

## **ASSET PURCHASE AGREEMENT**

This ASSET PURCHASE AGREEMENT (this "*Agreement*"), made as of the 23rd day of March, 2006, is by and between Radio Nevada Corp. ("*Seller*") and Beasley FM Acquisition Corp., a Delaware corporation ("*Buyer*").

### **RECITALS**

Seller is the licensee of and operates radio broadcast station KDWN(AM), 720 kHz, Las Vegas, Nevada, Facility ID No. 54686 (the "*Station*"), pursuant to licenses issued by the Federal Communications Commission (the "*FCC*").

Seller and Buyer have agreed that Seller will sell and Buyer will acquire certain assets used in connection with the operation of the Station, on the terms and subject to the conditions set forth in this 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 agreed upon by Buyer and Seller within ten business (10) days after all of the conditions specified in Sections 11.2 and 12.2 hereof have been fulfilled (or waived by the party entitled to waive such condition). The Closing shall be held at 10:00 a.m. local Washington D.C. time at the offices of Leventhal Senter & Lerman PLLC ("*LS&L*"), or at such other place and time, and in such manner as the parties may otherwise agree. Notwithstanding the foregoing, the parties intend that, to the extent possible, the Closing shall be conducted by exchange of signatures by fax, mail, and/or overnight courier, and wire transfer of funds.

**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 (but excluding the Excluded Assets) used in connection with the business and operation of the Station, including but not limited to the following:

(a) Seller's rights in and to all of the licenses, permits and other authorizations issued to Seller by any governmental authority currently in effect and used in the conduct of the business and operation of the Station, 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 “*Station Licenses*”) and all of Seller’s rights in and to the call letters “KDWN”;

(b) Seller’s right and interest in and to the month-to-month verbal lease for the studio property used in the operation of the Station, as described in Schedule 1.2(b) hereto, and a lease with an option to buy the real property used for the transmitter site used in the operation of the Station, in accordance with the terms set forth in Schedule 1.2(b), together with any additions thereto between the date hereof and the Closing Date, including but not limited to any easements, rights of ingress and egress, and rights of way associated therewith, and the buildings, towers, and fixtures located thereon (the “*Real Property*”);

(c) all equipment, office furniture and fixtures, office materials and supplies, inventory, 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 Station, 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 and the Time Sales 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 Station, 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 Station, including, without limitation, receivable records, the Station’s public inspection files, filings with the FCC related to the Station, invoices, statements, technical information and engineering data, sales correspondence, filings with the FCC 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 computer software and programs used or held for use in the operation of the Station; and

(i) security deposits and prepaid expenses, to the extent that Seller receives an adjustment to the Purchase Price for such amounts pursuant to Section 5.1.

The assets to be transferred to Buyer hereunder are hereinafter collectively referred to as the “*Station Assets*.” The Station Assets shall be transferred to Buyer free and clear of any Liens, except as otherwise expressly provided in 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;

(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, and any interest in and to any refunds of federal, state or local franchise, income, or other taxes related to periods prior to the Closing;

(c) all insurance policies, except for any rights that may be assigned pursuant to Article 20 hereof, promissory notes, amounts due from employees, bonds, letters of credit, certificates of deposit, or other similar items, and any cash surrender value in regard thereto;

(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) subject to Section 5.4, all accounts receivable and notes receivable arising in connection with the operation of the Station prior to the Closing Date and outstanding and uncollected as of the Closing Date (the “*Accounts Receivable*”);

(f) Trade Agreements, except for those listed on Schedule 1.2(d); and

(g) the real property used for the Station’s transmitter site, except to the extent set forth in Schedule 1.2(b), and in the mutually agreeable lease and option agreement to be negotiated between Buyer and Seller prior to the Closing; and

(h) the items listed on Schedule 1.3(h) hereof.

## **ARTICLE 2**

### **PURCHASE PRICE**

**2.1. Purchase Price.** The total consideration to be paid by Buyer for the Station Assets shall be Seventeen Million Dollars (\$17,000,000) (the “*Purchase Price*”), subject to upward or downward adjustment, as the case may be, on and after the Closing Date, pursuant to Article 5.

**2.2. Payment of Purchase Price.** Upon the execution and delivery of this Agreement by Buyer and Seller, Buyer shall pay, by wire transfer of immediately available funds, Eight Hundred Fifty Thousand Dollars (\$850,000) (the “*Escrow Deposit*”) to Kalil & Co. (“*Escrow Agent*”) to be held pursuant to the terms and conditions of an Escrow Agreement of date even herewith by and among Buyer, Seller, and Escrow Agent. At the Closing, Buyer and Seller shall jointly instruct Escrow Agent to pay the Escrow Deposit to Seller, and any interest accumulated thereon, to Buyer. Buyer shall pay the balance of the Purchase Price, less the Holdback defined below, as adjusted pursuant to Article 5, by wire transfer of immediately available federal funds pursuant to wire instructions that shall be delivered by Seller to Buyer at least two (2) business days prior to the Closing Date.

**2.3. Holdback.** At the Closing, Buyer shall pay, by wire transfer of immediately available funds, Five Hundred Thousand Dollars (\$500,000) of the Purchase Price (the “*Holdback*”) to Kalil & Co. (“*Holdback Escrow Agent*”) to be held pursuant to the terms and conditions of a Holdback Escrow Agreement. The Holdback shall be maintained in an interest-bearing account for a period of three hundred sixty-five (365) days after the Closing Date (the “*Holdback Period*”), and shall be used to satisfy Buyer’s claims, if any, that may arise under Section 16.1 hereto. Upon the termination of the Holdback Period, the balance of the Holdback, and any interest accrued thereon, shall be paid to Seller; provided, however, that in the event Buyer has made a claim pursuant to Section 16.1 that has not been resolved prior to the expiration of the Holdback Period, the amount of such unresolved claim shall be held by Holdback Escrow Agent until such time that the claim has been resolved.

## **ARTICLE 3**

### **ASSUMPTION OF OBLIGATIONS**

**3.1. Assumption of Obligations.** Subject to the provisions of this Article 3 and of 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 Station Licenses, the Contracts listed in Schedule 1.2(d), and the Time Sales Agreements, to the extent that either (1) the obligations and liabilities relate to the period after the Effective Time or (2) the Purchase Price was reduced 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, 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 Station Licenses as contemplated by this Agreement is subject to the prior consent and approval of the FCC. No later than ten (10) 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, however, that nothing herein shall be construed to limit either party's right to terminate this Agreement pursuant to Article 17 hereof.

**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.

#### **ARTICLE 5**

#### **PRORATIONS; ACCOUNTS RECEIVABLE**

**5.1. Proration of Expenses.** All revenues and expenses arising from the conduct of the business and operation of the Station, including expenses under the Assumed Contracts, but excluding Trade Agreements, and similar prepaid and deferred items, 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 Station 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, any accrued sick time or vacation, liabilities and obligations under the Assumed Contracts, rents and similar prepaid and deferred items, except taxes arising by reason of the transfer of the Station Assets as contemplated hereby, which shall be paid in accordance with Section 14.2. To the extent not known, real estate taxes shall be apportioned on the basis of taxes assessed for the preceding year, with a reapportionment as soon as the new tax rate and valuation can be ascertained. Notwithstanding

the foregoing, there shall be no adjustment for, and Seller shall remain solely liable with respect to any obligations or liabilities not being assumed by Buyer in accordance with Article 3 hereof.

**5.2. Payment of Proration Items.** Three (3) business days prior to 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 Purchase Price 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 forty-five (45) 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 ten (10) 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 ten (10) 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 \$10,000, the dispute shall be submitted within ten (10) 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 twenty (20) 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 \$10,000, 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 (5) days after the last to occur of (i) Buyer’s acceptance of the Proration Schedule or Buyer’s failure to give Seller a timely Notice of Disagreement; (ii) Seller’s acceptance of Buyer’s Proration Amount or failure to reject Buyer’s Proration Amount within ten (10) days after receipt of a Notice of Disagreement; (iii) Seller’s rejection of Buyer’s Proration Amount in the event the amount in dispute equals or is less than \$10,000; and (iv) notice to Seller and Buyer of the resolution of the disputed amount by the Referee in the event that the amount in dispute exceeds \$10,000. 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 *plus* two percent (2%), and such interest shall be payable upon demand.

**5.3. Allocation.** The parties shall use reasonable efforts to agree to an allocation of the Purchase Price pursuant to the requirements of Section 1060 of the Internal Revenue Code of 1986, as amended, prior to Closing. For purposes of allocating the Purchase Price, Buyer shall obtain an appraisal, a copy of which Buyer shall provide to Seller within five

(5) business days after Buyer's receipt thereof. In the event the parties are unable to agree on an allocation of the Purchase Price, then Buyer and Seller shall use separate allocations in completing and filing Internal Revenue Code Form 8594 for federal income tax purposes.

**5.4. Collection of Accounts Receivable.** Seller shall retain ownership of the Accounts Receivable, except that on the Closing Date, Seller shall provide Buyer with an accounting of all Accounts Receivable, and shall assign the Accounts Receivable to Buyer for purposes of collection only. Buyer shall use reasonable efforts to collect the Accounts Receivable for a period of one hundred twenty (120) days following the Closing Date (the "*Collection Period*"). Any payments received by Buyer on the Accounts Receivable shall be remitted to Seller at an address to be supplied by Seller at the Closing, within five (5) business days after receipt. At the end of the Collection Period, Buyer shall provide Seller with an accounting that reconciles all unpaid Accounts Receivable and all monies received in payment of the Accounts Receivable during the Collection Period, and shall remit any remaining collected Accounts Receivable to Seller. At the end of the Collection Period, Buyer shall thereafter have no responsibility to collect the Accounts Receivable. Buyer shall have no authority to forgive, negotiate or initiate collection proceedings with respect to the Accounts Receivable.

## **ARTICLE 6**

### **REPRESENTATIONS AND WARRANTIES OF BUYER**

Buyer represents and warrants to Seller as follows:

**6.1. Organization and Standing.** Buyer is a corporation organized, validly existing and in good standing under the laws of the State of Delaware and qualified to do business in the State of Nevada.

**6.2. Authorization and Binding Obligation.** Buyer has all necessary power and authority to enter into and perform under this Agreement and the transactions contemplated hereby, and Buyer's execution, delivery and performance of this Agreement has been duly and validly authorized by all necessary action on its part. This Agreement has been duly executed and delivered by Buyer and constitutes its valid and binding obligation, enforceable in accordance with its terms, except as limited by laws affecting creditors' rights or equitable principles generally.

**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 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 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.

## **ARTICLE 7**

### **REPRESENTATIONS AND WARRANTIES OF SELLER**

Seller represents and warrants to Buyer as follows:

**7.1. Organization and Standing.** Seller is a corporation duly formed, validly existing and in good standing under the laws of the State of Nevada, and has all necessary power and authority to own, lease and operate the Station Assets and to carry on the business of the Station as now being conducted and as proposed to be conducted by Seller between the date hereof and the Closing Date.

**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 has been duly and validly authorized by all necessary action its part. This Agreement has been duly executed and delivered by Seller and constitutes its valid and binding obligation, enforceable in accordance with its terms, except as limited by laws affecting the enforcement of creditors' rights or equitable principles generally.

**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(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 lien, charge or encumbrance on any of the Station Assets.

#### **7.4. FCC Authorizations.**

(a) Schedule 1.2(a) contains a true and complete list of the Station Licenses, including their expiration dates. Except for the Station Licenses, there are no other licenses, permits or authorizations required from any government or other entity for the lawful operation of the Station in the manner now operated. Seller has delivered to Buyer true and complete copies of the Station Licenses. The Station Licenses and other licenses, permits and authorizations listed in Schedule 1.2(a) are validly held by Seller pursuant to Final Order, and are in full force and effect, have been issued for the full terms customarily issued to radio broadcast Station in the State of Nevada, and none is subject to any restriction or condition which would limit in any respect the full operation of the Station as now operated. The Station, its physical facilities, electrical and mechanical systems, and transmitting and studio equipment are operating in all material respects in accordance with the terms and conditions of the FCC Licenses and the rules and regulations of the FCC, including the Communications Act. The antenna structures included in the Station Assets are in compliance with the Communications Act and the requirements of the Federal Aviation Administration. The location of the Station's main studio complies with the FCC's rules. All reports and other filings required by the FCC with respect to the FCC Licenses and the Station, including without limitation, material required to be placed in the Station's local public inspection files or other records, have been timely filed. All FCC regulatory fees assessed with respect to the FCC Licenses have been timely paid.

(b) There are no applications, complaints or proceedings pending or, to the best of Seller's knowledge, threatened before the FCC relating to the operation of the Station or that may result in the revocation, materially adverse modification, non-renewal or suspension of any of the Station Licenses, or the imposition of any fines, forfeitures, or other administrative actions with respect to the Station or its operation other than proceedings affecting the broadcasting industry generally. Should any such filing be made or action initiated, Seller shall promptly notify Buyer and shall take all commercially reasonable steps to protect the Stations and Station Licenses from material adverse impacts. Seller is not subject to any outstanding judgment or order of the FCC relating to the Station. Seller is not aware of any action other than rule-making proceedings of general applicability to the radio industry which would adversely affect the FCC protected service area of the Station as such service area is presently authorized by the FCC. All required FCC regulatory fees with respect to the Station 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 Station Licenses. Seller has no reason to believe that the FCC assignment contemplated herein might be challenged or might not be granted by the FCC in the ordinary course based upon Seller's qualifications as the licensee and assignor of the Station Licenses.

(d) The Station is operating with maximum power and facilities specified in its FCC Licenses, the Station is not causing objectionable interference to the transmissions of any other broadcast station or communications facility, and no other broadcast station or communications facility is causing objectionable interference to the transmissions of the Station.

(e) No governmental entity has proposed or is considering any law that may affect either Seller, the Station Assets, operations or business, or Seller's rights thereto, except to the extent that any such law, if adopted or otherwise put into effect, individually or in the aggregate, will not have an adverse effect on Seller or the Station Assets, as applicable and there are no facts or circumstances that could reasonably give rise to the same.

#### **7.5. Title to and Condition of Real Property.**

(a) Schedule 1.2(b) contains descriptions of all of Seller's interests, including leasehold interests, easements and rights in and agreements with respect to the Real Property. The Real Property listed on Schedule 1.2(b), including the lease for Seller's current studio facilities are all of Seller's Real Property interests necessary to conduct the business and operate the Station as conducted and operated on the date hereof. The Real Property and the use thereof by Seller comply in all respects with all applicable laws, statutes, ordinances, rules and regulations of federal, state and local governmental authorities, including, without limitation, those relating to zoning. Any improvements upon the Real Property and the present use thereof comply or conform in all material respects with all deed restrictions, restrictive covenants, building codes, and federal, state and local laws, regulations and ordinances, and no permits, licenses or certificates pertaining to ownership or operation of the Real Property, other than those that are transferable with the Real Property, are required by any federal, state or local government, agency, board or other governmental authority having jurisdiction over the Real Property. All such improvements are in good working condition and repair, are insurable at standard rates, and are in compliance with the rules and regulations of the FCC, the Federal Aviation Administration and all other applicable federal, state and local statutes, ordinances, rules and regulations. There are no structural, electrical, mechanical, plumbing, air conditioning, heating or other defects in the improvements on the Real Property. All towers located upon the Real Property, are structurally sound, comply with current wind-loading requirements and are not in need of repair or maintenance. There are no modifications or improvements to the Real Property required to bring it into compliance with any law, notwithstanding that Seller's current operations on the Real Property may be grandfathered or otherwise subject to an exception, exemption or waiver. Seller has paid, or shall have paid prior to Closing all amounts owed to any contractor, architect or subcontractor for labor or materials performed, rendered or supplied in connection with the Real Property, all contributions required to have been paid by a landlord or Seller in connection with the construction of, or modification to, any leased Real Property

have been paid.

(b) Seller has not received any 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 Real Property or the improvements thereon, or of the need for any material repair, remedy, construction, alteration or installation with respect to the Real Property or improvements thereon, or any material change in the means or methods of conducting operations thereon.

(c) Seller has good and marketable fee simple title, or valid and subsisting leasehold interests, insurable at standard rates, to the Real Property, which shall at the Closing be free and clear of all Liens, of any nature whatsoever, and without any reservation or exclusion of any mineral, timber, or other rights or interests, except for liens disclosed on Schedule 1.2(b). With respect to each leasehold interest included in the Real Property, so long as Seller fulfills its obligations under the lease therefore, Seller has enforceable rights to non-disturbance and quiet enjoyment, and no third party holds any interest in the leased premises with the right to foreclosure upon Seller's leasehold interest.

(d) All towers, guy anchors, and buildings and other improvements included in the Station Assets are located entirely on the Real Property.

(e) Seller has delivered to Buyer true and complete copies of all deeds, leases and easements held by Seller pertaining to the Real Property and copies of all title policies and surveys in its possession pertaining to the Real Property. The Real Property, including the improvements thereon (i) is in good condition and repair, and (ii) is available for immediate use in the conduct of the business and operations of the Station.

(f) Seller has full legal and practical access to the Real Property, including to the towers located upon the Real Property, and all easements, rights-of-way, and real property licenses included in the Real Property have been properly recorded in the appropriate public recording offices.

**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 Station as now conducted. Seller is the sole owner of the Personal Property and has good and marketable title to all Personal Property free and clear of all Liens. All of the items of tangible personal property and facilities included in the Station Assets are in good operating condition and repair (reasonable wear and tear excepted), are insurable at standard rates, have been properly maintained in accordance with industry standards, are performing satisfactorily and in accordance with standards of good engineering practice, comply in all respects with applicable rules and regulations of the FCC, the terms of the Station Licenses, and with other applicable federal, state and local statutes, ordinances, rules and regulations, and are available for immediate use in the operation of the Station. 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 Station.

**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 constitute valid and binding obligations of Seller and of all other parties thereto, and are in full force and effect as of the date hereof. Seller is not in default under any of the Assumed Contracts and, to the best of Seller's knowledge, the other parties to such Assumed Contracts 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, and no event has occurred which with notice or lapse of time or both would constitute a material breach or default thereunder. Except as disclosed on Schedule 1.2(d), Seller has all requisite power and authority to assign its rights under the Assumed Contracts to Buyer in accordance with this Agreement on terms and conditions no less favorable than those in effect on the date hereof, and such assignment will not affect the validity, enforceability or continuity of any such Assumed Contracts. There are no Trade Agreements, except as disclosed on Schedule 1.2(d).

**7.8. Personnel Information.**

(a) Schedule 7.8 contains a true and complete list of all persons employed at the Station, 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, including without limitation, accrued by unused sick and vacation leave and service credited for purposes of vesting and eligibility to participate under any benefit plan. 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. Except as described on 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.

(b) Seller is not a party to any collective bargaining agreement covering any of the employees at the Station. 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, nor has any union or other collective bargaining unit been certified as representing any of Seller's employees at the Station, nor has Seller received any demands or any other requests from a labor organization for representative status with respect to any persons employed at the Station.

(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) There are no unfair labor practice charges pending against Seller.

(e) Seller acknowledges that Buyer has no obligation hereunder to offer employment to any employee of Seller and Seller shall remain fully liable for all costs of terminating such employees including accrued vacation or accrued sick leave or other accrued time or benefits; however, Buyer shall have the right to hire such of the Station's employees as Buyer may select. With respect to any employees that Buyer hires, Seller further acknowledges that Buyer shall have no obligation for, and shall not assume as part of the act of hiring such employees, any obligation for accrued benefits and Seller will retain liability therefor.

**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 Station, or under which Seller is licensed or franchised to be assigned hereunder, all of which 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. Seller is not infringing upon or otherwise acting adversely to any trademarks, trade names, service marks, service names, copyrights, patents, patent applications, internet domain names, know-how, methods, or processes owned by any other person or persons, and there is no claim or action pending, or to the knowledge of Seller threatened, with respect thereto. The Intellectual Property listed on Schedule 1.2(e) comprise all material intangible property interests used or held for use in conducting the business and operations of the Station as now conducted.

**7.10. Compliance With Laws.** Seller has operated and is operating in compliance with all laws, regulations and governmental orders applicable to the operation of the Station, and its present use of the Station Assets does not violate any such laws, regulations or orders. Seller has not received any notice asserting any noncompliance with any applicable statute, rule or regulation, in connection with the operation of the Station. Seller is not in default or in violation of any law, regulation, court order, or order of any federal, state, municipal, foreign or other government department, board, bureau, agency, or instrumentality, wherever located, that would materially adversely affect construction or operation of the Station or Station Assets, including but not limited to state and federal environmental laws and regulations. There is no pending or threatened investigation, audit, review or other examination of the Station or Station Assets, and Seller is not subject to any order, agreement, memorandum of understanding or other regulatory enforcement action or proceeding with or by the FCC or any other federal or state governmental agency having supervisory or regulatory authority with respect to the Station or Station Assets, nor is Seller aware of any basis for any such investigation or audit.

**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. 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 Station, or could result in a Lien on any of the Station Assets, and no event has occurred that could impose on Buyer any transferee liability for any taxes, penalties, or interest due or to become due from Seller.

**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 Nevada 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.

**7.14 Insurance.** The business, properties (including the Station Assets) and employees of the Station are insured against loss, damage, or injury in the amounts shown on Schedule 7.15 hereto. There are no pending insurance claims concerning the Station Assets, nor are there any claims as to which any insurer has denied liability or declined coverage or which have not been properly and timely submitted to the appropriate insurers.

**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 Station for its most recently concluded two fiscal years, by quarter, and for all full months since elapsed (the "Financial Statements"). The Financial Statements were prepared in accordance with the books and records of the Station, 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 Station on a stand-alone basis. Seller has furnished Buyer a true and complete copy of Seller's month-by-month budget for the Station for Year 2006, which includes all budgeted capital expenditures. Except as set forth in the Financial Statements, Seller does not have any liability or obligation of any nature (whether accrued, absolute, contingent or otherwise), except liabilities or obligations that would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the business and operations of the Station.

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

**7.17. Absence of Litigation.** There is no claim, litigation, proceeding or investigation pending or, to the best of Seller's knowledge, threatened against Seller 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.

**7.18. Full Disclosure.** No representation or warranty made by Seller in this Agreement or in any certificate, document or other instrument furnished or to be furnished by Seller pursuant hereto contains or will contain any untrue statement of a material fact, or willfully omits or willfully will omit to state any material fact required to make any statement made herein or therein not misleading.

## **ARTICLE 8**

### **COVENANTS OF BUYER**

**8.1. Notification.** 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.

## **ARTICLE 9**

### **COVENANTS OF SELLER**

**9.1. (a) Affirmative Covenants.** Between the date of this Agreement and the Closing Date, except with the prior written consent of Buyer, Seller shall:

(i) comply in all material respects with all laws applicable to Seller's use of the Station Assets; continue to operate and maintain the Station in conformity with the Station Licenses, the Communications Act of 1934, as amended, and the rules and regulations of the FCC, and in conformity with all other licenses and applicable laws, ordinances, regulations, rules and orders;

(ii) timely make or provide all payments, services or other consideration due for the Assumed Contracts so that all payments required to be made as of the Closing Date will have been paid;

(iii) use reasonable efforts to obtain the consent of any third party (whether before or after the Closing) necessary for the assignment to Buyer, without any material adverse change, of the Assumed Contracts;

(iv) maintain in full force and effect the Station Licenses, and all other licenses, permits and authorizations relating to the Station, and take any action necessary before the FCC, including the preparation and prosecution of applications for renewal of the Station Licenses, if necessary, to preserve such licenses in full force and effect without material adverse change;

(v) maintain insurance on the Station Assets in current or increased amounts and, upon Buyer's request, provide Buyer with certificates of insurance evidencing such coverage; and

(vi) promptly notify Buyer in writing of (a) any unusual or material developments with respect to the business or operations of the Station of which Seller has knowledge, (b) any material change in the truth of any of the representations and warranties contained in Article 7 of this Agreement of which Seller has knowledge, (c) any termination, modification, amendment, or breach of any of the Assumed Contracts, or any notice of intent to terminate, modify or amend any Assumed Contract or breach of any Assumed Contract received by or given by Seller;

(vii) operate the Station in the ordinary course of business consistent with past practices;

(viii) maintain the Station Assets in customary repair, maintenance and condition, replace all items of equipment at time intervals consistent with prior practice, and repair or replace, subject to the risk of loss provisions of this Agreement, any asset that may be damaged or destroyed with items of equal or greater value and utility; and

(ix) timely make or provide all payments, services or other consideration due for the Assumed Contracts so that all payments required to be made as of the Closing Date will have been paid, except for any amounts being contested by Seller in good faith.

**(c) Negative Covenants.** Between the date of this Agreement and the Closing Date, except with the prior written consent of Buyer, Seller shall not:

(i) create, assume or permit to exist any Lien on any of the Station Assets or any of the property related to the operation of the Station;



(ii) sell, assign, lease or otherwise transfer or dispose of any of the Station Assets now owned or hereafter acquired, except for assets consumed or disposed of in the ordinary course of business;

(iii) terminate, modify or amend any Assumed Contract, except with Buyer's express written consent;

(iv) do, or fail to do, any act which will cause a breach of, or default under, or termination of, any contract, agreement, lease, commitment or obligation to which Seller is a party or bound, and which is to be assumed by Buyer hereunder;

(v) take any action, or permit its officers, employees, attorneys, agents, accountants and other representatives to take any action, to solicit, encourage or initiate (directly or indirectly) any discussion with, provide any information to, negotiate with, or enter into any agreement, option arrangement or understanding with, any person or entity or group, other than Buyer, for the sale of all or any part of the Station Assets or the Station, or the assignment or transfer of control of any of the Station Licenses or similar transactions involving Seller or the Station; or

(vi) take any action that would jeopardize Seller's rightful possession of the Station Licenses, the potential for assignment of the Station Licenses to Buyer, or the unconditional renewal of the Station Licenses at the end of the current term.

(vii) hire any new Station employees, or change the salary, bonus or other compensation payable to any person employed by the Station without giving Buyer prior written notice of such change; and

(viii) enter into any Contract except in the ordinary course of business in an arms length transaction at market rates with a term not greater than 90 days or with a cancellation right by Buyer on 90 days written notice.

**9.2. Access to Station.** 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 Station, and shall furnish Buyer with all information related to the Station 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 Station.

**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 its best efforts to obtain the consent of any third party necessary for the assignment to Buyer of any Lease or Contract to be assigned hereunder, provided that Seller shall not be obligated to obtain a consent from the Plaza Hotel to assign the studio lease for the Station.

**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 7.14, Seller shall secure the release of all liens or encumbrances 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 (a) the jurisdictions in which the Station Assets are and have been located since such Station Assets were acquired by Seller, and (b) any other location specified or required by applicable federal, state or local statutes or regulations.

**9.7. Employment of Station Employees.** (a) On the Closing Date, Seller shall terminate the Station's employees and shall be responsible for all liabilities including accrued benefits arising therefrom. Buyer may offer employment to any such terminated employees of the Station, such employment to become effective as of the Effective Time (any such terminated employees who accept employment with Buyer as of the Closing Date are the "Transferred Employees"). Seller shall be responsible for all liabilities and accrued benefits arising from the termination of the Transferred Employees, and in the event that Buyer terminates any Transferred Employee during the first 90-day period after the Closing without cause, Seller shall pay such employee the severance benefits to which he or she would have been entitled if Seller had terminated such employee on the Closing Date.

(b) Seller acknowledges and agrees that Buyer shall not acquire any rights or interests of Seller in, or assume or have any obligations or liabilities of Seller under, any benefit plans maintained by, or for the benefit of any employee of Seller prior to the Effective Time, including obligations, if any, for severance or vacation accrued but not taken as of the Effective Time.

(c) Seller acknowledges and agrees that Buyer may, at any reasonable time, but subject to the specific prior approval of Seller, prior to the Closing Date interview and discuss employment terms and issues with the employees of the Station.

## **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 Station.** Between the date of this Agreement and the Closing, Buyer shall not, directly or indirectly, control, supervise or direct the operations of the Station. 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 (2) 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 Environmental Studies.** Buyer shall have the right to obtain, within forty-five (45) days after the execution of this Agreement, a completed Phase I environmental audit report (the "Phase I Report"), at Buyer's sole expense regarding the Real Property, which Phase I Report shall be reasonably satisfactory to Buyer in all respects, and Buyer agrees to notify Seller of any objection to the status of the Phase I Report within ten (10) days after Buyer's receipt of the Phase I Report. To the extent Buyer does not notify Seller within such ten (10) day period of any objection to the Phase I Report, Buyer hereby waives any right to refuse to consummate this Agreement or to terminate this Agreement as a result of any noncompliance with Environmental Laws disclosed in the Phase I Report. If, in Buyer's reasonable judgment, a Phase II environmental audit report "(Phase II Report)" is necessary in light of the contents of the Phase I Report and Buyer has timely objected to the applicable Phase I Report, Buyer shall

obtain such Phase II Report within thirty (30) days following Buyer's objection to the Phase I Report, at Buyer's sole expense, which shall be satisfactory to Buyer in all respects. In the event that a Phase I Report and/or a Phase II report discloses an environmental condition or matter which is reasonably unsatisfactory to Buyer and to which Buyer objects on a timely basis (including but not limited to a determination that the soil and/or groundwater of the property is or are not free of toxic waste contamination), Seller shall have sixty (60) days from Seller's receipt of notice to remediate and eliminate such condition or matter and bring such Real Property into compliance with all Environmental Laws. If the environmental condition or matter is not remediated and eliminated by Seller within the prescribed 60 day period, Buyer may terminate this Agreement, without any further liability hereunder.

**10.7. Title Insurance and Surveys.** Within thirty (30) after the execution of this Agreement, at Buyer's option, Buyer may obtain at Buyer's expense: (a) a commitment for an ALTA title insurance policy related to the Real Property reasonably acceptable to Buyer (the "Title"); and/or (b) a staked-on-ground boundary survey of the Real Property reasonably acceptable to Buyer, certified current as of the date of delivery thereof, prepared by a duly licensed and registered land surveyor acceptable to Buyer (the "Survey"). The Title and the Survey will be ordered by the Buyer, and shall in all respects be reasonably acceptable to Buyer. Buyer agrees to notify Seller of any objection to the status of the Title and/or Survey within ten (10) days after Buyer's receipt of the Title and Survey. In the event that the Title and/or Survey are reasonably unsatisfactory to Buyer and Buyer has timely objected thereto, Seller shall have sixty (60) days from Seller's receipt of notice to eliminate such condition or matter. If the condition or matter is not eliminated by Seller within the prescribed 60 day period, Buyer may terminate this Agreement, without any further liability hereunder.

**10.8. No Inconsistent Action.** Between the date of this Agreement and the Closing, each party shall use its 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, and neither party shall take any action which is materially inconsistent with its obligations under this Agreement, or that would materially hinder or delay the consummation of the transactions contemplated by this Agreement. Neither party shall take any action that would result in its disqualification to hold the Station Licenses or in any way delay grant of the FCC Application or the consummation of the transactions contemplated by this Agreement. Should either party become aware of any such fact or circumstance to the contrary, such party shall promptly inform the other.

**10.9. Non-Competition.** For a period of two (2) years after the Closing Date ("*Noncompetition Period*"), neither Seller, nor any of the parties listed on Schedule 10.9 hereto, nor any firm or entity in which Seller or any of the parties listed on Schedule 10.9 has an interest as a partner, trustee, employee, consultant or shareholder (together, the "*Noncompete Parties*"), shall (i) own or be employed by or otherwise directly or indirectly engage in (whether as owner, operator, partner, consultant, advisor, employee, independent contractor or otherwise), assist or consult with, be connected with in any manner or disclose or use confidential information of the

Station for any person or entity that is engaged in, the ownership, control, management or operation of any radio broadcast station that is licensed to a community located in, or that reports to BIA as its “home market” the Las Vegas, Nevada Arbitron Metro, (ii) provide or offer to sell radio advertising to advertisers located in a community in the Las Vegas, Nevada Arbitron Metro; (iii) directly or indirectly call on, solicit or take away, or attempt to call on, solicit or take away any clients, customers or advertisers of the Station who were clients, customers or advertisers of the Station at any time during the one-year period prior to the Closing through the Noncompetition Period; or (iv) solicit, attempt to contact, employ or enter into an independent contractor relationship with any employees of the Station who remain employed at the Station after the Closing. Notwithstanding the foregoing, a Noncompete Party shall be allowed under this Agreement to own up to 1% of the equity in a company that engages in a competitive business as described in this paragraph. This Section 10.9 shall survive the termination of this Agreement.

**10.10. Lease and Option for Transmitter Site.** Buyer and Seller shall use best commercial efforts to negotiate, in good faith, prior to the Closing, a mutually agreeable lease and option agreement that incorporates the terms set forth in Schedule 1.2(b) and such other terms as are reasonable and customary in such agreements.

## **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.

(b) All of the terms, covenants and conditions to be complied with and performed by Seller 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. If the Closing occurs before the FCC Consent has become a Final Order, the parties will, at Buyer’s option, enter into a mutually acceptable unwind agreement.

**11.3. Governmental Authorizations.** Seller shall be the lawful holder of the Station 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 Station. 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 Station Licenses or any other material licenses, permits or other authorizations relating to the Station.

**11.4. Third-Party Consents.** Seller shall have delivered to Buyer all third-party consents for those Contracts designated as Material Contracts on Schedule 1.2(d), and shall have delivered to Buyer all other third-party consents that have been obtained for assignment of the Contracts.

**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. Adverse Change.** There shall have occurred no material adverse change in the condition of the Station or the Station Assets between the date of this Agreement and the Closing Date, other than any change that shall not have a Material Adverse Effect. “Material Adverse Effect” shall be defined as a material adverse effect on the Station Assets taken as a whole or the business, operations or financial condition of the Station taken as a whole or on the ability of Seller to perform its material obligations under this Agreement, provided that the foregoing shall not include any material adverse effect arising out of actions taken by Buyer.

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

**11.8. Lease Agreement and Option.** Buyer and Seller shall have finalized the lease and option agreement described in Section 10.10.

## **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.

(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. 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 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 Sections 11.1 through 11.7 hereof;

(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 Station Licenses;
- (ii) bill of sale for all Personal Property;
- (iii) assignment of the Assumed Contracts.

(c) resolutions of Seller's directors 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) Certificates of Good Standing for Seller issued by the state of Nevada;

(f) consents from third parties required for the assignment of the Material Contracts and consents obtained for the remaining Assumed Contracts for which consent for assignment is required; and

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

**13.2. Documents 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 Sections 12.1 through 12.4 hereof;

(b) wire transfer of immediately available funds as provided in Section 2.1;

(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; and

(d) 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 taxes arising by reason of the transfer of the Station Assets as contemplated hereby shall be borne equally by Buyer and Seller.

**14.3. Expenses.** Each party hereto 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, except as regards Kalil & Co., whose commission shall be the sole responsibility of Seller, 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, 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 Station prior to the Effective Time, including but not limited to any and all liabilities not assumed by Buyer pursuant to Article 3 hereof;

(d) Any and all losses, liabilities or damages resulting from the litigation listed on Schedule 6.4;

(e) 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 after the Closing pursuant to the terms of this Agreement;

(c) Any and all losses, liabilities or damages resulting from the operation or ownership of the Station by Buyer on and after the Effective Time, 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 fifteen (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 thirty (30) days after Claimant becomes, or should have become, 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 thirty (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 have the right at its own expense to participate in or 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 elects to assume 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 elect to assume control or otherwise participate in 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.

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

## **ARTICLE 17**

### **TERMINATION RIGHTS**

#### **17.1. Termination.**

This Agreement may be terminated by either Buyer or Seller, if the party seeking to terminate is not in material default or breach of this Agreement, upon written notice to the other upon the occurrence of any of the following:

(a) 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 covenants or agreements contained herein and such default has not been cured within ten (10) days from receipt of written notice of default from the non-defaulting party;

(b) if the FCC denies the FCC Application or designates it for a trial-type hearing;

(c) if there shall be in effect any judgment, final decree or order that would prevent or make unlawful the Closing;

(d) if the Closing has not occurred within nine (9) months after the date the FCC Application is accepted for filing; or

(e) by Buyer, pursuant to the terms of Sections 10.6 and 10.7 hereof.

**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.

## **ARTICLE 18**

### **SURVIVAL OF REPRESENTATIONS, WARRANTIES AND COVENANTS**

The representations, warranties, covenants, indemnities and agreements 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, warranties, covenants, indemnities and agreements and shall survive the Closing for a period of one year after the Closing Date. 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. Any investigation by or on behalf of any party hereto shall not constitute a waiver as to enforcement of any representation, warranty, covenant or agreement contained herein.

## **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, monetary damages alone will not be adequate. Buyer shall therefore be entitled in such event, in lieu of bringing suit at law or equity for money or other damages (including costs and expenses incurred by Buyer in the preparation and negotiation of this Agreement and in contemplation of the Closing hereunder) or for indemnification under Article 16 hereof, to obtain specific performance of the terms of this Agreement. In any action to enforce the provisions of this 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 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 hereunder, 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 specified in Section 2.1 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 are not consummated as a result of Buyer's material breach of this Agreement or wrongful failure to close hereunder, and Seller is not also in material breach hereunder, Seller shall be entitled to payment of Eight Hundred Fifty Thousand Dollars (\$850,000) as liquidated damages in full settlement of any damages of any nature or kind that Seller may suffer or allege to suffer as the result thereof. It is understood and agreed that the amount of liquidated damages represents Buyer's and Seller's reasonable estimate of actual damages and does not constitute a penalty. Recovery of liquidated damages under this Section 19.2 shall be the sole and exclusive remedy of Seller against Buyer for breach of or failure to consummate this Agreement and shall be applicable regardless of the actual amount of damages sustained. In addition, Seller shall be entitled to obtain from Buyer court costs and reasonable attorneys' fees incurred by it in enforcing its rights hereunder, plus interest at the Prime Rate on the amount of any judgment obtained against Buyer from the date of default until the date of payment of the judgment. As a condition to obtaining liquidated damages, Seller shall not be required to have tendered the Station Assets but shall be required to demonstrate that it is willing and able to do so and to perform its other closing obligations in all material respects.

## **ARTICLE 20**

### **RISK OF LOSS**

The risk of loss or damage to the Station Assets prior to the Effective Time 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 the Effective Time. If Seller is unable or fails to repair, restore or replace a lost or damaged item required to be repaired or replaced by Seller prior to the Closing, Seller shall reimburse Buyer for the cost of the repair, restoration or replacement of such item incurred by Buyer after the 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.

**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. Neither Buyer nor Seller may assign this Agreement without the prior written consent of the other party hereto, except that Buyer may assign this Agreement (i) to an Affiliate that is qualified to be the holder of the Station Licenses and that agrees in writing to be bound by the terms of this Agreement, or (ii) in a collateral assignment to a lender which provides financing for Buyer's acquisition of the Station.

**21.3. Entire Agreement.** This Agreement and the exhibits and schedules hereto embodies the entire agreement and understanding of the parties hereto and supersedes any and all prior agreements, arrangements and understandings relating to the matters provided for herein. No amendment, waiver of compliance with any provision or condition hereof, or consent pursuant to this Agreement shall be effective unless evidenced by an instrument in writing signed by the party against whom enforcement of 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 Nevada 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 Buyer:

Beasley Broadcast Group, Inc.  
3033 Riviera Drive, Suite 200  
Naples, FL 34103  
Attn: Caroline Beasley  
Telephone: (239) 263-5000  
Facsimile: (239) 434-8950

With a copy to:

Leventhal, Senter & Lerman, P.L.L.C.  
2000 K Street, N.W.  
Suite 600  
Washington, D.C. 20006-1809  
Attention: Steven A. Lerman, Esq.  
Telephone: (202) 429-8970  
Facsimile: (202) 293-7783

If to Seller:

Radio Nevada Corp.  
P.O. Box 760  
Las Vegas, NV 89125-0760  
Attn: Clair Benezra-Reis  
Telephone: \_\_\_\_\_  
Facsimile: \_\_\_\_\_

With a copy to:

Miller & Neely, P.C.  
Suite 704  
6900 Wisconsin Avenue  
Bethesda, MD 20815  
Attn: John Neely, Esq.  
Telephone: (301) 986-4160  
Facsimile: \_\_\_\_\_

Any such notice, demand or request shall be deemed to have been duly delivered and received (i) on the date of personal delivery, or (ii) on the date of transmission, if sent by facsimile (but only if a hard copy is also sent by overnight courier), or (iii) on the date of receipt, if mailed by registered or certified mail, postage prepaid and return receipt requested, or (iv) on the date of a signed receipt, if sent by an overnight delivery service, 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.

## **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 1.3.

*“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).

*“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.

*“Collection Period”* shall have the meaning set forth in Section 5.4.

*“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 Station.

*“Effective Time”* shall mean 12:01 a.m., local Las Vegas, Nevada time, on the Closing Date.

*“Environmental Laws”* shall mean any applicable federal, state or local law, statute, charter, ordinance, rule or regulation or any governmental agency interpretation, policy or guidance, and any permit, order, directive, court ruling or order or consent decree applicable to or affecting the Real Property.

*“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 Agent”* 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 Station Licenses.

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

*“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.

*“Hazardous Substance”* shall have the meaning set forth in Section 7.13.

*“Hazardous Waste”* shall have the meaning set forth in Section 7.13.

*“Holdback”* shall have the meaning set forth in Section 2.3.

*“Holdback Escrow Agent”* shall have the meaning set forth in Section 2.3.

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

*“Intellectual Property”* shall have the meaning set forth in Section 7.9.

*“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.

*“LS&L”* shall have the meaning set forth in Section 1.1.

*“Material Adverse Effect”* shall have the meaning set forth in Section 11.6.

*“Material Contracts”* shall mean those Contracts marked as “\*\*\*” on Schedule 1.2(d) of this Agreement.

*“Noncompete Parties”* shall have the meaning set forth in Section 10.9.

*“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).

*“Phase I Report”* shall have the meaning set forth in Section 10.7.

*“Phase II Report”* shall have the meaning set forth in Section 10.7.

*“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 (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.

*“Purchase Price”* shall have the meaning set forth in Section 2.1(a).

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

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

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

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

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

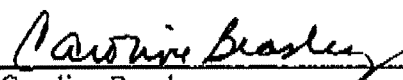
*“Station Licenses”* shall mean the licenses, permits and other authorizations, including any temporary waiver or special temporary authorization, issued by the FCC to Seller in connection with the operation of the Station.

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

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

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

**BEASLEY FM ACQUISITION CORP.**

By:   
Name: Caroline Beasley  
Title: Executive Vice President, Chief Financial Officer

**RADIO NEVADA CORP.**

By: \_\_\_\_\_  
Name: Clair B. Reis  
Title:

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

**BEASLEY FM ACQUISITION CORP.**

By: \_\_\_\_\_  
Name: **Caroline Beasley**  
Title: **Executive Vice President, Chief Financial Officer**

**RADIO NEVADA CORP.**

By: *Clair B. Reis*  
Name: **Clair B. Reis**  
Title: **OWNER/GM**

**NONCOMPETE PARTIES**  
(For purposes of Section 10.9 only)

By:

Name:

Clare B. Reis