

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT ("Agreement"), dated June 30, 2004, is by and between:

MBC GRAND BROADCASTING, INC., a corporation organized and operating under the laws of the Commonwealth of Pennsylvania and having an address of 300 East Rock Road, Allentown, Pennsylvania 18103 (the "Buyer")

and

LEGGETT BROADCASTING, INC., a corporation organized and existing under the laws of the State of Colorado, with principal offices at 2808 North Avenue, Grand Junction, Colorado 81501 (the "Seller").

The Agreement provides that the parties, intending to be legally bound hereby, agree as follows:

1. Sale of Assets. At Closing, Seller shall sell, and Buyer shall purchase, Seller's interest in substantially all of the tangible and intangible assets, licenses and authorizations used in the operation of radio station KSTR(FM) ("KSTR"), located in Grand Junction, Colorado, including without limitation, the following (collectively, the "Assets"): (i) the right to use the call letters of KSTR (the "Call Letters"); (ii) all of the Studio equipment (the "Studio Equipment") described in Schedule 1(ii); (iii) the license issued for the operation of KSTR by the Federal Communications Commission ("FCC"); (iv) the transmitter building, transmitting equipment, phasemaster, STL, TSL and tower (collectively, the "Transmitting Equipment") described in Schedule 1(iv) and located at Mesa Point Electronic Site, Colorado, on land owned by the U.S. Forest Service (the "USFS"); and (v) all rights to the web site and domain address of www.KSTR.com. The three vehicles intended for personal use of Seller's personnel owned by Seller and described on Schedule 1(vi) are specifically excluded from the Assets.

2. Asset Condition and Assumption of Liabilities.

a. Buyer has had the opportunity to inspect the Assets and the same are being purchased in "as is" condition.

b. Assets shall be sold and conveyed to Buyer free and clear of all liabilities (absolute or contingent), obligations, liens, (including tax, mechanics' and materialmen's liens), pledges, conditional sales agreements, charges, mortgages, security interests, encumbrances and restrictions of any type or amount (collectively, "Liens") created or suffered by Seller prior to the Closing (as defined herein), whether existing now or in the future.

c. Except for the USFS lease, the Westwood One Trade Agreement, the Premier Radio Production Library Barter Agreement, the AP News Wire Agreement, the Selector Music Scheduling Agreement and the McGavin Guild National Reporting Agreement attached hereto as Schedule 2(c), Buyer does not assume and shall not be obligated for any liabilities, contracts or obligations of Seller, or of KSTR, including contracts for the sale and broadcasting of radio advertising and/or programming which extend beyond Closing; and including Seller's lease for KSTR's studio facilities; all of which shall remain the sole responsibility of Seller.

3. Purchase Price. The Purchase Price is Six Hundred Thousand (\$600,000) Dollars, to be paid in cash or immediately available funds as follows:

a. Fifty Thousand (\$50,000) Dollars payable by Buyer at the time of execution of this Agreement, the receipt whereof is hereby acknowledged by Seller (the "Deposit"). By his signature below, Seller appoints Media Services Group ("Media") as his agent for the limited purpose of holding the Deposit and disbursing said Deposit in accordance with the terms of this Agreement and the Escrow Agreement attached hereto as Schedule 3(a); and

b. The balance payable at the time of Closing (as defined herein).

4. Allocation of Purchase Price. The Purchase Price shall be allocated as follows:

Transmitting Equipment	\$ 10,000.00
FCC License	\$ 490,000.00
Call Letters	\$ 10,000.00
Studio Equipment	<u>\$ 50,000.00</u>
TOTAL	\$ 600,000.00

a. The allocation set forth shall be used by all parties in allocating the purchase Price for federal tax purposes in accordance with the provisions of Section 1060 of the Internal Revenue Code of 1986, as amended, and any regulations promulgated hereunder. Buyer and Seller shall each complete, execute and timely file Form 8594 or any applicable successor form with the Internal Revenue Service in connection with their tax returns for the taxable year that includes the Closing, and agree to act in accordance with the allocation of the Purchase Price established pursuant to this Section in the preparation and filing of all tax returns.

5. Closing. Closing ("Closing") shall take place on the sooner of: (i) the first full day of Buyer's broadcast following the date the FCC order approving the assignment of the license becomes final and nonappealable; or (ii) within ten (10) days after the date Buyer notifies Seller in writing that it waives the FCC finality requirement (but Buyer shall have no obligation to waive the finality requirement). Closing shall be held at the offices of Seller's Counsel, 743 Horizon Court, Suite 106, Grand Junction, Colorado, commencing at 10:00 AM or such other time or place as may be agreed to by Buyer and Seller. Anything herein to the contrary notwithstanding, in the event that Closing has not taken place within twelve (12) months from the date hereof, this Agreement shall automatically terminate and the parties hereto shall have no further obligation to one another.

6. Conditions Precedent. The obligations of Buyer to consummate this Agreement are subject to the fulfillment, prior to or at the Closing, of the following conditions precedent:

a. The representations and warranties of Seller are true and shall be true in all respects at the time of Closing.

b. Seller shall have provided within ten (10) days after the execution of this Agreement, all the documentation necessary to establish the "hardship" exception under the current FCC rules prior to the acquisition of KSTR.

c. The FCC shall have issued a final order approving the assignment of Seller's FCC License to Buyer. For purposes of this Agreement, a "final order" means action by the FCC that is nonappealable and no longer subject to agency or judicial review. The requirement for finality may be waived by Buyer by written notice to Seller at any time.

d. Seller shall, at Buyer's option, use its reasonable best efforts and cooperate with the USFS and Buyer for Seller's lease with USFS for the land located at Mesa Point Electronic Site (the "USFS Property") to be assigned to Buyer; or for USFS to enter into a new lease with Buyer for the USFS Property under terms and conditions reasonably acceptable to Buyer.

e. Conduct of the Business of Company Pending Closing. Between the date hereof and the Closing hereunder, Seller shall:

(1) not take or suffer or permit any action which would render untrue any of the representations or warranties of Seller herein contained, and not omit to take any action, the omission of which would render untrue any such representation or warranty;

(2) conduct its business in a good and diligent manner in the ordinary and usual course;

(3) not enter into any contract, agreement, commitment or arrangement with any party, other than contracts for the sale of merchandise or services or contracts for the purchase of materials, services and supplies in the ordinary and usual course of its business, and not amend, modify or terminate any KSTR agreement without the prior written consent of Buyer;

(4) preserve its business organization intact and shall preserve its relationships with customers, suppliers and others with whom it deals;

(5) not reveal, orally or in writing, to any party, other than Buyer and Buyer's authorized agents, any of the procedures and practices followed by it in the conduct of its business or any technology used in the rendering its services;

(6) maintain in full force and effect all of the insurance policies listed on Schedule 6.d(6) and make no change in any insurance coverage without the prior written consent of Buyer;

(7) keep its premises and all of its equipment and other tangible personal property in good order and repair and perform all necessary repairs and maintenance;

(8) continue to maintain all of its usual business books and records in accordance with its past practices;

(9) not amend its Articles [Certificate] of Incorporation or Bylaws;

(10) not declare or make any dividend or other payment on or with respect to its capital stock, redeem or otherwise acquire any shares of its capital stock or issue any capital stock or any option, warrant or right relating thereto;

(11) not waive any right or cancel any claim;

(12) not increase the compensation or rate of compensation payable to any of its employees;

(13) maintain its corporate existence and not merge or consolidate with any other entity;

(14) comply with all provisions of any applicable KSTR agreements and all applicable laws, rules and regulations;

f. Buyer shall divest itself of AM Radio Station KDTA, Grand Junction, Colorado, to qualify under FCC local radio ownership numerical limits to purchase KSTR(FM).

7. Representations and Warranties by Seller. Seller covenants, represents and warrants as follows:

a. Seller is a corporation duly organized, validly existing and in good standing, under the laws of the state of Colorado, and has full power and authority to own and operate the Assets, to conduct its business as currently conducted, and proposed to be conducted, and to enter into and perform this Agreement. The execution and delivery of this Agreement by the Seller and the consummation by the Seller of the transactions contemplated hereby have been duly authorized by all necessary corporate action and no other corporate proceedings on the part of the Seller are necessary to authorize this Agreement or to consummate the transactions contemplated hereby. This Agreement has been validly executed and delivered by the Seller and constitutes a legal, valid and binding obligation of the Seller, enforceable against the Seller in accordance with its terms.

b. Seller does not have any material liability that has not been disclosed to

Buyer.

c. All federal, state and local tax and information returns required to be filed by Seller have been (or, in the case of returns, not yet due will be) duly and timely filed and each such return correctly reflects the income, franchise and other tax liability and all other information required to be reported thereon. Seller has paid (or, in the case of returns, not yet due will pay) in full all taxes, penalties, interest and related charges and fees.

d. To Seller's knowledge, the Seller is not in default or violation of any law, rule or ordinance applicable to the Seller. Seller has not received from any governmental entity any written notification with respect to possible defaults or violations of laws by Seller.

e. There is no claim, action, suit, litigation, proceeding, arbitration or, to the knowledge of the Seller, investigation of any kind, at law or in equity (including actions or proceedings seeking injunctive relief), pending or, to the knowledge of Seller, threatened in writing against Seller or any properties or rights of Seller, and Seller is not subject to any continuing order of, consent decree, settlement agreement or other similar written agreement with, or, to the knowledge of the Seller, continuing investigation by, any governmental entity, or any judgment, order, writ, injunction, decree or award of any governmental entity or arbitrator.

f. None of the employees of Seller has any employment agreement or other agreement, written or verbal, with Seller that may give any such person any cause of action to make claims either against Seller or Buyer in the event that any such person is not employed by Buyer subsequent to the transactions set forth in this Agreement. Buyer shall not be liable for any claims relating to any employee of Seller or for any claims relating to any employee benefit plan, program, contract, severance, bonus, vacation, travel, incentive, health or disability plans maintained or contributed to by the Seller.

g. The present operation, use, location and configuration of the transmitting tower and building does not constitute an illegal use under any zoning or land use law or regulation, and is not the subject of any variance pursuant to any zoning or land use law or regulation.

All representations and warranties by Seller shall survive the Closing.

8. Non-Competition.

a. Seller will not compete in the broadcast media with Buyer for a period of thirty (30) months from date of Closing anywhere in the service area of KSTR; and Buyer shall pay Seller, in consideration for its agreement not to compete the sum of Ten Thousand (\$10,000) Dollars for each of such thirty (30) months, with the first such payment to be made, in arrears, on the first of the month immediately following Closing and said payment shall be made on the same day of each month thereafter until the expiration of thirty (30) months. The aggregate amount to be paid to Seller in consideration of its agreement not to compete is Three Hundred Thousand (\$300,000) Dollars.

b. Buyer shall no longer be responsible for payment to Seller under this Non-Competition provision upon Seller's breach of any provision of this Agreement and such breach shall continue for more than ten (10) days after written notice thereof, or, in the case of a breach which cannot, with due diligence be cured within ten (10) days.

c. For the purposes of this Agreement, the "service area of KSTR" is defined to include any community within the station's predicted 1.0mV/m signal strength contour, derived in accordance with Section 73.313 of the rules and regulations of the FCC.

9. Joint Sales Agreement. Concurrently with the execution of this Agreement, Buyer and Seller shall execute and deliver the Joint Sales Agreement (the "JSA") attached hereto as Schedule 9.

10. Brokers. Seller is obligated to pay a transaction fee to Media Services Group and Seller shall be solely responsible for same. Seller agrees to indemnify and hold Buyer harmless from any claims for any finder's or other fees due to Media Services Group. Except for said transaction fee, no Person acting on behalf of Seller or any of its affiliates or under the authority of any of the foregoing is or will be entitled to any broker's or finder's fee or any other commission or similar fee, directly or indirectly, from any of such parties in connection with any of the transactions contemplated by this Agreement.

11. Assignment Application. The parties hereto agree to file an application for approval of the assignment of the license within ten (10) days after the execution of this Agreement (the "Assignment Application"); to make diligent and timely responses to any request by the FCC for information; and to otherwise co-operate with one another and the FCC in obtaining approval of the license assignment. In the event a petition to deny the application is filed with the FCC, or if an informal objection is made to the FCC, the parties hereto agree to defend the application and the assignment, each at its own expense.

12. Indemnification. Seller agrees to indemnify Buyer from any losses or damages, including reasonable attorney's fees, incurred by Buyer arising from: (i) any claims arising from or related to Seller's ownership or operation of KSTR or the Assets prior to the Closing; and (ii) any damages resulting from any misrepresentation or breach of warranty on the part of the Seller under this Agreement. Buyer agrees to indemnify Seller from any losses or damages, including reasonable attorney's fees, incurred by Seller arising from: (i) any claims arising from or related to Seller's ownership or operation of KSTR or the Assets after the Closing; and (ii) any damages resulting from any misrepresentation or breach of warranty on the part of the Buyer under this Agreement.

13. Equitable Remedies upon Breach. In the event Seller breaches, or threatens to commit a breach of, any of the provisions of this Agreement, Buyer may have the provision specifically enforced by any court of competent jurisdiction, it being agreed that any breach or threatened breach would cause irreparable injury to Buyer and that money damages would not

provide an adequate remedy to Buyer. Such rights and remedies shall be independent of any others and severally enforceable and shall be in addition to, and not in lieu of, any other rights and remedies available to Buyer at law or in equity.

14. Expenses. Except as otherwise provided herein, all expenses involved in the preparation and consummation of this Agreement shall be the responsibility of the party incurring the expense, whether or not the transaction is ever consummated. All FCC filing fees for the Assignment Application and the September 24, 2004 annual FCC regulatory fee shall be borne by Buyer. Seller will arrange for, place and broadcast at its expense advertising giving public notice of the pending sale of the Assets as contemplated by this Agreement. All utility costs for the current term and property taxes, if any, shall be apportioned as of the date of Closing. An allocation of expenses is attached hereto as Schedule 14.

15. Attorney's Fees. If any party initiates any litigation against any other involving this Agreement, the prevailing party in such action shall be entitled to receive reimbursement from the other party for all reasonable attorneys' fees and other costs and expenses incurred by the prevailing party in respect of that litigation, including any appeal, and such reimbursement may be included in the judgment or final order issued in that proceeding.

16. Governing Law and Venue. This Agreement is made pursuant to, and shall be construed and enforced in accordance with, the laws of the State of Colorado without giving effect to otherwise applicable principles of conflicts of law. Any action or counterclaim hereon shall be commenced or asserted, as the case may be, only in the Mesa County District Court, Grand Junction, Colorado. All parties hereto consent to the jurisdiction of such court (and of the appropriate appellate courts) and waive any objection based on *forum non conveniens*.

17. Assignment. Neither party may assign its rights or delegate its duties hereunder to any person without the prior written consent of the other party.

18. Notice. Any notice required under this Agreement must be in writing. Any payment, notice or other communication will be deemed given when delivered personally, or mailed by certified mail or recognized overnight courier, postage prepaid, addressed as follows (or to such other address designated in writing upon due notice to the other party):

To Buyer:

MBC Grand Broadcasting, Inc.
300 East Rock Road
Allentown, Pennsylvania 18103
Attn: Mr. Richard C. Dean

With a copy to:

Gregory C. Hartman, Esq.
Hartman, Hartman, Howe & Allerton

Hartman, Hartman, Howe & Allerton
2901 St. Lawrence Avenue
P.O. Box 4429
Reading, Pennsylvania 19606

To Seller:

Leggett Broadcasting, Inc.
2808 North Avenue
Grand Junction, Colorado 81501
Attention: Bradley E. Leggett

with a copy to:

Douglas A. Colaric, Esquire
743 Horizon Court, Suite 106
Grand Junction, CO 81506

18. Counterpart Signatures. This Agreement may be signed in one or more counterparts, each of which will be deemed a duplicate original.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year first above written.

MBC GRAND BROADCASTING, INC.

By: 

Richard C. Dean, President

LEGGETT BROADCASTING, INC.

By: _____

Bradley E. Leggett, President

With a copy to:

Gregory C. Hartman, Esq.
Hartman, Hartman, Howe & Allerton
2901 St. Lawrence Avenue
P.O. Box 4429
Reading, Pennsylvania 19606

To Seller:

Leggett Broadcasting, Inc.
2808 North Avenue
Grand Junction, Colorado 81501
Attention: Bradley E. Leggett

with a copy to:

Douglas A. Colaric, Esquire
743 Horizon Court, Suite 106
Grand Junction, CO 81506

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MBC GRAND BROADCASTING, INC.

By: _____
Richard C. Dean, President

LEGGETT BROADCASTING, INC.

By:  president
Bradley E. Leggett, President

SCHEDULE 9

JOINT SALES AGREEMENT

THIS JOINT SALES AGREEMENT (this "Agreement") is made as of June 30, 2004 by and between:

MBC GRAND BROADCASTING, INC., a corporation organized and operating under the laws of the Commonwealth of Pennsylvania and having an address of 300 East Rock Road, Allentown, Pennsylvania 18103 ("Selling Agent")

and

LEGGETT BROADCASTING, INC., a corporation organized and existing under the laws of the State of Colorado, with principal offices at 2808 North Avenue, Grand Junction, Colorado 81501 ("Licensee").

WITNESSETH

WHEREAS; Licensee owns and operates radio station KSTR-FM (the "Station") licensed by the Federal Communications Commission (the "FCC") to serve the community of Montrose, Colorado, and desires to grant to Selling Agent the right to sell commercial advertising on programs broadcast by the Station.

WHEREAS; Licensee has agreed to sell the assets of the Station to Selling Agent pursuant to a certain Asset Purchase Agreement bearing even date herewith (the "Asset Purchase Agreement").

NOW, THEREFORE, intending to be legally bound hereby, the parties agree as follows:

1. Agreement Term. The term of this Agreement (the "Term") will begin on July 1, 2004 and will continue until the earlier of: (i) three (3) years from the date hereof; (ii) termination of the Asset Purchase Agreement; or (iii) closing under the Asset Purchase Agreement, unless earlier terminated in accordance with the provisions set forth herein or pursuant to mutual agreement of Licensee and Selling Agent.

2. Selling Agent's Right to Sell Advertising Time. Licensee hereby grants to Selling Agent the exclusive right to sell commercial advertising time on programs broadcast on the Station (the "Advertising"). The Advertising shall cover the entire broadcast day, seven (7) days a week, during the Term and shall include the sale and placement of up to twenty-two (22) minutes of advertising time in any clock hour. During the Term, Licensee shall not sell or direct any Advertising, except for barter announcements included in programming acquired by Licensee with

the prior written consent of the Selling Agent, not to exceed four (4) minutes in any given clock hour. Selling Agent shall also be exclusively responsible for the collection of accounts receivable arising from its Advertising. All contracts for Advertising on the Station which may be entered into by Selling Agent shall terminate upon the termination of this Agreement.

3. Payments to Licensee. In exchange for the Advertising, Selling Agent shall pay to Licensee the sum of \$.00 Dollars per month, payable in advance on or before the first calendar day of each month. If the Term does not begin on the first day of a month or does not end on the last day of a month, the sum payable under this Section for that month shall be prorated accordingly.

4. Operation, Ownership and Control of the Station.

(a) During the Term, Licensee shall have full authority, power and control over the operation of the Station; shall bear the full and exclusive responsibility for the Station's compliance with all provisions of the rules and policies of the FCC applicable to the Station and the programs broadcast by Licensee, and all other applicable laws; shall provide all ordinary, routine, maintenance for the Station's transmitter, transmitting equipment and tower (collectively, the "Transmitter") located on Mesa Point Electronic Site on land owned by United States Forest Service (the "USFS"), at the power level authorized by the FCC for the Station. Selling Agent shall have no right to use or be responsible for the maintenance or operation of Licensee's studio, studio equipment or transmission facilities (collectively, the "Studio") located at 2808 North Avenue, Grand Junction, Colorado.

(b) For the convenience of both parties, and to facilitate Licensee's performance of its obligations under this Agreement, Selling Agent agrees to furnish Licensee, during the Term, an audio processor at Transmitter site and, a computer for the storage of program materials, at Licensee's Studio; Selling Agent's Advertising shall be inserted at the Studio by Licensee, and Licensee shall be responsible for delivery of the Advertising from the Studio to the Transmitter.

(c) All equipment provided by Selling Agent in the processing and delivery of Licensee's programming and the Advertising, even if dedicated solely to the operation of the Station, shall remain the sole property of Selling Agent.

(d) Licensee shall not suffer or permit the placement or imposition of any lien, charge or encumbrance with respect to any such equipment, and all such property shall be returned promptly to Selling Agent upon termination of this Agreement for any reason, or upon Closing (as defined in the Asset Purchase Agreement), which ever comes first.

(e) Nothing contained herein shall prevent or hinder Licensee from: rejecting or refusing any Advertising which Licensee believes to be contrary to the public interest or contrary to the rules or regulations of the FCC or any other state or Federal agency; provided, however, that if Licensee rejects any Advertising pursuant to the preceding clause, the cost of such Advertising

to the advertiser shall either be paid immediately to Selling Agent by Licensee or Selling Agent may deduct that amount from the monthly payment due to the Licensee for the following month.

(f) In the event of a local, state, or national emergency, subject to paragraph (e) above, Licensee reserves the right to preempt any regularly scheduled program, and the Advertising scheduled to be broadcast therein.

(g) During the Term, Licensee shall, at its own expense, and in a timely and sufficient manner, file all reports, declarations and applications required by the FCC, including all regulatory and filing fees, and shall take all actions necessary to assure renewal of the KSTR-FM license, unconditionally and for a full eight-year term, on or before April 1, 2005, when said license is set to expire. Licensee shall also refrain from any action(s) or inaction(s) which could, individually or cumulatively, jeopardize the unconditional grant of the renewal application.

5. Special Termination Provisions. This Agreement shall terminate upon either of the following events: (i) the FCC's policies or rules change in a manner that would require such termination [and the parties are unable to agree, in a timely fashion, on amended terms and conditions that would be consistent with such changed policies or rules to preserve the essence of this Agreement]; (ii) the FCC shall have issued an order refusing its consent to the transactions contemplated by the Asset Purchase Agreement, and such order shall have become final, nonappealable and no longer subject to agency or judicial review. In addition, either party may, at its option and upon ten (10) days written notice to the other party, terminate this Agreement in the event the Asset Purchase Agreement, for any reason other than the failure of the FCC to grant its consent to the transactions contemplated therein, terminates without a closing and said terminating party is not then in default under the Asset Purchase Agreement.

6. Programs.

6.1 Programming Changes. Licensee acknowledges that Selling Agent is entering into this Agreement in reliance upon Licensee's decision to adopt a customized music format provided by Jones Broadcast Programming, Inc., and other programming currently broadcast by Licensee, and that the music format chosen by Licensee is an essential part of Selling Agent's agreement to compensate Licensee for the right to sell Advertising on the Station. Licensee shall at all times under this Agreement have the right to change the music format, or to terminate specific programs in its current broadcast schedule. However, Licensee agrees to consult with Selling Agent prior to making any change in the music format or the current program schedule and, in the event Licensee changes the music format without Selling Agent's prior written consent, Selling Agent may (a) terminate this Agreement immediately and without further notice to Licensee, or (b) at Selling Agent's option, and in its sole discretion, reduce the monthly compensation paid to Licensee pursuant to Section 3 hereof by fifty (50%) percent, effective the date of the format change. Further, Selling Agent's exercise of its option to reduce the monthly compensation to Licensee shall be without prejudice to Selling Agent's right, at some future date after such reduction, to terminate this Agreement upon ten (10) days notice to Licensee, given in writing.

6.2 Compliance with Rules. Licensee agrees that the contents of the programs it broadcasts shall conform to FCC rules, regulations and policies. Licensee further warrants and represents to Selling Agent that it has the right to broadcast all of the programs and to authorize Selling Agent to sell Advertising within the programs.

6.3 Political Time. Licensee shall oversee and have ultimate responsibility with respect to the provision of equal opportunities, lowest unit charge, and reasonable access to political candidates, and compliance with the political broadcast rules of the FCC. Selling Agent shall cooperate with Licensee as Licensee complies with its political broadcast responsibilities, and shall supply such information promptly to Licensee as may be necessary to comply with the political time record keeping and lowest unit charge requirements of federal law. To the extent that Licensee, in its reasonable discretion, believes necessary, Selling Agent shall release the Advertising availabilities during the Broadcasting Period to permit Licensee to comply with the political broadcast rules of the FCC and the provisions of Section 315 of the Communications Act of 1934, as amended; provided, however, that all revenues received by Licensee as a result of any such release of the Advertising time shall promptly be remitted to Selling Agent as set forth in Paragraph 4(e).

7. Operating Expenses. During the Term, Licensee will be responsible for all operating costs of the Station, including but not limited to (i) payroll expenses; (ii) ASCAP and BMI fees; (iii) fees with respect to agreements to be assumed by licensing agent at closing under the Asset Purchase Agreement; (iv) program licensing fees; (v) rental fees due to the USFS for the Transmitter (vi) rent for the Studio (vii) all utilities supplied to the Studio and Transmitter site; (viii) repair and maintenance of the facilities involved in this Agreement; (ix) legal and engineering fees; (x) insurance and (xi) taxes of every kind and nature whatsoever.

8. Call Signs. Licensee will retain any rights it has to the call letters KSTR (FM), and will ensure that proper station identification announcements are made with such call letters in accordance with FCC rules and regulations. Licensee shall include in the Programs it delivers for broadcast an announcement at the beginning of each hour of such Programs to identify the Station by call letters used by Licensee for the Station, as well as any other announcements required by the rules and regulations of the FCC. Selling Agent is specifically authorized to use the call letters KSTR-FM or other call letters used by Licensee for the Station, in any promotional material, in any media, used in connection with the Programs.

9. Events of Default; Termination.

9.1 Selling Agent's Events of Default. The occurrence of any of the following will be deemed an Event of Default by Selling Agent under this Agreement:

(a) Selling Agent fails to make timely payments in full as provided for in this Agreement;

(b) Selling Agent fails to observe or perform any other covenant, condition or obligation contained in this Agreement; or

(c) Breach or violation by Selling Agent of any representation or warranty made by it under this Agreement.

(d) Breach by Selling Agent of the Asset Purchase Agreement.

9.2 Licensee Events of Default. The occurrence of any of the following will be deemed an Event of Default by Licensee under this Agreement:

(a) Licensee fails to observe or perform any covenant, condition or obligation to be performed by Licensee which is contained in this Agreement; or

(b) Breach or violation by Licensee of any representation or warranty made by it under this Agreement.

(c) Breach by Licensee of the Asset Purchase Agreement.

9.3 Cure Period. Notwithstanding the foregoing, an Event of Default will not be deemed to have occurred until fifteen (15) days after the non-defaulting party has provided the defaulting party with written notice specifying the Event(s) of Default and such Event(s) of Default remain(s) uncured.

9.4 Termination in the Event of Default. Upon the occurrence of an Event of Default, and in the absence of a timely cure, the non-defaulting party may terminate this Agreement, effective immediately upon written notice to the defaulting party.

(a) In the event of such termination by Selling Agent, Licensee shall refund to Selling Agent the pro rata portion of the payments which Selling Agent has made to Licensee for the remaining portion of the month in which such termination occurs.

(b) In the event that a non-defaulting party terminates this Agreement, said party may also, in its sole discretion, terminate the Asset Purchase Agreement, which does not automatically terminate upon the termination of this Agreement.

10. Indemnification. Selling Agent shall indemnify and hold Licensee harmless against any and all liability for libel, slander, illegal competition or trade practice, infringement of trademarks, trade names, or program titles, violation of rights of privacy, and infringement of copyrights and proprietary rights resulting from the sale of advertising announcements. Further, Selling Agent warrants that the broadcasting of the announcements will not violate any rights of any third party, and Selling Agent agrees to indemnify and hold the Station, and Licensee's officers, directors, agents, stockholders, and employees harmless against any claim, damages, liability, costs and expenses, including counsel fees (at trial and on appeal), arising from the production

and/or broadcasting of the announcements. Selling Agents' obligation to hold Licensee harmless under this Section shall survive any termination of this Agreement.

11. Authority. Selling Agent and Licensee each has the power and authority to enter into this Agreement and to consummate the transactions contemplated by this Agreement. The signatures appearing for Selling Agent and Licensee, respectively, at the end of this Agreement have been affixed pursuant to such specific authority as, under applicable law, is required to bind them. Neither the execution, delivery, nor performance by Licensee or Selling Agent of this Agreement conflicts with, results in a breach of, or constitutes a default or ground for termination under any agreement to which Licensee or Selling Agent, respectively, is a party or by which either of them, is bound.

12. Modification and Waiver; Remedies Cumulative. No modification of any provision of this Agreement will be effective unless in writing and signed by both parties. No failure or delay on the part of Selling Agent or Licensee in exercising any right or power under this Agreement will operate as a waiver of such right or power, nor will any single or partial exercise of any such right or power or the exercise of any other right or power. Except as otherwise provided in this Agreement, the rights and remedies provided in this Agreement are cumulative and are not exclusive of any other rights or remedies which a party may otherwise have.

13. Assignability; No Third Party Rights. The rights and obligations of each party under this Agreement may not be assigned without the prior written consent of the other party hereto. The covenants, conditions and provisions hereof are and should be for the exclusive benefit of the parties hereto and their permitted assigns, and nothing herein, express or implied, is intended or shall be construed to confer upon or to give any person or entity other than the parties hereto and their permitted assigns any right, remedy or claim, legal or equitable, under or by reason of this Agreement.

14. Governing Law. This Agreement is made pursuant to, and shall be construed and enforced in accordance with, the laws of the State of Colorado without giving effect to otherwise applicable principles of conflicts of law. Any action or counterclaim hereon shall be commenced or asserted, as the case may be, only in the District Court, Mesa County, Colorado. All parties hereto consent to the jurisdiction of such courts and waive any objection based on *forum non conveniens*.

15. Counterpart Signatures. This Agreement may be signed in one or more counterparts, each of which will be deemed a duplicate original.

16. Notice. Any notice required under this Agreement must be in writing. Any payment, notice or other communication will be deemed given when delivered personally, or mailed by certified mail or recognized overnight courier, postage prepaid, addressed as follows (or to such other address designated in writing upon due notice to the other party):

To Selling Agent:

MBC Grand Broadcasting, Inc.

300 East Rock Road
Allentown, Pennsylvania 18103
Attn: Mr. Richard Dean

With a copy to:

Gregory C. Hartman, Esq.
Hartman, Hartman, Howe & Allerton, P.C.
2901 St. Lawrence Avenue
P.O. Box 4429
Reading, Pennsylvania 19606

To Licensee:

Leggett Broadcasting, Inc.
2808 North Avenue
Grand Junction, Colorado 81501
Attention: Bradley E. Leggett

With a copy to:

Douglas A. Colaric, Esquire
743 Horizon Court, Suite 106
Grand Junction, CO 81506

17. Entire Agreement. This Agreement embodies the entire agreement, and supersedes all prior oral or written understandings between the parties with respect to the subject matter of this Agreement.

18. Relationship of Parties. Neither Selling Agent nor Licensee will be deemed to be a partner or co-venturer of the other party to this Agreement, and neither party is authorized to bind the other to any contract, agreement, or understanding.

19. Force Majeure and Facilities Upgrades.

(a) The failure of either party hereto to comply with its obligations under this Agreement due to: (i) the need to perform construction at the transmitter site or to move the transmitter site in response to FCC authorization of an improvement to or modification of the Station's operating parameters; or (ii) acts of God, strikes or threats thereof or a force majeure or due to causes beyond such party's control, will not constitute an Event of Default and neither party will be liable to the other party therefor.

laws. The parties agree that Licensee may file a copy of this Agreement with the FCC. If any provision in this Agreement is held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability will not affect any other provision of this Agreement, and this Agreement will be construed as if it did not contain such invalid, illegal, or unenforceable provision.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective duly authorized representatives, each as of the date first above written.

MBC GRAND BROADCASTING, INC.

By: 

Richard C. Dean, President

Leggett Broadcasting, Inc.

By: _____

Bradley E. Leggett, President

(b) Anything herein to the contrary notwithstanding, any failure of Licensee to broadcast the Programs beyond a brief interruption in service, not to exceed five (5) hours, due to causes beyond Licensee's control shall entitle Selling Agent to a pro rata reduction in the payment required with respect to periods during which Licensee facilities failed or were impaired or were not furnished.

20. Subject to Laws; Partial Invalidity. The obligations of the parties under this Agreement are subject to the rules, regulations and policies of the FCC and all other applicable laws. The parties agree that Licensee may file a copy of this Agreement with the FCC. If any provision in this Agreement is held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability will not affect any other provision of this Agreement, and this Agreement will be construed as if it did not contain such invalid, illegal, or unenforceable provision.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective duly authorized representatives, each as of the date first above written.

MBC GRAND BROADCASTING, INC.

By: _____
Richard C. Dean, President

Leggett Broadcasting, Inc.

By:  president
Bradley E. Leggett, President