

ASSET PURCHASE AGREEMENT

by and between

**WALTER HOOPER, WAYB, INC. AND RADIO 970, INCORPORATED,
as Sellers**

and

**J. L. BREWER BROADCASTING OF CLEVELAND, LLC,
as Buyer**

Regarding the Sale and Purchase of

**WAYA-FM, Spring City, Tennessee
WDNT-AM, Dayton, Tennessee
WDNT-FM, Dayton, Tennessee
WAYB-FM, Graysville, Tennessee
WXQK-AM, Spring City, Tennessee**

Dated as of February 26, 2002

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ASSET PURCHASE AGREEMENT

This Agreement, made and entered into as of this 26th day of February, 2002, by and between **WALTER HOOPER, WAYB, INC.**, a Tennessee corporation, **and RADIO 970, INCORPORATED**, a Tennessee corporation (individually and collectively, the "Sellers"), and **J. L. BREWER BROADCASTING OF CLEVELAND, LLC**, a Tennessee limited liability company ("Buyer").

WITNESSETH THAT:

WHEREAS, Sellers are the owners and licensees of Radio Stations WAYA-FM, Spring City, Tennessee, WDNT-AM, Dayton, Tennessee, WDNT-FM, Dayton, Tennessee, WAYB-FM, Graysville, Tennessee, and WXQK-AM, Spring City, Tennessee (the "Stations");

WHEREAS, the Buyer desires to purchase all the assets used or useful in the operation of the Stations, other than certain excluded assets as herein set forth, and acquire the broadcast licenses and other authorizations issued by the Federal Communications Commission (the "FCC") for the operation of the Stations; and

WHEREAS, Sellers desire to sell and assign such assets and FCC licenses and authorizations to Buyer or its permitted assigns; and

WHEREAS, the broadcast licenses and other authorizations for the operation of the Stations may not be transferred without the FCC's prior consent; and

WHEREAS, Buyer and Sellers desire to confirm and set forth all of their agreements relating to the purchase and sale of the Stations in a single written contract, merging therein all prior negotiations, understandings and agreements;

NOW THEREFORE, in consideration of the mutual promises and covenants herein contained, the parties, intending to be legally bound, agree as follows:

1. RULES OF CONSTRUCTION

1.1 Defined Terms. As used in this Agreement, the following terms shall have the following meanings:

"Assignment Applications" means the applications on FCC Form 314 (or any other appropriate FCC form) that Sellers and Buyer shall join in and file with the Commission requesting its consent to the assignment of the FCC Licenses from Sellers to Buyer.

"Business Records" shall have the meaning ascribed to it in Section 2.7.

"Closing" means the consummation of the Transaction.

"Closing Date" means the date on which the Closing takes place, as determined pursuant to Section 10 hereof.

"Contracts" shall have the meaning ascribed to it in Section 2.4.

"Corporate Licenses" means, individually and collectively, WAYB, Inc., a Tennessee corporation, and Radio 970, Incorporated, a Tennessee corporation.

"Excluded Assets" shall have the meaning ascribed to it in Section 2.8.

"Excluded Real Estate" means the real property located at 3931 Rhea County Highway, Dayton, Tennessee and 140 Ellis Avenue, Spring City, Tennessee.

"FCC Licenses" shall have the meaning ascribed to it in Section 2.1.

"Governmental Authority" means the federal government, any state or other political subdivision thereof, and any agency, court or other entity that exercises executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

"Intangible Property" shall have the meaning ascribed to it in Section 2.5.

"Knowledge" when used in connection with any representation or warranty by a person or entity means the actual knowledge of such person or entity at the time the representation is made.

"Permitted Assigns" means any corporation, partnership (general or limited), limited liability company or other entity as to which the majority of the legal and/or beneficial ownership thereof is, directly or indirectly, owned and/or controlled by James L. Brewer, Sr., and/or members of his immediate family or trusts established for his or their benefit or which acquires all or substantially all of the assets or membership interests of Buyer.

"Purchased Assets" shall have the meaning ascribed to it in Section 2.

"Real Property Leases" shall have the meaning ascribed to it in Section 2.3.

"Tangible Property" shall have the meaning ascribed to it in Section 2.2.

"TBA" means that certain Time Brokerage Agreement executed and delivered by and between Buyer and Sellers with respect to the Stations.

"Trade Debt" means all accounts payable, liabilities and obligations of the Sellers, whether now existing or hereafter arising, in whole or in part, on or prior to the Closing Date.

"Transaction" means the sale and purchase and assignments and assumptions contemplated by this Agreement and the respective obligations of Sellers and Buyer set forth herein.

1.2. Other Definitions. Other capitalized terms used in this Agreement shall have the meanings ascribed to them herein.

1.3. Number and Gender. Whenever the context so requires, words used in the singular shall be construed to mean or include the plural and vice versa, and pronouns of any gender shall be construed to mean or include any other gender or genders.

1.4. Headings and Cross-References. The headings of the Sections and Paragraphs hereof, the Table of Exhibits and Schedules have been included for convenience of reference only, and shall in no way limit or affect the meaning or interpretation of the specific provisions of this Agreement. All cross-references to Sections or Paragraphs herein shall mean the Sections or Paragraphs of this Agreement unless otherwise stated or clearly required by the context. All references to Exhibits and Schedules herein shall mean the Exhibits and Schedules to this Agreement which have been separately initialed for identification by Sellers and Buyer. Words such as "herein" and "hereof," shall be deemed to refer to this Agreement as a whole and not to any particular provision of this Agreement unless otherwise stated or clearly required by the context.

2. ASSETS TO BE CONVEYED; EXCLUDED ASSETS. On the Closing Date, Sellers will sell, assign, transfer, convey and deliver to Buyer, all of the assets (including FCC licenses and authorizations) that are used or useful for the operation of the Stations (the "Purchased Assets"), including without limitation, the following:

2.1. Licenses. The applications, licenses, permits and other authorizations issued by, or pending before, the FCC for the operation of the Stations and any associated auxiliary or translator facilities listed in Schedule 2.1 hereto (the "FCC Licenses"), and all other transferable licenses, permits, authorizations and applications issued by any other Governmental Authorities that are used in or necessary for the lawful operation of the Stations as presently operated by Sellers.

2.2. Tangible Property. All tangible personal property and fixtures used or useful in the operation of the Stations listed and described in Schedule 2.2, together with replacements thereof and improvements and additions thereto made between the date hereof and the Closing Date (the "Tangible Property").

2.3. Real Property . All real estate owned by the Sellers, together with the improvements located thereon listed on Schedule 2.3, subject to substitution of the real property now used as a transmitter site for WAYA-FM in the event of relocation of Radio Station WAYA-FM as contemplated by Section 27 of the TBA.

2.4. Contracts, Equipment Leases and Other Agreements. The contracts, equipment leases and agreements identified on Schedule 2.4 hereto plus all contracts for the sale

of time on the Stations, for cash, which are in existence on the Closing Date, which were entered into in the normal course of business, and which are cancelable on 30 days' notice (individually and collectively, the "Contracts").

2.5. Intangible Property. All Sellers' right, title and interest in and to the Stations' call sign, slogans, logos, and any and all trademarks, copyrights, and similar materials and rights owned by Sellers and used in connection with the Sellers' ownership and/or operation of the Stations and the goodwill and other intangible assets used in or arising from the business of the Stations (the "Intangible Property").

2.6. Business Records. All records required by the FCC to be maintained by Sellers, including without limitation public file materials and engineering records, relating for the Stations (the "Business Records").

2.7. Excluded Assets. Notwithstanding the foregoing, the Purchased Assets shall not include cash or cash equivalents, accounts receivable belonging to Sellers, the Excluded Real Estate, or any of Sellers' corporate books and records.

3. PURCHASE PRICE. The purchase price for the Purchased Assets to be conveyed to Buyer hereunder is the aggregate sum of One Million One Hundred Thousand Dollars (\$1,100,000.00) (the "Purchase Price"), subject to closing date adjustments and prorations provided in Section 4, which Purchase Price shall be paid at Closing, in cash, by wire transfer to such accounts as Sellers may instruct not less than two (2) business days prior to the Closing Date, in writing, with full and complete wire transfer instructions. The Purchase Price shall be allocated among and paid to Sellers as Sellers shall direct pursuant to the wire transfer instructions provided by Sellers to Buyer. Buyer shall be entitled to a \$24,000 credit against the Purchase Price if this Agreement is executed and delivered to Sellers by Buyer on or before the first anniversary of the effective date of the TBA.

4. PRORATIONS. Subject to the provisions of the TBA, the operation of the Stations and the income and expenses attributable thereto up to 11:59 p.m. on the Closing Date shall be for the account of Sellers and thereafter for the account of Buyer. All overlapping items of income or expense, including without limitation such items as power and utilities charges, taxes, rents, and wages, payroll taxes, vacation pay and sick leave of those employees of the Stations who enter into Buyer's employment after Closing shall be prorated between Sellers and Buyer as of the close of the then current business month. Prorations shall be made and paid, insofar as feasible, at Closing, with final accounting and settlement thirty (30) days after the Closing Date. If the amount of any real or personal property tax to be prorated is not known on the Closing Date, such tax shall be apportioned on the basis of the most recent tax assessment. As soon as the new tax rate and valuation can be ascertained, there shall be a reapportionment and adjustment with respect to such tax even though that final proration and adjustment may take place more than thirty (30) days after the Closing Date.

5. LIABILITIES. Except for those liabilities and obligations arising under Contracts expressly disclosed on Schedule 2.4 hereto which Buyer agrees to assume at Closing to the extent such liabilities and/or obligations arise wholly from and after the Closing Date,

Buyer does not and shall not assume or be deemed to assume, pursuant to this Agreement, or otherwise, any liabilities, obligations or commitments of Sellers, whether fixed or contingent, matured or unmatured, liquidated, unliquidated or of any other kind whatsoever, including, but not limited to, the presentation of advertising in trade for goods or services.

6. SELLERS' REPRESENTATIONS, WARRANTIES, AND COVENANTS.

Sellers hereby, jointly and severally, make the following representations, warranties, and covenants to Buyer:

6.1 Each of the Corporate Licensees is a corporation duly formed, validly existing and in good standing under the laws of the State of Tennessee with full power under its corporate charter and by-laws to enter into and perform its obligations under this Agreement.

6.2 The execution, delivery, and performance of this Agreement by the Corporate Licensees has been duly authorized by all necessary corporate action required on the part of the Corporate Licensees' Board of Directors and Shareholders.

6.3 The conveyancing documents respecting the Transaction to which any one or more of the Sellers is a party have been duly executed and delivered by Sellers, and constitute legal, valid, and binding obligations of Sellers, enforceable in accordance with their terms.

6.4 The execution, delivery and performance of their obligations under this Agreement by Sellers will not violate any Corporate Licensee's charter or by-laws, or any judgment, decree or order to which Sellers are subject, or breach any contract, agreement or other commitment to which Sellers is a party or by which Sellers or their assets are bound.

6.5 Sellers have and will convey to Buyer good and marketable title to the Purchased Assets, free and clear of all liens, pledges, collateral assignments, security interests, leases, easements, covenants, restrictions (other than applicable FCC restrictions) and encumbrances or other defects of title.

6.6 Except for the FCC Licenses, no material licenses, permits, or authorizations from any Governmental Authority are required to operate the Stations or to conduct Sellers' businesses as presently operated and conducted by Sellers. Schedule 2.1 lists all the FCC applications, permits and authorizations owned, held and/or filed and currently pending before the FCC by Sellers with respect to the Stations, and are all the FCC authorizations used in or necessary for the lawful operation of the Stations as presently operated by Sellers. The FCC Licenses are in full force and effect, are subject to no unusual or materially adverse conditions or restrictions, and are unimpaired by any acts or omissions of Sellers or Sellers' officers, directors, employees or agents.

6.7 The Tangible Assets, together with all improvements and additions thereto and replacements thereof between the date hereof and the Closing Date, less any retirements made in the ordinary course of business, represent all the tangible personal property used in the operation of the Stations as presently operated by Sellers. Except as disclosed on Schedule 2.2

the tangible Assets, including the Station's broadcast towers, are serviceable, in good operating condition, ordinary wear and tear excepted, and are not in need of material repair.

6.8 Each of the Real Property Leases is in full force and effect and no event has occurred thereunder which with notice, the passage of time, or both, constitute or give rise to a default or event of default thereunder.

6.9 There is no complaint, investigation, or proceeding pending or, to the best of Sellers' knowledge, threatened before or by the FCC with respect to the FCC Licenses except to the extent certain applications for the relocation of transmission facilities and/or city of licensure have been or may be filed in accordance with the TBA, and (ii) there is no other litigation, action, suit, investigation or proceeding pending or, to the best of Sellers' knowledge, threatened that may give rise to any claim against any of the Assets or adversely affect Sellers' ability to consummate the Sale or conduct the business of the Stations in the normal course going forward, and Licensees is not aware of any facts that could reasonably result in any such litigation proceedings, actions or suits.

6.10 Schedule 2.4 sets forth all outstanding contracts, agreements and understandings to which Sellers or the Stations are parties related to the operation of the Stations other than contracts for the sale of broadcast time which have been entered into in the normal course of business for cash payments and which may be cancelled within thirty days without penalty. As of the Closing Date, Sellers and the Stations will have no obligation under any advertising-for-trade or other barter contracts entered into by Sellers prior to Closing, except as disclosed in Schedule 2.4. Further, except as disclosed on Schedule 2.4, each of the Contracts is in full force and effect and is unimpaired by any acts or omissions of Sellers or Sellers' officers, directors, employees or agents; there has not occurred as to any Contract any default by Sellers or any event that, with the lapse of time or otherwise, could become a default by Sellers; and there has not occurred as to any Contract any default by any other party thereto or any event that, with the lapse of time or at the election of any person other than Sellers, could become a default by such party. Those Contracts, the stated duration of which extends beyond the Closing Date, will be in full force and effect at Closing, unimpaired by any acts or omissions of Sellers or Sellers' officers, directors, employees or agents. If any Contract requires the consent of any third party in order for Sellers to assign that contract to Buyer, Sellers and Broker shall use their best efforts to obtain such consent prior to Closing to the extent the assignment of such Contract is requested by Buyer.

6.11 Sellers represent, acknowledge and agree that Buyer has not and does not agree to continue to sponsor or to assume any of Sellers' obligations under any employee benefit plans, agreements or understandings.

6.12 All of the financial statements concerning the condition and operations of Sellers and the Stations provided to Buyer have been prepared in the ordinary course of business and/or in accordance with customary accounting procedures and are true and correct in all material respects.

6.13 All federal, state and local income, withholding, unemployment, property, personal property, sale or use or other taxes due with respect to the operation of the Stations, Sellers' employees and/or Sellers' ownership of the Purchased Assets will have been paid in full, or, in connection with real and personal property taxes pertaining to the Purchased Assets, prorated between Buyer and Sellers as of the Closing Date.

6.14 Buyer shall have no liability for any salaries, wages, employee benefits, vacation benefits, severance pay, or other sums due or which may become due any employee of Sellers arising out of such employee's employment by the Sellers or the termination of such employee's employment with the Sellers. Buyer may, prior to the Closing Date, extend offers of employment to some or all of Sellers' employees effective on or after the Closing Date but shall not be obligated to make offers of employment to any one or more of Sellers' employees. Sellers shall be solely responsible for the salaries, wages, employee benefits and/or severance pay or other obligations due any of the Sellers' employees arising out of their employment with the Sellers and/or any other sums due or which may become due or any one or more of the Sellers' employees in connection with the termination of their employment by Sellers.

6.15 Sellers do not have and on the Closing Date will not have any liabilities, obligations or commitments, direct or contingent, matured or unmatured, liquidated or unliquidated, or of any other nature whatsoever whether related to the ownership and operation of the Stations, or otherwise, which could, including with the passage of time and/or, give rise to a lien, claim, or encumbrance upon any of the Purchase Assets.

7. BUYER'S REPRESENTATIONS, WARRANTIES AND COVENANTS. Buyer hereby makes the following representations, warranties and covenants:

7.1. Existence, Power and Identity. Buyer is duly formed, validly existing and in good standing under the laws of the jurisdiction of organization with full power to enter into and perform this Agreement.

7.2. Binding Effect. The execution, delivery, and performance of this Agreement by Buyer will be, on the Closing Date, duly authorized by all necessary action. This Agreement has been duly executed and delivered to Sellers by Buyer and constitutes a legal, valid, and binding obligation of Buyer, enforceable in accordance with its terms.

7.3. No Violation. Neither (i) the execution, delivery and performance of this Agreement by Buyer, (ii) the consummation of the Transaction, or (iii) Buyer's compliance with the terms and conditions hereof will, with or without the giving of notice or the lapse of time or both, conflict with, breach the terms and conditions of, constitute a default under, or violate Buyer's organizational documents or any judgment, decree, order, agreement, lease or other instrument to which Buyer or by which Buyer is legally bound, or, to the best of Buyer's knowledge, any law, rule or regulation applicable to Buyer.

7.4. Licensee Qualifications. Buyer is legally, financially, and otherwise qualified under present law (including the Communications Act of 1934, as amended) and the present rules and regulations of the FCC to be the licensee of the Stations.

8. PRE-CLOSING OBLIGATIONS. The parties covenant and agree as follows with respect to the period prior to Closing:

8.1. Applications for FCC Consent. Within ten (10) business days after the date of this Agreement, Sellers and Buyer shall join in and file the Assignment Applications, and each shall diligently take all steps necessary or desirable and proper expeditiously to prosecute the Assignment Applications and to obtain the FCC's determination that grant of the Assignment Applications will serve the public interest, convenience and necessity. The failure by either party to timely file or diligently prosecute its portion of the respective Assignment Applications, or any amendment thereto requested by the FCC, shall be deemed a material breach of this Agreement. The filing fees associated with such Assignment Applications shall be borne equally by Buyer and Sellers.

8.2. Access. Between the date hereof and the Closing Date, Sellers shall give Buyer and representatives of Buyer reasonable access to the Purchased Assets and to the books and records of Sellers relating to the business and operations of the Stations.

8.3. Operations Prior to Closing. Between the date of this Agreement and the Closing Date:

(a) Subject to the provisions of the TBA, Sellers shall operate the Stations in the normal and usual manner and conduct the business of the Stations in the ordinary course and in material compliance with all applicable laws, regulations and orders of the FCC and other governmental authorities.

(b) Sellers shall not sell or otherwise dispose of any of the Purchased Assets except in the ordinary course of business and only if any material property disposed of is replaced by property of like or better kind, quality, and utility prior to Closing.

(c) Sellers shall not increase the compensation or benefits payable or to become payable to any employee of the Stations other than in the ordinary course of business consistent with Sellers' past practices, but any such increase in compensation shall not increase the amount of any payments due under the TBA.

(d) Except with Buyer's written consent, Sellers shall not enter into any contract, lease, or agreement after the date hereof that will impose any obligation on Buyer after the Closing.

(e) Sellers shall not change the Stations' current call signs without the consent of the Buyer.

(f) Sellers will provide to Buyer with timely, accurate and complete internally prepared statements of operating expenses and revenues for each month until Closing.

(g) The Corporate Licensees will not incur any debts or obligations other than (1) utility expenses, (2) normal salaries and wages due Sellers' employees from and after the date hereof, (3) debts or obligations incurred in the normal course of business which are related to the operation of the Stations and which are disclosed to Buyer in writing as and when they are incurred, and (4) maintenance costs related to the operation of the Stations, whether routine or non-routine, and none of the Sellers which encumber, create or suffer to exist any lien or security interest in any of the Purchased Assets which are to be conveyed to Buyer pursuant to this Agreement.

(h) The Corporate Licensees will not declare, make or pay any dividends or distributions in respect of its capital stock until all of the Trade Debt of the Sellers has been fully satisfied and discharged.

8.4 Risk of Loss.

8.4.1 Damage or Destruction of Purchased Assets. The risk of loss or damage to the Purchased Assets shall be upon Sellers at all times prior to Closing. In the event of material loss or damage to the Stations, Sellers shall promptly notify Buyer thereof and shall use their best efforts to repair, replace or restore the lost or damaged property to its former condition as soon as possible. If loss or damage to the Stations occurs and the lost or damaged property has not been fully repaired, replaced or restored by the Closing Date, the parties shall nevertheless consummate the Transaction on the terms specified herein and Sellers shall at the Buyer's election either (a) delay the Closing to permit Sellers to replace or repair such property, or (b) assign to Buyer all of Sellers' rights under any applicable insurance policies; provided, however, that Sellers shall be entitled to retain any insurance proceeds necessary to offset any sums expended by Sellers in replacing or repairing such damaged property, and provided further, however, if the insurance proceeds are insufficient to cover the costs of restoring the Stations substantially to the condition that it was in immediately prior to the loss or damage, the Purchase Price shall be appropriately adjusted to compensate for any short-fall between the insurance proceeds and the costs of restoring the damaged assets to such condition. In such event, if the parties are unable to agree upon the appropriate amount of adjustment to the Purchase Price, the disagreement shall be referred to a qualified broadcast consultant or engineer mutually acceptable to Sellers and Buyer whose decision shall be final and binding, and whose fees shall be paid one-half by Sellers and one-half by Buyer.

8.5. Administrative Violations. If any Seller receives any finding, order, complaint, citation or notice prior to Closing which states that any aspect of the operations of the Stations violates any rule, regulation or order of the FCC or of any other Governmental Authority (an "Administrative Violation"), including without limitation any rule, regulation or order concerning environmental protection, the employment of labor, or equal employment opportunity, the party receiving such notice shall promptly notify the other party of the Administrative Violation, shall use its best efforts to remove or correct the Administrative Violation, and shall be responsible for the payment of all costs associated therewith, including any fines or back pay that may be assessed.

8.6. Control of Stations. This Agreement shall not be consummated until after the FCC has given its written consent thereto. Between the date of this Agreement and the Closing Date, Buyer shall not directly or indirectly control, supervise or direct, or attempt to control, supervise or direct the operations of Stations.

8.7 Corporate Approvals. Sellers have heretofore delivered to Buyer a Secretary's Certificate, in form and substance satisfactory to Buyer, evidencing the due and proper adoption of the resolutions of the Corporate Licensee's Board of Director and shareholders necessary to fulfill Sellers' representations, warranties and covenants contained in this Agreement.

9. CONDITIONS PRECEDENT.

9.1. Mutual Conditions. The obligation of both Buyer and Sellers to consummate the Transaction is subject to the satisfaction of each of the following conditions:

9.1.1. FCC Consent. The FCC shall have granted its consent to the assignment of all of the FCC Licensees from Sellers to Buyer (the "FCC Consent"), and the FCC Consent shall have become final as a matter of law, i.e., no longer subject to review or rehearing by the FCC or any court, and the time for filing of any petition for reconsideration, review or rehearing shall have expired.

9.1.2. Absence of Litigation. As of the Closing Date, no action, suit or proceeding seeking to enjoin, restrain, or prohibit the consummation of the Transaction shall be pending before any court, the FCC, or any other Governmental Authority; provided, however, that this Section 9.1.2 may not be invoked by a party if any such action, suit, or proceeding was solicited or encouraged by, or instituted as a result of any act or omission of, such party.

9.2. Conditions to Buyer's Obligation. In addition to satisfaction of the mutual conditions contained in Section 9.1, the obligation of Buyer to consummate the Transaction is subject, at Buyer's option, to the satisfaction or waiver of each of the following conditions:

9.2.1 Representations and Warranties. The representations and warranties of Sellers to Buyer shall be true, complete, and correct in all material respects as of the Closing Date with the same force and effect as if then made.

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

9.2.3. Closing Documents. Sellers shall deliver to Buyer the closing documents described in Section 10.1 hereof.

9.2.4. Assignments of Contracts and Real Property Leases and Agreements. Sellers shall have obtained consents or assignments, in forms reasonably

satisfactory to Buyer, of all the Contracts, Real Property Leases, as to which the assignment has been requested by Buyer.

9.2.5. Lien Releases. Buyer shall receive such releases, acquittances, UCC-3 termination statements and other instruments, each in form and substance satisfactory to Buyer, as Buyer may request with respect to the satisfaction of any liens against the Purchased Assets other than Permitted Liens.

9.2.6. Schedules. All Schedules hereto, if any, which are to be completed prior to Closing shall have been completed and agreed to by the Buyer evidenced by Buyer's initials thereon.

9.3. Conditions to Sellers' Obligation. In addition to satisfaction of the mutual conditions contained in Section 9.1, the obligation of Sellers to consummate the Transaction is subject, at Sellers' option, to satisfaction or waiver of each of the following conditions:

9.3.1. Representations and Warranties. The representations and warranties of Buyer to Sellers shall be true, complete and correct in all material respects as of the Closing Date with the same force and effect as if then made.

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

9.3.3. Closing Documents. Buyer shall deliver to Sellers the closing documents described in Section 10.2 hereof.

10. CLOSING. The Closing hereunder shall take place at the studios of the Stations or such other location as the parties hereto may mutually agree upon commencing at 10:00 a.m. on a date within ten (10) days after the FCC Consent has become "final" as defined in Section 9.1.1 hereof

10.1 Performance at Closing. The following documents or actions shall be delivered or taken at Closing:

- (a) **By Sellers.** Sellers shall deliver to Buyer:
 - (i) Assignments in form and substance reasonably satisfactory to Buyer transferring to Buyer all of the interests of Sellers in and to the FCC licenses, permits, and authorizations pertaining to the Stations
 - (ii) Bills of sale in form and substance reasonably satisfactory to Buyer conveying to Buyer all of the tangible and intangible Assets of the Sale.

- (iii) Warranty Deeds in form and substance satisfactory to Sellers, conveying all of the Real Property described in Schedule 2.3 hereto.
 - (iv) One or more assignments assigning to Buyer all of the contracts and real property leases to be assumed by Buyer pursuant to this Agreement.
 - (v) Copies of resolutions by the Corporation Licensees' boards of directors and shareholders, certified to by the Corporate Licensees' secretary, authorizing the sale and assignment of the Purchased Assets.
 - (vi) Releases, duly executed and in proper form for recording, discharging all security interests and liens then outstanding against the purchased assets being conveyed to Buyer.
 - (vii) An opinion letter of Sellers' counsel in form and substance satisfactory to Buyer , regarding the following matters:
 - (a) The Corporate Licensees are duly organized and in good standing under the laws of the State of Tennessee;
 - (b) The Boards of Directors and shareholders of the Corporate Licensees have duly approved the transactions contemplated by this Agreement in accordance with all requirements of the Corporate Licensees' charter, bylaws and applicable law; and
 - (c) The Agreement and Closing Document have been duly executed and delivered by the Sellers, and constitute valid, enforceable and legally binding obligations of the Sellers in accordance with their respective terms.
 - (viii) A two (2) year non-competition agreement, in form and content satisfactory to the Buyer, from the Sellers which is to be given as part of the overall terms and conditions of the Transaction without additional payment on the part of the Buyer.
- (b) **By Buyer.** Buyer shall deliver or cause to be delivered to Sellers:
- (i) A certificate executed by Buyer certifying Buyer's compliance with the matters set forth in this Agreement;
 - (ii) The Purchase Price due at Closing pursuant to Section 3.1 in immediately available funds; and

- (iii) A secretary's certificate certifying the resolutions adopted by the Buyer authorizing the execution, delivery and performance of its obligations in connection with the Transaction.

11. INDEMNIFICATION. The parties covenant and agree as follows with respect to the period subsequent to Closing:

11.1. Buyer's Right to Indemnification. For a period of two (2) years following the Closing, Sellers, jointly and severally, undertake and agree to indemnify and hold Buyer harmless against (i) any breach, misrepresentation, or violation of any of Sellers' representations, warranties, covenants, or other obligations contained in this Agreement and/or the Time Brokerage Agreement; (ii) all liabilities of Sellers not assumed by Buyer including, but not limited to, any litigation disclosed in the Schedules hereto; and (iii) any claims by third parties against Buyer attributable to Sellers' operation of the Stations prior to Closing. This indemnity is intended by Sellers to cover all acts, suits, proceedings, claims, demands, assessments, adjustments, interest, penalties, costs, and expenses (including, without limitation, reasonable fees and disbursements of counsel), whether suit is instituted or not and, if instituted, whether at the trial or appellate level, with respect to any and all of the specific matters set forth in this indemnity. It shall not matter for the purposes of the indemnity obligation under this paragraph whether suit is instituted or not and, if instituted, whether the suit is resolved or not during the two (2) year period, so long as the claim triggering the indemnity obligation arises in any manner during that period.

11.2. Sellers' Right to Indemnification. For a period of two (2) years following the Closing, Buyer undertakes and agrees to indemnify and hold Sellers harmless against (i) any breach, misrepresentation, or violation of any of Buyer's representations, warranties, covenants, or other obligations contained in this Agreement; (ii) all liabilities of Buyer arising from and after the Closing Date; and (iii) any claims by third parties against Sellers attributable to Buyer's operation of the Stations following the Closing. This indemnity is intended by Buyer to cover all acts, suits, proceedings, claims, demands, assessments, adjustments, interest, penalties, costs, and expenses (including, without limitation, reasonable fees and disbursements of counsel), whether suit is instituted or not and, if instituted, whether at the trial or appellate level, with respect to any and all of the specific matters set forth in this indemnity. It shall not matter for the purposes of the indemnity obligation under this paragraph whether suit is instituted or not and, if instituted, whether the suit is resolved or not during the two (2) year period, so long as the claim triggering the indemnity obligation arises in any manner during the period.

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

(1) The party claiming indemnification (the "Claimant") shall give written notice to the party from which indemnification is sought (the "Indemnitor") promptly after the Claimant learns of any claim or proceeding or any matter which could reasonable be anticipated to give rise to any claim or proceeding which is covered by the foregoing agreements to

indemnify and hold harmless; provided, however, that the Claimant's right to indemnification shall not be affected by the failure to give prompt notice unless such failure has materially prejudiced the Indemnitor's ability to investigate or defend the claim or proceeding.

(2) 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 purpose of this investigation, the Claimant agrees to make available to the Indemnitor and 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 hereof), the Claimant may seek appropriate legal remedies.

(3) With respect to any third-party claims as to which the Claimant is entitled to indemnification, the Indemnitor shall have the right to employ counsel reasonably acceptable to the Claimant to defend against any such claim or proceeding, or to compromise, settle or otherwise dispose of the same (including settlement before the Indemnitor is required to retain an attorney), if the Indemnitor deems it advisable to do so, all at the expense of the Indemnitor. Indemnitor shall not settle any claim with respect to which Claimant is entitled to indemnification, without the express written approval of the Claimant (not to be unreasonably withheld, conditioned or delayed) if it would adversely affect the future business operations or prospects of the Claimant. The parties will fully cooperate in any such action, and shall make available to each other any books or records useful for the defense of any such claim or proceeding. If the Indemnitor fails to acknowledge in writing its obligation to defend against or settle such claim or proceeding within twenty (20) days after receiving notice thereof from the Claimant (or such shorter time specified in the notice as the circumstances of the matter may dictate) the Claimant shall be free to engage counsel of its choice and defend against or settle the matter, all at the expense of the Indemnitor, subject to the provisions of Section 11.3(1) hereof.

11.4 Indemnification Not Sole Remedy. The right to indemnification hereunder shall not be the exclusive remedy of either party in connection with any breach by the other part of its representations, warranties, or covenants, nor shall such indemnification be deemed to prejudice or operate as a waiver of any remedy to which either party may otherwise be entitled as a result of any such breach by the other party.

12. DEFAULT AND REMEDIES.

12.1. Opportunity to Cure. If either party believes the other to be in default hereunder, the party claiming default shall provide the other with written notice specifying in reasonable detail the nature of such default. If the default has not been cured by the earlier of: (i) the Closing Date, or (ii) within thirty (30) days after notice, then the party giving such notice may exercise the remedies available to such party pursuant to this Section, subject to the right of the other party to contest such action through appropriate proceedings, unless such default does not involve the failure to pay any monetary sum, the default cannot reasonably be used within thirty (30) days but is capable of cure within a longer period of time not to exceed ninety (90)

days, the party in default is at all times after notice of default proceeding diligently to cure such default, and such default is in fact cured within ninety (90) days of notice thereof.

12.2. Specific Performance. Sellers agrees that the Purchased Assets include unique property that cannot be readily obtained on the open market and that Buyer will be irreparably injured if this Agreement is not specifically enforced. Therefore, Buyer shall have the right specifically to enforce Sellers' performance under this Agreement, and Sellers agrees to waive the defense in any such suit that Buyer has an adequate remedy at law and to interpose no opposition, legal or otherwise, as to the propriety of specific performance as a remedy.

12.3. Other Remedies. In the event of any breach of default by any party hereto which is not cured within the time period, if any, provided for the cure thereof, then the party not-in-default shall be entitled to exercise any and all remedies provided for herein or allowed by applicable law. All such remedies shall be cumulative and not exclusive, and be asserted concurrently, consecutively or in such other manner as the party entitled to assert such remedy may determine in its sole discretion.

13. TERMINATION.

13.1. Failure to Receive FCC Consent. This Agreement may be terminated at the option of either party upon written notice to the other if the Closing has not occurred within twelve (12) months after the date of this Agreement; provided, however, that a party may not terminate this Agreement if such party is in default hereunder, or if a delay in any decision or determination by the FCC respecting the Assignment Application has been caused or materially contributed to (i) by any failure of such party to furnish, file or make available to the FCC information within its control; (ii) by the willful furnishing by such party of incorrect, inaccurate or incomplete information to the FCC; or (iii) by any other action taken by such party for the purpose of delaying the FCC's decision or determination respecting the Assignment Application. In the event of termination pursuant to this Subsection, the parties shall be released and discharged from any further obligation hereunder unless the failure to consummate the Transaction is attributable to a default of one of the parties in their obligations hereunder, and the other party is not in default and has otherwise complied with its obligations, in which case the non-defaulting party shall be entitled to the remedies specified in Sections 13.2 or 13.3.

13.2. Cessation of Operations. Buyer may terminate this Agreement if the Stations cease operation of any of their licensed facilities for a period of ten (10) days or more and Sellers have not taken all reasonable steps to restore such operation.

14. GENERAL PROVISIONS.

14.1. Brokerage. Sellers and Buyer each represent and warrant to the other that it has not engaged the services of any broker or finder for which any brokerage or finder's fee shall become due and payable in respect of the Transaction contemplated hereby. Seller and Broker shall each indemnify and hold the other harmless if it has breached this representation and warranty.

14.2. Non-Competition. Sellers shall not, directly or indirectly, engage in the radio broadcast business from and after the Closing Date within the Stations' current radio market which, for purposes of this Agreement shall be deemed to include Rhea and McMinn Counties in Tennessee, for a period of two (2) years from the date of this Agreement whether as an owner, operator, licensor, consultant, participant, partner (general or limited), investor, lender, guarantor, shareholder, member, manager or other means

14.3. Expenses. The FCC filing fee for the Assignment Application and all recording costs, transfer taxes, document stamps, and other similar charges in connection with the Transaction shall be paid one-half by Sellers and one-half by Buyer. Except as otherwise provided herein, all other expenses incurred in connection with this Agreement or the Transaction shall be paid by the party incurring those expenses whether or not the Transaction is consummated. Sellers shall be responsible for all deed transfer taxes and the expense of providing an owner's title policy, in an amount reasonably requested by Buyer, on any Real Property to be conveyed to Buyer as part of the Transaction.

14.4. Notices. All notices, requests, demands, and other communications pertaining to this Agreement shall be in writing and shall be deemed duly given when delivered personally (which shall include delivery by Federal Express or other recognized overnight courier service that issues a receipt or other confirmation of delivery) to the party for whom such communication is intended, and addressed as follows:

To Sellers: c/o Walter Hooper
532 North Hillcrest Drive
Spring City, TN 37381

To Buyer: J. L. Brewer Broadcasting of Cleveland, LLC
1305 Carter Street
Chattanooga, TN 37402
ATTN: James L. Brewer, Sr.

with a copy:

David R. Evans, Esq.
Chambliss, Bahner & Stophel, P.C.
Suite 1000 Tallan Building
Two Union Square
Chattanooga, Tennessee 37402

Either party may change its address for notices by written notice to the other given pursuant to this Section. Any notice purportedly given by a means other than as set forth in this Section shall be deemed ineffective.

14.5. Assignment. Neither party may assign its rights or obligations under this Agreement without the written consent of the other party except that Buyer may assign its rights and obligations under this Agreement without Sellers' consent, provided Buyer continues to

remain liable therefor, to (a) a corporation, partnership (general or limited) limited liability company or other entity the legal or beneficial ownership of which is directly or indirectly controlled by James L. Brewer, Sr. and/or members of his immediate family or trusts established for his or their benefit, or (b) a corporation, partnership (general or limited), limited liability company or other entity which acquires all or substantially all of the Buyer's assets or membership interests. Subject to the foregoing, this Agreement shall be binding upon, inure to the benefit of, and be enforceable by the parties hereto and their respective successors and assignees.

14.6. Exclusive Dealings. For so long as this Agreement remains in effect, neither Sellers nor any person acting on Sellers' behalf shall solicit, initiate, or accept any offer from, or conduct any negotiations with, any person concerning the acquisition of the Stations or the Purchased Assets, directly or indirectly, by any party other than Buyer or Buyer's permitted assignees.

14.7. Third Parties. Nothing in this Agreement, whether express or implied, is intended to: (i) confer any rights or remedies on any person other than Sellers, Buyer, and their respective successors and permitted assignees; (ii) to relieve or discharge the obligations or liability of any third party; or (iii) to give any third party any right of subrogation or action against either Sellers or Buyer.

14.8. Indulgences. Unless otherwise specifically agreed in writing to the contrary: (i) the failure of either party at any time to require performance by the other of any provision of this Agreement shall not affect such party's right thereafter to enforce the same; (ii) no waiver by either party of any default by the other shall be taken or held to be a waiver by such party of any other preceding or subsequent default; and (iii) no extension of time granted by either party for the performance of any obligation or act by the other party shall be deemed to be an extension of time for the performance of any other obligation or act hereunder.

14.9. Survival of Representations and Warranties. The several representations, warranties, and covenants of the parties contained herein shall survive the Closing for a period of one (1) year; provided, however, that those specific matters as to which claims for indemnification have been duly made before the expiration of the periods provided for in Section 11.1 and 11.2 shall survive until those claims have been resolved.

14.10. Prior Negotiations. This Agreement supersedes in all respects all prior and contemporaneous oral and written negotiations, understandings and agreements between the parties with respect to the subject matter hereof. All of said prior and contemporaneous negotiations, understandings and agreements are merged herein and superseded hereby except to the extent set forth in the Time Brokerage and Operating Agreement..

14.11. Exhibits. The Exhibits and Schedules attached hereto or referred to herein are a material part of this Agreement, as if set forth in full herein.

14.12. Entire Agreement; Amendment. This Agreement and the Exhibits and Schedules hereto set forth the entire understanding between the parties in connection with the

Transaction, and there are no terms, conditions, warranties or representations other than those contained, referred to or provided for herein and therein. Neither this Agreement nor any term or provision hereof may be waived, altered or amended in any manner except by an instrument in writing signed by the party against whom the enforcement of any such change is sought.

14.13. Counsel. Each party has been represented by its own counsel in connection with the negotiation and preparation of this Agreement and, consequently, each party hereby waives the application of any rule of law that would otherwise be applicable in connection with the interpretation of this Agreement, including but not limited to any rule of law to the effect that any provisions of this Agreement shall be interpreted or construed against the party whose counsel drafted the provision.

14.14. Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with the laws of the State of Tennessee without regard to any choice of law principles utilized in such state.

14.15. Severability. If any term of this Agreement is illegal or unenforceable at law or in equity, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby. Any illegal or unenforceable term shall be deemed to be void and of no force and effect only to the minimum extent necessary to bring such term within the provisions of applicable law and such term, as so modified, and the balance of this Agreement shall then be fully enforceable.

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

14.17. Counterparts. This Agreement may be signed in any number of counterparts with the same effect as if the signature on each such counterpart were on the same instrument. Each fully executed set of counterparts shall be deemed to be an original, and all of the signed counterparts together shall be deemed to be one and the same instrument.

14.19. Venue. Any litigation seeking to enforce any provision of, or based on any right arising out of, this Agreement shall be brought either in a state court located in Rhea County, Tennessee that has jurisdiction over the matter in question.

14.20. Waiver of Jury Trial. Each party irrevocably waives trial by jury and the right thereto in any and all litigation in any court with respect to, in connection with, or arising out of this Agreement.

14.20. Lease of Facilities on Excluded Real Estate. Sellers agree to lease the Excluded Real Estate located at 3931 Rhea County Highway, to Buyer, at Buyer's option, for up to one (1) year following the Closing Date so as to enable Buyer to continue existing broadcast operations thereon as now conducted. The rent for such location shall be \$2,500.00 per month

for the first six (6) months and \$3,000.00 per month thereafter. Rent shall terminate upon the date that Buyer vacates such location with any partial month to be prorated. Buyer shall exercise all commercially reasonable efforts to vacate the Excluded Real Estate as soon as practicable following the Closing Date, taking into consideration the time required to obtain any required FCC approvals and the avoidance of any undue or unnecessary expense.

IN WITNESS WHEREOF, and to evidence their assent to the foregoing, Sellers, Buyer and Brooks have executed this Asset Purchase Agreement as of the date first written above.

SELLERS:

Walter Hooper

WAYB, INC.

By: _____
Walter Hooper, President

RADIO 970, INCORPORATED

By: _____
Walter Hooper, President

BUYER:

**J. L. BREWER BROADCASTING OF CLEVELAND,
LLC**

By: _____
James L. Brewer, Chief Manger

SCHEDULE 2.1

FCC LICENSES

Station	FCC License	Facility ID
WXQK	BL-790608AA	54469
WDNT-AM	BR-3652	70783
WDNT-FM	BLH-830111AC	70784
WAYA	BLH-970602KG	70782
WAYB-FM	BLH-990119KB	71148

SCHEDULE 2.2

TANGIBLE PERSONAL PROPERTY
(Property Listings Attached)

SCHEDULE 2.3

REAL PROPERTY

1. Transmitter site for WAYA-FM.*

*Subject to possible substitution if the transmitter site for WAYA-FM is relocated pursuant to the provisions of Section 27 of the TBA.

SCHEDULE 2.4
CONTRACTS, LEASES AND AGREEMENTS

SCHEDULE 6.9

PENDING OR THREATENED LITIGATION

1. None

SCHEDULE 6.12

EMPLOYMENT BENEFIT PLANS

Sellers represent that it has no written or oral retirement, pension, bonus, termination pay, hospitalization, vacation or other employee benefit plans, agreements or understandings and no employment agreements with any employees which Buyer is assuming or under which Buyer shall have any liability under or in connection therewith

SCHEDULE 6.13

INSURANCE

Intentionally Omitted