

## ASSET PURCHASE AGREEMENT

25-1b THIS ASSET PURCHASE AGREEMENT (this "Agreement") is made as of September 25, 2009, by and among GAP Broadcasting Midland-Odessa, LLC, a Delaware limited liability company ("GAP Broadcasting"), GAP Broadcasting Midland-Odessa License, LLC, a Delaware limited liability company ("GAP License" and together with GAP Broadcasting, "Seller"), and ICA Radio Ltd., a Texas limited partnership ("Buyer").

### Recitals

A. Seller owns and operates the following radio broadcast stations (each a "Station" and collectively the "Stations") pursuant to certain authorizations issued by the Federal Communications Commission (the "FCC"):

KFZX (FM)	Gardendale, Texas	(facility ID No. 21419)
KCHX (FM)	Midland, Texas	(facility ID No. 60801)
KMRK-FM	Odessa, Texas	(facility ID No. 41856)
KCRS-FM	Midland, Texas	(facility ID No. 9667)
KCRS (AM)	Midland, Texas	(facility ID No. 42015)

B. Pursuant to the terms and subject to the conditions set forth in this Agreement, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, the Station Assets (defined below).

### Agreement

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

## ARTICLE 1: PURCHASE OF ASSETS

1.1 Station Assets. On the terms and subject to the conditions hereof, at Closing (defined below), subject to Section 1.2, Seller shall sell, assign, transfer, convey and deliver to Buyer, and Buyer shall purchase and acquire from Seller, all right, title and interest of Seller in and to all assets and properties of Seller, real and personal, tangible and intangible, that are used or held for use exclusively in the operation of the Stations (the "Station Assets"), including without limitation the following:

(a) all licenses, permits and other authorizations issued to Seller by the FCC with respect to the Stations (the "FCC Licenses"), including those described on Schedule 1.1(a), including any renewals or modifications thereof between the date hereof and Closing;

(b) all of Seller's equipment, transmitters, antennas, cables, towers, vehicles, furniture, fixtures, spare parts and other tangible personal property of every kind and description that are used or held for use exclusively in the operation of the Stations, including without limitation those listed on Schedule 1.1(b), except for any retirements or dispositions thereof made between the date hereof and Closing in the ordinary course of business, and together with

such modifications, replacements, improvements and additional items made or acquired between the date hereof and the Closing (the "Tangible Personal Property");

(c) all of Seller's real property used or held for use exclusively in the operation of the Stations (including any appurtenant easements and improvements located thereon), including without limitation those listed on Schedule 1.1(c) (the "Real Property");

(d) all agreements for the sale of advertising time on the Stations entered into in the ordinary course of business, and all other contracts, agreements and leases entered into in the ordinary course of the Station's business, including without limitation those listed on Schedule 1.1(d), together with all contracts, agreements and leases made between the date hereof and Closing in accordance with Article 4 (the "Station Contracts");

(e) all of Seller's rights in and to each Station's call letters and Seller's rights in and to the trademarks, trade names, service marks, internet domain names, URLs, Internet website content, copyrights, programs and programming material, jingles, slogans, logos, telephone numbers, technology and other intangible property which are used or held for use exclusively in the operation of the Stations, including without limitation those listed on Schedule 1.1(e), including any extension, modification or renewal of any such rights (the "Intangible Property");

(f) Seller's rights in and to all the files, documents, records, warranties and books of account (or copies thereof) relating to the operation of the Stations, including the Station's local public files, programming information and studies, engineering data and reports, environmental data and reports, advertising studies, technical data, political advertising records, correspondence with governmental authorities and similar third parties, marketing and demographic data, sales correspondence, lists of advertisers, credit, sales and accounting reports, logs, and lists of registered Internet site users, but excluding records relating to Excluded Assets (defined below); and

(g) all of Seller's goodwill in, and going concern value of, the Stations.

The Station Assets shall be transferred to Buyer free and clear of liens, claims and encumbrances ("Liens") except for Assumed Obligations (defined in Section 1.3), liens for taxes not yet due and payable, liens that will be released at or prior to Closing, and, with respect to the Real Property, such other easements, rights of way, building and use restrictions and other exceptions that do not in any material respect detract from the value of the property subject thereto or impair the use thereof in the ordinary course of the business of the Stations (collectively, "Permitted Liens").

1.2 Excluded Assets. Notwithstanding anything to the contrary contained herein, the Station Assets shall not include the following assets or any rights, title and interest therein (the "Excluded Assets");

(a) all cash and cash equivalents of Seller, including without limitation certificates of deposit, commercial paper, treasury bills, marketable securities, money market accounts and all such similar accounts or investments;

(b) all tangible and intangible personal property of Seller retired or disposed of between the date of this Agreement and Closing in accordance with Article 4;

(c) all Station Contracts that are not listed on Schedule 1.1(c) or Schedule 1.1(d) or are terminated or expire prior to Closing in accordance with Article 4;

(d) Seller's corporate and trade names unrelated to, or not exclusively use in, the operation of the Stations (including without limitation, the name "GAP"), charter documents, and books and records relating to the organization, existence or ownership of Seller, duplicate copies of the records of the Stations, and all records not relating to the operation of the Stations;

(e) all contracts of insurance, all coverages and proceeds thereunder and all rights in connection therewith, including without limitation rights arising from any refunds due with respect to insurance premium payments to the extent related to such insurance policies;

(f) all pension, profit sharing plans and trusts and the assets thereof and any other employee benefit plan or arrangement and the assets thereof, if any, maintained by Seller;

(g) the Station's accounts receivable and any other rights to payment of cash consideration for goods or services sold or provided prior to the Effective Time (defined below) or commencement of the LMA (defined below), as applicable, or otherwise arising during or attributable to any period prior to the Effective Time, or commencement of the LMA, as applicable;

(h) any non-transferable shrinkwrapped computer software and any other non-transferable computer licenses that are not material to the operation of the Stations;

(i) all rights and claims of Seller, whether mature, contingent or otherwise, against third parties with respect to the Stations and the Station Assets, to the extent arising during or attributable to any period prior to the Effective Time;

(j) all deposits and prepaid expenses (and rights arising therefrom or related thereto), except to the extent Seller receives a credit therefor under Section 1.7;

(k) any assets of Seller that are not used exclusively in the operation of a Station or the Stations; and

(l) the assets listed on Schedule 1.2 (if any).

1.3 Assumption of Obligations. On the Closing Date (defined below), Buyer shall assume the obligations of Seller arising during, or attributable to, any period of time on or after the Closing Date under the Station Contracts, and any other liabilities of Seller to the extent Buyer receives a credit therefor under Section 1.7 (collectively, the "Assumed Obligations"). Except for the Assumed Obligations, and except as provided in the LMA, Buyer does not assume, and will not be deemed by the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby to have assumed, any other liabilities or obligations of Seller (the "Retained Obligations"). Seller retains all of the Retained Obligations.

1.4 Purchase Price. In consideration for the sale of the Station Assets to Buyer, Buyer shall pay Seller an aggregate sum of Three Million and No/100 Dollars (\$3,000,000.00), subject to adjustment pursuant to Section 1.7 (the "Purchase Price"), pursuant to the terms and subject to the conditions of Section 8.2(a).

1.5 Deposit.

(a) On the date of this Agreement, Buyer shall make a cash deposit in immediately available funds in an amount equal to Three Hundred Thousand and No/100 Dollars (\$300,000.00) (the "Deposit") with Basin Abstract and Title (the "Escrow Agent") pursuant to the Escrow Agreement (the "Escrow Agreement") dated as of even date herewith among Buyer, Seller and the Escrow Agent. At Closing, the Deposit shall be disbursed to Seller and applied to the Purchase Price and any interest accrued thereon shall be disbursed to Buyer. Subject to Section 1.5(b), if this Agreement is terminated by Seller pursuant to Section 10.1(c), the Deposit and any interest accrued thereon shall be disbursed to Seller pursuant to Section 10.5. If this Agreement is terminated for any other reason, the Deposit and any interest accrued thereon shall be disbursed to Buyer. The parties shall each instruct the Escrow Agent to disburse the Deposit and all interest thereon to the party entitled thereto and shall not, by any act or omission, delay or prevent any such disbursement. Any failure by Buyer to make the Deposit on the date hereof constitutes a material default as to which the Cure Period under Section 10.1 does not apply entitling Seller to immediately terminate this Agreement.

(b) If this Agreement is terminated by Seller pursuant to Section 10.1(c) solely on the basis of a breach of Section 3.5, only one-half of the Deposit and the interest having accrued thereon shall be disbursed to Seller pursuant to Section 10.5. The remainder of the Deposit and the interest having accrued thereon shall be disbursed to Buyer.

1.6 Prorations and Adjustments. Except as provided in the LMA, all prepaid and deferred income and expenses relating to the Station Assets and arising from the operation of the Stations shall be prorated between Buyer and Seller in accordance with generally accepted accounting principles ("GAAP") as of 12:01 a.m. on the day of Closing (the "Effective Time"). Except as may be contemplated in the LMA, such prorations shall be based on the principles that Seller shall be entitled to all income earned and shall be responsible for all liabilities and obligations accrued in connection with the operation of the Stations before Closing, and Buyer shall be entitled to all income earned and shall be responsible for all liabilities and obligations accrued in connection with the operation of the Stations on or after the Closing. Such prorations shall include without limitation all ad valorem, real estate and other property taxes (except transfer taxes as provided by Section 11.1), music and other license fees, utility expenses, rent and other amounts under Station Contracts and similar prepaid and deferred items. Seller shall receive a credit for all of the Stations' deposits and prepaid expenses relating to the Station Assets. Sales commissions related to the sale of advertisements broadcast on the Stations prior to commencement of the LMA shall be the responsibility of Seller, and sales commissions related to the sale of advertisements broadcast on the Stations on or after commencement of the LMA shall be the responsibility of Buyer. Prorations and adjustments shall be made no later than ninety (90) calendar days after Closing. Notwithstanding the foregoing to the contrary, (a) there shall be no adjustment for and Seller shall remain solely liable for any contracts or agreements not included in the Assumed Obligations, and (b) subject to Section 5.7(c), all

Employee Compensation amounts prepaid by Seller shall be deemed obligations of Buyer for purposes of the prorations set forth in this Section 1.6 and shall increase amounts owed to Seller by Buyer.

1.7 Allocation. Seller and Buyer will allocate the Purchase Price consistent with Schedule 1.7 and the requirements of Section 1060 of the Internal Revenue Code of 1986, as amended, and shall each file its federal income tax returns and any other tax returns reflecting such allocation.

1.8 Closing. The consummation of the sale and purchase of the Station Assets provided for in this Agreement (the "Closing") shall take place on or before the tenth business day after the date the FCC Consent becomes a Final Order (defined below), or on such later day after such consents as Buyer and Seller may mutually agree, subject to the satisfaction or waiver of the conditions set forth in Articles 6 or 7 below. The date on which the Closing is to occur is referred to herein as the "Closing Date." For purposes of this Agreement, the term "Final Order" shall mean that action shall have been taken by the FCC (including action duly taken by the FCC's staff, pursuant to delegated authority) which shall not have been reversed, stayed, enjoined, set aside, annulled or suspended; with respect to which no timely request for stay, petition for rehearing, appeal or certiorari or *sua sponte* action of the FCC with comparable effect shall be pending; and as to which the time for filing any such request, petition, appeal, certiorari or for the taking of any such *sua sponte* action by the FCC shall have expired or otherwise terminated.

1.9 FCC Consents.

(a) Within five (5) business days of the date of this Agreement, Buyer and Seller shall file an application with the FCC (the "FCC Application") requesting FCC consent to the assignment of the FCC Licenses to Buyer. FCC consent to the FCC Application without any material adverse conditions other than those of general applicability is referred to herein as the "FCC Consent". Buyer and Seller shall diligently prosecute the FCC Application and otherwise use their commercially reasonable efforts to obtain the FCC Consent as soon as possible.

(b) Buyer and Seller shall notify each other of all documents filed with or received from any governmental agency with respect to this Agreement or the transactions contemplated hereby. Buyer and Seller shall furnish each other with such information and assistance as the other may reasonably request in connection with their preparation of any governmental filing hereunder.

1.10 LMA. Simultaneous with the execution of this Agreement, Buyer and Seller are entering into a Local Programming and Marketing Agreement (the "LMA") pursuant to which, among other things, and subject to the terms and conditions of the LMA, Buyer will provide programming for, and be entitled to receive the revenues from the sale of advertising time on, the Stations.

## ARTICLE 2: SELLER REPRESENTATIONS AND WARRANTIES

Seller makes the following representations and warranties to Buyer:

2.1 Organization. Seller is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and GAP Broadcasting is qualified to do business in each jurisdiction in which the Station Assets are located. Seller has the requisite power and authority to execute, deliver and perform this Agreement and all of the other agreements and instruments to be made by Seller pursuant hereto (collectively, the “Seller Ancillary Agreements”) and to consummate the transactions contemplated hereby.

2.2 Authorization. The execution, delivery and performance of this Agreement and the Seller Ancillary Agreements by Seller have been duly authorized and approved by all necessary action of Seller and do not require any further authorization or consent of Seller. This Agreement is, and each Seller Ancillary Agreement when made by Seller and the other parties thereto will be, a legal, valid and binding agreement of Seller enforceable in accordance with its terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors’ rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

2.3 No Conflicts. Except as set forth on Schedule 2.3 and except for the FCC Consent and consents to assign certain of the Station Contracts, the execution, delivery and performance by Seller of this Agreement and the Seller Ancillary Agreements and the consummation by Seller of any of the transactions contemplated hereby does not conflict with any organizational documents of Seller, any contract or agreement to which Seller is a party or by which it is bound, or any law, judgment, order, or decree to which Seller is subject, or require the consent or approval of, or a filing by Seller with, any governmental or regulatory authority or any third party.

2.4 FCC Licenses. Except as set forth on Schedule 1.1(a), Seller is the holder of the FCC Licenses described on Schedule 1.1(a), which are all of the licenses, permits and authorizations required for the present operation of the Stations and any material pending applications filed with the FCC by Seller with respect to any of the Stations. The FCC Licenses are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated, have not expired, and are not subject to any condition except conditions applicable to radio broadcast licenses generally, or as otherwise disclosed on the face of the FCC Licenses. To Seller’s knowledge, there are no existing facts or circumstances unique to Seller that could reasonably result in the FCC not renewing any FCC Licenses in the ordinary course. To Seller’s knowledge, no application, action or proceeding is pending for the renewal of any FCC License as to which any petition to deny or objection has been filed. There is not pending, or, to Seller’s knowledge, threatened, any action by or before the FCC or any event that has occurred which is likely to result in the FCC taking action to revoke, suspend, cancel, rescind or materially adversely modify any of the FCC Licenses (other than proceedings to amend FCC rules of general applicability). To Seller’s knowledge, there is not issued or outstanding, by or before the FCC, any order to show cause, notice of violation, notice of apparent liability, or order of

forfeiture against the Stations or against Seller with respect to the Stations that could result in any such action. The Stations have been and are operating in compliance in all material respects with the FCC Licenses, the Communications Act of 1934, as amended (the “Communications Act”), and the rules, regulations and published policies of the FCC (collectively, with the Communications Act, the “Communications Laws”). All reports and filings required to be maintained by Seller or filed with the FCC by Seller with respect to the Stations have been properly maintained or timely filed, as the case may be, and Seller has or will have timely paid all FCC regulatory fees in respect thereof, except where the failure to do so would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on Seller. All such reports and filings are accurate and complete in all material respects.

2.5 Taxes. Seller has, in respect of the Stations’ business, filed all foreign, federal, state, county and local income, excise, property, sales, use, employment, franchise and other tax returns and reports which are required to have been filed by it under applicable law, and has withheld and/or paid all taxes which have become due pursuant to such returns or pursuant to any assessments which have become payable. All such tax reports and returns are complete and accurate in all material respects.

2.6 Personal Property. Schedule 1.1(b) contains a list of material items of Tangible Personal Property included in the Station Assets. Except as set forth on Schedule 1.1(b), Seller has good and marketable title to the Tangible Personal Property free and clear of Liens other than Permitted Liens. Except as set forth on Schedule 1.1(b), all material items of Tangible Personal Property are in good operating condition, ordinary wear and tear excepted. The Tangible Personal Property includes all items of tangible personal property utilized by Seller in the operation of the Stations.

2.7 Real Property.

(a) Schedule 1.1(c) contains a description of the Real Property. Seller has good and marketable fee simple title to the owned Real Property described on Schedule 1.1(c) (the “Owned Real Property”) (if any), free and clear of Liens other than Permitted Liens. Schedule 1.1(c) includes a description of each lease of Real Property or similar agreement included in the Station Contracts (the “Real Property Leases”).

(b) The Owned Real Property is available for immediate use in the operation of the Stations and the improvements thereon are in good operating condition and repair (ordinary wear and tear excepted) and to Seller’s knowledge, no conditions exist that could reasonably be expected to interfere with the use and operation of the Owned Real Property as currently used and operated by Seller consistent with Seller’s past practice. Seller has not received written notice of any violation of law, municipal or county ordinances or other legal requirements with respect to the Owned Real Property or with respect to the use or occupancy thereof or the improvements thereon. Seller has not received any written notice of any pending or threatened termination or impairment of access to the Owned Real Property or discontinuation of necessary sewer, water, electrical, gas, telephone or other utilities or services. The Owned Real Property is accessible by public road, access or right of way, and to Seller’s knowledge, will continue to have such access in the future.

(c) To Seller's knowledge, no governmental authority has issued or, threatened to issue, any notice or order that could reasonably be expected to affect adversely the use or operation of any Real Property, or require any repairs, alterations, additions, or improvements thereto, or the payment or dedication of any money, fee, exaction, or property. To Seller's knowledge, there is no pending imposition of any assessments for public improvements with respect to any Real Property and, to Seller's knowledge, no such improvements have been constructed or planned that would be paid for by means of assessments upon any Real Property.

(d) Seller has not received any written notice (i) that either the whole or any portion of the Real Property is to be condemned, requisitioned or otherwise taken by any public authority, (ii) of violation of restrictive covenants, deed restrictions or governmental requirements on the Real Property (including code restrictions and compliance with the Americans with Disabilities Act) which have not been remedied, (iii) of any proceedings which would cause the change, redefinition or other modification of the zoning classification or (iv) any proceedings to widen or realign any street or highway adjacent to the Real Property.

(e) Seller owns a valid interest as lessee under the Real Property Leases free and clear of all Liens other than Permitted Liens. Each Real Property Lease is in full force and effect, and is valid, binding and enforceable in accordance with its terms against Seller and, to Seller's knowledge, the other parties thereto. Seller has performed its obligations under each such lease in all material respects and is not in material breach or default thereunder. To Seller's knowledge, each such Real Property Lease provides sufficient access to the Stations' facilities located at such leased property. Seller has not granted any oral or written right to any person to lease, sublease, license or otherwise use or occupy any of the Real Property Leases through the end of the applicable periods of such lease, sublease, license or other contract. Seller has enjoyed peaceful and undisturbed possession under all leases with respect to the real property. Seller has not received any written notice of default under Real Property Lease that remains outstanding or uncured as of the date of this Agreement. Seller has no knowledge of any event that now constitutes, or that, upon the giving of notice or the passage of time, or both, would give rise to, any default in the performance by it of any obligation under any Real Property Lease.

(f) Seller has complied in all material respects with all requirements of the FCC and the Federal Aviation Administration with respect to construction and/or alteration of the Stations' antenna structures, and, where required, each Station's antenna structure has been registered with the FCC.

2.8 Contracts. Schedule 1.1(d) contains a list of all contracts that are used in the operation of the Stations other than contracts pursuant to Section 4.1(g). The Station Contracts requiring the consent of a third party to assignment are identified with an asterisk on Schedule 1.1(c) and Schedule 1.1(d). Each of the Station Contracts (including without limitation each of the Real Property Leases) is in effect and is binding upon Seller and, to Seller's knowledge, the other parties thereto (subject to bankruptcy, insolvency, reorganization or other similar laws relating to or affecting the enforcement of creditors' rights generally). Seller has performed its obligations under each of the Station Contracts in all material respects, and is not in material default thereunder, and to Seller's knowledge, no other party to any of the Station Contracts is in default thereunder in any material respect. Other than the FCC Consent and the consents required to transfer the Station Contracts identified on Schedules 1.1(c) and (d), no consents from



any Person are required to be obtained by Seller in connection with the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby. Any unpaid royalties, fees, and charges for goods, rights, or services (including but not limited to BMI, ASCAP, and SESAC) used by Seller prior to the Closing Date will be timely paid by Seller.

## 2.9 Environmental.

(a) As used herein, (i) the term “Environmental Laws” shall mean any and all state, federal, and local statutes, regulations and ordinances relating to the protection of human health and the environment, (ii) the term “Hazardous Material” shall mean any hazardous or toxic substance, material, or waste including, without limitation, those substances, materials, pollutants, contaminants and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 C.F.R. § 172.101) or by the United States Environmental Protection Agency as hazardous substances (40 C.F.R. Part 302 and amendments thereto), petroleum products (as defined in Title I to the Resource Conservation and Recovery Act, 42 U.S.C. § 6991-6991(i)) and their derivatives, and such other substances, materials, pollutants, contaminants and wastes as become regulated or subject to cleanup authority under any Environmental Laws, and (iii) the term “Release” shall have the meaning set forth in Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§ 9601 et seq. (“CERCLA”).

(b) Seller represents and warrants that:

(i) all activities of Seller with respect to the operation of the Stations have been and are being conducted in material compliance with all Environmental Laws;

(ii) Seller has not, nor to Seller’s knowledge has any other Person, Released any Hazardous Material on, in, from or onto the Real Property, except in accordance with Environmental Laws;

(iii) no Hazardous Materials have been generated, stored, transported or released on, in or from the Real Property by Seller in violation of any Environmental Law;

(iv) except as set forth on Schedule 1.1(c), there is no friable asbestos or PCBs contained in any of the Station Assets; and

(v) there are no underground storage tanks used by Seller in the operations of the Stations, and to Seller’s knowledge there are no underground storage tanks (including underground storage tanks no longer in use) located on the Real Property.

2.10 Intangible Property. Schedule 1.1(e) contains a description of the material Intangible Property included in the Station Assets. Seller’s use of the Intangible Property does not infringe upon any third party rights in any material respect, no material Intangible Property is the subject of any pending, or, to Seller’s knowledge, threatened legal proceedings claiming infringement or unauthorized use, and Seller has not received any written notice that its use of any material Intangible Property is unauthorized or infringes upon the rights of any other person. Seller owns or has the right to use and transfer to Buyer the Intangible Property free and clear of Liens other than Permitted Liens.

2.11 Employees. Except as set forth on Schedule 2.11, (a) Seller has complied in all material respects with all labor and employment laws, rules and regulations applicable to the Stations' business, including without limitation those which relate to prices, wages, hours, discrimination in employment and collective bargaining, (b) there is no unfair labor practice charge or complaint against Seller in respect of the Stations' business pending or, to Seller's knowledge, threatened before the National Labor Relations Board, any state labor relations board or any court or tribunal, and there is no strike, dispute, request for representation, slowdown or stoppage pending or threatened in respect of the Stations' business, and (c) Seller is not party to any collective bargaining, union or similar agreement with respect to the employees of Seller at the Stations, and to Seller's knowledge, no union represents or claims to represent or is attempting to organize such employees. Schedule 2.11 contains a list of the names, positions, and current aggregate annual cash compensation and identifies the other material benefits of each Seller employee working primarily for one or more of the Stations, and any employment contracts, confidentiality agreements or non-compete agreements to which each such employee is a party.

2.12 Insurance. Seller maintains insurance policies covering the Stations and the Station Assets and will maintain such policies until the Effective Time.

2.13 Compliance with Law. Except as set forth on Schedule 2.13, (a) Seller has complied in all material respects with all laws, rules and regulations, including without limitation all FCC and Federal Aviation Administration rules and regulations applicable to the operation of the Stations, and all decrees and orders of any court or governmental authority which are applicable to the operation of the Stations, and (b) to Seller's knowledge, there are no governmental claims or investigations pending or threatened against Seller in respect of the Stations except those affecting the industry generally.

2.14 Litigation. Except as set forth on Schedule 2.14, there is no action, suit or proceeding pending or, to Seller's knowledge, threatened against Seller in respect of the Stations or the Station Assets. Seller is not operating under or subject to any order, writ, injunction or decree relating to the Stations or the Station Assets of any court or governmental authority which would have a material adverse effect on the condition of the Stations or any of the Station Assets or on the ability of Seller to enter into this Agreement or consummate the transactions contemplated hereby, other than those of general applicability.

2.15 Financial Statements. Seller has provided to Buyer copies of its statements of operations for the Stations for the years ended December 31, 2007 and December 31, 2008, and year to date through the calendar month for which such statements have been most recently prepared by Seller. Such year-end statements are the statements included in the audited consolidated financial statements of Seller and its affiliates (but such statements are not separately audited and the year to date statements are not audited). Shared operating expenses and revenue from combined sales are allocated among the Stations and other Stations and business units as reasonably determined by Seller and consistent with past practices. Such statements may reflect the results of intercompany arrangements that are Excluded Assets. Except as set forth on Schedule 2.15, such statements have been prepared in accordance with GAAP consistently applied. Such statements in the aggregate present fairly in all material

respects the results of operations of the Stations as operated by Seller for the respective periods covered thereby.

2.16 No Undisclosed Liabilities. There are no liabilities or obligations of Seller with respect to the Stations that will be binding upon Buyer after the Effective Time other than the Assumed Obligations and other than pursuant to the prorations under Section 1.7.

### ARTICLE 3: BUYER REPRESENTATIONS AND WARRANTIES

Buyer hereby makes the following representations and warranties to Seller:

3.1 Organization. Buyer is duly organized, validly existing and in good standing under the laws of Texas, and is qualified to do business in each jurisdiction in which the Station Assets are located. Buyer has the requisite power and authority to execute, deliver and perform this Agreement and all of the other agreements and instruments to be executed and delivered by Buyer pursuant hereto (collectively, the “Buyer Ancillary Agreements”) and to consummate the transactions contemplated hereby.

3.2 Authorization. The execution, delivery and performance of this Agreement and the Buyer Ancillary Agreements by Buyer have been duly authorized and approved by all necessary action of Buyer and do not require any further authorization or consent of Buyer. This Agreement is, and each Buyer Ancillary Agreement when made by Buyer and the other parties thereto will be, a legal, valid and binding agreement of Buyer enforceable in accordance with its terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors’ rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

3.3 No Conflicts. Except for the FCC Consent, the execution, delivery and performance by Buyer of this Agreement and the Buyer Ancillary Agreements and the consummation by Buyer of any of the transactions contemplated hereby does not conflict with any organizational documents of Buyer, any contract or agreement to which Buyer is a party or by which it is bound, or any law, judgment, order or decree to which Buyer is subject, or require the consent or approval of, or a filing by Buyer with, any governmental or regulatory authority or any third party.

3.4 Litigation. There is no action, suit or proceeding pending or, to Buyer’s knowledge, threatened against Buyer which questions the legality or propriety of the transactions contemplated by this Agreement or could materially adversely affect the ability of Buyer to perform its obligations hereunder.

3.5 Qualification. Buyer is legally, financially and otherwise qualified to be the licensee of, acquire, own and operate the Stations under the Communications Laws and to enter into the LMA and assume the role of programmer thereunder. There are no facts that would, under existing law and the Communications Laws, disqualify Buyer as an assignee of the FCC Licenses or as the owner and operator of the Stations or as the programmer under the LMA. No waiver of or exemption from any FCC rule or policy is necessary for the FCC Consent to be

obtained. There are no matters that might reasonably be expected to result in the FCC's denial or delay of approval of the FCC Application. The ownership by Buyer of the Stations does not and will not violate Section 73.3555 of the FCC's rules relating to the common ownership of radio and television stations in the same geographic area.

3.6 Availability of Funds. Buyer has the necessary funds to enable it to pay the Purchase Price and to consummate the transactions contemplated hereby.

#### ARTICLE 4: SELLER COVENANTS

4.1 Seller's Covenants. Between the date hereof and Closing, except as permitted by this Agreement or with the prior written consent of Buyer, which shall not be unreasonably withheld, delayed or conditioned, Seller shall, subject to the LMA (as applicable):

(a) operate the Stations in the ordinary course of business and in accordance with the Communications Laws, and in accordance with all other material laws, regulations, rules and orders;

(b) not adversely modify, and in all respects maintain in full force and effect, the FCC Licenses, and maintain in full force and effect all other licenses, permits and authorizations relating to the Station Assets and take any action necessary before the FCC to preserve such licenses in full force and effect without material adverse changes;

(c) not other than in the ordinary course of business, sell, lease or dispose of or agree to sell, lease or dispose of any of the Station Assets unless replaced with similar items of substantially equal or greater value and utility, or create, assume or permit to exist any Liens upon the Station Assets, except for Permitted Liens, and not dissolve, liquidate, merge or consolidate with any other entity;

(d) maintain the Tangible Personal Property in good repair and condition, ordinary wear and tear excepted;

(e) upon reasonable notice, give Buyer and its representatives reasonable access during normal business hours to the Station Assets, and furnish Buyer with information relating to the Station Assets that Buyer may reasonably request, provided (i) that such access rights shall not be exercised in a manner that interferes with the operation of the Stations, and (ii) all such requests for access or any other due diligence requests or questions from Buyer to Seller relating to the transaction contemplated by this Agreement shall be directed solely to George Laughlin, the President of Seller;

(f) except in the ordinary course of business and as otherwise required by law, not (i) enter into any employment, labor, or union agreement or plan (or amendments of any such existing agreements or plan) that will be binding upon Buyer after Closing or (ii) increase the compensation payable to any employee of the Stations, except for bonuses and other compensation payable by Seller in connection with the consummation of the transactions contemplated by this Agreement (if any);

(g) not enter into new Station Contracts that will be binding upon Buyer after Closing or amend any existing Station Contracts, except for (i) new time sales agreements and other Station Contracts made in the ordinary course of business that are terminable on ninety days notice or less without penalty, or (ii) other Station Contracts made with Buyer's prior consent;

(h) notify Buyer prior to the expiration of any Station Contract (and within a reasonable time prior to the time within which such Station Contract can be extended, if any) and in good faith, upon Buyer's request, extend or negotiate the renewal of such Station Contract on terms agreeable to Buyer;

(i) Seller shall ensure that prior to Closing, any and all barter obligations existing under any Station Contracts will not in the aggregate exceed \$75,000; and

(j) use reasonable commercial efforts to negotiate and obtain a six-month to one-year extension of the studio lease set forth on Schedule 1.1(c), the terms of which shall be reasonably acceptable to Buyer.

#### ARTICLE 5: JOINT COVENANTS

Buyer and Seller hereby covenant and agree as follows:

5.1 Confidentiality. Seller or an affiliate of Seller and Buyer or an affiliate of Buyer are parties to a nondisclosure agreement (the "NDA") with respect to Seller and the Stations. To the extent not already a direct party thereto, Buyer and Seller hereby assume the NDA and agree to be bound by the provisions thereof. Without limiting the terms of the NDA, subject to the requirements of applicable law, all non-public information regarding the parties and their business and properties that is disclosed in connection with the negotiation, preparation or performance of this Agreement (including without limitation all financial information provided by Seller to Buyer) shall be confidential and shall not be disclosed to any other person or entity, except the parties' representatives and lenders for the purpose of consummating the transaction contemplated by this Agreement, except where such information is known through other lawful sources or where its disclosure is required in accordance with applicable law.

5.2 Announcements. Prior to Closing, no party shall, without the prior written consent of the other (such consent not to be unreasonably withheld or delayed), issue any press release or make any other public announcement concerning the transactions contemplated by this Agreement, except to the extent that such party is so obligated by law, in which case such party shall give advance notice to the other, and except that the parties shall cooperate to make a mutually agreeable announcement.

5.3 Control. Subject to the LMA, Buyer shall not, directly or indirectly, control, supervise or direct the operation of the Stations prior to Closing. Consistent with the Communications Laws, control, supervision and direction of the operation of the Stations prior to Closing shall remain the responsibility of Seller as the holder of the FCC Licenses.

5.4 Risk of Loss.

(a) Subject to the terms of the LMA, Seller shall bear the risk of any loss of or damage to any of the Station Assets at all times until the Effective Time, and Buyer shall bear the risk of any such loss or damage thereafter.

(b) If prior to the Effective Time any item of Tangible Personal Property is damaged or destroyed or otherwise not in the condition described in Section 2.6 in any material respect, then:

(i) Seller shall use commercially reasonable efforts to repair or replace such item in all material respects in the ordinary course of business; and

(ii) if such repair or replacement is not completed prior to Closing, then the parties shall proceed to Closing (with Seller's representations and warranties deemed modified to take into account any such condition) and Seller shall promptly repair or replace such item in all material respects after Closing (and Buyer will provide Seller access and any other reasonable assistance requested by Seller with respect to such obligation), except that if such damage or destruction could reasonably be expected to disrupt the Stations' operations, then Buyer may postpone Closing until the date five (5) business days after operations are restored in all material respects, subject to Section 10.1.

(c) If prior to Closing a Station is off the air or operating at a power level below 90 percent of its licensed effective radiated power (a "Broadcast Interruption"), then Seller shall use commercially reasonable efforts to return such Station to the air and restore prior coverage as promptly as possible in the ordinary course of business. Notwithstanding anything herein to the contrary, if prior to Closing there is a Broadcast Interruption in excess of 24 hours, then Buyer may postpone Closing until the date five (5) business days after the Station returns to the air and prior coverage is restored in all material respects, subject to Section 10.1.

## 5.5 Environmental.

(a) With respect to any Owned Real Property or Real Property Leases included in the Station Assets, Buyer may at its expense conduct an environmental assessment (each a "Phase I") prior to Closing, provided that such assessments are conducted during normal business hours upon reasonable prior notice (and subject to landlord consent if necessary), but completion of such assessments (or the results thereof) is not a condition to Closing.

(b) If any Phase I or any item set forth on Schedule 1.1(c) or any environmental report provided by Seller to Buyer prior to the date of this Agreement identifies a condition requiring remediation under applicable environmental law or for which remediation is recommended, then:

(i) except as set forth below, Seller shall use commercially reasonable efforts to remediate such condition in all material respects in the ordinary course of business; and

(ii) if such remediation is not completed prior to Closing, then the parties shall, at Buyer's discretion, proceed to Closing (with Seller's representations and warranties deemed modified to take into account any such condition) and Buyer shall assume responsibility to remediate such item after Closing and Seller shall reimburse Buyer any costs or

expenses reasonably incurred in connection with such remediation, subject to the limitation on such expenses set forth on Section 5.5(c) below.

(c) Notwithstanding anything herein to the contrary, if at any time any such environmental conditions exists and the reasonably estimated cost to remedy all such conditions in the aggregate exceeds \$250,000, then either party shall have the right to terminate this Agreement upon written notice to the other party; provided, however that Seller shall not have the right to terminate this Agreement under this Section 5.5(c) if Buyer assumes responsibility for remediation costs in excess of such amount. To be clear, notwithstanding anything to the contrary in this Agreement, under no circumstances shall Seller have any obligation to incur, reimburse, or expend in excess of \$250,000 relating to the remediation of any environmental conditions.

#### 5.6 Consents.

(a) The parties shall use commercially reasonable efforts to obtain (i) any third party consents necessary for the assignment of any Station Contract (which shall not require any payment to any such third party), and (ii) execution of reasonable estoppel certificates by lessors under any Real Property Leases requiring consent to assignment (if any), but no such consents or estoppel certificates are conditions to Closing except for the Required Consents. Receipt of consent to assign to Buyer the Stations' main tower leases and employment or contractor agreements (and corresponding non-compete, non-solicitation and non-hire agreements) for all on-air talent, in addition to those other Station Contracts designated with a diamond on Schedule 1.1(c) (if any) is a condition precedent to Buyer's obligation to close under this Agreement (the "Required Consents").

(b) To the extent that any Station Contract may not be assigned without the consent of any third party, and such consent is not obtained prior to Closing, this Agreement and any assignment executed pursuant to this Agreement shall not constitute an assignment of such Station Contract; provided, however, with respect to each such Station Contract, Seller and Buyer shall cooperate to the extent feasible in effecting a lawful and commercially reasonable arrangement under which Buyer shall receive the benefits under the Station Contract from and after Closing, and to the extent of the benefits received, Buyer shall pay and perform Seller's obligations arising under the Station Contract from and after Closing in accordance with its terms.

#### 5.7 Employees.

(a) Seller has provided Buyer a list showing employee positions and basic compensation for employees of the Stations. Except as set forth on Schedule 1.1(d), Buyer may, but is not obligated to, offer post-Closing or post-LMA commencement employment to such employees. With respect to each such employee, within (10) business days following the execution of this Agreement, Buyer shall notify Seller in writing whether or not it will offer Comparable Employment (defined below) to such employee upon Closing or commencement of the LMA, as applicable. Within thirty (30) calendar days after Closing or commencement of the LMA, as applicable, Buyer shall give Seller written notice identifying (i) all Hired Employees (defined below) and (ii) all individuals who were employed by Seller prior to the Closing or

commencement of the LMA, as applicable, who were offered Comparable Employment with Buyer who did not accept such offers. As used herein, "Comparable Employment" means employment with no reduction in base salary or change in the amount of scheduled hours, and no requirement to commute more than 30 miles further than the employee's commute while employed by Seller. Seller shall bear all direct or indirect costs associated with the termination of employees not hired by Buyer.

(b) If applicable, Seller shall give any notice to any applicable employees required under the Worker Adjustment and Retraining Notification Act (the "WARN Act") or any similar state or local law, and Buyer shall comply with any applicable requirements thereunder after the Effective Time or commencement of the LMA, as applicable. If the WARN Act or any such other law is applicable, then Seller may by written notice to Buyer extend the Closing Date or LMA commencement date to a date within five (5) business days after expiration of all applicable notice periods.

(c) With respect to employees of the Stations hired by Buyer ("Hired Employees"), as of the Closing or the commencement date under the LMA (the "Transfer Date"), Seller shall be responsible for all compensation and benefits arising prior to the Effective Time, as applicable (in accordance with Seller's employment terms), and Buyer shall be responsible for all compensation and benefits arising after the Effective Time, as applicable (in accordance with Buyer's employment terms). Notwithstanding the foregoing, Seller shall be responsible for all accrued vacation with respect to each Hired Employee through December 31, 2009. Any compensation or accrued vacation amounts paid by Seller with regard to a Hired Employee after the Transfer Date (the "Employee Compensation") shall increase the Purchase Price by an equal amount pursuant to the prorations set forth in Section 1.6, not to exceed \$12,000. If this Agreement is terminated and the transactions contemplated by this Agreement are not consummated, all such Employee Compensation amounts paid by Seller shall immediately be reimbursed to Seller by Buyer. The aforementioned reimbursement obligation shall survive the termination of this Agreement.

(d) Buyer shall permit Hired Employees (and their spouses and dependents) to participate in its "employee welfare benefit plans" (including without limitation health insurance plans) and "employee pension benefit plans" (as defined in ERISA) in which similarly situated employees are generally eligible to participate, with coverage effective immediately upon Closing or commencement of the LMA subject to Buyer's existing insurance program's 90-day waiting period, as applicable (and without exclusion from coverage on account of any pre-existing condition for any Hired Employee currently insured under Seller's plan), with service with Seller deemed service with Buyer for purposes of any length of service requirements, waiting periods, vesting periods and differential benefits based on length of service, and with credit under any welfare benefit plan for any deductibles or co-insurance paid for the current plan year under any plan maintained by Seller limited to actual length of service directly with Seller not to predate June 1, 2007. It is understood and agreed that Buyer's employee benefits plan will not be comparable to Seller's employee benefits plan. Buyer will reimburse each Hired Employee's out-of-pocket expenses for approved health insurance costs (which shall include but not be limited to COBRA insurance premiums) during the 90-day waiting period up to \$423 per month.



(e) Buyer shall also permit each Hired Employee who participates in Seller's 401(k) plan to elect to make direct rollovers of their account balances into Buyer's 401(k) plan as soon as administratively feasible after Closing or commencement of the LMA, as applicable.

5.8 Accounts Receivable. For a period of 120 days after Closing or commencement of the LMA, as applicable (the "Collection Period"), Buyer shall, without charge to Seller, use commercially reasonable efforts to collect the Stations' accounts receivable (the "A/R") in the ordinary course of business and shall apply all amounts collected from the Stations' account debtors to the oldest account first, unless the advertiser disputes in good faith in writing an older account and designates the payment to a newer account. Any amounts relating to the A/R that are paid directly to Seller shall be retained by Seller; provided, however, Seller shall notify Buyer of receipt of such payment. Buyer shall not discount, adjust or otherwise compromise any A/R and Buyer shall refer any disputed A/R to Seller. Within ten (10) calendar days after the end of each month, Buyer shall deliver to Seller a report showing A/R collections for the prior month and Buyer shall make a payment, without offset, to Seller equal to the amount of all such collections. At the end of the Collection Period, any remaining A/R shall be returned to Seller for collection. Likewise, Seller shall forward to Buyer any amounts received by Seller that are owned by Buyer as a result of this Agreement. Within ten (10) calendar days after the end of each month, Seller shall deliver to Buyer a report showing such amounts received by Seller and Seller shall make a payment, without offset, discount, or adjustment, to Buyer equal to the amount of all such amounts received.

5.9 Actions. After Closing, Buyer shall reasonably cooperate with Seller, at Seller's sole cost and expense, in the investigation, defense or prosecution of any action which is pending or threatened against Seller or its affiliates with respect to the Stations, whether or not any party has notified the other of a claim for indemnification with respect to such matter. Without limiting the generality of the foregoing, Buyer shall make available its employees to give depositions or testimony and shall furnish all documentary or other evidence that Seller may reasonably request.

5.10 Title Policy. Seller shall reasonably assist Buyer as requested so that Buyer can obtain a Commitment for Title Insurance ("Commitment"), dated not earlier than the date of this Agreement, issued by a reputable title insurance company (the "Title Company") and, to the extent required by deficiencies in the Commitment, a current "as built" survey prepared by a duly licensed and registered land surveyor or engineer, for the Real Property, showing Seller's title to such site to be good and indefeasible, together with legible copies of the deed which conveyed the Real Property to Seller and all items and documents referred to in the Commitment. The Commitment will commit the Title Company to issue a standard Texas form of Owner's Title Policy with respect to the Real Property (the "Owner's Title Policy") to Buyer at the Closing. In the event that any material exceptions unacceptable to Buyer appear in the Commitment and/or on any survey, then Buyer shall, within 15 days after receipt of the Commitment notify Seller in writing of such fact. Seller shall then use its commercially reasonable efforts to eliminate or modify such exceptions to the satisfaction of Purchaser prior to the Closing Date.

5.11 Developments. Between the date hereof and Closing, each of Seller and Buyer shall promptly notify the other party of becoming aware of any material variance to, or material

breach of, any such party's representations, warranties or covenants hereunder, or any order or decree or any material written complaint which requests an order or decree restraining or enjoining the consummation of this Agreement or the transactions contemplated hereby.

#### ARTICLE 6: SELLER CLOSING CONDITIONS

The obligation of Seller to consummate the Closing hereunder is subject to satisfaction, at or prior to Closing, of each of the following conditions (unless waived in writing by Seller):

##### 6.1 Representations and Covenants.

(a) The representations and warranties of Buyer made in this Agreement, shall be true and correct in all material respects as of the Closing Date except for changes permitted or contemplated by the terms of this Agreement.

(b) The covenants and agreements to be complied with and performed by Buyer at or prior to Closing shall have been complied with or performed in all material respects.

(c) Seller shall have received a certificate dated as of the Closing Date from Buyer executed by an authorized officer of Buyer to the effect that the conditions set forth in Sections 6.1(a) and (b) have been satisfied.

6.2 Proceedings. Neither Seller nor Buyer shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

6.3 FCC Authorization. The FCC Consent shall have been obtained and become a Final Order.

6.4 Deliveries. Buyer shall have complied with its obligations set forth in Section 8.2.

#### ARTICLE 7: BUYER CLOSING CONDITIONS

The obligation of Buyer to consummate the Closing hereunder is subject to satisfaction, at or prior to Closing, of each of the following conditions (unless waived in writing by Buyer):

##### 7.1 Representations and Covenants.

(a) The representations and warranties of Seller made in this Agreement shall be true and correct in all material respects as of the Closing Date except for changes permitted or contemplated by the terms of this Agreement.

(b) The covenants and agreements to be complied with and performed by Seller at or prior to Closing shall have been complied with or performed in all material respects.

(c) Buyer shall have received a certificate dated as of the Closing Date from Seller executed by an authorized officer of Seller to the effect that the conditions set forth in Sections 7.1(a) and (b) have been satisfied.

7.2 Proceedings. Neither Seller nor Buyer shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

7.3 FCC Authorization. The FCC Consent shall have been obtained and become a Final Order.

7.4 Deliveries. Seller shall have complied with its obligations set forth in Section 8.1.

7.5 Consents. The Required Consents (if any) shall have been obtained.

7.6 Title Policy. Buyer shall have obtained Commitments and surveys, reasonably acceptable to Buyer, for the Real Property.

#### ARTICLE 8: CLOSING DELIVERIES

8.1 Seller Documents. At Closing, Seller shall deliver or cause to be delivered to Buyer:

(a) good standing certificates issued by the Secretary of State of each Seller's jurisdiction of formation and, solely with regard to GAP Broadcasting, the Secretary of State of the State of Texas;

(b) a certificate executed by Seller's secretary or assistant secretary certifying authorization by the Seller's board of directors for the execution, delivery and performance of this Agreement, including the consummation of the transactions contemplated hereby;

(c) the certificate described in Section 7.1(c);

(d) an assignment of FCC authorizations assigning the FCC Licenses from Seller to Buyer;

(e) an assignment and assumption of contracts assigning the Station Contracts from Seller to Buyer;

(f) an assignment and assumption of leases assigning the Real Property Leases (if any) from Seller to Buyer;

(g) special warranty deeds conveying the Owned Real Property (if any) from Seller to Buyer, in such form as is reasonably acceptable to Buyer;

(h) an assignment of marks assigning the Stations' registered marks listed on Schedule 1.1(e) (if any) from Seller to Buyer;

(i) domain name transfers assigning the Stations' domain names listed on Schedule 1.1(e) (if any) from Seller to Buyer following customary procedures of the domain name administrator;

(j) endorsed vehicle titles conveying the vehicles included in the Tangible Personal Property (if any) from Seller to Buyer;

(k) a bill of sale conveying the other Station Assets from Seller to Buyer;

(l) any other instruments of conveyance, assignment and transfer that may be reasonably necessary to convey, transfer and assign the Station Assets from Seller to Buyer, free and clear of Liens, except for Permitted Liens;

(m) joint instruction to the escrow agent as contemplated by Section 8.2(a) below; and

(n) any other documents reasonably requested by Buyer to more fully evidence or effect the transactions contemplated by this Agreement.

8.2 Buyer Documents. At Closing, Buyer shall deliver or cause to be delivered to Seller:

(a) the Purchase Price as follows: (i) an amount equal to Two Million Seven Hundred Thousand and No/100 Dollars shall be paid by wire transfer of immediately available funds to an account designated by Seller, and (ii) Buyer shall deliver joint instructions with Seller to Escrow Agent directing Escrow Agent to release the Deposit to Seller (with any interest accrued on such Deposit to be released to Buyer), so that Seller receives an aggregate amount pursuant to this Section 8.2 equal to the Purchase Price;

(b) good standing certificates issued by the Secretary of State of Buyer's jurisdiction of formation and the Secretary of State of the State of Texas;

(c) a certificate executed by Buyer's secretary or assistant secretary certifying authorization by the Buyer's governing body for the execution, delivery and performance of this Agreement, including the consummation of the transactions contemplated hereby;

(d) the certificate described in Section 6.1(c);

(e) an assignment and assumption of contracts assuming the Station Contracts;

(f) an assignment and assumption of leases assuming the Real Property Leases (if any);

(g) domain name transfers assuming the Station's domain names listed on Schedule 1.1(e) (if any) following customary procedures of the domain name administrator;

(h) such other documents and instruments of assumption that may be necessary to assume the Assumed Obligations; and

(i) any other documents reasonably requested by Seller to more fully evidence or effect the transactions contemplated by this Agreement.

#### ARTICLE 9: SURVIVAL; INDEMNIFICATION

9.1 Survival. The representations and warranties in this Agreement shall survive Closing for a period of fifteen (15) months from the Closing Date whereupon they shall expire and be of no further force or effect, except (a) those under Section 2.5 (Taxes), Section 2.9 (Environmental), and those under Sections 2.6, 2.7 and 2.10 solely with respect to title, all of which shall survive until the expiration of any applicable statute of limitations, and (b) that if within such fifteen (15) month period the indemnified party gives the indemnifying party written notice of a claim for breach thereof describing in reasonable detail the nature and basis of such claim, then such claim shall survive until the resolution of such claim. The covenants and agreements in this Agreement shall survive Closing until performed.

#### 9.2 Indemnification.

(a) From and after Closing, Seller shall defend, indemnify and hold harmless Buyer and its affiliates, officers, directors, employees, stockholders, partners, and members (individually, a “Buyer Indemnitee”) from and against any and all losses, costs, damages, liabilities and expenses, including reasonable attorneys’ fees and expenses (“Damages”) (other than damages relating to or resulting from Buyer’s actions or inaction in connection with the LMA) incurred by Buyer arising out of or resulting from any claims, demands, actions, suits or proceedings (whether civil, criminal, administrative or investigative) (collectively, “Claims”) in which a Buyer Indemnitee may be involved, as a party or otherwise, arising out of:

(i) any breach by Seller of its representations and warranties made under this Agreement; or

(ii) any default by Seller of any covenant or agreement made under this Agreement; or

(iii) the Retained Obligations; or

(iv) the business or operation of the Stations before the Effective Time.

(b) Notwithstanding the foregoing or anything else herein to the contrary, after Closing, (i) Seller shall have no liability to Buyer under clause (i) of Section 9.2(a) until Buyer’s aggregate Damages exceed an amount equal to Seventy Five Thousand and No/100 Dollars (\$75,000), after which such threshold amount shall be included, not excluded, from any calculation of Damages, and (ii) the maximum aggregate liability of Seller under Section 9.2(a) shall be an amount equal to twenty percent (20%) of the Purchase Price.

(c) From and after Closing, Buyer shall defend, indemnify and hold harmless Seller and its affiliates, officers, directors, employees, stockholders, partners, and members

(individually, a “Seller Indemnatee”) from and against any and all Damages incurred by Seller arising out of or resulting from any and all Claims in which a Seller Indemnatee may be involved, as a party or otherwise, arising out of:

- (i) any breach by Buyer of its representations and warranties made under this Agreement; or
- (ii) any default by Buyer of any covenant or agreement made under this Agreement; or
- (iii) the Assumed Obligations; or
- (iv) the business or operation of the Stations on or after the Effective Time.

### 9.3 Procedures.

(a) The indemnified party shall give prompt written notice to the indemnifying party of any demand, suit, claim or assertion of liability by third parties that is subject to indemnification hereunder (a “Claim”), but a failure to give such notice or delaying such notice shall not affect the indemnified party’s rights or the indemnifying party’s obligations except to the extent the indemnifying party’s ability to remedy, contest, defend or settle with respect to such Claim is thereby prejudiced and provided that such notice is given within the time period described in Section 9.1.

(b) The indemnifying party shall have the right to undertake the defense or opposition to such Claim with counsel selected by it. In the event that the indemnifying party does not undertake such defense or opposition in a timely manner, the indemnified party may undertake the defense, opposition, compromise or settlement of such Claim with counsel selected by it at the indemnifying party’s cost (subject to the right of the indemnifying party to assume defense of or opposition to such Claim at any time prior to settlement, compromise or final determination thereof).

(c) Anything herein to the contrary notwithstanding:

(i) the indemnified party shall have the right, at its own cost and expense, to participate in the defense, opposition, compromise or settlement of the Claim;

(ii) the indemnifying party shall not, without the indemnified party’s written consent, settle or compromise any Claim or consent to entry of any judgment which does not include the giving by the claimant to the indemnified party of a release from all liability in respect of such Claim;

(iii) in the event that the indemnifying party undertakes defense of or opposition to any Claim, the indemnified party, by counsel or other representative of its own choosing and at its sole cost and expense, shall have the right to consult with the indemnifying party and its counsel concerning such Claim and the indemnifying party and the indemnified party and their respective counsel shall cooperate in good faith with respect to such Claim; and

(iv) neither party shall have any liability to the other under any circumstances for special, indirect, consequential, punitive or exemplary damages or lost profits or similar damages of any kind, whether or not foreseeable.

#### ARTICLE 10: TERMINATION AND REMEDIES

10.1 Termination. Subject to Section 10.3, this Agreement may be terminated prior to Closing as follows:

- (a) by mutual written consent of Buyer and Seller;
- (b) by written notice of Buyer to Seller if Seller breaches its representations or warranties or defaults in the performance of its covenants contained in this Agreement and such breach or default is material in the context of the transactions contemplated hereby and is not cured within the Cure Period (defined below);
- (c) by written notice of Seller to Buyer if Buyer breaches its representations or warranties or defaults in the performance of its covenants contained in this Agreement and such breach or default is material in the context of the transactions contemplated hereby and is not cured within the Cure Period; provided, however, that the Cure Period shall not apply to Buyer's obligations to make the Deposit on the date hereof and to pay the Purchase Price at Closing;
- (d) by written notice of Seller to Buyer or Buyer to Seller if Closing does not occur by the date ten (10) months after the date of this Agreement (the "Drop Date");
- (e) as provided by Section 5.5(c); or
- (f) by written notice by either party if the FCC makes a final and non-appealable denial of the FCC Consent for any reason whatsoever; provided that if such denial is related to facts or circumstances the existence of which would reasonably be deemed a breach of Section 3.5, termination by this Section 10.1(f) shall then be deemed a termination pursuant to Section 10.1(c).

10.2 Cure Period. Each party shall give the other party prompt written notice upon learning of any breach or default by the other party under this Agreement. The term "Cure Period" as used herein means a period commencing on the date Buyer or Seller receives from the other written notice of breach or default hereunder and continuing until the earlier of (a) twenty (20) calendar days thereafter or (b) the Closing Date determined under Section 1.8; provided, however, that if the breach or default is non-monetary and cannot reasonably be cured within such period but can be cured before the Closing Date determined under Section 1.8, and if diligent efforts to cure promptly commence, then the Cure Period shall continue as long as such diligent efforts to cure continue, but not beyond the Closing Date determined under Section 1.8.

10.3 Survival. Except as provided by Section 10.5, the termination of this Agreement shall not relieve any party of any liability for breach or default under this Agreement prior to the date of termination. Notwithstanding anything contained herein to the contrary, Sections 1.5

(Deposit) (and Section 10.5 with respect to the Deposit), 5.1 (Confidentiality) and 11.1 (Expenses) shall survive any termination of this Agreement.

10.4 Specific Performance. In the event of failure or threatened failure by either party to comply with the terms of this Agreement, the other party shall be entitled to an injunction restraining such failure or threatened failure and, subject to obtaining any necessary FCC consent, to enforcement of this Agreement by a decree of specific performance requiring compliance with this Agreement. Notwithstanding the foregoing, if prior to Closing the condition described in Section 10.1(c) exists, then Seller's sole remedy shall be termination of this Agreement and receipt of the liquidated damages amount pursuant to Section 10.5, except for any failure by Buyer to comply with its obligations related to the Deposit or Sections 1.10, 5.1, 5.2 or 5.3, as to which Seller shall be entitled to all available rights and remedies, including without limitation specific performance.

10.5 Liquidated Damages. Subject to Section 1.5(b), if Seller terminates this Agreement pursuant to Section 10.1(c), then the Escrow Deposit and all interest earned thereon shall be paid to Seller, and such payment shall constitute liquidated damages and be the sole remedy of Seller under this Agreement. Buyer acknowledges and agrees that Seller's recovery of such amount shall constitute payment of liquidated damages and not a penalty and that Seller's liquidated damages amount is reasonable in light of the substantial but indeterminate harm anticipated to be caused by Buyer's material breach or default under this Agreement, the difficulty of proof of loss and damages, the inconvenience and non-feasibility of otherwise obtaining an adequate remedy, and the value of the transactions to be consummated hereunder.

#### ARTICLE 11: MISCELLANEOUS

11.1 Expenses. Each party shall be solely responsible for all costs and expenses incurred by it in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement. Except as otherwise specifically set forth in this Agreement, all governmental fees and charges applicable to the FCC Consent shall be shared equally by Buyer and Seller. Buyer shall be solely responsible for all governmental taxes, fees and charges applicable to the transfer of the Station Assets under this Agreement. Each party is responsible for any commission, brokerage fee, advisory fee or other similar payment that arises as a result of any agreement or action of it or any party acting on its behalf in connection with this Agreement or the transactions contemplated hereby. Notwithstanding the foregoing to the contrary, upon Closing, Seller shall reimburse Buyer its reasonable costs of obtaining the survey, Owner's Title Policy, and its Phase I relating to the Owned Real Property. If the Closing does not occur, Seller shall not be obligated to make such reimbursement.

11.2 Further Assurances. After Closing, each party shall from time to time, at the request of and without further cost or expense to the other, execute and deliver such other instruments of conveyance and assumption and take such other actions as may reasonably be requested in order to more effectively consummate the transactions contemplated hereby.

11.3 Assignment. Neither party may assign this Agreement without the prior written consent of the other party hereto, provided, however, that Buyer may assign its rights hereunder to an affiliate of Buyer upon written notice to, but without consent of, Seller, provided that (a)



any such assignment does not delay processing of the FCC Application, grant of the FCC Consent or Closing, (b) any such assignee delivers to Seller a written assumption of this Agreement, and (c) Buyer shall remain liable for all of its obligations hereunder. The terms of this Agreement shall bind and inure to the benefit of the parties' respective successors and any permitted assigns, and no assignment shall relieve any party of any obligation or liability under this Agreement.

11.4 Notices. Any notice pursuant to this Agreement shall be in writing and shall be deemed delivered on the date of personal delivery or confirmed facsimile transmission or confirmed delivery by a nationally recognized overnight courier service, and shall be addressed as follows (or to such other address as any party may request by written notice):

if to Buyer: ICA Radio Ltd.  
700 North Grant Street  
Sixth Floor  
Odessa, TX 75761  
Attention: Barry Marks  
Facsimile: (432) 580-8010

with a copy (which shall not constitute notice) to: Covington & Burling LLP  
1201 Pennsylvania Avenue, N.W.  
Washington, D.C. 20004  
Attention: Eric D. Greenberg, Esq.  
Facsimile: (202) 778-5093

if to Seller: GAP Broadcasting Midland-Odessa, LLC  
12900 Preston Road, Suite 525  
Dallas, Texas 75230  
Attention: George Laughlin, President  
Facsimile: (972) 386-4445

With a copy (which shall not constitute notice) to: Hallett & Perrin, P.C.  
2001 Bryan Street  
Suite 3900  
Dallas TX 75201  
Attention: Gordon T. Foote, II  
Facsimile: (214) 922-4144

11.5 Amendments. No amendment or waiver of compliance with any provision hereof or consent pursuant to this Agreement shall be effective unless evidenced by an instrument in writing signed by the party against whom enforcement of such amendment, waiver, or consent is sought.

11.6 Entire Agreement. This Agreement (including the Schedules hereto) constitutes the entire agreement and understanding among the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings with respect to the subject

matter hereof, except any confidentiality agreement among the parties with respect to the Stations, which shall remain in full force and effect. No party makes any representation or warranty with respect to the transactions contemplated by this Agreement except as expressly set forth in this Agreement. Without limiting the generality of the foregoing, Seller makes no representation or warranty to Buyer with respect to any projections, budgets or other estimates of the Station's revenues, expenses or results of operations, or, except as expressly set forth in Article 2, any other financial or other information made available to Buyer with respect to the Stations.

11.7 Severability. If any court or governmental authority holds any provision in this Agreement invalid, illegal or unenforceable under any applicable law, then, so long as no party is deprived of the benefits of this Agreement in any material respect, this Agreement shall be construed with the invalid, illegal or unenforceable provision deleted and the validity, legality and enforceability of the remaining provisions contained herein shall not be affected or impaired thereby.

11.8 No Beneficiaries. Nothing in this Agreement expressed or implied is intended or shall be construed to give any rights to any person or entity other than the parties hereto and their successors and permitted assigns.

11.9 Governing Law. The construction and performance of this Agreement shall be governed by the laws of the State of Texas without giving effect to the choice of law provisions thereof.

11.10 Counterparts. This Agreement may be executed in separate counterparts, each of which will be deemed an original and all of which together will constitute one and the same agreement.

[SIGNATURE PAGE FOLLOWS]

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth above.

SELLER:

GAP BROADCASTING MIDLAND-ODESSA, LLC  
GAP BROADCASTING MIDLAND-ODESSA LICENSE, LLC

By: 

Name: George Laughlin  
Title: President

BUYER:

ICA RADIO LTD.  
BY ICA BROADCASTING LLC, GENERAL PARTNER

By: 

Name: BARRY MARKS  
Title: PRESIDENT OF GENERAL PARTNER

## SCHEDULES

Schedule 1.1(a)	FCC Licenses
Schedule 1.1(b)	Tangible Personal Property
Schedule 1.1(c)	Real Property
Schedule 1.1(d)	Station Contracts
Schedule 1.1(e)	Intangible Property
Schedule 1.2	Excluded Assets
Schedule 1.7	Purchase Price Allocation
Schedule 2.3	Conflicts
Schedule 2.11	Employees
Schedule 2.13	Legal Compliance
Schedule 2.14	Litigation
Schedule 2.15	Financial Statements