments) have been duly authorized by Buyer ☐s Board of Directors and shareholders and the Agreement has been duly executed and delivered to Seller. The Agreement and the agreements and instruments called for hereunder have been duly executed by Buyer and delivered to Seller and constitutes a legal and binding obligation of Seller enforceable in accordance with their respective terms. The execution, delivery and performance by Buyer of this Agreement and the agreements and instruments called for hereunder will not require the consent, approval or authorization of any person, entity or governmental authority other than the FCC.

6.3. Qualifications. Buyer is not aware of any reason why the FCC would not find Buyer legally, technically and financially qualified to become the licensee, owner and operator of the Station and Buyer knows of no reason why the FCC would not approve the assignment of the Station's licenses to Buyer.

6.4. No Litigation. There is no litigation, action, suit, arbitration or proceeding pending or, to Buyer's Knowledge, threatened against Buyer, which would enjoin, prohibit or otherwise challenge any of the transactions contemplated hereby, nor does Buyer know of any basis for any such action. For purposes of this Agreement, the term "Buyer's Knowledge" shall mean the actual knowledge of Buyer or information that Buyer should have known in the ordinary and due course of its business or as part of Buyer's due diligence necessary to comply with federal, state and local laws and shall include Buyer's employees, officers, directors and shareholders.

## **ARTICLE VII**

### **ACCESS**

7. Access. Seller will give Buyer or representatives of Buyer reasonable access, during normal business hours, throughout the period prior to Closing Date, to the properties, books, records and affairs of Seller relating to the operation of the Station and Seller shall furnish Buyer with all information concerning the Station's affairs, as Buyer may reasonably request. Buyer agrees that it will use its best efforts to keep such information confidential until the Closing Date. If the transactions contemplated by this Agreement shall not be consummated, Buyer will promptly return any such data, documents, books and records held by Buyer and not use or disclose such confidential information. After the Closing, Seller shall have reasonable access for a period of three (3) years to any business records conveyed to Buyer for purposes of completing its bookkeeping and other accounting procedures and any other purpose for which access is reasonably necessary and proper.

## **ARTICLE VIII**

[Article Reserved]

## **ARTICLE IX**

### **CONTROL OF STATION**

9. Control of Station. This Agreement shall not be consummated until after finality of the grant by the FCC of the application for consent to the assignment of the FCC licenses of the Station, referred to in Section 4 above. Between the date of this Agreement and the Closing Date, Buyer shall not directly or indirectly control, supervise or direct, or attempt to control, supervise or

direct the operation of the Station, but such operation shall be the sole responsibility of Seller. Notwithstanding the foregoing, the parties will enter into a Local Marketing Agreement, to become effective on \_\_\_\_\_ for the operation of the station pending the eventual sale to Buyer. A form of the Local Marketing Agreement is attached as Exhibit 9.

## **ARTICLE X**

### **SELLER'S NEGATIVE AND AFFIRMATIVE COVENANTS**

10.1 Seller's Negative Covenants. Between the date hereof and the Closing Date, Seller will not without the prior written consent of Buyer:

- (a) Engage in Contracts. Enter into any contracts or commitments or engage in any transaction relating to the Purchased Assets or the Station except in the normal and usual course of business;
- (b) Cancel Contracts. Cancel, modify or in any way impair any of the contracts, leases or other agreements relating to the Purchased Assets or the Station except in the normal and usual course of business;
- (c) Create Encumbrances. Create any mortgage, pledge, lien or encumbrance affecting any of the Purchased Assets used in the business or operation of the Station whether now or hereafter acquired;
- (d) Dispose of Purchased Assets. Sell, assign, lease or otherwise transfer or dispose of any of the Purchased Assets, except in the normal and usual course of business.

10.2 Seller's Affirmative Covenants. Between the date hereof and the Closing Date, Seller will:

- (a) Furnish Financial Data. Furnish to Buyer such unaudited balance sheets, profit and loss statements or other information concerning the financial condition of the Station as Buyer may reasonably request, including, but not limited to, monthly income, expense and collection reports;
- (b) Comply With Laws. Use its best efforts to comply with all applicable laws and regulations to which the Company is subject with respect to the construction, operation and maintenance of Station;
- (c) Provide Notice. Notify Buyer of any material litigation pending or threatened against the Company or any material damage to or destruction of any

assets included or to be included in the Purchased Assets.

(d) FCC Tower Registration. At closing, Seller will amend the FCC records to reflect that Lina M. Parish is the tower owner.

## ARTICLE XI

[Article Reserved]

## ARTICLE XII CONDITIONS TO BUYER'S OBLIGATIONS

12. Conditions To Buyer's Obligation. The obligation of Buyer to consummate the transactions contemplated herein is subject to the satisfaction on or prior to the Closing Date of each of the following conditions:

12.1. Representations and Warranties. The representations and warranties of Seller to Buyer set forth herein shall be true, complete and correct in all material respects as of the Closing Date with the same force and effect as if then made and shall be evidenced by a certificate to that effect, delivered at the Closing by Seller.

12.2. Delivery of Purchased Assets. At the Closing, Seller shall deliver or cause to be delivered to Buyer all of the Purchased Assets to be conveyed pursuant to Section 1 hereof, free and clear of all liens, mortgages, charges and encumbrances.

12.3. Compliance with Covenants and Conditions. All of the terms, covenants and conditions to be complied with, or performed by Seller, on or before the Closing Date, shall have been duly complied with or performed by Seller in all material respects.

12.4. Validity of Licenses. On the Closing Date, Seller will be the owner and legal holder of all FCC licenses for the Station (to the extent that such licenses can be owned or held by Seller under the Communications Act of 1934, as amended) and of all other authorizations and permits necessary for the operation of the Station, and said licenses, authorizations and permits will be in full force and effect and will be unimpaired in any material way. On the Closing Date, the Station will be operating in all material respects in accordance with its FCC Licenses, authorizations and permits and the FCC's rules.

12.5. Consent to Assignment. The FCC shall have given its consent to the transaction contemplated herein without attaching any condition to said consent materially adverse to Buyer, and such consent to the assignment of the licenses shall have become a

Final Order, as defined in Section 14 hereof.

12.6. Closing Documents. At the Closing, Seller shall execute and deliver to Buyer all closing documents specified in Section 15.1 hereof.

12.7. Completion of Repairs and Clean-Up Matters. Prior to the Closing Date, Seller shall have:

(a) The appropriate safety markings and/or mechanisms in place for the transmission towers of the Station in accordance with the standards, rules and regulations of the Federal Aviation Administration (hereinafter the ☐ 'FAA Regulations' ☐). Buyer shall have had an opportunity to inspect such towers and confirm compliance with the FAA Regulations;

(b) Removed, to Buyer's satisfaction, from all premises and locations leased by Seller (the ☐ Premises ☐ ) relating to the Station any and all garbage, debris, waste, and any and all equipment that is not used in operation of the Station.

12.8 Consents of Third Parties. On the Closing Date, each person, firm, association or corporation, the consent or approval of which to the sale, conveyance, transfer and assignment of the Purchased Assets, including the contracts to be assigned to Buyer as herein provided, is required, shall have duly consented to or approved such sale, conveyance, transfer and assignment except insofar as such consent or approval shall have been waived by Buyer.

12.9. Legal Opinions. Seller ☐s FCC counsel shall deliver opinion letters, in a form reasonably satisfactory to Buyer.

12.10. Adverse Developments. Seller shall promptly notify Buyer of any developments that occur prior to Closing that cause or might cause a material adverse consequence on the Purchased Assets or the operation of condition (financial or otherwise) of either of the Station provided, however, that Seller ☐s compliance with the disclosure requirements of this Section shall not relieve Seller of any obligation with respect to any representation, warranty or covenant of Seller in this Agreement or waive any condition to Buyer ☐s obligations under this Agreement.

### **ARTICLE XIII**

#### **CONDITIONS TO SELLER ☐S OBLIGATIONS**

13. Conditions To Seller ☐s Obligation. The obligation of Seller to consummate the

transactions contemplated herein is subject to the satisfaction on or prior to the Closing Date of each of the following conditions:

13.1. Representations and Warranties. The representations and warranties of Buyer to Seller, set forth herein, shall be true, complete and correct in all material respects as of the Closing Date with the same force and effect as if then made and shall be evidenced by a certificate to that effect, delivered at the Closing by Buyer.

13.2. Payment of Purchase Price. At the Closing, Buyer shall deliver or cause to be delivered to Seller the purchase price as specified in Sections 2 and 3 hereof.

13.3. Compliance with Covenants and Conditions. All of the terms, covenants and conditions to be complied with, or performed by Buyer, on or before the Closing Date, shall have been duly complied with or performed by Buyer in all material respects.

13.4. Consent to Assignment. The FCC shall have given its consent to the transaction contemplated herein without attaching any condition to said consent materially adverse to Seller, and such consent to the assignment of the licenses shall have become a Final Order, as defined in Section 14 hereof.

13.5. Closing Documents. At the Closing, Buyer shall execute and deliver to Seller all closing documents specified in Section 15.2 hereof.

#### **ARTICLE XIV** **CLOSING DATE**

14. Closing Date. The Closing contemplated herein shall take place at such location as may be mutually agreed upon by the Parties, on a date to be set by Buyer within ten (10) business days after the FCC's formal action consenting to the assignment of the licenses for the Station from Seller to Buyer becomes a Final Order. For purposes of this Agreement, an FCC action shall be deemed to have become a Final Order when the time for filing a request for administrative or judicial review of the action, or for the FCC to review such action on its own motion, shall have expired without any such filing, or motion, having been made or, in the event of such filing or motion, it shall have been disposed of favorably to the FCC's grant of its consent to the assignment of the Station's licenses to Buyer and the time for seeking further review of the FCC's action consenting to the assignment shall have expired without any request for such further review having been filed.

#### **ARTICLE XV** **CLOSING DOCUMENTS**



15. Closing Documents.

15.1. Seller shall deliver to Buyer the following documents on the Closing Date:

(a) An assignment transferring all of the interests of Seller in and to the licenses and all other authorizations issued by the FCC for the operation of the Station;

(b) A bill of sale conveying to Buyer all right, title and interest in the tangible personal property to be acquired by Buyer hereunder in a form usual and customary in the State of Florida and reasonably satisfactory to Buyer;

(c) One or more assignments conveying the goodwill, call letters and other intangible assets of the Station to Buyer;

(d) The certificate described in Section 12.1;

(e) Certificates of the Officers and Board of Directors of Seller reflecting approval by Seller of the assignments and conveyances contemplated herein;

(f) The consents of all Parties required for assignment of the contracts listed on Schedule 1.5;

(g) [Section Reserved]

(h) [Section Reserved]

(i) Such further instruments of assignment, conveyance, transfer or other documents of further assurance covering the Purchased Assets or any part thereof as Buyer may reasonably require to assure the full and effective transfer and assignment to Buyer of the Purchased Assets and all right, title and interest therein of Seller.

15.2. Buyer shall deliver to Seller the following payment and documents on the Closing Date:

(a) A wire transfer in the amount of the purchase price as specified in Sections 2 and 3 hereof;

(b) The certificate described in Section 13.1;

(c) Certificates of the Officers and Board of Directors of Buyer reflecting approval by Buyer of the assignments and conveyances contemplated herein;

(d) [Section Reserved]

(e) [Section Reserved]

(f) Such further instruments with respect to the transactions contemplated herein as Seller may reasonably request.

## **ARTICLE XVI**

### **INDEMNIFICATION**

16.1. Seller's Indemnification. Seller undertakes and agrees, for a period from Closing hereunder through six (6) months after the expiration of applicable statutes of limitation for any third party claims, to hold Buyer and Buyer's successors and assigns harmless against any and all losses, costs, liabilities, claims, obligations and expenses, including reasonable attorney's fees, incurred or assumed by Buyer arising from breach or other violation by Seller of any of the covenants, warranties and representations contained in this Agreement and from and against any unpaid or undischarged liabilities or obligations of Seller, which are not expressly assumed by Buyer, provided that they shall not have been corrected by Seller within thirty (30) days after receipt of written notice to Seller. Seller further undertakes and agrees to indemnify and hold Buyer and Buyer's successors and assigns harmless against any and all liabilities or obligations of Seller arising prior to the Closing Date with respect to ownership of the Purchased Assets and/or any contracts, leases and agreements not specifically assumed by Buyer. The foregoing indemnity is intended by Seller to cover all acts, suits, proceedings, claims, demands, assessments, and adjustments with respect to any and all the specific matters set forth in this indemnity. In the event that any claim is asserted against Buyer that, if established, would constitute a breach of any of the covenants, warranties, representations or undertakings contained in this Agreement, Buyer shall promptly give Seller written notice of such claim; provided, however, that no delay in Buyer's notice to Seller affect Buyer's rights hereunder. Within ten (10) days thereafter, Seller shall inform Buyer, in writing, whether Seller will defend such claim. Should Seller elect not to defend, Buyer may defend such claim. In either event, Seller shall be liable for the reasonable costs of such defense.

16.2. Buyer's Indemnification. Buyer undertakes and agrees, for a period from Closing hereunder through six (6) months after the expiration of applicable statutes of limitation for any third party claims, to hold Seller and Seller's successors and assigns harmless against any and all losses, costs, liabilities, claims, obligations and expenses, including reasonable attorney's fees, incurred or assumed by Seller arising from breach or other violation by Buyer of any of the covenants, warranties and representations contained in this Agreement and from and against any unpaid or undischarged liabilities or obligations of Buyer provided that they shall not have been corrected by Buyer within thirty (30) days after receipt of written notice to Buyer. Buyer further undertakes and agrees to indemnify and hold Seller and Seller's successors and assigns harmless against any and all liabilities or obligations of Buyer arising on or after the Closing Date with respect to ownership

of the Purchased Assets, the operation of the Station and/or any contracts, leases and agreements specifically assumed by Buyer hereunder. The foregoing indemnity is intended by Buyer to cover all acts, suits, proceedings, claims, demands, assessments, and adjustments with respect to any and all the specific matters set forth in this indemnity. In the event that any claim is asserted against Seller that, if established, would constitute a breach of any of the covenants, warranties, representations or undertakings contained in this Agreement, Seller shall promptly give Buyer written notice of such claim; provided, however, that no delay in Seller's notice to Buyer shall affect Seller's right hereunder. Within ten (10) days thereafter, Buyer shall inform Seller, in writing, whether Buyer will defend such claim. Should Buyer elect not to defend, Seller may defend such claim. In either event, Buyer shall be liable for the reasonable costs of such defense.

16.3. Survival Of Representations and Warranties. The representations and warranties of the Parties contained in this Agreement shall survive the Closing Date for a period of twenty-four (24) months.

## **ARTICLE XVII** **TERMINATION**

17.1. Termination. This Agreement may be terminated upon twenty (20) days written notice as follows:

(a) by either Party upon failure of the FCC to fully grant the applications described in Section 4 hereof, or upon the failure of such grant to become a Final Order, within twelve (12) months after filing such application; or, without penalty or liability, if the Closing has not taken place within twelve (12) months of the filing of the assignment application. The foregoing notwithstanding, if a petition to deny, opposition or other objection to the application is filed, the deadline for closing shall be extended for an additional twelve (12) months from the date the petition, opposition or objection is filed.

(b) by Buyer upon any materially adverse act, event or occurrence (not caused or substantially contributed to by Buyer) which if not cured by Seller within 30 days would affect the right of Buyer to own the Purchased Assets and to operate the Station; or

(c) by Buyer under the conditions relating to failure to repair damage, as described in Section 18 hereof;

(d) by either Party upon designation for hearing of the application described in Section 4 hereof; provided, however, that neither Party may terminate this Agreement under this section if such Party is in default, or if a delay in any decision or determination by the FCC respecting said application has been caused or materially contributed to by any failure on the part of such Party to furnish, file or make available information within its control or by any action taken by such Party for the purpose of delaying any decision or determination

respecting said application. In the event of termination pursuant to this section, the Escrow Deposit shall be returned to Buyer, unless termination is due to Buyer's material breach or Buyer is otherwise in default;

(e) termination of the Escrow Agreement and the Party terminating this Agreement is not in material default of the Escrow Agreement;

(f) by either Party if the other Party is in default of this Agreement and terminating Party is not in material default; or

(g) by Buyer if the Station's technical facilities fail an audio proof of performance as described in Section 5.7 hereof.

#### 17.2 . Default And Remedies.

(a) Buyer's Default Defined. As used in this Agreement, Buyer's default shall mean all material breaches by Buyer of this Agreement, including, but not limited to:

(i) failure by Buyer to timely file or diligently prosecute its portion of the assignment application as required by Section 4 hereof; or

(ii) failure by Buyer to fulfill its representations, warranties, covenants, and agreements as provided for herein including the delivery of the purchase price as provided for herein.

(b) Seller's Default Defined. As used in this Agreement, Seller's default shall mean all material breaches by Seller of this Agreement, including, but not limited to:

(i) failure by Seller to timely file or diligently prosecute its portion of the assignment application as required by Section 4 hereof; or

(ii) failure by Seller to fulfill its representations, warranties , covenants and agreements as provided for herein including the delivery of the Purchased Assets to be delivered hereunder, or the delivery of the Purchased Assets in a condition which would materially inhibit Buyer's use thereof.

17.3. Seller's Remedies. If Buyer defaults in any material respect in the performance of any of its obligations under this Agreement, and as a result of such default the transaction contemplated hereunder is not consummated, and if Seller is not in material default in the performance of its obligations hereunder, the Escrow Agent shall deliver to Seller the Escrow Deposit with any interest thereon, referred to in Section 3 hereof, as liquidated damages to compensate Seller for any loss that it may have suffered as a result of Buyer's default. Buyer acknowledges that damages which Seller would suffer as a result of a default by Buyer are not

readily ascertainable, but include, among other losses, the potential loss of other opportunities to sell while the Station was "off the market". Accordingly, Buyer and Seller have agreed that the amount of the Escrow Deposit is a reasonable amount for liquidated damages. Upon delivery of this sum to Seller from the Escrow Agent, Buyer shall have no further responsibility or liability whatsoever to Seller as a result of Buyer's default.

17.4. Buyer's Remedies. If Seller defaults in any material respect in the performance of any of its obligations under this Agreement, and as a result of such default the transaction contemplated hereunder is not consummated, and if Buyer is not in material default in the performance of its obligations hereunder, the Escrow Agent shall deliver to Buyer the Escrow Deposit with any interest thereon, referred to in Section 3 hereof. Additionally, Buyer shall be entitled to bring a suit for specific performance to require Seller to close on the transaction or to bring a suit for damages caused by Seller's breach.

## **ARTICLE XVIII**

### **RISK OF LOSS**

18. Risk Of Loss: Suspension Or Curtailment of Broadcasting. Prior to the Closing Date and the delivery of the instruments of transfer required hereunder, Buyer shall not in any event be responsible or liable for any loss or damage to any of the Purchased Assets. If, prior to the Closing Date, there is any material loss, damage, destruction or injury to any of the Purchased Assets to be transferred hereunder by reason of theft, vandalism, fire, explosion, lightning, tornado, windstorm, flood, earthquake or any other cause, Seller shall promptly notify Buyer thereof and diligently and in good faith undertake to repair or replace such damage and destruction as promptly as feasible at its own expense. If such loss, damage, destruction or injury is of a character which (i) materially interferes with the operation of the Station and (ii) can be repaired within sixty (60) days after the time fixed for Closing, then the Closing Date shall be extended (with prior consent of the FCC, if necessary for the period required for Seller to complete such repair or replacement at its expense); if such repair or replacement is not completed within sixty (60) days after the Initial Closing Date, then Buyer may, at its option, to be exercised within five (5) days after such determination, terminate the Agreement upon notice to Seller. Upon such election to terminate this Agreement, Buyer shall be entitled to the return of the Escrow Deposit, along with all interest thereon, and the Parties, if not otherwise in default of its obligations, shall be released and discharged from all obligations or liability thereunder.

## **ARTICLE XIX**

### **MISCELLANEOUS**

19.1. Expenses. Each Party shall be responsible for its own legal, accounting and other fees incurred in the preparation and consummation of this Agreement and such fees shall be borne by the Party incurring same. All recording costs and transfer, stamp, documentary or other taxes

relating to the bills of sale and other instruments of transfer or the note and other evidences of indebtedness of Buyer to Seller shall be borne by Seller. All FCC filing fees paid in connection with the application for FCC consent to the assignment of the FCC licenses from Seller to Buyer shall be shared equally by Seller and Buyer. The cost of any required local notice of the proposed transfer shall be paid by Seller.

19.2. Appraisal. Seller and Buyer agree to allocate the purchase price for tax and recording purposes prior to the Closing. In the event the Parties cannot mutually agree on the allocation, the Parties agree to allocate the purchase price in accordance with an appraisal to be conducted by an appraisal firm selected and retained by the Parties, with experience in the valuation and appraisal of radio station assets, whose determination shall be binding upon the Parties. The expense of the appraisal shall be shared equally by Seller and Buyer.

19.3. Prorations. Buyer shall be entitled to all income attributable to, and shall be responsible for all expenses arising out of, the operation of the Station beginning at 12:01 a.m. on the day after the Closing Date. Seller shall be entitled to all income attributable to, and shall be responsible for all expenses arising out of, the operation of the Station up to and including the Closing Date. All overlapping items of income or expense, including the following, shall be prorated or reimbursed, as the case may be, as of 12:01 a.m. on the day after the Closing Date (the ☐Prorations☐):

(a) Advance payments received from advertisers prior to the Closing Date for service to be rendered in whole or in part after the Closing Date;

(b) Prepaid expenses and deposits made prior to the Closing Date, as permitted under this Agreement, for or in connection with goods or services where all or part of such goods or services have not been received or used as of the Closing Date (e.g., rents paid in advance for a rental period extending beyond the Closing Date, Sales Agreements and Trade Agreements); provided however, that Buyer shall not be obligated to make any proration in favor of Seller with respect to Trade Agreements, notwithstanding that the fair market value of the goods and services to be received by Buyer exceeds the liability of unperformed time.

(c) Liabilities customarily accrued, arising from expenses incurred or unpaid as of closing (including, for example, social security and other payroll taxes and earned vacation time of any employees of Seller who enter into Buyer's employ after the Closing Date, rents, telephone, sales commissions, fees for business and professional services and prizes awarded in contests conducted by the Station);

(d) Taxes, utility and water charges related to the Station or in respect of any of the Purchased Assets;

(e) Deposits and unearned prepayments received by Seller in connection with any contract assumed by Buyer; and

(f) All other items normally prorated in the sale of the assets of a radio broadcast station.

(g) At the Closing, Seller shall estimate all apportionments pursuant to this Section and shall deliver a statement of its estimates to Buyer (which statement shall set forth in reasonable detail the basis for those estimates). At the Closing, Buyer shall pay to Seller, or Seller shall pay to Buyer, as the case may be, the net amount due as a result of the estimated apportionments (excluding any item that is in dispute). Within ninety (90) days after the Closing Date, Buyer shall deliver to Seller a statement of any adjustments to Seller's estimate of the apportionments, and Buyer shall pay Seller, or Seller shall pay to Buyer, as the case may be, any amount due as a result of the adjustment (or, if there is any dispute, the undisputed amount). If either Party disputes the other's determination, or if at anytime after delivery of either Party's estimate of apportionments is inaccurate, or that an additional item should be included in the apportionments, the parties shall confer with regard to the matter and an appropriate adjustment and payment shall be made as agreed upon by the Parties (or if they are unable to resolve the matter, they shall select a firm of independent certified public accountants to resolve the matter, whose decision on the matter shall be binding and whose fees and expenses shall be borne equally by the Parties).

19.4. Accounts Receivable. Each Party shall assume and be responsible for their respective Accounts Receivables and shall have no further obligations with respect to the other Party's Accounts Receivable except that each Party shall forward immediately any payments addressed to the other Party.

19.5. Notices. All necessary notices, demands and requests required or permitted to be given under the provisions of this Agreement shall be in writing and shall be deemed duly given when delivered or mailed by certified mail, postage prepaid, by overnight mail service with receipt confirmation, or by facsimile transmission with receipt confirmation, addressed as follows:

(a) If to Seller:

Mr. Edward Cearley  
GFR, INC.  
P.O. Box 569  
Marianna, FL 32447

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

Robert N. Davies  
2100 Constitution Blvd., #113  
Sarasota, FL 34231  
(fax) 941-927-6991

(b) If to Buyer:

H. Jack Mizell, President  
STAGE DOOR DEVELOPMENT, INC.  
285 East Broad Street  
Ozark, AL 36360  
(fax) 334- 774-6450

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

John A. Borsari, Esq.  
Borsari & Assoc., PLLC  
P.O. Box 29  
Arlington, VA 22210  
(fax) 703-524-4329

19.6. Assignability. Neither Buyer nor Seller may assign their rights hereunder without prior written consent of the other; however, Seller hereby gives approval to the assignment of this Agreement by Buyer to any other corporation owned at least fifty-one percent (51%) by H Jack Mizell but in the event of such assignment, both Buyer and its assignee shall be liable for compliance with the terms of this Agreement.

19.7. Non-Material Breaches. Except as provided herein, only material breaches, failures and defaults, and no non-material events or matters, shall constitute a reason for termination of this Agreement.

19.8. Entire Agreement. This Agreement (including all exhibits, schedules and attachments) supersedes any prior agreements and is the only agreement between the Parties and contains all of the terms agreed upon with respect to the subject matter hereof being entered into by the Parties simultaneously herewith.

19.9. Counterparts. This Agreement may be signed in any number of counterparts with the same effect as if the signature on each counterpart were on the same instrument. The Agreement may not be altered or amended except in writing.

19.10. Headings. The headings of the sections of this Agreement are for convenience only and in no way modify, interpret or construe the meanings of specific provisions of the Agreement.

19.11. Exhibits. The Schedules and Appendices to this Agreement are a material part hereof and shall be deemed part of this Agreement and incorporated herein, where applicable, as if fully set forth herein.

19.12. Severability. In case any one or more of the provisions contained in this Agreement



should be invalid, illegal, or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

19.13. Governing Law. This Agreement shall construed and enforced in accordance with the laws of the State of Florida.

19.14. Waiver. No delay or failure on the part of any Party hereto in exercising any right, power or privilege under this Agreement or under any other instrument or document given in connection with or pursuant to this Agreement shall impair any such right, power or privilege or be construed as a waiver of any default or any acquiescence therein. No single or partial exercise of any such right, power or privilege shall preclude the further exercise of such right, power or privilege. No waiver shall be valid against any Party hereto unless made in writing and signed by the Party against whom enforcement of such waiver is sought and then only to the extent expressly specified therein.

19.15. Brokers. Seller and Buyer each represent and warrant to each other that no broker or other intermediary was involved in this transaction and no broker fees or commissions shall be owed as a result of the transaction contemplated in this Agreement, except that the services of Gordon Rice and Assoc that is the obligation of the Seller and not Buyer.

19.16. Binding Effect. This Agreement shall be binding upon the Parties hereto and upon their permitted assigns and successors in interest as if they were the Parties hereto.

19.17. Confidentiality. Buyer and Seller each agree that it will use its best efforts to keep confidential (except for such disclosure to attorneys, bankers, under writers, investors, etc. as may be appropriate in the furtherance of this transaction or as required by law) all information of a confidential nature obtained by it from the other (including the terms of this proposal and the identity of the Buyer) in connection with the transactions contemplated by the Agreement, and, in the event that such transactions are not consummated, return to the other all documents and other materials obtained from the other in connection therewith.

19.18. Public Announcement of Transaction. Buyer and Seller shall jointly prepare and determine the timing of any press release or other announcement to the public relating to the execution of this Agreement. No Party hereto will issue any press release or make any other public announcement relating to the transaction contemplated by this Agreement without the prior consent of each other Party hereto, except that any Party may make any disclosure required to be made by it under applicable law (including the federal securities laws) if it determines in good faith that it is appropriate to do so and gives prior notice to each other Party hereto.

19.19. Section 73.1150 Statement. Both the Seller and Buyer agree that the Seller has retained no rights of reversion of the FCC Licenses, has no right to the reassignment of the FCC Licenses in the future, and has not reserved the right to use the facilities of the Station in the future for any reason whatsoever.

19.20 No Party Deemed Drafter. Each Party has been represented by its own counsel in connection with the negotiation and preparation of this Agreement and, consequently, no Party will be deemed the drafter of this Agreement and if this Agreement is construed by a court of law such court should not construe this Agreement or any provision against any Party as its drafter.

19.21 References. The use of singular, plural, neuter, female or male terms in this Agreement shall not be restrictive but shall be understood to include the use of all such terms.

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be executed on the date first above written.

**SELLER:**

**GFR, INC**

\_\_\_\_\_  
Witness

By: \_\_\_\_\_  
Edward Cearley, President

**BUYER:**

**STAGE DOOR DEVELOPMENT, INC.**

\_\_\_\_\_  
Witness

By: \_\_\_\_\_  
H. Jack Mizell, President

## **SCHEDULES AND APPENDICES**

### Schedules

Schedule 1.1	Government Authorizations
Schedule 1.3	Personal Property
Schedule 1.5	Contracts, Leases and Agreements
Schedule 1.7	Deposits and Prepaid Expenses
Schedule 1.8	Accounts Receivable
Schedule 1.9(c)	Insurance Contracts
Schedule 9	Local Marketing Agreement

Schedule 1.3

**PERSONAL PROPERTY INVENTORY**  
(additional inventory)

In addition to the attached Equipment Inventory, the Seller will include as part of the sale:

27. Paraflector model # Scala PR950

28. 150 Feet 1/5" coaxial cable