

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (this "Agreement"), made as of the 28th day of December, 2004, is by and between WOLFHOUSE RADIO GROUP, INC., a California corporation (the "Seller") and LEN RADIO BROADCASTING, LLC, a Florida limited liability company (the "Buyer").

RECITALS

Seller is the licensee of and operates radio stations KHDV(FM) (Facility ID No. 67104), King City, California; KMJV(FM) (Facility ID No. 54968), Soledad, California; KRAY-FM (Facility ID No. 33754), Salinas, California; KTGE(AM) (Facility ID No. 65375), Salinas, California, and translator K277AH (Facility ID No. 33753), Watsonville, California (each a "Station," and collectively, the "Stations"), pursuant to licenses issued by the Federal Communications Commission (the "FCC").

Seller and Buyer have agreed that Seller will sell and Buyer will acquire substantially all of the assets and will assume and discharge certain of the obligations of Seller used and useful in connection with the operation of the Stations, on the terms and subject to the conditions set forth in this Agreement.

Simultaneously with the execution and delivery of this Agreement, Seller and Buyer are executing a separate Asset Purchase Agreement (the "Gold Agreement") pursuant to which Seller has agreed to sell to Buyer substantially all of the assets and Buyer has agreed to assume and discharge certain of the obligations of Seller used and useful in connection with the operation of Station KEBV(FM) (Facility ID No. 15197), Salinas, California, pursuant to the terms and conditions of the Gold Agreement.

Therefore, the parties agree as follows:

ARTICLE 1 ASSETS TO BE CONVEYED

1.1. Closing. Subject to Section 17.1 hereof and except as otherwise mutually agreed upon by Seller and Buyer, the closing of this transaction (the "Closing") shall take place on a date designated by Buyer upon written notice to Seller within ten business days after the date of the FCC Consent, or at Buyer's option, the date that the FCC Consent becomes a Final Order or such later date on or before July 29, 2005 as necessary or desirable in order to schedule Closing with Buyer's lender, or on such other date as Buyer and Seller may mutually agree, in any case subject to the satisfaction or waiver of the conditions specified in Articles 11 and 12 hereof.

1.2. Station Assets. At the Closing, Seller shall sell, assign, transfer and convey to Buyer, and Buyer shall purchase from Seller, substantially all of the assets used in connection with the business and operation of the Stations, including but not limited to the following assets:

(a) Seller's rights in and to all of the licenses, permits and other authorizations issued to Seller by any governmental authority and used in the conduct of the business and operation of the Stations, including those listed in *Schedule 1.2(a)*, together with any additions thereto (including renewals or modifications of such licenses, permits and authorizations and applications therefor) between the date hereof and the Closing Date (the "*FCC Licenses*") and all of Seller's rights in and to the call letters of the Stations;

(b) Seller's right and interest in and to the real property leases used in the conduct of the business and operation of the Stations, as listed in *Schedule 1.2(b)*, together with any additions thereto between the date hereof and the Closing Date (the "*Leased Real Property*");

(c) subject to Section 1.3 of this Agreement, all equipment, office furniture and fixtures, office materials and supplies, inventory, towers, vehicles, spare parts, motor vehicles and other tangible personal property of every kind and description, owned, leased or held by Seller and used or useful in the conduct of the business and operation of the Stations, including that which is listed in *Schedule 1.2(c)*, together with any replacements thereof and additions thereto, made between the date hereof and the Closing Date (the "*Personal Property*");

(d) subject to the provisions of Article 3 hereof, all of Seller's rights under and interest in all Contracts listed in *Schedule 1.2(d)* hereto, the Time Sales Agreements and the Trade Agreements, together with all of Seller's rights under and interest in all Contracts entered into or acquired by Seller between the date hereof and the Closing Date in accordance with this Agreement (the "*Assumed Contracts*");

(e) all of Seller's rights in and to all registered and unregistered trademarks, trade names, service marks, franchises, copyrights, including registrations and applications for registration of any of them, jingles, logos, slogans, licenses, patents, Internet domain names, Internet URLs, Internet web sites, content and databases, permits and privileges, and other intangible property rights and interests applied for, issued to or owned by Seller for use in the conduct of the business and operation of the Stations, including those listed in *Schedule 1.2(e)*, together with any additions thereto between the date hereof and the Closing Date (the "*Intellectual Property*");

(f) all files, records, books of account, and logs relating to the operation of the Stations, including, without limitation, the Stations' public inspection files and filings with the FCC related to the Stations in the possession of Seller as of the Closing Date, receivable records, invoices, statements, technical information and engineering data, sales correspondence, and copies of all written Contracts to be assigned hereunder;

(g) all rights under manufacturers' and vendors' warranties as exist at Closing and which relate to any of the Station Assets, as defined herein;

(h) all interests of Seller in all music libraries, programs and programming materials used or held for use in the operation of the Stations; and

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

The assets to be transferred to Buyer hereunder are hereinafter collectively referred to as the "*Station Assets*." Good and marketable title to the Station Assets shall be transferred to Buyer free and clear of all Liens of any kind or nature. All accounts receivable arising in connection with the operation of the Stations prior to the Closing Date (the "*Accounts Receivable*") are included in the Station Assets and will be sold to Buyer free and clear of all Liens of any kind or nature as provided in Section 2.5 of this Agreement.

1.3. Excluded Assets. The Station Assets shall not include the following (the "*Excluded Assets*"):

(a) Seller's books and records pertaining to the organization, existence or capitalization of Seller, and duplicate copies of such records as are necessary to enable Seller to file tax returns and reports, except, as noted in Section 10.5, Seller shall provide Buyer with copies of any financial records that may be reasonably necessary to Buyer in making Federal, State, or local tax filings;

(b) all cash, cash equivalents, or similar type investments of Seller, such as certificates of deposit, treasury bills, and other marketable securities on hand and/or in banks;

(c) all insurance policies, except for any rights that may be assigned pursuant to Article 20 hereof;

(d) all pension, profit sharing or cash or deferred (Section 401(k)) plans and trusts and the assets thereof and any other employee benefit plan or arrangement;

(e) the items of personal property listed on *Schedule 1.3(e)* hereof; and

(f) Seller's corporate name and all derivatives thereof used in the operation of its businesses.

ARTICLE 2 **PURCHASE PRICE**

2.1. Purchase Price. The total consideration to be paid by Buyer for the Station Assets shall be an amount equal to Twelve Million Dollars (\$12,000,000), as adjusted pursuant to Section 2.3 and Article 5 (the "*Purchase Price*"). The Purchase Price shall be paid at Closing as follows: (i) in cash, by wire transfer of immediately available funds pursuant to wire instructions that shall be delivered by Seller to Buyer at least two business days prior to the Closing Date, and (ii) if applicable pursuant to Section 2.3 below, the balance of the Purchase Price by execution and delivery of the promissory note substantially in the form of *Exhibit C* attached hereto (the "*Note*").

2.2. Escrow Deposit. On or before December 31, 2004, Buyer shall deposit in escrow in immediately available funds the amount of Four Hundred Thousand Dollars (\$400,000) (the "*Escrow Deposit*") with Bank of America (the "*Escrow Agent*"), in an interest bearing account to be held pursuant to the terms and conditions of the Escrow Agreement by and among Buyer, Seller, and Escrow Agent substantially in the form of *Exhibit A* (the "*Escrow Agreement*"). The Escrow Deposit shall be disbursed to Seller at Closing as a credit against the Purchase Price (and any interest accrued thereon shall be disbursed to Buyer). If this Agreement is terminated by Seller pursuant to Section 17.1(a) and Seller is not in default of this Agreement, the Escrow Deposit shall be disbursed to Seller as liquidated damages and the sole and exclusive remedy of Seller as provided in Section 19.2 (and any interest accrued thereon shall be disbursed to Buyer). Seller hereby waives all other legal and equitable remedies it may otherwise have as a result of any breach or default by Buyer under this Agreement. If this Agreement is terminated for any other reason, the Escrow Deposit and any interest accrued thereon shall be disbursed to Buyer. The parties shall each instruct the Escrow Agent to disburse the Escrow Deposit and all interest accrued thereon to the party or parties entitled thereto and shall not, by any act or omission, delay or prevent any such disbursement.

2.3. Cash Flow Performance. If the Stations' Adjusted Broadcast Cash Flow for calendar year 2004 is less than Eight Hundred Thousand Dollars (\$800,000) (the "*Threshold*"), then at Closing Buyer shall pay a portion of the Purchase Price by execution and delivery of the Note, the principal amount of which is to be calculated as set forth in this Section, and the balance of the Purchase Price shall be paid at the Closing by wire transfer of immediately available federal funds in accordance with the instructions of Seller:

(a) If the Stations' Adjusted Broadcast Cash Flow for calendar year 2004 is less than the Threshold but equal to or greater than Six Hundred Thousand Dollars (\$600,000), then at Closing, the principal amount of the Note shall equal 12 multiplied by the difference between the Threshold and the Stations' Adjusted Broadcast Cash Flow for calendar year 2004, and the cash portion of the Purchase Price shall be reduced by the principal amount of the Note.

(b) If the Stations' Adjusted Broadcast Cash Flow for calendar year 2004 is less than Six Hundred Thousand Dollars (\$600,000), then at Closing, the principal amount of the Note shall equal 15 multiplied by the difference between \$600,000 and the Stations' Adjusted Broadcast Cash Flow for calendar year 2004 plus Two Million Four Hundred Thousand Dollars

(\$2,400,000), and the cash portion of the Purchase Price shall be reduced by the principal amount of the Note.

(c) The Note (if any) shall be unsecured, bear simple interest at a rate of eleven percent (11%) per annum, and obligate the maker to make quarterly interest payments during the term, with the principal due upon maturity, provided that the Note shall be due and payable in full in the event Buyer refinances all of its debt with its other lenders or sells or transfers control of all or substantially all of the Stations to an unrelated third party. The maturity date of the Note shall be the earlier of (i) the date five (5) years from the Closing Date and (ii) 91 days after the maturity date of Buyer's loans with its other lenders. The Note shall be subject to and subordinate in right of payment and exercise of remedies to payment of all of Buyer's indebtedness to such other lenders. Seller shall execute and deliver any agreements requested by such of Buyer's other lenders with respect to the Note, including without limitation any standstill, subordination agreements and intercreditor agreements.

(d) The calculation of the Stations' Adjusted Broadcast Cash Flow for 2004 shall be made by an audit of the financial books and records of Seller by an accounting firm selected by Buyer. Buyer may conduct an audit of Seller's books and records at any time before or after Closing, including without limitation to confirm the Stations' Broadcast Cash Flow and Adjusted Broadcast Cash Flow for calendar year 2004, and Seller shall provide all other financial information regarding the Stations as Buyer may request.

(e) If the Closing occurs prior to the final audited determination of the Stations' Adjusted Broadcast Cash Flow for calendar year 2004, then at Closing, Seller shall calculate in good faith the Stations' Adjusted Broadcast Cash Flow and shall certify such Adjusted Broadcast Cash Flow to Buyer in writing (showing calculations in reasonable detail and with supporting documentation). Provided that such calculation is not in Buyer's reasonable opinion manifestly incorrect or inaccurate, such calculation shall be used at Closing to determine the Purchase Price and the portion thereof (if any) to be placed in the Note. Within ten (10) business days after the final audited determination of the Stations' Adjusted Broadcast Cash Flow is obtained, (i) the parties shall calculate the difference between Seller's certified estimate and the final audited determination of the Stations' Adjusted Broadcast Cash Flow, (ii) if applicable, the appropriate party shall pay the other in immediately available funds for such excess or shortfall (as appropriate) in accordance with Section 2.3, and (iii) if applicable, the principal amount of the Note shall be reduced or increased (as appropriate) in accordance with Section 2.3 by Buyer's execution and delivery of an allonge to the Note (modifying only the principal amount).

2.4. Post-Closing Escrow. From and after the Closing, Five Hundred Thousand Dollars (\$500,000) of the Purchase Price (the "*Post-Closing Escrow*") shall be held by the Escrow Agent pursuant to the Escrow Agreement, and not disbursed to Seller at Closing, in order to secure the post-closing indemnification obligations of Seller pursuant to Article 16. All interest earned on the Post-Closing Escrow shall at all times be for the benefit of Seller. If at any

time after the Closing Date, any indemnification claim by Buyer is resolved in favor of Buyer, then within one business day the parties shall give joint written notice to the Escrow Agent to disburse such portion of the principal amount of the Post-Closing Escrow owing to Buyer in connection with such claim. One business day after the date eighteen (18) months after the Closing Date, if all or any portion of the Post-Closing Escrow is not then subject to indemnification claims by Buyer under this Agreement, then such portion of the Post-Closing Escrow not subject to claims (together with all interest accrued but not yet paid thereon) shall be disbursed to Seller (and any portion that is subject to claims shall continue to be held by Escrow Agent until such claims are resolved). The parties shall each instruct the Escrow Agent to disburse the Post-Closing Escrow and all interest accrued thereon to the party or parties entitled thereto and shall not, by any act or omission, delay or prevent any such disbursement.

2.5. Accounts Receivable. At the Closing, Seller shall assign and convey to Buyer the Accounts Receivable of the Stations as follows: (a) as to all agency Accounts Receivable, 76.5% of face value, and (b) as to all other Accounts Receivable which are outstanding for 90 days or less as of the Effective Time, 80% of face value. Buyer shall be solely responsible for all commissions payable as to all Accounts Receivable consistent with Seller's past practices. Seller represents and warrants to Buyer that *Schedule 2.5* attached hereto sets forth a summary of such practices with respect to commissions. At least two business days prior to Closing, Seller shall deliver to Buyer a schedule of the Accounts Receivable, setting forth any amount of commissions or other payments for which Buyer is responsible. Payment for the Accounts Receivable shall be due from Buyer to Seller at Closing. After Closing, Seller shall have no right to any of the Accounts Receivable and shall not attempt to collect such receivables, except as set forth in the last sentence of this Section 2.5. If Seller receives a payment from an account debtor of the Stations with respect to an Account Receivable, then Seller shall promptly notify Buyer thereof and remit such payment to Buyer, except as set forth in the last sentence of this Section 2.5. On the date 120 days after the Closing Date, (i) Seller shall pay Buyer in immediately available funds 80% of face value of all uncollected non-agency Accounts Receivable which are outstanding for 120 days or more *plus* commissions, if any, paid by Buyer in respect thereof, and (ii) Buyer shall assign and convey such receivables to Seller, Buyer shall have no further rights to such receivables, and Seller may pursue any collection efforts of its choosing and for its own benefit with respect to any of such returned receivables.

ARTICLE 3

ASSUMPTION OF OBLIGATIONS

3.1. Assumption of Obligations. Subject to the provisions of Article 3 and Article 5 of this Agreement, at the Closing Buyer shall assume and undertake to pay, satisfy or discharge the liabilities, obligations and commitments of Seller under the Assumed Contracts and the Real Property Leases to the extent that either (a) the obligations and liabilities relate to the period after the Effective Time and arise out of events related to Buyer's ownership of the Station Assets or Buyer's operation of the Stations on or after the Effective Time or (b) Buyer receives a

credit pursuant to Article 5 as a result of the proration or adjustment of such obligations and liabilities.

3.2. Limitation. Except as set forth in Section 3.1 hereof or in the Gold Agreement, Buyer expressly does not, and shall not, assume or be deemed to assume, under this Agreement or otherwise by reason of the transactions contemplated hereby, any liabilities, obligations or commitments of Seller of any nature whatsoever.

ARTICLE 4 **REQUIRED CONSENTS**

4.1. FCC Application. The assignment of the FCC Licenses as contemplated by this Agreement is subject to the prior consent and approval of the FCC. Not later than 5 business days after the date that the parties execute this Agreement, Buyer and Seller shall file the FCC Application. Seller and Buyer shall thereafter prosecute the FCC Application with all reasonable diligence and otherwise use their best efforts to obtain the grant of the FCC Application as expeditiously as practicable. If reconsideration or judicial review is sought with respect to the FCC Consent, the party affected shall vigorously oppose such efforts for reconsideration or judicial review; provided that nothing herein shall be construed to limit either party's right to terminate this Agreement pursuant to Article 17.

4.2. Other Governmental Consents. Promptly after the date of this Agreement, the parties shall prepare and file with the appropriate governmental authorities any other requests for approval or waiver that are required from such governmental authorities in connection with the transactions contemplated hereby and shall diligently and expeditiously prosecute, and shall cooperate fully with each other in the prosecution of, such requests for approval or waiver and all proceedings necessary to secure such approvals and waivers.

4.3 License Renewal. The current term of the FCC Licenses expires on December 1, 2005. If Closing has not occurred on or before August 1, 2005, Seller shall file FCC renewal applications with respect to the Stations not later than August 1, 2005 and thereafter diligently prosecute such applications. The parties acknowledge that under current FCC policy, either the FCC will not grant an assignment application while a renewal application is pending, or the FCC will grant an assignment application with a renewal condition. If the FCC Application is granted subject to a renewal condition, then the term "FCC Consent" shall mean FCC consent to the FCC Application and satisfaction of such renewal condition.

ARTICLE 5 **PRORATIONS**

5.1. Proration of Expenses. All revenues and expenses arising from the conduct of the business and operation of the Stations, including expenses under the Assumed Contracts and Real Property Leases, but excluding Trade Agreements (which shall be prorated as

provided in the final sentence of this paragraph), shall be prorated between Buyer and Seller as of the Effective Time. Such prorations shall be based upon the principle that Seller shall be responsible for all liabilities and obligations incurred or accruing in connection with the operation of the Stations until the Effective Time, and Buyer shall be responsible for such liabilities and obligations incurred by Buyer thereafter. Such prorations shall include, without limitation, all ad valorem, real estate and other property taxes, business and license fees, FCC regulatory fees, utility expenses, music licensing fees, liabilities and obligations under the Assumed Contracts and Real Property Leases, rents, and similar prepaid and deferred items, provided that taxes and transfer fees arising by reason of the conveyance of the Station Assets under this Agreement shall be paid in accordance with Section 14.2. To the extent not known, any items assessed on an annual basis shall be apportioned on the basis of the assessment from the preceding year, with a reapportionment as soon as the applicable assessment can be ascertained. With the exception of Trade Agreements relating to vehicles used by the Stations, in the event that the value of the advertising time remaining to be run by the Stations under all other Trade Agreements as of the Effective Time exceeds by more than \$5,000 the value of the goods or services to be received by the Stations under such Trade Agreements from and after the Effective Time, the Purchase Price shall be reduced by an amount equal to such amount in excess of \$5,000.

5.2. Payment of Proration Items. Three business days before the Closing, Seller shall deliver to Buyer a preliminary list of all items to be prorated pursuant to Section 5.1 (the "*Preliminary Proration Schedule*"), and, to the extent feasible, such prorations shall be credited against or added to the cash portion of the Purchase Price paid at Closing. In the event Buyer and Seller do not reach a final agreement on such prorations and adjustments at Closing, Seller shall deliver to Buyer a schedule of its proposed prorations and adjustments (the "*Proration Schedule*") no later than 45 business days after the Closing Date. The Proration Schedule shall be conclusive and binding upon Buyer unless Buyer provides Seller with written notice of objection (the "*Notice of Disagreement*") within 10 business days after Buyer's receipt of the Proration Schedule, which notice shall state the prorations of expenses proposed by Buyer (the "*Buyer's Proration Amount*"). Seller shall have 10 business days from receipt of a Notice of Disagreement to accept or reject Buyer's Proration Amount. If Seller rejects Buyer's Proration Amount, and the amount in dispute exceeds \$5,000 (the "*Proration Threshold*"), the dispute shall be submitted within 10 business days to an accounting firm, mutually agreeable to the parties, that is unaffiliated with either party (the "*Referee*") for resolution, such resolution to be made within 20 business days after submission to the Referee and to be final, conclusive and binding on Seller and Buyer. Buyer and Seller agree to share equally the cost and expenses of the Referee, but each party shall bear its own legal and other expenses, if any. If the amount in dispute is equal to or less than the Proration Threshold, such amount shall be divided equally between Buyer and Seller. Payment by Buyer or Seller, as the case may be, of the proration amounts determined pursuant to this Section 5.2 shall be due five business days after the last to occur of (a) Buyer's acceptance of the Proration Schedule or Buyer's failure to give Seller a timely Notice of Disagreement; (b) Seller's acceptance of Buyer's Proration Amount or failure to timely reject Buyer's Proration Amount; (c) Seller's rejection of Buyer's Proration Amount in an

amount in dispute equal or is less than the Proration Threshold; or (d) notice to Seller and Buyer of the resolution of the disputed amount by the Referee in the event that the amount in dispute exceeds the Proration Threshold. Any payment required by Seller to Buyer or by Buyer to Seller, as the case may be, under this Section 5.2 shall be paid by check or wire transfer of immediately available federal funds to the account of the payee with a financial institution in the United States as designated by Seller in the Proration Schedule or by Buyer in the Notice of Disagreement (or by separate notice in the event that Buyer does not send a Notice of Disagreement). If either Buyer or Seller fails to pay when due any amount under this Section 5.2, interest on such amount will accrue from the date payment was due to the date such payment is made at a per annum rate equal to the Prime Rate and such interest shall be payable upon demand.

5.3. Allocation. Prior to Closing, Buyer and Seller will allocate the Purchase Price in accordance with the respective fair market value of the Station Assets. The Parties shall use such allocation in completing and filing Internal Revenue Code Form 8594 for federal income tax purposes and for all other purposes.

ARTICLE 6

REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller as follows:

6.1. Organization and Standing. Buyer is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and is qualified to do business in the jurisdiction in the State of California. 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.

6.2. Authorization and Binding Obligation. The transactions contemplated by this Agreement, and Buyer's execution, delivery and performance of this Agreement, have been duly and validly authorized by all necessary action on its part. This Agreement constitutes Buyer's legal, valid and binding agreement, 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).

6.3. Absence of Conflicting Agreements or Required Consents. Except as set forth in Article 4 with respect to FCC and other governmental consents, the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby by Buyer: (a) do and will not require the consent of any third party; (b) do and will not violate any provisions of Buyer's organizational documents; (c) do and will not violate any applicable law, judgment, order, injunction, decree, rule, regulation or ruling of any

governmental authority to which Buyer is a party; and (d) do and will not, either alone or with the giving of notice or the passage of time, or both, conflict with, constitute grounds for termination of or result in a breach of the terms, conditions or provisions of, or constitute a default under any agreement, instrument, license or permit to which Buyer is now subject.

6.4. Absence of Litigation. There is no claim, litigation, proceeding or investigation pending or, to the best of Buyer's knowledge, threatened against Buyer which seeks to enjoin or prohibit, or which otherwise questions the validity of, any action taken or to be taken in connection with this Agreement.

6.5. Bankruptcy. No insolvency proceedings of any character, including without limitation, bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary, affecting Buyer, are pending or, to the best of Buyer's knowledge, threatened, and Buyer has not made any assignment for the benefit of creditors or taken any action which would constitute the basis for the institution of such insolvency proceedings.

6.6. FCC Qualifications. To its knowledge, Buyer is legally, financially and technically qualified under the applicable rules and policies of the FCC to hold the FCC Licenses. There are no facts known to Buyer which would prevent or delay the approval by the FCC in the ordinary course of the FCC Application for the assignment of the FCC Licenses to Buyer as a result of matters related to Buyer.

6.7. Disclosure. No provision of this Agreement or any document or agreement delivered or made pursuant to the terms of this Agreement relating to Buyer knowingly contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact required to be stated in order to make the statement, in light of the circumstances in which it is made, not misleading.

ARTICLE 7

REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants to Buyer as follows:

7.1. Organization and Standing. Seller is duly organized, validly existing, in good standing and qualified to do business in California. 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. Seller has the requisite power to carry on the business of the Stations as now being conducted and to own and operate the Stations.

7.2. Authorization and Binding Obligation. Seller has all necessary power

and authority to enter into and perform this Agreement and the transactions contemplated hereby, and Seller's execution, delivery and performance of this Agreement have been duly and validly authorized by all necessary action its part. This Agreement constitutes Seller's legal, valid and binding agreement, 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).

7.3. Absence of Conflicting Agreements or Required Consents. Except as set forth in Article 4 with respect to FCC and other governmental consents and/or as disclosed on *Schedules 1.2(b), 1.2(d)* and 7.3, the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby by Seller: (a) do not and will not require the consent of any third party; (b) do not and will not violate any provisions of Seller's organizational documents; (c) do not and will not violate any applicable law, judgment, order, injunction, decree, rule, regulation or ruling of any governmental authority to which Seller is a party or by which it or the Station Assets are bound; (d) do not and will not, either alone or with the giving of notice or the passage of time, or both, conflict with, constitute grounds for termination of or result in a breach of the terms, conditions or provisions of, or constitute a default under any lease, contract, agreement, instrument, license or permit to which either Seller or the Station Assets are now subject; and (e) do not and will not result in the creation of any new Lien on any of the Station Assets.

7.4. FCC Authorizations.

(a) *Schedule 1.2(a)* contains a true and complete list of the FCC Licenses. Seller has delivered to Buyer true and complete copies of the FCC Licenses. The FCC Licenses listed in *Schedule 1.2(a)* are in full force and effect and none is subject to any restriction or condition not shown on the face of such license or not applicable generally to stations of the same class and type as the Stations. All reports and filings required to be filed with the FCC by Seller with respect to the Stations (including without limitation all required equal employment opportunity reports) have been timely filed. All such reports and filings are accurate and complete in all material respects. Seller maintains in all material respects complete public files for the Stations as required by FCC rules. The Stations are being operated in all material respects in accordance with the terms and conditions of the FCC Licenses and the rules and regulations of the FCC and Seller is operating only those facilities for which an appropriate FCC License has been obtained and is in effect, and Seller is meeting the conditions of each such FCC License in all material respects.

(b) There are no applications, complaints, orders to show cause, notices of violations, notices of apparent liability or proceedings pending or, to the best of Seller's knowledge, threatened before the FCC relating to the operation of the Stations or that may result in the revocation, materially adverse modification, non-renewal or suspension of any of the FCC

Licenses, or the imposition of any material fines, forfeitures, or other administrative actions with respect to any of the Stations or their operation other than proceedings affecting the broadcasting industry generally. Seller is not subject to any outstanding judgment or order of the FCC relating to the Stations. All required FCC regulatory fees with respect to the FCC Licenses have been paid.

(c) There are no facts which, under the Communications Act of 1934, as amended, or the existing rules and regulations of the FCC, would disqualify Seller as the assignor of the FCC Licenses.

(d) To Seller's knowledge, Seller and the Station Assets are in compliance in all material respects with all rules and regulations of the Federal Aviation Administration applicable to the Stations.

(e) The operation of the Stations does not cause or result in exposure of workers or the general public to levels of radio frequency radiation in excess of the "Radio Frequency Protection Guides" recommended in "American National Standard Safety Levels with Respect to Human Exposure to Radio Frequency Electromagnetic Fields 3 kHz to 300 GHz" (ANSI/IEEE C95.1-1992), issued by the American National Standards Institute, and renewal of the FCC Licenses would not constitute a "major action" within the meaning of Section 1.1301, *et seq.*, of the FCC's rules.

7.5. Real Property Leases.

(a) Seller owns no real property used in connection with the operation of any of the Stations. *Schedule 1.2(b)* contains descriptions of all of Seller's leasehold interests, easements and rights in and agreements with respect to all real property. To Seller's knowledge: (i) Seller's operations pursuant to any Real Property Lease comply in all material respects with each such Real Property Lease and all applicable laws, statutes, ordinances, rules and regulations of federal, state and local governmental authorities, including, without limitation, those relating to zoning; (ii) all improvements on the Leased Real Property used by Seller in connection with the operations of the Stations are in good working condition and repair and are in compliance in all material terms with the rules and regulations of the FCC and the Federal Aviation Administration; and (iii) there are no material structural, electrical, mechanical, plumbing, air conditioning, heating or other defects in such improvements as used by Seller.

(b) Seller has received no notice of any appropriation, condemnation or like proceeding, or of any violation of any applicable zoning law, regulation or other law, order, regulation or requirement affecting the site leased by Seller under any Real Property Lease.

(c) Seller's leasehold interests for the use of the Leased Real Property utilized in the operations of the Stations are free and clear of all Liens except as disclosed on *Schedule 1.2(b)*. Seller has delivered to Buyer true and complete copies of all Real Property

Leases and all title policies, surveys and environmental assessments in its control or possession with respect to the Leased Real Property. Seller has full legal and practical access to the real property utilized by it pursuant to the Real Property Leases, including to all towers located on the Leased Real Property.

7.6. Title to and Condition of Personal Property. *Schedule 1.2(c)* lists all material items of Personal Property used or held for use in conducting the business and operations of the Stations as now conducted, except for any Excluded Assets. Seller has good and marketable title to all Personal Property free and clear of all Liens. All material items of tangible personal property and facilities included in the Station Assets are in good operating condition and repair (reasonable wear and tear excepted) and available for immediate use by the Stations, are insurable at standard rates, are performing satisfactorily, comply in all material respects with applicable rules and regulations of the FCC and the terms of the FCC Licenses and with other applicable federal, state and local statutes, ordinances, rules and regulations. Seller has no knowledge of any defect in the condition or operation of any item of Personal Property which is reasonably likely to have a material adverse effect on the operations of the Stations taken as a whole.

7.7. Contracts. Seller has delivered to Buyer true and complete copies of all written Contracts and true and complete memoranda of all oral Contracts, including any amendments and other modifications to such Contracts. The Assumed Contracts and Real Property Leases constitute valid and binding obligations of Seller and, to the best of Seller's knowledge, of all other parties thereto, and are in full force and effect as of the date of this Agreement. Seller is not in default under any of the Assumed Contracts and Real Property Leases and, to the best of Seller's knowledge, the other parties to the Assumed Contracts and Real Property Leases are not in default thereunder; Seller has not received or given written notice of any default thereunder from or to any of the other parties thereto. Except as disclosed on *Schedules 1.2(b)* and *1.2(d)*, Seller has the ability, subject only to any limitation or restriction shown on the face of any Assumed Contract or Real Property Lease, to assign its rights under the Assumed Contracts and Real Property Leases to Buyer in accordance with this Agreement on terms and conditions no less favorable than those in effect on the date hereof.

7.8. Personnel Information.

(a) *Schedule 7.8* contains a true and complete list of all persons employed at the Stations, including each person's job title or the capacity in which employed, date of hire, and a description of all compensation including bonus arrangements and employee benefit plans or arrangements applicable to each such employee. Seller is not a party to any agreement, written or oral, with employees, except as described on *Schedule 1.2(d)* or *Schedule 7.8*. Seller has no employment agreement of any kind, oral or written, express or implied, that would require Buyer to employ any employee of Seller after the Closing, or that would otherwise confer any obligation on Buyer. There are no unfair labor practice charges pending against Seller.

(b) Seller is not a party to any collective bargaining agreement covering any of the employees at the Stations. Seller is not a party to any Contract with any labor organization, nor has Seller agreed to recognize any union or other collective bargaining unit, no union or other collective bargaining unit been certified as representing any of Seller's employees at the Stations, and Seller has received no demands or any other requests from a labor organization for representative status with respect to any persons employed at the Stations.

(c) Except as set forth in *Schedule 7.8*, Seller is not a party to or bound by any employee benefit plan within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("*ERISA*"), whether or not such plan is otherwise exempt from the provisions of ERISA, and no employee or spouse of an employee is entitled to any benefits that would be payable pursuant to any such plan.

(d) To Seller's knowledge, Seller has complied with all labor and employment laws, rules and regulations applicable to the Stations' businesses, including without limitation those which relate to prices, wages, hours, discrimination in employment and collective bargaining, and to its knowledge is not liable for any arrears of wages or any taxes or penalties for failure to comply with any of the foregoing.

7.9. Intellectual Property. *Schedule 1.2(e)* lists all Intellectual Property applied for, issued to or owned by Seller for use in the operation of the Stations, or under which Seller is licensed or franchised. All such rights and interests are issued to or owned by Seller, or if licensed or franchised to Seller, are valid and uncontested. Seller has delivered to Buyer copies of all documents, if any, establishing such rights, licenses or other authority. There is no pending or, to the best of Seller's knowledge, threatened proceeding or litigation affecting or with respect to the Intellectual Property. The Intellectual Property listed on *Schedule 1.2(e)* comprises all material intangible property interests used or held for use in conducting the business and operations of the Stations as now conducted. To Seller's knowledge, Seller is not infringing upon or otherwise acting adversely to any intellectual property rights of others.

7.10. Compliance With Laws. To its knowledge, Seller has operated and is operating the Stations in material compliance with all laws, regulations and governmental orders applicable to the operation of the Stations, and Seller's present use of the Station Assets does not violate any such laws, regulations or orders in any material respect. Seller has not received any notice from any governmental agency or authority asserting any material noncompliance with any applicable statute, rule or regulation, in connection with the operation of the Stations. Seller has not received notice of any claim, proceeding or investigation pending or threatened against Seller with respect to the Stations or the Station Assets.

7.11. Taxes. Seller has duly, timely and in the required manner filed all federal, state, local and foreign income, franchise, sales, use, property, excise, payroll and other tax returns and forms required to be filed, and has paid in full or discharged all taxes, assessments, excises, interest, penalties, deficiencies and losses required to be paid, or established a reserve for

any amounts in dispute which are the subject of a timely filed challenge. As of the time of filing, such returns were true, complete and correct in all material respects. There are no governmental investigations or other legal, administrative, or tax proceedings pending, or to the best of Seller's knowledge, threatened pursuant to which Seller is or could be made liable for any taxes, penalties, interest, or other charges, the liability for which could extend to Buyer as transferee of the business of the Stations, or could result in a Lien on any of the Station Assets.

7.12. Bankruptcy. No insolvency proceedings of any character, including without limitation, bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary, affecting Seller or any of the Station Assets, are pending or, to the best of Seller's knowledge, threatened, and Seller has not made any assignment for the benefit of creditors or taken any action which would constitute the basis for the institution of such insolvency proceedings.

7.13. UCC Financing Statements. All of the Station Assets are and have been located in the State of California since the Station Assets were acquired by Seller and no party has filed a deed of trust, mortgage or UCC financing statement with respect to the Station Assets, except as set forth on *Schedule 7.13* hereto.

7.14. Insurance. The insurance policies held by Seller with respect to the employees, operations of the Stations and the Station Assets are identified and coverage limits summarized in *Schedule 7.14*.

7.15. Financial Statements. Seller has provided Buyer with true and complete copies of unaudited statements of income and expense (including a statement of earnings before taxes, depreciation and amortization and any extraordinary items of income or loss) of the Stations for calendar year 2003 and for the period January 1, 2004 through October 31, 2004 (the "*Financial Statements*"). The Financial Statements were prepared in accordance with the books and records of the Stations, and in conformity with Seller's internal accounting principles and policies, consistently applied, and fairly present in all material respects the information purported to be presented therein as of the dates and for the respective periods covered thereby, and fairly reflect the results of operation of the Stations on a stand-alone basis. Since October 31, 2004, there has been no material adverse change in the financial condition or results or operation of the Stations. Seller has also provided to Buyer copies of aged trial balances of the Stations as of November 30, 2004, which were prepared from, and are consistent with, the books and records of the Stations and present fairly the Accounts Receivable of the Stations as of such date, together with a good faith estimate of those receivables that are uncollectible as of such date and the amount, if any, reserved for Seller for bad debt.

7.16. Sufficiency of Station Assets. The Station Assets include all assets that are necessary to operate the Stations in all material respects as currently operated.

7.17. Environmental. During the period Seller has owned the Stations, and to Seller's knowledge with respect to the period prior to Seller's ownership of the Stations, no hazardous or toxic substance or waste (including without limitation petroleum products) or other material regulated under any applicable environmental, health or safety law (each a "Contaminant") has been generated, stored, transported or released (each a "Release") on, in, from or to the assets or properties of the Stations except *de minimis* amounts used in the ordinary course of business in compliance with applicable law. Neither the Stations nor any of the assets or properties of the Stations are subject to any order from or agreement with any governmental authority or private party regarding any Contaminant or Release. Neither the Stations nor any of the assets or properties of the Stations include any underground storage tanks or surface impoundments, any asbestos containing material, or any polychlorinated biphenyls. Seller has not received in respect of the Stations or any assets or properties of the Stations any notice or claim to the effect that it is or may be liable as a result of the Release of a Contaminant. To Seller's knowledge, neither the Stations nor any of their assets or properties are the subject of any investigation by any governmental authority with respect to a Release of a Contaminant.

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

ARTICLE 8

COVENANTS OF BUYER

8.1. Notification. From and after the date hereof, Buyer shall notify Seller of any litigation, arbitration or administrative proceeding pending or threatened against Buyer which challenges the transactions contemplated hereby, including any challenges to the FCC Application, and shall use reasonable efforts to remove any such impediment to the transactions contemplated by this Agreement.

8.2. No Inconsistent Action. Buyer shall not take any action materially inconsistent with its obligations under this Agreement or that would hinder or delay the consummation of the transactions contemplated by this Agreement, it being understood that, without limiting any other right of Buyer hereunder, Buyer has discretion to set the Closing Date as set forth in Section 1.1.

ARTICLE 9
COVENANTS OF SELLER

9.1. Interim Operation. Between the date of this Agreement and the Closing Date, without the prior written consent of Buyer:

(a) Seller shall conduct the operation of the Stations solely in the ordinary and normal course of operation consistent with past practice, including continuation of the current broadcast hours of the Stations and the carriage of programming during such hours;

(b) Seller shall not sell, assign, lease or otherwise transfer or dispose of any material item among the Station Assets, except where no longer used or useful in the operation of the Stations or where replaced by an asset of substantially similar value and usefulness;

(c) Seller shall not create, assume or permit to exist any Lien upon the Station Assets except for those in existence on the date of this Agreement (which will be removed on or prior to the Closing Date), and for taxes which are not yet due and payable;

(d) Seller shall maintain the FCC Licenses in full force and effect, and operate the Stations in material compliance with the FCC's rules and regulations and the FCC Licenses and with all other applicable laws, regulations, rules and orders;

(e) Seller shall comply in all material respects with the Assumed Contracts;

(f) Seller shall promptly notify Buyer of any default by, or claim of default against, any party under any of the Assumed Contracts or the Real Property Leases which are material, individually or in the aggregate, to the operation of the Stations, and any of event or condition known to Seller which, with notice or lapse of time or both, would constitute an event of default under such agreements;

(g) Seller shall maintain insurance policies on the Stations and the Station Assets;

(h) Seller shall maintain the Station Assets in good operating condition; repair or replace all consumed or obsolete items of Personal Property at time intervals consistent with prior practice; maintain adequate supplies of spare parts consistent with past practices; and repair or replace (subject to Article 20) any material item among the Station Asset that may become damaged or destroyed with items of equal or greater value and utility;

(i) Seller shall use commercially reasonable efforts to preserve the business organization of the Stations intact, retain substantially as at present the Stations'

employees, consultants and agents, and preserve the goodwill of the Stations' suppliers, advertisers, customers and others having business relations with Seller or the Stations;

(j) Seller shall use commercially reasonable efforts to complete all obligations owing by the Stations to advertisers or other parties under Trade Agreements other than those Trade Agreements for vehicles used by the Stations; and

(k) Seller shall not without the prior written consent of Buyer: (i) grant any raises to employees of the Stations other than scheduled in the ordinary course, pay any substantial bonuses or enter into any contract of employment with any employee of the Stations; (ii) amend or terminate any existing Time Sales Agreements with respect to the Stations except in the ordinary course of business, or enter into any Trade Agreements with respect to the Stations; (iii) change any of the Stations' call letters; (iv) modify the FCC Licenses or the Stations' facilities or apply for any construction permits to do so; (v) amend or terminate any of the Assumed Contracts or Real Property Leases or enter into any contract, lease or agreement with respect to the Stations except those entered into in the ordinary course of business consistent with past practices that will be paid and performed in full before Closing; (vi) accelerate the collection of, or discount or otherwise reduce the amount receivable in respect of, any of the Accounts Receivable; or (vii) by any act or omission cause any representation or warranty set forth in Article 7 to become untrue or inaccurate.

9.2. Access to Stations and Financial Records. Between the date of this Agreement and the Closing Date, Seller shall give Buyer and Buyer's counsel, accountants, engineers and other representatives, reasonable access during normal business hours to all of Seller's properties, records and employees relating to the Stations, and shall furnish Buyer with all information related to the Stations and Station Assets that Buyer reasonably requests. The rights of Buyer under this Section 9.2 shall not be exercised in such a manner as to interfere unreasonably with or disrupt the business or operation of the Stations. Without limiting the foregoing, Buyer may, at its expense, obtain environmental assessments of the Leased Real Property, including taking soil and water samples. Seller shall provide Buyer with copies of the regular monthly internal operating statements and aged trial balances with respect to the Accounts Receivable relating to the Stations for the monthly accounting periods between the date of this Agreement and the Closing Date by the 20th day of each month for the preceding month, which shall present fairly the financial position of the Stations and the results of operations for the period indicated in accordance with generally accepted accounting principles.

9.3. Notification. If Seller receives notice thereof or otherwise becomes aware of same, Seller shall notify Buyer of any litigation, arbitration or administrative proceeding pending or threatened against Seller which challenges the transactions contemplated hereby, including any challenges to the FCC Application, and shall use its reasonable efforts to take such steps as may be necessary to remove any such impediment to the transactions contemplated by this Agreement.

9.4. Third-Party Consents. Seller shall use reasonable commercial efforts to obtain the consent of any third party necessary for the assignment to Buyer of any Real Property Lease or Assumed Contract to be assigned hereunder, but Seller shall not be required to expend money to obtain such consents with respect to any Assumed Contract or Real Property Lease. To the extent that any of the Assumed Contracts 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 hereto shall not constitute an assignment thereof, but to the extent permitted by law shall constitute an equitable assignment by Seller and assumption by Buyer of Seller's rights and obligations under the applicable Assumed Contract, with Seller making available to Buyer the benefits thereof and Buyer performing the obligations thereunder on Seller's behalf; provided, however, that the Assumed Contracts and Real Property Leases marked with a dagger on *Schedules 1.2(b)* and *1.2(d)* are those for which the receipt of consent to their assignment is a condition precedent to Buyer's obligation to close under this Agreement (the "*Required Consents*"). Seller shall obtain the Required Consents prior to Closing.

9.5. Closing Covenant. On the Closing Date, Seller shall transfer, convey, assign and deliver to Buyer the Station Assets as provided in Article 1 of this Agreement.

9.6. Payment of Indebtedness; Financing Statements. Except as specifically noted on *Schedule 7.13*, Seller shall secure the release of all Liens on the Station Assets that secure the payment of any indebtedness and shall deliver to Buyer at the Closing releases or terminations under the Uniform Commercial Code and any other applicable federal, state or local statutes or regulations of any financing or similar statements filed against any Station Assets in the form and manner specified or required by applicable federal, state or local statutes or regulations.

9.7. No Inconsistent Action. Seller shall not take any action which is materially inconsistent with its obligations under this Agreement or that would hinder or delay the consummation of the transactions contemplated by this Agreement.

9.8. Deliveries. At Closing, Seller shall deliver to Buyer:

(a) customary written estoppel certificates (the "*Estoppel Certificates*") duly executed by the lessors under the Real Property Leases, in form and substance reasonably satisfactory to Buyer; and

(b) all UCC, judgment, fixture, and state and federal tax lien search reports (showing searches in the name of Seller and the call letters of each Station) necessary to confirm that no Liens are filed or recorded against the Station Assets in the public records of any applicable jurisdiction (the "*Lien Search Reports*").

ARTICLE 10 **JOINT COVENANTS**

10.1. Conditions. If any event should occur between the date hereof and the Closing, either within or without the control of any party hereto, which would prevent fulfillment of the conditions upon the obligations of any party to consummate the transactions contemplated by this Agreement, the parties shall use their reasonable efforts to cure the event as expeditiously as possible.

10.2. Commercially Reasonable Efforts. Between the date of this Agreement and the Closing, each party shall use commercially reasonable efforts to cause the fulfillment at the earliest practicable date of all of the conditions to the obligations of the other party to consummate the sale and purchase under this Agreement.

10.3. Control of Stations. Between the date of this Agreement and the Closing, Buyer shall not, directly or indirectly, control, supervise or direct the operations of the Stations. Such operations shall be the sole responsibility of Seller and, subject to the provisions of Article 9, shall be in its complete discretion.

10.4. Confidentiality. Buyer and Seller shall each keep confidential all information obtained by it with respect to the other in connection with this Agreement, and if the transactions contemplated hereby are not consummated for any reason, each shall return to the other, without retaining a copy thereof, any schedules, documents or other written information, including all financial information, obtained from the other in connection with this Agreement and the transactions contemplated hereby, except where such information is known or available through other lawful sources or where such party is advised by counsel that its disclosure is required in accordance with applicable law.

10.5. Access to Records. For a period of two years from the Closing Date, each party to this Agreement shall provide to the other party access during normal business hours to such financial records as may be necessary for either party to prepare any required tax filings.

10.6. Reinvestment. At the Closing, Hector Villalobos ("*Villalobos*"), president of Seller, may invest ten percent of the total of the cash portion of the Purchase Price under this Agreement and the Purchase Price under the Gold Agreement in capital stock of either Buyer's subsidiary which will hold the FCC Licenses following the Closing or in The Latin Entertainment Network, Inc., Buyer's parent company (the "*Reinvestment*"), at the option of Villalobos, pursuant to customary documents for a transaction of that type and otherwise on terms and conditions satisfactory to Buyer and Seller in their sole discretion. In the event that the Reinvestment occurs, then Buyer shall provide to Seller copies of financial statements with respect to Buyer or its parent, as applicable, that Buyer provides to other shareholders holding similar interests when and as provided to such other shareholders. If Buyer is entitled to indemnification from Seller under Article 16 arising out of Seller's fraud, concealment, knowing or intentional misrepresentation, defalcation, intentional misconduct, or gross negligence under this Agreement or in the event of fraud, concealment, knowing or intentional misrepresentation,

defalcation, intentional misconduct, or gross negligence by Villalobos with respect to Buyer, Buyer's parent company or any affiliate of either, then Buyer may offset all or a portion of the amount of indemnification owing by reducing the amount of the securities issued in connection with the Reinvestment based on the fair market value of such securities at the time of such claim or loss, determined by a third party appraiser selected by Buyer and reasonably acceptable to Villalobos (it being understood that Buyer is not obligated to accept compensation by reducing such securities and may require payment in cash and pursue any other remedy available in law or equity).

10.7. Employment Agreement. At the Closing, Villalobos and Buyer's subsidiary which will hold the FCC Licenses following the Closing will enter into the Employment Agreement substantially in the form of *Exhibit B* hereto (the "*Employment Agreement*").

10.8. Employee Matters.

(a) Buyer may (but is not obligated to) offer post-Closing employment to any of the Stations' employees (each an "*Employee*"). Any such offer shall be for employment at will by Buyer as new employees of Buyer (subject to any applicable probation period not prohibited by law) to occupy positions designated by Buyer and pursuant to the terms and conditions determined by Buyer in its sole discretion. Seller shall make available to Buyer, to the fullest extent permitted by law, all information and materials requested by Buyer from the personnel files of each Employee who accepts employment with Buyer.

(b) With respect to each Employee who accepts Buyer's offer of employment, Seller shall be responsible for all compensation and benefits arising prior to Closing (including without limitation any accrued vacation time and any accrued sick leave) (in accordance with Seller's employment terms) and Buyer shall be responsible for all compensation and benefits arising after Closing (in accordance with Buyer's employment terms).

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

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

(e) Seller shall retain, consistent with its normal employment practices, all liabilities and obligations, if any (including without limitation the liability and obligation for all

wages, salary, vacation pay and unemployment, medical, dental, health and disability benefits), for those former employees of Seller who retired or terminated employment prior to the Closing Date or otherwise do not become employees of Buyer.

(f) The terms of this Agreement are solely for the benefit of (and may be enforced only by) the parties hereto and their respective successors and permitted assigns. Without limiting the foregoing, nothing in this Agreement gives any rights to any employee, and no employee may enforce any provision of this Agreement against any of the parties hereto.

ARTICLE 11

CONDITIONS PRECEDENT TO BUYER'S OBLIGATION TO CLOSE

The obligations of Buyer hereunder are, at its option, subject to satisfaction, at or prior to the Closing Date, of each of the following conditions:

11.1. Representations, Warranties and Covenants.

(a) All representations and warranties of Seller made in this Agreement shall be true and complete in all material respects on and as of the Closing Date as if made on and as of that date, unless such representation or warranty was made as of a specific date, in which event such representation and warranty shall have been true and correct as of such date.

(b) All of the terms, covenants and conditions to be complied with and performed by Seller under this Agreement on or prior to Closing Date shall have been complied with or performed in all material respects.

11.2. Governmental Consents. The conditions specified in Article 4 of this Agreement shall have been satisfied, and the FCC Consent shall have been granted and become a Final Order, provided that Buyer may waive the requirement that the FCC Consent shall have become a Final Order.

11.3. Governmental Authorizations. Seller shall be the lawful holder of the FCC Licenses and all other material licenses, permits and other authorizations listed in *Schedule 1.2(a)*, and there shall not have been any modification of any of such licenses, permits and other authorizations which would have a material adverse effect on the operations of the Stations. No proceeding shall be pending which seeks or the effect of which reasonably could be to revoke, cancel, fail to renew, suspend or modify adversely any of the FCC Licenses or any other material licenses, permits or other authorizations relating to the Stations.

11.4. Required Consents. Seller shall have obtained all of the Required Consents.

11.5. Adverse Proceedings. No suit, action, claim or governmental proceeding shall be pending against, and no order, decree or judgment of any court, agency or other governmental authority shall have been rendered against, any party hereto that would render it unlawful, as of the Closing Date, to effect the transactions contemplated by this Agreement in accordance with its terms.

11.6. Consummation of Gold Agreement. Buyer and Seller shall have consummated contemporaneously the Gold Agreement.

11.7. Deliveries. Seller shall have made or stand willing to make all the deliveries required under Section 13.1.

11.8. No Material Adverse Change. Between the date hereof and the Closing Date, there shall not have been any material adverse change in the property, assets, condition (financial or otherwise) or business of the Stations. For purposes of this Section, none of the following shall represent a material adverse change: the approval by the FCC of any changes in facilities of other stations in any of the areas served by Stations or other changes in the market served by the Stations; or the resignation of any of Seller's employees.

ARTICLE 12

CONDITIONS PRECEDENT TO SELLER'S OBLIGATION TO CLOSE

The obligations of Seller hereunder are subject to satisfaction, at or prior to the Closing Date, of each of the following conditions:

12.1. Representations, Warranties and Covenants.

(a) All representations and warranties made by Buyer in this Agreement shall be true and complete in all material respects on and as of the Closing Date as if made on and as of that date, unless such representation or warranty was made as of a specific date, in which event such representation and warranty shall have been true and correct as of such date.

(b) All the terms, covenants and conditions to be complied with and performed by Buyer under this Agreement on or prior to the Closing Date shall have been complied with or performed in all material respects.

12.2. Governmental Consents. The conditions specified in Article 4 of this Agreement shall have been satisfied, and the FCC Consent shall have been granted.

12.3. Adverse Proceedings. No suit, action, claim or governmental proceeding shall be pending against, and no order, decree or judgment of any court, agency or other governmental authority shall have been rendered against any party hereto that would render it

unlawful, as of the Closing Date, to effect the transactions contemplated by this Agreement in accordance with its terms.

12.4. Consummation of the Gold Agreement. Buyer and Seller shall have consummated contemporaneously the Gold Agreement.

12.5. Deliveries. Buyer shall have made or stand willing to make all the deliveries required under Section 13.2.

ARTICLE 13
DOCUMENTS TO BE DELIVERED AT THE CLOSING

13.1. Documents and Payments to be Delivered by Seller. At the Closing, Seller shall deliver to Buyer the following:

(a) a certificate of an officer of Seller, dated the Closing Date, in form and substance reasonably satisfactory to Buyer, certifying to the fulfillment of the conditions set forth in Section 11.1;

(b) instruments of conveyance and transfer, in form and substance reasonably satisfactory to counsel to Buyer, effecting the sale, transfer, assignment and conveyance of the Station Assets to Buyer, including, but not limited to, the following:

- (i) assignment of the FCC Licenses;
- (ii) bill of sale for all Personal Property and the Accounts Receivable;
- (iii) assignments of the Assumed Contracts and the Real Property Leases;

(c) resolutions of Seller authorizing the execution, delivery and performance of this Agreement, certified by an officer of Seller;

(d) UCC termination statements with respect to Liens which have been placed of record on the Station Assets;

(e) a Certificate of Good Standing of Seller issued by the State of California;

(f) the Required Consents and any other third party consents obtained;

(g) deposit of the Post-Closing Escrow with the Escrow Agent;

(h) if applicable pursuant to Section 2.3, written certification of the Stations' Adjusted Broadcast Cash Flow;

(i) the Employment Agreement, executed by Villalobos and payment by Villalobos of the Reinvestment (if exercised);

(j) the Estoppel Certificates and Lien Search Reports; and

(k) such other documents as may reasonably be requested by Buyer's counsel.

13.2. Documents and Payments to be Delivered by Buyer. At the Closing, Buyer shall deliver to Seller the following:

(a) a certificate of an officer of Buyer, dated the Closing Date, in form and substance reasonably satisfactory to Seller, certifying to the fulfillment of the conditions specified in Section 12.1;

(b) wire transfer of immediately available funds to pay the Purchase Price as provided in Article 2, and the Note (if applicable pursuant to Section 2.3);

(c) instruments, in form and substance reasonably satisfactory to Seller and its counsel, pursuant to which Buyer assumes obligations, liabilities and commitments as provided in Article 3;

(d) assumption of the Assumed Contracts and the Real Property Leases;

(e) the Employment Agreement and stock certificates representing the Reinvestment (if exercised); and

(f) such other documents as may reasonably be requested by Seller's counsel.

ARTICLE 14

FEES AND EXPENSES: TRANSFER TAXES

14.1. Governmental Filing or Grant Fees. Except as otherwise specified herein, any filing or grant fees imposed by any governmental authority, the consent of which is required for the transactions contemplated hereby, including all filing fees incurred pursuant to Article 4, shall be borne equally by Buyer and Seller.

14.2. Transfer Taxes. Any transfer taxes or conveyance fees arising by reason of the sale and assignment of the Station Assets as provided in this Agreement shall be paid by Buyer.

14.3. Seller's Lender. Seller represents and warrants that: (a) its lender has granted an extension of the maturity date under its credit facility through March 31, 2005; and (b) if the FCC Application is not filed on or before December 31, 2004, then Seller is required to pay its lender an extension fee of not more than \$50,000. If Buyer fails to file its portion of the FCC Application (or is not ready, willing and able to file) on or before December 31, 2004, then Buyer shall pay such fee if owing to such lender up to \$50,000 (and Seller shall pay any excess). If all conditions to Closing set forth in Articles 11 and 12 of this Agreement are satisfied and Buyer elects to defer Closing to a date after April 1, 2005, then Buyer will pay an additional extension fee if owing to such lender up to \$50,000 (and Seller shall pay any excess).

14.4. Expenses. Each party shall be solely responsible for and shall pay all costs and expenses incurred by it in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement.

ARTICLE 15 **BROKER'S COMMISSION OR FINDER'S FEE**

15.1. Buyer's Representation and Agreement to Indemnify. Buyer represents and warrants to Seller that neither it nor any person or entity acting on its behalf has agreed to pay a commission, finder's fee or similar payment in connection with this Agreement or any matter related hereto to any person or entity, nor has it or any person or entity acting on its behalf taken any action on which a claim for any such payment could be based. Buyer further agrees to indemnify and hold Seller harmless from and against any and all claims, losses, liabilities and expenses (including reasonable attorneys' fees) arising out of a claim by any person or entity based on any such arrangement or agreement made or alleged to have been made by Buyer.

15.2. Seller's Representation and Agreement to Indemnify. Seller represents and warrants to Buyer that neither it nor any person or entity acting on its behalf has agreed to pay a commission, finder's fee or similar payment in connection with this Agreement or any matter related hereto to any person or entity, nor has it or any person or entity acting on its behalf taken any action on which a claim for any such payment could be based. Seller further agrees to indemnify and hold Buyer harmless from and against any and all claims, losses, liabilities and expenses (including reasonable attorneys' fees) arising out of a claim by any person or entity based on any such arrangement or agreement made or alleged to have been made by Seller.

ARTICLE 16 **INDEMNIFICATION**

16.1. Indemnification by Seller. Notwithstanding the Closing, subject to Section 16.4, Seller hereby agrees to indemnify, defend and hold Buyer harmless against and with respect to, and shall reimburse Buyer for:

(a) any and all losses, direct or indirect, liabilities, or damages resulting from any untrue representation, breach of warranty, or nonfulfillment of any covenant or obligation by Seller contained herein or in any certificate, document or instrument delivered to Buyer hereunder;

(b) any and all obligations of Seller not assumed by Buyer pursuant to the terms of this Agreement;

(c) any and all losses, liabilities or damages resulting from the operation or ownership of the Stations prior to Closing, including but not limited to any and all liabilities not assumed by Buyer pursuant to Article 3 hereof;

(d) any and all actions, suits, proceedings, claims, demands, assessments, judgments, costs and expenses, including reasonable legal fees and expenses, incident to any of the foregoing or incurred in opposing the imposition thereof, or in enforcing this indemnity, subject to the notice and opportunity to remedy requirements of Section 16.3 hereof; and

(f) interest at the Prime Rate on any reimbursable expense or loss incurred by Buyer from the date of payment, in the case of a reimbursable expense, and from the date of incurrence, in the case of any other losses, until the date of reimbursement by Seller.

16.2. Indemnification by Buyer. Notwithstanding the Closing, Buyer hereby agrees to indemnify and hold the Seller harmless against and with respect to, and shall reimburse the Seller for:

(a) any and all losses, direct or indirect, liabilities, or damages resulting from any untrue representation, breach of warranty, or nonfulfillment of any covenant or obligation by Buyer contained herein or in any certificate, document or instrument delivered to Seller hereunder;

(b) any and all obligations of Seller assumed by Buyer pursuant to the terms of this Agreement;

(c) any and all losses, liabilities or damages resulting from the operation or ownership of the Stations by Buyer after Closing, including but not limited to any and all liabilities assumed by Buyer pursuant to Article 3 hereof;

(d) any and all actions, suits, proceedings, claims, demands, assessments, judgments, costs and expenses, including reasonable legal fees and expenses, incident to any of

the foregoing or incurred in opposing the imposition thereof, or in enforcing this indemnity, subject to the notice and opportunity to remedy requirements of Section 16.3 hereof; and

(e) interest at the Prime Rate on any reimbursable expense or loss incurred by Seller from the date of payment, in the case of a reimbursable expense, and from the date of incurrence, in the case of any other losses, until the date of reimbursement by Buyer.

16.3. Procedure for Indemnification. The procedure for indemnification shall be as follows:

(a) The party seeking indemnification under this Article 16 (the “*Claimant*”) shall give notice to the party from whom indemnification is sought (the “*Indemnitor*”) of any claim, whether solely between the parties or brought by a third party, specifying (i) the factual basis for the claim, and (ii) the amount of the claim. If the claim relates to an action, suit or proceeding filed by a third party against Claimant, notice shall be given by Claimant within 15 business days after written notice of the action, suit or proceeding was given to Claimant. In all other circumstances, notice shall be given by Claimant within 30 days after Claimant becomes aware of the facts giving rise to the claim. Notwithstanding the foregoing, Claimant’s failure to give Indemnitor timely notice shall not preclude Claimant from seeking indemnification from Indemnitor except to the extent that Claimant’s failure has materially prejudiced Indemnitor’s ability to defend the claim or litigation.

(b) With respect to claims between the parties, following receipt of notice from the Claimant of a claim, the Indemnitor shall have 30 days to make any investigation of the claim that the Indemnitor deems necessary or desirable. For the purposes of this investigation, the Claimant agrees to make available to the Indemnitor and/or its authorized representatives the information relied upon by the Claimant to substantiate the claim. If the Claimant and the Indemnitor cannot agree as to the validity and amount of the claim within the 30-day period (or any mutually agreed upon extension thereof), the Claimant may seek appropriate legal remedy.

(c) With respect to any claim by a third party as to which the Claimant is entitled to indemnification hereunder, the Indemnitor shall at its own expense assume control of the defense of the claim, and the Claimant shall cooperate fully with the Indemnitor, subject to reimbursement for actual out-of-pocket expenses incurred by the Claimant as the result of a request by the Indemnitor. If the Indemnitor assumes control of the defense of any third-party claim, the Claimant shall have the right to participate in the defense of the claim as its own expense. If the Indemnitor does not timely assume control the defense of any third party claim, Claimant may, but shall have no obligation to, defend or settle such claim or litigation in such manner as it deems appropriate, and in any event Indemnitor shall be bound by the results obtained by the Claimant with respect to the claim (by default or otherwise) and shall promptly reimburse Claimant for the amount of all expenses (including the amount of any judgment rendered), legal or otherwise, incurred in connection with such claim or litigation. The Indemnitor shall be subrogated to all rights of the Claimant against any third party with respect to any claim for which indemnity was paid.

16.4. Limitations. Neither Seller nor Buyer shall have any obligation to the other party for any matter described in Section 16.1 or Section 16.2, as the case may be, except upon compliance by the other party with the provisions of this Article 16, particularly Section 16.3. Neither party shall be required to indemnify the other party under this Article 16 for any breach of any representation or warranty contained in this Agreement unless written notice of a claim under this Article 16 was received by the party within the pertinent survival period specified in Article 18 of this Agreement. Seller shall be obligated to provide indemnification under this Article 16 for indemnification claims with respect to breaches of Seller's representations and warranties under this Agreement in excess of \$25,000, and such obligations shall not exceed in the aggregate \$2,000,000. Except as may be offset by Buyer under Section 10.6, all amounts due Buyer from Seller under this Article 16 shall first be satisfied from the Post-Closing Escrow, and then by offset against amounts due Seller under the Note (if any) and treated as a partial prepayment by Buyer thereunder at the time of written notice given by Buyer to Seller.

16.5. Sole Remedy. After the Closing, the right to indemnification under this Article 16 shall be the exclusive remedy of either party in connection with any breach by a party of its representations, warranties and covenants under this Agreement.

ARTICLE 17

TERMINATION RIGHTS

17.1. Termination.

This Agreement may be terminated upon the occurrence of any of the following:

(a) by either Buyer or Seller upon written notice to the other, if, on or prior to the Closing Date, the other party defaults in any material respect in the observance or in the due and timely performance of any of its representations, warranties, covenants or agreements contained in this Agreement and/or the Gold Agreement and such default has not been cured within 15 business days from receipt of written notice of default from the non-defaulting party, *provided that* there shall be no cure period for Buyer's failure to make any payments due to Seller on the Closing Date or as provided in Section 5.2;

(b) by either Buyer or Seller upon written notice to the other, if the FCC denies the FCC Application or designates it for a trial-type hearing;

(c) by either Buyer or Seller upon written notice to the other, if there shall be in effect any judgment, final decree or order that would prevent or make unlawful the Closing;

(d) by either Buyer or Seller upon written notice to the other, if the Gold Agreement is terminated or wrongfully abandoned without a Closing;

(e) by either Buyer or Seller upon written notice to the other, if the Closing under this Agreement and the Gold Agreement have not occurred before August 1, 2005; or

(f) by Buyer, pursuant to Article 20 (Risk of Loss).

17.2. Liability. The termination of this Agreement under Section 17.1 hereof shall not relieve any party of any liability for breach of this Agreement prior to the date of termination, except as provided by Sections 2.2 and 19.2. Notwithstanding anything contained herein to the contrary, Sections 2.2 (Escrow Deposit), 10.4 (Confidentiality), Article 14 (Fees and Expenses; Transfer Taxes), and Section 21.1 (Publicity) shall survive any termination of this Agreement.

ARTICLE 18

SURVIVAL OF REPRESENTATIONS, WARRANTIES AND COVENANTS

The representations and warranties contained in this Agreement or in any certificate, document or instrument delivered pursuant to this Agreement are and will be deemed and construed to be continuing representations and warranties and shall survive the Closing for a period of eighteen (18) months after the Closing Date, whereupon they shall expire and be of no further force or effect, except those under: (i) Article 16 that relate to damages for which written notice is given by the indemnified party to the indemnifying party prior to the expiration, which shall survive until resolved, (ii) Sections 7.4 (FCC Authorizations), 7.11 (Taxes) and 7.18 (Environmental), which shall survive until expiration of any applicable statute of limitations, and (iii) Section 7.6 (Title to and Condition of Personal Property) as to title, which shall survive indefinitely. The covenants and agreements contained in this Agreement or in any certificate, document or instrument delivered pursuant to this Agreement shall survive the Closing until performed. No claim may be brought under this Agreement or any other certificate, document or instrument delivered pursuant to this Agreement unless written notice describing in reasonable detail the nature and basis of such claim is given on or prior to the last day of the applicable survival period. In the event such a notice is given, the right to indemnification with respect thereto shall survive the applicable survival period until such claim is finally resolved and any obligations thereto are fully satisfied. Except as specifically set forth herein to the contrary, none of the representations, warranties, covenants or agreements contained in this Agreement shall be affected by any investigation conducted by any party hereto and any information which any party may receive.

ARTICLE 19

REMEDIES UPON DEFAULT

19.1. Default by Seller. Seller recognizes that, in the event Seller defaults in the performance of its obligations under this Agreement or the Gold Agreement, monetary damages alone will not be adequate. Buyer shall therefore be entitled in such event, in addition

to all other legal and equitable remedies, to obtain specific performance of the terms of this Agreement and the Gold Agreement. In any action to enforce the provisions of this Agreement or the Gold Agreement, Seller shall waive the defense that there is an adequate remedy at law or equity and agree that Buyer shall have the right to obtain specific performance of the terms of this Agreement or the Gold Agreement without being required to prove actual damages, post bond or furnish other security. In addition, Buyer shall be entitled to obtain from Seller court costs and reasonable attorneys' fees incurred by it in enforcing its rights under this Agreement and the Gold Agreement, plus interest at the Prime Rate on the amount of any judgment obtained against Seller from the date of default until the date of payment of the judgment. As a condition to seeking specific performance, Buyer shall not be required to have tendered the Purchase Price as specified in Article 2 of this Agreement, but shall be required to demonstrate that it is willing and able to do so and to perform its other closing obligations in all respects.

19.2. Default by Buyer. If the transactions contemplated by this Agreement and/or the Gold Agreement are not consummated as a result of Buyer's material breach of this Agreement and/or the Gold Agreement or the wrongful failure to close hereunder and/or thereunder by July 29, 2005, provided that all conditions to Buyer's obligation to close shall have been satisfied, then Seller shall be entitled to payment of the entire principal amount of the Escrow Deposit as liquidated damages pursuant to Section 2.2, which shall be the sole and exclusive remedy of Seller.

ARTICLE 20 **RISK OF LOSS**

The risk of loss or damage to the Station Assets prior to Closing shall be upon Seller. Seller shall repair, replace and restore any damaged or lost material Station Asset to its prior condition as soon as possible and in no event later than Closing. If prior to Closing the regular broadcast transmission of any of the Stations in the normal and usual manner is interrupted for a period of four (4) consecutive hours or more, Seller shall give prompt written notice thereof to Buyer. Buyer shall then have the right, by giving written notice to Seller, to postpone (and if necessary re-postpone) the Closing to a date that is fifteen (15) days after the end of any such interruption. If regular broadcast transmission of any of the Stations in the normal and usual manner is interrupted for a continuous period of three (3) business days or more at any time prior to Closing (an "*Extended Interruption*"), or if any loss of or damage to the Station Assets is not completely repaired, restored or replaced prior to the Closing Date, then (a) Seller shall give immediate written notice thereof to Buyer and (b) Buyer shall have the right, by giving written notice to Seller, to (i) terminate this Agreement within 30 days of an Extended Interruption, (ii) postpone the Closing as provided above, or (iii) consummate this Agreement and accept the Station Assets in their then condition, in which event Seller shall assign to Buyer all proceeds of insurance covering the property involved and shall deliver to Buyer all proceeds of insurance theretofore received by Seller, and in the event that the insurance proceeds are insufficient to complete the repairs, restoration or replacement, an appropriate reduction in the Purchase Price shall be made at Closing.

ARTICLE 21
OTHER PROVISIONS

21.1. Publicity. Except as required by applicable law or with the other party's express written consent, no party to this Agreement nor any affiliate of any party shall issue any press release or similar public statement regarding the transactions contemplated by this Agreement. Until filing of the FCC Application, there shall be no public announcement by either party with respect to this Agreement and the transaction contemplated hereby.

21.2. Benefit and Assignment. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. Seller may not assign this Agreement without the prior written consent of Buyer. Buyer may not assign this Agreement without the prior written consent of Seller, provided, however, that Buyer may assign this Agreement (in whole or in part) to any affiliate of Buyer, any entity under common control with Buyer, or to its investors. No assignment shall relieve a party of its obligations under this Agreement.

21.3. Entire Agreement. This Agreement, the Gold Agreement and the exhibits and schedules hereto and thereto embody the entire agreement and understanding of the parties hereto and supersede any and all prior agreements, arrangements and understandings relating to the agreement between Buyer and Seller as provided in such documents. No amendment, waiver of compliance with any provision or condition, or consent pursuant to this Agreement shall be effective unless evidenced by an instrument in writing signed by the party against whom enforcement of any waiver, amendment, change, extension or discharge is sought. Any matter that is disclosed in a schedule hereto in such a way as to make its relevance to the information called for by another schedule readily apparent shall be deemed to have been included in such other schedule, notwithstanding the omission of an appropriate cross-reference.

21.4. Headings. The headings set forth in this Agreement are for convenience only and will not control or affect the meaning or construction of the provisions of this Agreement.

21.5. Computation of Time. If after making computations of time provided for in this Agreement, a time for action or notice falls on Saturday, Sunday or a Federal holiday, then such time shall be extended to the next business day.

21.6. Governing Law. The construction and performance of this Agreement shall be governed by the laws of the State of Florida without regard to its principles of conflict of law.

21.7. Notices. Any notice, demand or request required or permitted to be given under the provisions of this Agreement shall be in writing, addressed to the following addresses, or to such other address as any party may request in writing.

If to Seller:

Wolfhouse Radio Group, Inc.
548 E. Alisal Street, Suite A
Salinas, California 93905
Attn: Mr. Hector Villalobos
Telephone: 831.757.4921
Facsimile: 831.757.3119

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

Leventhal Senter & Lerman PLLC
2000 K Street, N.W.
Suite 600
Washington, D.C. 20006-1809
Attention: Brian M. Madden, Esq.
Telephone: 202.416.6770
Facsimile: 202.293.4767

If to Buyer:

LEN Radio Broadcasting, LLC
4630 S. Kirkman Rd., #153
Orlando, Florida 32811
Attn: Mr. Anthony Michael "Tony" Hernandez
Telephone: 407-903-1061
Facsimile: 407-226-1047

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

Wiley Rein & Fielding LLP
1776 K Street, NW
Washington, DC 20006
Attn: Brook A. Edinger
Telephone: 202-719-7279
Facsimile: 202-719-7049

Any such notice, demand or request shall be deemed to have been duly delivered and received (a) on the date of personal delivery or confirmed facsimile transmission or confirmed delivery by a

nationally recognized overnight courier service, or (b) on the third day after prepaid mailing by certified U.S. mail, return receipt requested, but only if sent in the same manner to all persons entitled to receive notice or a copy.

21.8. Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed an original and all of which together will constitute one and the same instrument.

21.9. Further Assurances. Seller shall at any time and from time to time after the Closing execute and deliver to Buyer such further conveyances, assignments and other written assurances as Buyer may reasonably request in order to vest and confirm in Buyer (or its assignees) the title and rights to and in all of the Station Assets to be and intended to be transferred, assigned and conveyed hereunder.

21.10. Schedules. This Agreement is being executed prior to the completion of all of the Schedules hereto, and is subject to and contingent upon delivery of completed Schedules in form and substance satisfactory to Buyer not later than January 14, 2005. If an Addendum to this Agreement containing such completed Schedules is not signed by the parties by such date, then Buyer may terminate this Agreement by written notice to Seller.

ARTICLE 22 **DEFINITIONS**

Unless otherwise stated in this Agreement, the following terms when used herein shall have the meanings assigned to them below (such meanings to be equally applicable to both the singular and plural forms of the terms defined):

“Accounts Receivable” shall have the meaning set forth in Section 1.2(g).

“Adjusted Broadcast Cash Flow” shall mean Broadcast Cash Flow *plus* the agreed addbacks set forth on *Schedule 22*.

“Affiliate” shall mean any person or entity that is controlling, controlled by or under common control with the named person or entity.

“Agreement” shall mean this Asset Purchase Agreement, including the exhibits and schedules hereto.

“Assumed Contracts” shall have the meaning set forth in Section 1.2(d).

“Broadcast Cash Flow” shall mean net income from the sale of advertising time on the Stations *less* any income from trade or barter *plus*, to the extent deducted in determining such

net income, without duplication, interest expense, income tax expense, depreciation and amortization, determined in accordance with generally accepted accounting principles.

“Buyer” shall have the meaning set forth in the preamble to this Agreement.

“Buyer’s Proration Amount” shall have the meaning set forth in Section 5.2.

“Business Day,” whether or not capitalized, shall mean every day of the week excluding Saturdays, Sundays and Federal holidays.

“Claimant” shall have the meaning set forth in Section 16.3(a).

“Closing” shall have the meaning set forth in Section 1.1.

“Closing Date” shall mean the date on which the Closing is completed.

“Contracts” shall mean the contracts, agreements, including employment agreements, commitments and understandings of Seller or to which Seller is a party, relating to the conduct of the business and operation of the Stations.

“Effective Time” shall mean 12:01 a.m., local time in Salinas, California, on the Closing Date.

“Employment Agreement” shall have the meaning set forth in Section 10.7.

“ERISA” shall have the meaning set forth in Section 7.8(c).

“Escrow Agent” shall have the meaning set forth in Section 2.2.

“Escrow Agreement” shall have the meaning set forth in Section 2.2.

“Escrow Deposit” shall have the meaning set forth in Section 2.2.

“Excluded Assets” shall have the meaning set forth in Section 1.3.

“FCC” shall mean the Federal Communications Commission.

“FCC Application” shall mean the application or applications that Seller and Buyer must file with the FCC requesting its consent to the assignment of the FCC Licenses.

“FCC Consent” shall mean the action by the FCC granting the FCC Application.

“FCC Licenses” shall have the meaning set forth in Section 1.2(a).

“Final Order” shall mean action by the FCC (i) which has not been vacated, reversed, stayed, set aside, annulled or suspended, (ii) with respect to which no timely appeal, request for stay or petition for rehearing, reconsideration or review by any party or by the FCC on its own motion, is pending, and (iii) as to which the time for filing any such appeal, request, petition, or similar document or for the reconsideration or review by the FCC on its own motion under the Communications Act of 1934, as amended, and the rules and regulations of the Commission, has expired.

“Indemnitor” shall have the meaning set forth in Section 16.3(a).

“Intellectual Property” shall have the meaning set forth in Section 1.2(e).

“Leased Real Property” shall have the meaning set forth in Section 1.2(b).

“Liens” shall mean mortgages, deeds of trust, liens, pledges, collateral assignments, security interests, leases, subleases, conditional sales agreements, easements, covenants, encroachments, encumbrances, restrictions, charges or other defects of title, all of which shall be removed as of the Closing Date unless specifically assumed by Buyer hereunder, except for liens for taxes relating to the period prior to Closing which are not yet due and payable to the extent subject to proration, and such other non-monetary liens, easements, rights of way, building and use restrictions, exceptions, reservations and limitations 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.

“Notice of Disagreement” shall have the meaning set forth in Section 5.2.

“Personal Property” shall have the meaning set forth in Section 1.2(c).

“Post-Closing Escrow” shall have the meaning set forth in Section 2.4.

“Preliminary Proration Schedule” shall have the meaning set forth in Section 5.2.

“Prime Rate” shall mean a per annum rate equal to the “prime rate” as published in the Money Rates column of the Eastern Edition of The Wall Street Journal published on the Closing Date (or the average of such rates if more than one rate is indicated).

“Proration Schedule” shall have the meaning set forth in Section 5.2.

“Proration Threshold” shall have the meaning set forth in Section 5.2.

“Purchase Price” shall have the meaning set forth in Section 2.1.

“Real Property Leases” shall mean the leases, licenses and other agreements with respect to the Leased Real Property.

“Referee” shall have the meaning set forth in Section 5.2.

“Reinvestment” shall have the meaning set forth in Section 10.6.

“Seller” shall have the meaning set forth in the preamble to this Agreement.

“Stations” shall have the meaning set forth in the Recitals to this Agreement.

“Station Assets” shall have the meaning set forth in Section 1.2.

“Time Sales Agreements” shall mean Contracts entered into in the ordinary course of business of the Stations for the sale or sponsorship of broadcast time on the Stations for cash.

“Trade Agreements” shall mean all Contracts for the sale of advertising time on the Stations for consideration other than cash.

“Villalobos” shall mean Hector Villalobos, the president of Seller.

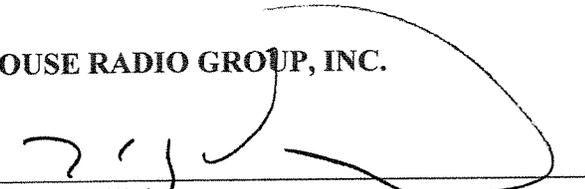
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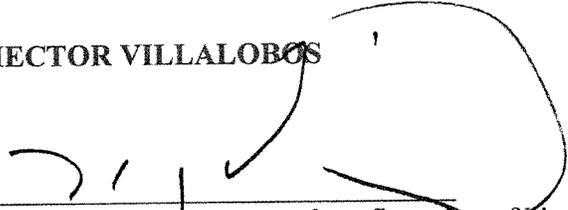
SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

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

WOLFHOUSE RADIO GROUP, INC.

By: 
Name: Hector Villalobos
Title: President

HECTOR VILLALOBOS


Exclusively for purposes of confirmation of his undertakings pursuant to Sections 10.6 and 10.7 hereof.

LEN RADIO BROADCASTING, LLC

By: The Latin Entertainment Network, Inc., its Manager

By: _____
Name:
Title:

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

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

WOLFHOUSE RADIO GROUP, INC.

By: _____
Name: Hector Villalobos
Title: President

HECTOR VILLALOBOS

Exclusively for purposes of confirmation of his undertakings pursuant to Sections 10.6 and 10.7 hereof.

LEN RADIO BROADCASTING, LLC

By: The Latin Entertainment Network, Inc., its Manager

By: _____
Name: *Anthony Michael Hernandez*
Title: *President & CEO*

SCHEDULES AND EXHIBITS

Schedules

1.2(a)	FCC Licenses
1.2(b)	Leased Real Property
1.2(c)	Personal Property
1.2(d)	Assumed Contracts
1.2(e)	Intellectual Property
1.3(e)	Excluded Assets
2.5	Commissions
7.3	Other Seller Consents
7.8	Employees
7.13	Financing Statements
7.14	Insurance
22	BCF Addbacks

Exhibits

Exhibit A	Escrow Agreement
Exhibit B	Employment Agreement
Exhibit C	Promissory Note