

ASSET EXCHANGE AGREEMENT

by and among

**UNIVISION RADIO SACRAMENTO, INC.
UNIVISION RADIO LICENSE CORPORATION**

and

GOLDEN GATE BROADCASTING COMPANY, INC.

Dated as of September 29, 2004

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Schedules To Be Delivered By Univision

- 2.1(a) Tangible Personal Property
- 2.1(b) Licenses and Permits
- 2.1(c) Station Agreements
- 2.3 Excluded Assets
- 3.1 Organization and Good Standing
- 3.4 Governmental Consents and Consents of Third Parties
- 4.3 Real Property

Schedules To Be Delivered By Salem

- 2.2(a) Tangible Personal Property
- 2.2(b) Licenses and Permits
- 2.2(c) Station Agreements
- 2.3 Excluded Assets
- 3.1 Organization and Good Standing
- 3.4 Governmental Consents and Consents of Third Parties
- 4.3 Real Property

ASSET EXCHANGE AGREEMENT

This Asset Exchange Agreement ("Agreement") is made and entered into as of this 29th day of September, 2004, by and among **Univision Radio Sacramento, Inc.** ("Univision-Sacramento"), and **Univision Radio License Corporation** ("Univision-License" and collectively with Univision-Sacramento, "Univision") and **Golden Gate Broadcasting Company, Inc.** ("Salem").

WHEREAS, Univision-Sacramento is the owner and operator of radio station KOSL(FM), 94.3 MHz, Jackson, California (FCC Facility ID No. 24464) (the "Univision Station") and Univision-License holds the licenses and authorizations issued by the FCC for the operation of the Univision Station.

WHEREAS, Salem is the owner, operator and licensee of radio station KSFB-FM, 100.7 MHz, San Rafael, California (FCC Facility ID No. 40136), (the "Salem Station") and holds the licenses and authorizations issued by the FCC for the operation of the Salem Station;

WHEREAS, Univision and Salem intend to exchange certain property and assets used and useful in the operation of the Univision Station on the one hand and the Salem Station on the other (collectively the Univision Station and the Salem Station are sometimes referred to herein as the "Station(s)");

WHEREAS, Univision and Salem intend to transfer the assets of the Stations in a transaction that will qualify as a "like-kind exchange" for nonrecognition of taxable income under Section 1031 of the Internal Revenue Code of 1986, as amended (the "Code"), and Univision and Salem are willing to take such steps as are commercially reasonable and necessary on their respective parts to enable the transactions contemplated hereby to so qualify;

WHEREAS, the prior consent of the FCC to the transfer of the licenses and authorizations issued by the FCC for the Stations is required, and it is intended that if such consent is obtained, the transactions contemplated by this Agreement will be consummated subject to all of the other terms and conditions of this Agreement; and,

WHEREAS, as of the date first written above, the parties hereto have entered into Local Programming and Marketing Agreements ("LMA(s) ") providing for the programming and marketing of the Stations from the commencement date set forth in the LMA to the closing of the transactions contemplated by this Agreement;

NOW, THEREFORE, in consideration of the mutual promises herein set forth and subject to the terms and conditions hereof, the parties agree as follows:

ARTICLE 1
TERMINOLOGY

1.1 Act. The Communications Act of 1934, as amended.

1.2 Applicable Stations. With respect to a delivery, representation, warranty or covenant of Univision, the Univision Station, and with respect to a delivery, representation, warranty or covenant of Salem, the Salem Station.

1.3 Assumed Obligations. Such term shall have the meaning defined in Section 2.6.

1.4 Business Day. Any calendar day, excluding Saturdays and Sundays, on which federally chartered banks are regularly open for business.

1.5 Closing Date. The date determined as the Closing Date as provided in Section 8.1.

1.6 Code. As set forth in the recitals, above, the Internal Revenue Code of 1986, as amended.

1.7 Closing. The closing with respect to the transactions contemplated by this Agreement.

1.8 Documents. This Agreement and all exhibits and schedules hereto, and each other agreement, certificate, or instrument delivered pursuant to or in connection with this Agreement, including amendments thereto that are expressly permitted under the terms of this Agreement.

1.9 Environmental Assessment. Such term shall have the meaning defined in Section 5.11.

1.10 Environmental Laws. The Comprehensive Environmental Response Compensation and Liability Act, the Resource Conservation and Recovery Act, the Clean Water Act, the Clean Air Act and the Toxic Substances Control Act, the Federal Insecticide, Fungicide and Rodenticide Act, the Emergency Planning and Community Right-to-Know Act, the Safe Drinking Water Act, each as amended, and any other applicable federal, state and local laws, statutes, rules or regulations concerning or relating to the treating, producing, handling, storing, releasing, spilling, leaking, pumping, pouring, emitting or dumping of Hazardous Materials, or the pollution or protection of human health or the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata).

1.11 Excluded Assets. Such term shall have the meaning defined in Section 2.3.

1.12 FCC Licenses. With respect to a delivery, representation, warranty or covenant of Univision, the licenses, permits and authorizations (and any renewals, extensions, amendments or modifications thereof) of the FCC for the operation of the Univision Station as listed on Schedule 2.1(b), including without limitation, all pending licenses, permits, call signs and authorizations of the FCC to the extent they pertain to the operation of the Univision Station; and with respect to a delivery, representation, warranty or covenant of Salem, the licenses, permits, call signs and authorizations (and any renewals, extensions, amendments or modifications thereof) of the FCC for the operation of the Salem Station as listed on Schedule 2.2(b), including without limitation, all pending licenses, permits, call signs and authorizations of the FCC to the extent they pertain to the operation of the Salem Station.

1.13 FCC Orders. The actions, orders or decisions of the FCC, granting its consent to the assignment of the FCC Licenses of the Univision Station to Salem and the FCC Licenses of the Salem Station to Univision.

1.14 FCC. Federal Communications Commission.

1.15 Final Action. An action of the FCC that has not been reversed, stayed, enjoined, set aside, annulled or suspended; with respect to which no timely petition for reconsideration or administrative or judicial appeal or sua sponte action of the FCC with comparable effect is pending and as to which the time for filing any such petition or appeal (administrative or judicial) or for the taking of any such sua sponte action of the FCC has expired.

1.16 Hazardous Materials. Toxic materials, hazardous wastes, hazardous substances, pollutants or contaminants, asbestos or asbestos-related products, polychlorinated biphenyls ("PCBs"), petroleum, crude oil or any fraction or distillate thereof in excess of legally-defined permissible limits (as such terms are defined in any applicable federal, state or local laws, ordinances, rules and regulations, and including any other terms which are or may be used in any applicable Environmental Laws to define prohibited or regulated substances).

1.17 HSR Act. The Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

1.18 Indemnified Party. Any party described in Section 9.3 or Section 9.4 against which any claim or liability may be asserted by a third party which would give rise to a claim for indemnification under the provisions of this Agreement by such party.

1.19 Indemnifying Party. The party to the Agreement (not the Indemnified Party) that, in the event of a claim or liability asserted by a third party against the Indemnified Party which would give rise to a claim for indemnification under the provisions of this Agreement, is

obligated to indemnify and hold harmless the Indemnified Party to the extent expressly provided in this Agreement.

1.20 Intellectual Property. With respect to any Station, the trademarks, service marks, brand names, trade names, mask works, trade dress, Internet domain name(s), Internet Web page(s), HTML content located and publicly accessible from the Domain Names, the visitor e-mail databases for Internet domain names, slogans, and other indications of origin, the goodwill associated with the foregoing and registrations in any jurisdiction of, and applications in any jurisdictions to register the foregoing, including any extension, modification or renewal of any such registration or application; inventions, discoveries and ideas, whether patentable or not; patents and applications for patents; customer lists; play lists; music research; electronic data; financial data; rights of Transferor arising under any employment agreement; nonpublic information, trade secrets or confidential information; writings and other works, whether copyrightable or not; technology, know-how or computer software programs and applications used in the Stations' business, any similar intellectual property or proprietary rights, and any claims or causes of action arising out of or relating to any infringement or misappropriation of any of the foregoing.

1.21 Lien. Any mortgage, deed of trust, pledge, hypothecation, security interest, encumbrance, lien, lease or charge of any kind, whether voluntarily incurred or arising by operation of law or otherwise, affecting any Sale Assets or property, including any written or oral agreement to give or grant any of the foregoing, any conditional sale or other title retention agreement, and the filing of or agreement to give any financing statement with respect to any assets or property under the Uniform Commercial Code or comparable law of any jurisdiction.

1.22 LMAs. As provided in the recitals hereof, the Local Programming and Marketing Agreements of equal date hereof relating to the programming of the Stations.

1.23 Material Adverse Condition. A condition, event or circumstance which would materially restrict, limit, increase the cost or burden of or otherwise materially adversely affect or materially impair the right of the Transferee to the ownership, use, control, enjoyment or operation of the Station(s) it is acquiring or the proceeds there from; provided, however, that any condition which requires that a radio station be operated in accordance with a condition similar to those contained in the present FCC licenses issued for operation of the station shall not be deemed a Material Adverse Condition.

1.24 OSHA Laws. The Occupational Safety and Health Act of 1970, as amended, and all other federal, state or local laws or ordinances, including orders, rules and regulations there under, regulating or otherwise affecting health and safety of the workplace.

1.25 Permitted Lien. For purposes hereof, "Permitted Lien" shall mean (i) easements, restrictions, and other similar matters which will not materially adversely affect the use of the Real Property in the ordinary course of business; (ii) liens for taxes not due and

payable or, that are being contested in good faith by appropriate proceedings; (iii) mechanics, material men's, carriers', warehousemen's, landlords' or other similar liens in the ordinary course of business for sums not yet due or which are being contested in good faith by appropriate proceedings; (iv) liens or mortgages that will be released at Closing; (v) zoning ordinances and regulations, including statutes and ordinances relating to the liens of streets and to other municipal improvements, which will not materially adversely affect the use of the Real Property in the ordinary course of business, provided that any of the foregoing alone or in the aggregate do not materially impair the value or materially interfere with the use of any asset or property of the Transferor material to the operation of its station(s) as they have been and are now conducted; and/or (vi) a Lien securing only an Assumed Obligation.

1.26 Person. Any individual, corporation, limited liability company, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivisions thereof.

1.27 Proration Amount. As provided in Section 2.8, the amount by which Transferee's account is to be credited or charged, as reflected on the Proration List(s).

1.28 Proration List. As provided in Section 2.8, an itemized list(s) of all sums to be credited or charged against the account of Transferee, with a brief explanation in reasonable detail of the credits or charges, consistent with the allocation principle set forth in Section 2.8(a).

1.29 Intentionally Omitted.

1.30 Real Property. With respect to a delivery, representation, warranty or covenant of Univision, the rights, title and interests in real estate, including without limitation improvements thereto, used in the operation of the Univision Station as listed on Schedule 4.3; and with respect to a delivery, representation, warranty or covenant of Salem, the rights, title and interests in real estate, including without limitation improvements thereto, used in the operation of the Salem Station as listed on Schedule 4.3.

1.31 Representing Party. With respect to a delivery, representation, warranty or covenant by Univision, Univision; and with respect to a delivery, representation, warranty or covenant by Salem, Salem.

1.32 Rules and Regulations. The rules of the FCC as set forth in Volume 47 of the Code of Federal Regulations, as well as such other policies of the FCC, whether contained in the Code of Federal Regulations, or not, that apply to the Stations.

1.33 Sale Assets. With respect to a delivery, representation, warranty or covenant of Univision, all of the tangible and intangible assets to be transferred by Univision to Salem as set forth in Section 2.1 and with respect to a delivery, representation, warranty or covenant of

Salem, all of the tangible and intangible assets to be transferred by Salem to Univision as set forth in Section 2.2.

1.34 Station Agreements. With respect to a delivery, representation, warranty or covenant of Univision, the contracts, arrangements or commitments, including all amendments, modifications and supplements thereto which Univision or the Univision Station or their assets or properties are bound as listed on Schedule 2.1(c); and with respect to a delivery, representation, warranty or covenant of Salem, the contracts, arrangements or commitments, including all amendments, modifications and supplements thereto which Salem or the Salem Station or its assets or properties are bound as listed on Schedule 2.2(c).

1.35 Tangible Personal Property. With respect to a delivery, representation, warranty or covenant of Univision, the transmission equipment, parts, supplies and other tangible personal property now or hereinafter owned by Univision and used in the transmission facilities of the Univision Station as listed on Schedule 2.1(a); and with respect to a delivery, representation, warranty or covenant of Salem, the transmission equipment, parts, supplies and other tangible personal property now or hereinafter owned by Salem and used in the transmission facilities of the Salem Station as listed on Schedule 2.2(a).

1.36 Tower Coordinates. The current vertical elevation and geographical coordinates of the antenna of any Applicable Station.

1.37 Transferee. With respect to the Sale Assets of Univision, Salem, and with respect to the Sale Assets of Salem, Univision.

1.38 Transferee's Threshold Limitation. As provided in Section 9.4(b), the threshold dollar amount for the aggregate of claims, liabilities, damages, losses, costs and expenses that must be incurred by Transferor before Transferee shall be obligated to indemnify Transferor. The Transferor's Threshold Limitation shall be Fifty Thousand Dollars (\$50,000) in the aggregate; provided, however, that for any individual item or series of related items, the Transferor's Threshold Limitation shall be Ten Thousand Dollars (\$10,000).

1.39 Transferor. With respect to the Sale Assets of Univision, Univision, and with respect to the Sale Assets of Salem, Salem.

1.40 Transferor's Threshold Limitation. As provided in Section 9.3(b), the threshold dollar amount for the aggregate of claims, liabilities, damages, losses, costs and expenses that must be incurred by Transferee before Transferor shall be obligated to indemnify Transferee. The Transferee's Threshold Limitation shall be Fifty Thousand Dollars (\$50,000) in the aggregate; provided, however, that for any individual item or series of related items, the Transferee's Threshold Limitation shall be Ten Thousand Dollars (\$10,000).

ARTICLE II

EXCHANGE OF STATION ASSETS

2.1 Transfer of Univision Assets. At Closing, Univision shall transfer, assign, convey and deliver to Salem, and Salem shall accept and acquire from Univision, free and clear of all Liens, except Permitted Liens, all of Univision's right, title and interest, legal and equitable, in and to the tangible and intangible, real, personal and mixed assets (except Excluded Assets) used or useful in the operation of the Univision Station, as set forth below:

(a) **Tangible Personal Property.** All Tangible Personal Property now or hereinafter owned by Univision and used in the operation of the Univision Station as set forth on Schedule 2.1(a), together with such modifications, replacements, improvements and additional items, made or acquired between the date hereof and the Closing Date;

(b) **Licenses and Permits.** The FCC Licenses and all other assignable or transferable governmental permits, licenses and authorizations (and any renewals, extensions, amendments or modifications thereof) now held by Univision or hereafter obtained by Univision between the date hereof and the Closing Date, to the extent such other permits, licenses and authorizations pertain to or are used in the operation of the Univision Station including, but not limited to the permits, licenses and authorizations listed on Schedule 2.1(b) hereof;

(c) **Univision Station Agreements.** All agreements which are listed on Schedule 2.1(c) as agreements which Salem elects to assume; any renewals, extensions, amendments or modifications of those agreements being assumed which are made in the ordinary course of Univision's operation of the Univision Station and in accordance with the terms and provisions of this Agreement;

(d) **Univision Records.** True and complete copies of all of the books, records, accounts, files, logs, ledgers, reports of engineers and other consultants or independent contractors, pertaining to the assets described in Section 2.1(a), (b) and (c) (other than corporate records);

2.2 Transfer of Salem Assets. At Closing, Salem shall transfer, assign, convey and deliver to Univision, and Univision shall accept and acquire from Salem, free and clear of all Liens, except Permitted Liens, all of Salem's right, title and interest, legal and equitable, in and to the tangible and intangible, real, personal and mixed assets (except Excluded Assets) used or useful in the operation of the Salem Station, as set forth below:

(a) **Tangible Personal Property.** All Tangible Personal Property now or hereinafter owned by Salem and used in the operation of the Salem Station as set forth on Schedule 2.2(a), together with such modifications, replacements, improvements and additional items, made or acquired between the date hereof and the Closing Date;

(b) **Licenses and Permits.** The FCC Licenses and all other assignable or transferable governmental permits, licenses and authorizations (and any renewals, extensions, amendments or modifications thereof) now held by Salem or hereafter obtained by Salem between the date hereof and the Closing Date, to the extent such other permits, licenses and authorizations pertain to or are used in the operation of the Salem Station including, but not limited to the permits, licenses and authorizations listed on Schedule 2.2 (b) hereof;

(c) **Salem Station Agreements.** All agreements which are listed on Schedule 2.2(c) as agreements which Univision elects to assume; any renewals, extensions, amendments or modifications of those agreements being assumed which are made in the ordinary course of Salem's operation of the Station and in accordance with the terms and provisions of this Agreement;

(d) **Salem Records.** True and complete copies of all of the books, records, accounts, files, logs, ledgers, reports of engineers and other consultants or independent contractors, pertaining to the assets described in Sections 2.2(a), (b) and (c) (other than corporate records);

2.3 Excluded Assets. Notwithstanding any provision of this Agreement to the contrary, Transferor shall not transfer, convey or assign to Transferee, but shall retain all of its right, title and interest in and to, the following assets owned or held by it on the Closing Date ("**Excluded Assets**"):

(a) Any and all cash, cash equivalents, cash deposits to secure contract obligations, all inter-company receivables from any affiliate of Transferor and all other accounts receivable, bank deposits and securities held by Transferor in respect of any Station at the Closing Date, that are unrelated to the operation of the Applicable Stations after the Closing Date and further provided that such cash or receivable is not for services on obligations of such Applicable Stations after the Closing Date (except to the extent Transferor receives a credit under Section 2.7, in which event such cash, receivable, deposit or security shall be included as part of the assets to be transferred in this transaction).

(b) Any and all claims of Transferor with respect to transactions prior to the Closing including, without limitation, claims for tax refunds and refunds of fees paid to the FCC.

(c) All prepaid expenses (except to the extent Transferor receives a credit therefor under Section 2.8, in which event the prepaid expense shall be included as part of the Sale Assets).

(d) All contracts of insurance and claims against insurers.

(e) All employee benefit plans and the assets thereof and all employment contracts.

(f) All contracts that are terminated in accordance with the terms and provisions of this Agreement or have expired prior to the Closing Date in the ordinary course of business; and all loans and loan agreements.

(g) All Tangible Personal Property disposed of or consumed between the date hereof and the Closing Date in accordance with the terms and provisions of this Agreement and in the ordinary course of business.

(h) Transferor's corporate records except to the extent such records are set forth or described in Section 2.1(d) or Section 2.2(d) hereof used in the operation of any Station, in which case Transferor shall deliver materially accurate copies thereof to Transferee.

(i) Any Tangible Personal Property not specifically conveyed to Transferee pursuant to Section 8.2 (c).

(j) The call signs of Transferor set forth on Schedule 2.3.

(k) All commitments, contracts and agreements not specifically assumed by Transferee pursuant to Section 8.3(b).

(l) As set forth on Schedule 2.3.

(m) All Intellectual Property of the Transferor except that Transferor shall transfer to Transferee the URL associated or relating to any call sign to be transferred to Transferee.

2.4 Beneficial use of Station Agreements. Both parties acknowledge that certain of the Station Agreements, to be included in the Sale Assets, and the rights and benefits thereunder necessary or appropriate or relating to the conduct of the business and activities of Representing Party and/or the Applicable Stations may not, by their terms, be assignable. Notwithstanding anything in this Agreement to the contrary, this Agreement shall not constitute an agreement to assign such Station Agreements, and Transferee shall not be deemed to have assumed the same or to be required to perform any obligations thereunder, if an attempted assignment thereof, without the consent of a third party thereto, would constitute a breach thereof or in any way affect the rights under such Station Agreements of Transferee or Transferor thereunder. In such event, Transferor will cooperate with Transferee to provide for Transferee all benefits to which Transferor is entitled under such Station Agreements, and any transfer or assignment to Transferee by Transferor of any such Station Agreements or any right or benefit arising thereunder or resulting therefrom which shall require the consent or approval of any third party shall be made subject to such consent or approval being obtained. Transferor shall, without further consideration therefore, pay, assign and remit to Transferee promptly all monies, and, to the extent permitted, all other rights or consideration received or obtained, or which may be received or obtained, in respect of performance of such Station Agreements.

2.5 [Intentionally omitted].

2.6 Assumption of Liabilities.

(a) At the Closing and with respect to each Station to be acquired by such Transferee, Transferee shall assume and agree to perform, without duplication of Transferor's performance, the following liabilities and obligations of Transferor (the "Assumed Obligations"):

(i) Current liabilities of Transferor for which Transferee receives a credit at Closing, but not in excess of the amount of such credit; and,

(ii) Liabilities and obligations arising under the agreements, if any, assumed by and transferred to Transferee in accordance with this Agreement, but only to the extent such liabilities and obligations relate to the assets to be acquired by the Transferee and are attributable to the period of time after the Closing; and

(b) Except for the Assumed Obligations, Transferee shall not assume or in any manner be liable for any debts, liens, charges, claims, encumbrances, duties, responsibilities, obligations or liabilities of Transferor of any kind or nature, whether express or implied, known or unknown, contingent or absolute, including, without limitation, any liabilities to or in connection with Transferor's employees whether arising in connection with the transaction contemplated hereunder or otherwise.

2.7 Section 1031; Appraisals; Tax Reporting.

(a) Both Buyer and Seller intend to structure this transaction as a tax-deferred like-kind exchange pursuant to Internal Revenue Code Section 1031. Each party shall cooperate with the other to effectuate such an exchange *provided that*, such tax deferred like-kind exchange shall not (i) result in any additional cost or expense to the other, (ii) result in any adverse tax consequences to the other, (iii) affect the other's liability for any of its representations, warranties, covenants and obligations pursuant to this Agreement, (iv) require the other to serve as the qualified intermediary; or (v) unreasonably delay the Closing Date.

(b) The parties agree to use commercially reasonable efforts to agree upon the fair market value of each of the assets (other than assets which, individually or in the aggregate, are not material in value) which comprise the Sale Assets, determined on the basis of certain appraisals ("Approvals") prepared by Bond and Pecaro (or such other appraisal agency agreed to by Univision and Salem and retained by Salem (the "Appraiser"). Univision shall reimburse to Salem one half (1/2) of the fees and expenses of the Appraiser. Salem shall direct the Appraiser to deliver the Appraisals within sixty (60) days of the Closing Date.

(c) Each party shall use commercially reasonable efforts to engage in mutually agreeable sharing of financial and valuation information in order to obtain consistent financial

and tax reporting, including, but not limited to, the preparation and filing of IRS Forms 8894 and 8824 in a manner which is consistent with the Appraisals, to the greatest extent possible.

(d) To the extent authorized by applicable law and regulation, each party shall report the transaction contemplated hereby as a “like-kind exchange” under Section 1031 of the Code, consistent with the Appraisals and the IRS Forms 8594 and 8824 prepared in accordance with clause (b) above, and shall not take, and shall not cause their respective representatives, successors and assigns to take, any position on any federal, state or local tax return or report, or in any tax examination, tax audit or tax litigation, inconsistent with such reporting position, the Appraisals, or such IRS Form 8594 or 8824.

(e) Each party shall cooperate with the other, including, without limitation, in preparing IRS Forms 8594 and 8824 and executing all necessary agreements and documents to the extent necessary for each party to treat the exchange of the Assets hereunder as a “like-kind exchange” to the extent permissible under Section 1031 of the Code.

(f) Neither party shall have any liability or obligation to the other for the failure of the exchange of the Assets hereunder to qualify as a like-kind exchange under Section 1031 of the Code.

2.8 Proration List.

(a) Except as otherwise set forth in the LMAs, all operating income and operating expenses of the Stations shall be adjusted and allocated between the parties to the extent necessary to reflect the principle that all such income and expenses attributable to the operation of any Station on or before the Closing Date shall be for the account of Transferor, and all income and expenses attributable to the operation of such Station after the Closing Date shall be for the account of Transferee.

(b) To the extent not inconsistent with the express provisions of this Agreement, the allocations made pursuant to this Section 2.8 shall be made in accordance with generally accepted accounting principles.

(c) For purposes of making the adjustments pursuant to this Section 2.8, the Transferee with respect to a Station shall prepare and deliver an initial Proration List to Transferor within forty five (45) days following the Closing Date, or such later date as shall be mutually agreed to by Transferor and Transferee. Transferee may also prepare and deliver to Transferor additional Adjustment Lists as Transferee becomes aware of additional Adjustment List items. The Adjustment List(s) shall set forth the Adjustment Amount. If the Adjustment Amount is a credit to the account of Transferee, Transferor shall pay such amount to Transferee within fifteen (15) days of receiving the Adjustment List(s) if both parties agree on the amount, and if the Adjustment Amount is a charge to the account of Transferee, Transferee shall pay such amount to Transferor within fifteen (15) days of delivering the Adjustment List(s) to Transferor

if both parties agree on the amount. In the event Transferor disagrees with the Adjustment Amount determined by Transferee or with any other matter arising out of this subsection, and Transferee and Transferor cannot within sixty (60) days resolve the disagreement themselves, the parties will refer the disagreement to a firm of independent certified public accountants, mutually acceptable to Transferor and Transferee, whose decision shall be final. The fees and expenses of such accountants shall be paid by the party who does not prevail on the disputed matters decided by the accountants.

ARTICLE III
REPRESENTATIONS AND WARRANTIES
RELATING TO THE PARTIES

Each Representing Party hereby represents and warrants to the other parties as follows, each of which is true and correct on the date hereof, shall survive the Closing subject to the provisions of this Agreement, and shall be unaffected by any investigation heretofore or hereafter made by any other party:

3.1 Organization and Good Standing. Except as set forth on Schedule 3.1, the Representing Party is a corporation validly existing and in good standing under the laws of the state of its incorporation and authorized to conduct business in each and every jurisdiction where the Representing Party conducts business, except where the failure to be so authorized does not constitute a Material Adverse Condition. The Representing Party has all requisite power to own, operate and lease its properties and carry on its business as it is now being conducted and as the same will be conducted until the Closing.

3.2 Authority. The Representing Party has the full right and authority to execute and deliver this Agreement, to perform its obligations hereunder, and to consummate the transactions provided for herein. All required corporate action with respect to the Representing Party has been taken to approve this Agreement and the transactions contemplated hereby. This Agreement has been duly executed and delivered by the Representing Party and constitutes its valid and binding obligation, enforceable against the Representing Party in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, or similar laws affecting creditors' rights generally and by judicial discretion in the enforcement of equitable remedies.

3.3 Absence of Conflicts. The execution and delivery of, and the performance of its obligations under, this Agreement and each of the other Documents by the Representing Party, and the consummation of the transactions contemplated hereby and thereby:

(a) do not in any material respect (with or without the giving of notice or the passage of time or both) violate, or result in the creation of any Lien other than a Permitted Lien, on any of the Representing Party's Sale Assets under any provision of law, rule or regulation or any order, judgment, injunction, decree or ruling applicable to Representing Party;

(b) do not (with or without the giving of notice or the passage of time or both) conflict with or result in a breach or termination of, or constitute a default or give rise to a right of termination or acceleration under the articles of incorporation or bylaws of Representing Party or pursuant to any lease, agreement, commitment or other instrument which Representing Party is a party to, or bound by, or by which any of the Representing Party's Sale Assets may be bound, or result in the creation of any Lien, other than a Permitted Lien, upon any of the Representing Party's Sale Assets.

3.4 Governmental Consents and Consents of Third Parties. Except for such consents as are required by the Rules and Regulations and the HSR Act or as disclosed on Schedule 3.4, the execution and delivery of, and the performance of obligations the Representing Party under this Agreement and each of the other Documents by the Representing Party, and the consummation by the Representing Party of the transactions contemplated hereby and thereby, do not require the consent, waiver, approval, permit, license, clearance or authorization of, or any declaration of filing with, any court or public agency or governmental body or other authority, or the consent of any Person under any agreement, arrangement or commitment of a nature to which the Representing Party is a party or by which it is bound or by which the Sale Assets are bound or to which they are subject to, the failure of which to obtain would constitute a Material Adverse Condition on the Sale Assets or the operation of the Applicable Stations.

3.5 Litigation. There are no actions, suits, claims, investigations or administrative, arbitration or other proceedings pending or threatened against Representing Party which would, or are expected to, individually or in the aggregate if adversely determined, be or result in a Material Adverse Condition on the Sale Assets or the operation of the Applicable Stations, or which would give any third party the right to enjoin the transactions contemplated by this Agreement. There is no basis for any such claim, investigation, action, suit or proceeding which would, individually or in the aggregate if adversely determined, be a Material Adverse Condition on the Sale Assets or operation of Applicable Stations. There are no existing or pending orders, judgments or decrees of any court or governmental agency affecting the Representing Party, the Applicable Stations or any of the Sale Assets which would materially adversely affect the Applicable Stations' operations or the Sale Assets. Notwithstanding the disclosure of any matter herein, no Transferee shall assume any liability for any such matter as a result of the transactions contemplated by this Agreement.

3.6 Labor Matters

(a) With respect to the Applicable Stations only, the Representing Party is not a party to any collective bargaining agreement, and there is no collective bargaining agreement that determines the terms and conditions of employment of any employees of the Representing Party.

(b) With respect to the Applicable Stations:

(i) There is no labor strike, dispute, slow-down or stoppage pending or, to the actual knowledge of Representing Party, threatened against the Applicable Stations;

(ii) There are neither pending nor threatened, any suits, actions, administrative proceedings, union organizing activities, arbitrations, grievances, complaint, charges, claims or other proceedings between Representing Party and any employees of the Applicable Station or any union representing such employees; and there are no existing labor or employment or other controversies or grievances involving employees of the Applicable Station(s) which have had or are reasonably likely to constitute a Material Adverse Condition on the operation of the Applicable Stations;

(iii) (A) Representing Party is in compliance in all material respects with all laws, rules and regulations relating to the employment of labor and all employment contractual obligations, including those relating to wages, hours, collective bargaining, affirmative action, discrimination, sexual harassment, wrongful discharge and the withholding and payment of taxes and contributions except for such non-compliance which individually or in the aggregate would not constitute a Material Adverse Condition on the business or financial condition of the Applicable Station; (B) Representing Party has withheld all amounts required by law or agreement to be withheld from the wages or salaries of its employees; and (C) Representing Party is not liable to any present or former employees or any governmental authority for damages, arrears of wages or any tax or penalty for failure to comply with the foregoing except for such liability which individually or in the aggregate would not constitute a Material Adverse Condition on the business or financial condition of the Applicable Station;

(iv) The applicable Transferee's consummation of the transactions contemplated by this Agreement in accordance with the terms hereof shall not, as a result of or in connection with the transactions contemplated hereby, impose upon such Transferee the obligation to pay any severance or termination pay under any agreement, plan or arrangement binding upon Representing Party.

(c) Transferee is not obligated to employ and does not assume any obligation with regard to any of the Transferor's employees.

3.7 Employee Benefit Plans. Transferee's consummation of the transactions contemplated by this Agreement in accordance with the terms hereof shall not, as a result of or in connection with the transactions contemplated hereby, impose upon Transferee any obligation under any benefit plan, contract or arrangement (regardless of whether they are written or unwritten and funded or unfunded) covering employees or former employees of the Representing Party in connection with their employment by Representing Party, if any. For purposes of the Agreement, "benefit plans" shall include without limitation employee benefit plans within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended, vacation benefits, employment and severance contracts, stock option plans, bonus programs and plans of deferred compensation.

3.8 Taxes. There are no tax audits or other governmental proceedings pending or, to the best of the Representing Party's knowledge, threatened that could result in a Lien on the Sale Assets being conveyed by the Representing Party hereunder on or after the Closing Date or on the imposition of any tax liability on the applicable Transferee and, to the best of the Representing Party's knowledge, no event has occurred that could impose on the applicable Transferee any liability for any taxes, penalties or interest due or to become due from the Representing Party. Representing Party has filed all federal, state and local tax returns which are required to be filed, and has paid all taxes and all assessments to the extent that such taxes and assessments have become due, other than such returns, taxes and assessments, the failure to file or pay would not, individually or in the aggregate, constitute a Material Adverse Condition.

3.9 Absence of Insolvency. No insolvency proceedings of any character including without limitation, bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary, affecting the Representing Party or any of the Representing Party's Sale Assets, are pending or threatened, and Representing Party has made no assignment for the benefit of creditors, nor taken any action with a view to, or which would constitute the basis for the institution of, any such insolvency proceedings.

3.10 Broker's or Finder's Fees. No agent, broker, investment banker, or other Person or firm acting on behalf of or under the authority of Representing Party or any affiliate of Representing Party is or will be entitled to any broker's or finder's fee or any other commission or similar fee, directly or indirectly, in connection with transactions contemplated by this Agreement.

3.11 Representations Complete. None of the representations or warranties made by Representing Party, nor any statement made in any document or certificate furnished by Representing Party pursuant to this Agreement contains or will contain at the Closing, any untrue statement of a material fact, or omits or will omit at the Closing, to state any material fact necessary in order to make the statements contained herein or therein, in the light of the circumstances under which they were made, not misleading.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES
RELATING TO THE STATIONS

Each Representing Party with respect to the Sale Assets being conveyed by it hereby represents and warrants to the Transferee acquiring such Sale Assets as follows, each of which is true and correct on the date hereof, shall survive the Closing subject to the provisions of this Agreement, and shall be unaffected by any investigation heretofore or hereafter made by the Transferee:

4.1 Compliance with Law. The operation of the Applicable Stations complies in all respects with the applicable rules and regulations of the FCC, and all other federal, state, local or other laws, statutes, ordinances, regulations, and any applicable order, writ, injunction or decree of any court, commission, board, agency or other instrumentality except to the extent that a failure to so comply would not constitute a Material Adverse Condition.

4.2 Tangible Personal Property. Except for supplies and other incidental items which in the aggregate are not of material value, the list of Tangible Personal Property set forth on Schedule 2.1(a) or Schedule 2.2(a), as applicable, is a complete and correct list of all of the items of tangible personal property (other than Excluded Assets) used to a material extent in the operation of the transmission facilities of the Applicable Stations each in the manner in which they are now operated. In addition:

(a) The Representing Party has good, marketable and valid title to all of the items of Tangible Personal Property free and clear of all Liens except Permitted Liens, including the right to transfer same.

(b) The Tangible Personal Property used to a material extent in the operation of the Applicable Stations in the manner in which they are now operated has been maintained in accordance with industry practices and is in good operating condition subject only to ordinary wear and tear.

(c) The Tangible Personal Property complies with applicable rules and regulations of the FCC and the terms of the FCC Licenses.

(d) There is no defect in the condition or operation of any item of the Tangible Personal Property that is reasonably likely to constitute a Material Adverse Condition.

4.3 Real Property. The list of Real Property, as set forth on Schedule 4.3, constitutes a complete and correct summary description in all material respects of all of the interests in real estate, including, without limitation, any and all leases (other than Excluded Assets), easements and licenses, used to any extent in the operation of the Applicable Stations in the manner in which they have been and are now operated. To the Representing Party's actual knowledge and only to the extent that a breach of the following representation and warranties would constitute a Material Adverse Condition:

(a) The Real Property and associated improvements comply in all material respects with all applicable state or federal law, rule, or regulation;

(b) All permanent certificates of occupancy and other consents and approvals required by any under any state or federal law, rule, or regulation applicable to the Sale Assets have been issued and are in full force and effect without the presence or existence of any unsatisfied conditions or requirements with respect thereto;

(c) Transferor has not received any notice of condemnation or of eminent domain proceedings or negotiations for the purchase of any of the Real Property or the respective improvements in lieu of condemnation, and no condemnation or eminent domain proceedings or negotiations have been commenced or threatened in connection with the Real Property or the respective improvements that would have a material and adverse effect on the value of the Real Property or on the continued utilization of the Real Property;

(d) The Real Property has adequate pedestrian and vehicular access by way of public access or valid easements or right of ways; and,

(e) All necessary utility services for the operation of the Sale Assets, including but not limited to electric power and natural gas service are available to the Real Property.

4.4 FCC Licenses. Representing Party is the holder of the licenses, permits and authorizations listed on Schedule 2.1(b) or Schedule 2.2(b), as applicable, and except as set forth on such schedules, (i) the FCC Licenses are valid, in good standing and in full force and effect, unimpaired by any act or omission of Representing Party, and constitute all of the licenses, permits and authorizations required by the Act, the Rules and Regulations or the FCC for, or used in, the operation of the Applicable Stations in all material respects as now operated, (ii) the licenses, permits and authorizations listed on Schedule 2.1(b) or Schedule 2.2(b), as applicable, constitute all the current licenses, permits and authorizations issued by the FCC to Representing Party or pending before the FCC for or in connection with the Applicable Stations; (iii) there is no condition imposed by the FCC as part of any FCC License which is neither set forth on the face thereof as issued by the FCC nor contained in the Rules and Regulations applicable generally to stations of the type, nature, class or location of the Applicable Stations; (iv) the Applicable Stations are being operated at full authorized power, in accordance with the terms and conditions of the FCC Licenses applicable to them and in accordance with the Rules and Regulations, except to the extent a failure to so comply would not constitute a Material Adverse Condition; (v) no application, action or proceeding is pending, or, to Representing Party's actual knowledge is threatened, which may result in the revocation, modification, non-renewal or suspension of any of the FCC Licenses, the denial of any pending applications, the issuance of any cease and desist order or the imposition of any fines, forfeitures or other administrative actions by the FCC with respect to the Applicable Stations or their operation, other than proceedings affecting the radio broadcasting industry in general; (vi) there is not before the FCC any material investigation, proceeding, notice of violation or order of forfeiture relating to the Applicable Stations; (vii) Representing Party has complied in all material respects with all requirements to file reports, applications and other documents with the FCC with respect to the Applicable Stations, and all such reports, applications and documents are complete and correct in all material respects; (viii) there are no matters (A) which could reasonably be expected to result in the suspension, revocation, cancellation, modification of or the refusal to renew any of the FCC Licenses or the imposition of any fines or forfeitures by the FCC, or (B) against Representing Party which could reasonably be expected to result in the FCC's refusal to grant

approval of the assignment to Transferee of the FCC Licenses or the imposition of any Material Adverse Condition in connection with approval of such assignment; (ix) there are not any unsatisfied or otherwise outstanding citations issued by the FCC with respect to the Applicable Stations or their operation; and (x) the "Public Inspection File" of the Applicable Stations is in substantial and material compliance with Section 73.3526 of the Rules and Regulations. Complete and accurate copies of all FCC Licenses of the Applicable Stations are attached hereto as a part of Schedule 2.1(b) and Schedule 2.2(b), as applicable.

4.5 Station Agreements.

(a) Schedule 2.1(c) or Schedule 2.2(c), as applicable, sets forth an accurate and complete list of all material agreements, contracts, arrangements or commitments in effect as of the date hereof, including all amendments, modifications and supplements thereto which the Applicable Stations or its assets or properties are bound by and which the Transferee shall assume as a result of the transactions contemplated by this Agreement. Complete and correct copies of all Station Agreements have been delivered to Transferee.

(b) Except as set forth in the Schedule 2.1(c) or Schedule 2.2(c), as applicable; (i) all Station Agreements are legal, valid and enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights generally, and subject, as to enforceability, to general principles of equity; (ii) neither Representing Party, nor any party thereto, is in material breach of or in material default under any Station Agreements; (iii) there has not occurred any event which, after the giving of notice or the lapse of time or both, would constitute a material default under, or result in the material breach of, any Stations Agreements which are, individually or in the aggregate, material to the operation of the Applicable Stations; and (iv) Representing Party holds the right to enforce and receive the benefits under all of the Station Agreements, free and clear of all Liens (other than Permitted Liens) but subject to the terms and provision of each such agreement.

(c) Schedule 2.1(c) or Schedule 2.2(c), as applicable, indicates, for each Station Agreement listed thereon, whether consent or approval by any party thereto is required thereunder for consummation of the transactions contemplated hereby.

4.6 Tower Coordinates. The Tower Coordinates are properly registered with the FCC and Federal Aviation Administration ("FAA"); and comply with and correspond to the current vertical elevation and geographical coordinates authorized by the FAA, FCC and any other governmental authority, including any federal, state or local authority having jurisdiction over the Applicable Stations or said towers.

4.7 Environmental Matters; OSHA.

(a) Representing Party has obtained all material, environmental, health and safety permits necessary or required for either the operation of the Applicable Stations as currently

operated or the ownership of the Sale Assets of the Representing Party and all such permits are in full force and effect and Representing Party is in compliance with all material terms and conditions of such permits.

(b) There is no proceeding pending or threatened which may result in the reversal, rescission, termination, modification or suspension of any environmental or health or safety permits necessary for the operation of the Applicable Stations as currently conducted or the ownership of the Sale Assets.

(c) With respect to the Applicable Stations and the Sale Assets of the Representing Party, Representing Party is in compliance in all material respects with the provisions of Environmental Laws.

(d) Representing Party has not, and no other Person has, caused or permitted materials to be generated, released, stored, treated, recycled, disposed of, on, under or at such parcels, which materials, if known to be present, would require clean up, removal or other remedial or responsive action under Environmental Laws (other than normal office, cleaning and maintenance supplies in reasonable quantities used and /or stored appropriately in the buildings or improvements on the Real Property). Representing Party has not caused the migration of any materials from the Sale Assets onto or under any property, which materials, if known to be present, would require cleanup, removal or other remedial or responsive action under Environmental Laws. There are no underground storage tanks and no PCBs or friable asbestos in or on the Sale Assets or Real Property of the Representing Party.

(e) Neither Representing Party, nor to Representing Party's knowledge any other Person, is subject to any judgment, decree, order or citation with respect to the Sale Assets of the Representing Party related to or arising out of Environmental Laws, and Representing Party has not received notice that it has been named or listed as a potentially responsible party by any Person or governmental body or agency in any matter, under Environmental Laws.

(f) Neither Representing Party, nor to Representing Party's knowledge any other Person, has discharged or disposed of any petroleum product or solid waste on the Real Property of the Representing Party or on the property adjacent to such Real Property owned by third parties, which may form the basis for any present or future claim based upon the Environmental Laws in existence on the date hereof or as of the Closing, or any demand or action seeking clean-up of any site, location, body of water, surface or subsurface, under any Environmental Laws or otherwise, or which may subject the owner of the real property to claims by third parties (except to the extent third party liability can be established) for damages.

(g) No portion of the Sale Assets of the Representing Party have ever been used by Representing Party, nor to Representing Party's knowledge by any other Person, or any of them, in violation of Environmental Laws or as a landfill, dump site or any other use which involves the disposal or storage of Hazardous Materials on-site or in any manner which may constitute a

Material Adverse Condition on the value of the Real Property or the Sale Assets of the Representing Party.

(h) No pesticides, herbicides, fertilizers or other materials have been used on, applied to or disposed of on or in the Sale Assets of the Representing Party in material violation of any Environmental Laws (other than normal office, cleaning and maintenance supplies in reasonable quantities used and/or stored appropriately in the buildings or improvements on the Real Property).

(i) With respect to the Sale Assets of the Representing Party, Representing Party has disposed of all waste in full compliance with all Environmental Laws and there is no existing condition that may form the basis of any present or future claim, demand or action seeking clean up of any facility, site, location or body of water, surface or subsurface, for which the Transferee could be liable or responsible solely as a result of the disposal of waste at such site.

(j) Representing Party is in material compliance with all OSHA Laws applicable to the Sale Assets of the Representing Party.

(k) Representing Party has not received written notice of, nor is it the subject of, any actions, causes of action, claims, investigations, demands or notices alleging liability under or non-compliance with Environmental Laws or that Representing Party is a potentially responsible party at any superfund site or state equivalent site with respect to the Real Property or Sale Assets of the Representing Party.

ARTICLE V

TRANSACTIONS PRIOR TO THE CLOSING DATE

5.1 Conduct of Business Prior to the Closing Date. Transferor, with respect to the Sale Assets being conveyed by it, hereby covenants and agrees that between the date hereof and the Closing Date, unless the Transferee otherwise agrees in writing (which agreement shall not be unreasonably withheld or delayed) and except as otherwise set forth in the LMAs, shall:

(a) Use commercially reasonable efforts to maintain insurance upon all of the Sale Assets in such amounts and of such kind to cover the full amount of any loss with respect to such Sale Assets and with respect to the operation of the Applicable Stations, with insurers of substantially the same or better financial condition as are currently insuring such Sale Assets;

(b) Operate the Applicable Stations and otherwise conduct its business in all material respects in accordance with the terms or conditions of its FCC Licenses, the Rules and Regulations, the Act and all other rules and regulations, statutes, ordinances and orders of all governmental authorities having jurisdiction over any aspect of the operation of the Applicable

Stations, except where the failure to so operate would not constitute a Material Adverse Condition or on the ability of Transferor to consummate the transactions contemplated hereby;

(c) Comply in all material respects with all Station Agreements Transferee is assuming;

(d) Promptly notify Transferee of any default by, or claim of default against, any party under any Station Agreements Transferee is assuming and any event or condition which, with notice or lapse of time or both, would constitute an event of default under such Station Agreements;

(e) Not mortgage, pledge or subject any of the Sale Assets to any Lien other than a Permitted Lien;

(f) Not sell, lease or otherwise dispose of, nor agree to sell, lease or otherwise dispose of, any of the Sale Assets;

(g) Not amend or terminate any Station Agreement;

(h) Not introduce any material change with respect to the operation of the Applicable Stations including, without limitation, any material changes in the broadcast hours of the Applicable Stations or any other material change in the Applicable Stations' programming policies, except such changes as in the sole discretion of Transferor, exercised in good faith after consultation with Transferee, are required by the public interest;

(i) Notify Transferee of any complaints, investigations, hearing or any material litigation pending or threatened against the Applicable Stations or any material damage to or destruction of any assets included or to be included in the Sale Assets.

5.2 Governmental Consents.

(a) The parties shall file promptly with the FCC, such applications and other documents in the name of Salem or Univision, as appropriate, as may be necessary or advisable to obtain the FCC Orders. Each party shall take all commercially reasonable steps necessary to prosecute such filings with diligence and shall diligently oppose any objections to, appeals from or petitions to reconsider such approval of the FCC, to the end that the FCC Orders and a Final Action with respect thereto may be obtained as soon as practicable; provided, however, that in the event the application for assignment of the FCC Licenses has been designated for hearing, either party may elect to terminate this Agreement pursuant to Section 10.1(c). Neither party shall knowingly take any action that such party knows or has reason to know would materially and adversely affect or materially delay issuance of the FCC Orders or materially and adversely affect or materially delay its becoming a Final Action without a Material Adverse Condition, unless such action is requested or required by the FCC, its staff or the Rules and Regulations.

Should either party become aware of any facts which could reasonably be expected to materially and adversely affect or materially delay issuance of the FCC Order without a Material Adverse Condition (including but not limited to any facts which would reasonably be expected to disqualify a Transferee from controlling a Station), such party shall promptly notify the other party thereof in writing and both parties shall cooperate to take all steps necessary or desirable to resolve the matter expeditiously and to obtain the FCC's approval of matters pending before it.

(b) If the transactions contemplated by this Agreement are subject to the filing requirements of the HSR Act, or the approval by the U.S. Federal Trade Commission (the "FTC") and the Antitrust Division of the U.S. Department of Justice (the "DOJ"), Univision and Salem will (i) each make such filings as are required under Title II of the HSR Act as soon as practicable but in any event within ten (10) days hereof, (ii) otherwise promptly comply with the applicable requirements under the HSR Act, including furnishing all information and filing all documents required thereunder, (iii) furnish to each other copies of those portions of the documents filed which are not confidential, and (iv) cooperate fully and use their respective commercially reasonable efforts to expedite compliance with the HSR Act; provided that in relation thereto, no party shall be obligated to agree to a Material Adverse Condition.

(c) Subject to the terms and conditions herein provided, each party shall promptly determine whether any filings are required to be made with, or consents, permits, authorizations or approvals are required to be obtained from, any other governmental agency or regulatory body of the federal, state and local jurisdictions in connection with the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby, and take all reasonable actions necessary to obtain any required permits, authorizations or approvals.

5.3 Other Consents. Each party, with respect to the Sale Assets being conveyed by it shall use commercially reasonable efforts to obtain the consent or waivers to the transactions contemplated by this Agreement required under any Station Agreements being assumed by Transferee, including any estoppel certificates Transferor is required to deliver pursuant to Section 8.2(f); provided that such Transferor shall not be required to pay or grant any material consideration in order to obtain any such consent or waiver.

5.4 Tax Returns and Payments. Each party, with respect to the Sale Assets being conveyed by it, shall ensure that all taxes pertaining to ownership of the Sale Assets or operation of the Applicable Stations arising prior to the Closing Date will be timely paid; provided that Transferor shall not be required to pay any such tax so long as the validity thereof shall be contested in good faith by appropriate proceedings and Transferor shall have set aside adequate reserves with respect to any such tax to the reasonable satisfaction of the Transferee.

5.5 Access Prior to the Closing Date. Prior to the Closing, each party, with respect to the Sale Assets being conveyed by it shall give to Transferee, its engineers, counsel, accountants and other representatives reasonable access during normal business hours throughout the period prior to the Closing to personnel and all of the assets, books, records and files of or

pertaining to the Applicable Stations and the Sale Assets, provided that (i) Transferee shall give Transferor reasonable advance notice of each date on which Transferee or any such other Person or entity desires such access, (ii) each Person (other than an officer of Transferee) shall, if requested by Transferor, be accompanied by an officer or their representative of Transferee approved by Transferor, which approval shall not be unreasonably withheld, (iii) the investigations at the offices of Transferor shall be reasonable in number and frequency and, (iv) all investigations shall be conducted in such a manner as not to physically damage any property or constitute a disruption of the operation of the Applicable Stations or Transferor. Transferor shall furnish to Transferee during such period all documents and copies of documents and information concerning the business and affairs of Transferor and the Applicable Stations as Transferee may reasonably request. No investigation or information furnished pursuant to this Section 5.5 shall affect any representations or warranties made by the Transferor herein.

5.6 Confidentiality. All information, data and materials furnished or to be furnished to either party with respect to the other party in connection with this transaction or pursuant to this Agreement is to be maintained by the other in a confidential manner. Each party agrees that prior to Closing (a) it shall not disclose or otherwise make available, at any time, any such information, data or material to any Person who does not have a confidential relationship with such party; (b) it shall protect such information, data and material with a high degree of care to prevent the disclosure thereof; and (c) if, for any reason, this transaction is not consummated, all information, data or material concerning the other party obtained by such party shall be kept confidential by such party, and all copies thereof, will be returned to the other party or destroyed. After Closing, neither party will disclose or otherwise make available to any Person any of such information, data or material concerning the other party, except as may be necessary or appropriate in connection with the operation of the Applicable Station by Transferee. Each party shall use commercially reasonable efforts to prevent the violation of any of the foregoing confidentiality provisions by its respective representatives. Notwithstanding the foregoing, nothing contained herein shall prohibit the parties from:

(a) using such information, data and materials in connection with any action or proceeding brought or any claim asserted by either party in respect of any breach by the other of any representation, warranty or covenant made in or pursuant to this Agreement; or

(b) supplying or filing such information, data or materials to or with the FCC, FTC, DOJ or SEC or any other valid governmental or court authority to the extent required by law or reasonably necessary to obtain any consent, waiver, amendment, modification, approval, authorization, permit or license which may be necessary to effectuate this Agreement and to consummate the transaction contemplated herein.

5.7 Press Release. In the event that either party determines in good faith that a press release or other public announcement is desirable under any circumstances, the parties shall consult with each other to determine the appropriate timing, form and content of such release or announcement.

5.8 Commercially Reasonable Efforts. Subject to the terms and conditions of this Agreement, each of the parties hereto will use commercially reasonable efforts to take all action and to do all things necessary, proper or advisable to satisfy any condition to the parties' obligations hereunder in its power to satisfy and to consummate and make effective as soon as practicable the transactions contemplated by this Agreement.

5.9 FCC Reports. Transferor shall continue to file, on a current basis until the Closing Date, all reports and documents required to be filed with the FCC with respect to the Applicable Stations. Transferor shall provide Transferee with copies of all such filings within five business days of the filing with the FCC.

5.10 Conveyance Free and Clear of Liens. At or prior to the Closing, Transferor shall obtain executed releases, in suitable form for filing and otherwise in form and substance reasonably satisfactory to Transferee, of any security interests granted in the Sale Assets and properties as security for payment of loans and other obligations or judgments and of any other Liens on the Sale Assets. At the closing, Transferor shall transfer and convey to Transferee all of the Sale Assets free and clear of all Liens except Permitted Liens.

5.11 Environmental Assessment.

(a) Not later than sixty (60) days after execution of this Agreement, each party may obtain a Phase I ("the Phase I") environmental assessment of the Sale Assets of the other by an environmental engineer selected by the Transferee. Within fourteen (14) days after Transferee's receipt of the Phase I, if the Phase I indicates environmental conditions may exist on, under or affect such properties that may constitute a violation or breach of Transferee's representations and warranties contained in Section 4.7 of this Agreement or cause the condition contained in Section 6.9 or Section 7.9, as applicable, to not be satisfied, then Transferee shall be entitled to obtain a Phase II ("the Phase II") environmental assessment of the Sale Assets, or any portion thereof. (The Phase I and the Phase II, if obtained, shall be referred to herein as the "Environmental Assessment"). Transferee shall commission and pay the cost of such Environmental Assessment and shall provide a copy to Transferor. The Environmental Assessment shall be subject to the confidentiality provisions of Section 5.6. Subject to Section 5.11(b) hereof, if after appropriate inquiry into the previous ownership of and uses of the Sale Assets consistent with good commercial or customary practice, the engineer concludes that environmental conditions exist on, under or affecting such properties that would constitute a violation or breach of Transferee's representations and warranties contained in Section 4.7 of this Agreement or cause the condition contained in Section 6.9 or Section 7.9, as applicable, to not be satisfied, then Transferee may (i) elect to proceed with Closing, or (ii) terminate the Agreement at the sole option of Transferee.

(b) If after appropriate inquiry into the previous ownership of and uses of the Real Property consistent with good commercial or customary practice, the engineer concludes that

environmental conditions exist on, under or affecting such properties that would constitute a violation or breach of Transferor's representations and warranties contained in Section 4.7 of this Agreement or cause the condition contained in Section 6.9 or Section 7.9, as applicable, to not be satisfied, then notwithstanding any other provisions of this Agreement to the contrary, but subject to the following sentence, Transferor shall at its sole cost and expense (up to a maximum of Two Hundred Fifty Thousand Dollars (\$250,000)) remove, correct or remedy any condition or conditions which constitute a violation or breach of Transferor's representations and warranties contained in Section 4.7 prior to the Closing Date and provide to Transferee at Closing a certificate from an environmental abatement firm reasonably acceptable to Transferee that such removal, correction or remedy has been completed so that Transferor's representations and warranties contained in Section 4.7 will be true as of the Closing Date and the conditions contained in Section 6.9 or Section 7.9, as applicable will be satisfied as of the Closing Date. In the event the cost of removal, correction or remedy of the environmental conditions exceeds Two Hundred Fifty Thousand Dollars (\$250,000), Transferee may elect to proceed with the Closing but shall not be obligated to close under any circumstances where there exists any uncured violations of warranties, representations or covenants with respect to environmental matters.

5.12 No Inconsistent Activities. Each party, with respect to the Sale Assets being conveyed by it agrees that it shall not, nor shall it authorize or permit any officer, director, employee, investment banker, attorney, advisor or agent, to directly or indirectly, solicit, initiate or encourage the submission of, or participate in any discussions or negotiations regarding, or furnish to any person any information with respect to, or take any other action to facilitate any inquiries or the making of any proposal by any party to acquire the Applicable Stations or the Sale Assets.

5.13 Financial Statements. To the extent either party is required to provide audited financial statements regarding any Applicable Stations pursuant to applicable law including, without limitation, Rule 3-05 of Regulation S-X of the rules and regulations of the Securities and Exchange Commission, and to the extent such financial statements exist and are available to the Transferor, the Transferor (as soon as is reasonably practicable following Closing, but in any event within sufficient time for the Transferee to comply with applicable law) shall provide to the Transferee a true, correct and complete copy of the audited financial statements for the Applicable Stations for the three (3) fiscal years prior to Closing, or, to the extent the audited financial statements are not within the Transferor's custody, possession or control, Transferor (as soon as is reasonably practicable following Closing, but in any event within sufficient time for the acquiring party to comply with applicable law) shall provide to Transferee true, correct and complete copies of the financial records for the Applicable Stations for the three (3) fiscal years prior to Closing and, provided management are available, requisite access to management sufficient for the Transferee and/or its representatives to create audited financial statements for the Applicable Stations.

ARTICLE VI
CONDITIONS PRECEDENT TO THE
OBLIGATIONS OF SALEM TO CLOSE

Salem's obligation to close the transaction contemplated by this Agreement is subject to the satisfaction, on or prior to the Closing Date, of each of the following conditions, unless waived by Salem in writing:

6.1 Accuracy of Representations and Warranties; Closing Certificate.

(a) The representations and warranties of Univision contained in this Agreement or in any other Document shall be complete and correct in all material respects on the date hereof and at the Closing Date with the same effect as though made at such time except for changes that do not constitute a Material Adverse Condition.

(b) Univision shall have delivered to Salem on the Closing Date a certificate that (i) the condition specified in Section 6.1(a) is satisfied as of the Closing Date, and (ii) except as set forth in such certificate (none of which exceptions shall be a Material Adverse Condition or materially adverse to Univision's ability to consummate the transaction contemplated hereby), the condition specified in Section 6.2 is satisfied as of the Closing Date.

6.2 Performance of Agreements. Univision shall have performed in all material respects all of its covenants, agreements and obligations required by this Agreement and each of the other Documents to be performed or complied with by it prior to or upon the Closing Date.

6.3 FCC, HSR and Other Consents.

(a) The FCC Orders shall have been issued by the FCC and shall have become a Final Action without any Material Adverse Condition.

(b) Univision shall have satisfied all material conditions which the FCC Orders or any order, ruling or decree of any judicial or administrative body relating thereto or in connection therewith specifies and requires to be satisfied by Univision prior to transfer to Salem of the FCC Licenses for the Univision Station;

(c) If legally required, all filings with the FTC and the DOJ pursuant to the HSR Act shall have been made and all applicable waiting periods with respect to such filings (including any extensions thereof) shall have expired or been terminated and no actions shall have been instituted which are pending on the Closing Date by the FTC or DOJ challenging or seeking to enjoin the consummation of this transaction; and

(d) All other material authorizations, consents, approvals and clearances of federal, state or local governmental agencies required to permit the consummation by Salem of the transactions contemplated by this Agreement shall have been obtained; all material statutory and regulatory requirements for such consummation shall have been fulfilled; and no such authorizations, consents, approvals or clearances shall contain any conditions that individually or in the aggregate would constitute a Material Adverse Condition.

6.4 Adverse Proceedings. Neither Salem nor any affiliate of Salem shall be subject to any ruling, decree, order or injunction restraining, imposing material limitations on or prohibiting (i) the consummation of the transactions contemplated hereby or (ii) its participation in the operation, management, ownership or control of the Applicable Stations; and no litigation, proceeding or other action seeking to obtain any such ruling, decree, order or injunction shall be pending. No governmental authority having jurisdiction shall have notified any party to this Agreement that consummation of the transaction contemplated hereby would constitute a violation of the laws of the United States or of any state or political subdivision or that it intends to commence proceedings to restrain such consummation or to force divestiture, unless such governmental authority shall have withdrawn such notice. No governmental authority having jurisdiction shall have commenced any such proceeding.

6.5 Opinion of Univision's FCC Counsel. Salem shall have received from Univision's FCC counsel an opinion, dated the Closing Date, in form and substance reasonably satisfactory to Salem's FCC counsel, to the effect that:

(a) The FCC Licenses for the Univision Station listed on Schedule 2.1(b) are valid, in good standing and in full force and effect and include all material licenses, permits and authorizations which are necessary under the Rules and Regulations for Univision to operate the Univision Station in the manner in which they are currently being operated.

(b) To counsel's knowledge, no condition has been imposed by the FCC as part of any FCC License for the Univision Station which is not set forth on the face thereof as issued by the FCC or contained in the Rules and Regulations applicable generally to stations of the type, nature, class or location of the Univision Station.

(c) No proceedings are pending or, to counsel's knowledge, are threatened which may result in the revocation, modification, non-renewal of, suspension of, or the imposition of a Material Adverse Condition upon, any of the FCC Licenses for the Univision Station, the denial of any pending applications, the issuance of any cease and desist order or the imposition of any fines, forfeitures or other administrative actions by the FCC which would constitute a Material Adverse Condition, other than proceedings affecting the radio broadcasting industry in general.

In rendering such opinion, counsel shall be entitled to rely upon Univision's representations and warranties in this Agreement and to limit its inquiry to its files and such FCC files and records as are available to it as of 10:00 o'clock A.M. Eastern time the business day immediately preceding

the Closing Date. Counsel may state that, as to any factual matters embodied in, or forming a basis for any legal opinion expressed in, such opinion, counsel's knowledge is based solely on such inquiry.

6.6 Other Consents. Univision shall have obtained in writing and provided to Salem on or before the Closing Date, without any condition materially adverse to Salem or the Applicable Stations, the material consents or waivers to the transactions contemplated by this Agreement required under those Station Agreements which Salem has elected to assume.

6.7 Delivery of Closing Documents. Univision shall have delivered or caused to be delivered to Salem on the Closing Date each of the Documents required to be delivered pursuant to Section 8.2.

6.8 No Cessation of Broadcasting.

(a) Between the date hereof and the Closing Date, the Univision Station shall not have for a period of more than ten (10) days, (i) ceased broadcasting on its authorized frequency, (ii) lost substantially all of their normal broadcasting capability or (iii) been broadcasting at a power level of 50% or less of its FCC authorized level, except to the extent any such event or condition is the result of any action of Salem in connection with its operation of the Univision Station pursuant to the LMA. Univision shall promptly notify Salem of the occurrence of any one or more of the foregoing events or conditions.

(b) In addition, during the five (5) days immediately preceding the Closing Date, the Univision Station shall have been operating continuously with substantially all of its normal broadcasting capability except for cessation or reductions for insignificant periods of time resulting from occurrences (such as lightning strikes) over which Univision has no control, or any action of Salem in connection with its operation of the Univision Station pursuant to the LMA. Univision shall have the right to delay Closing for a period not to exceed thirty (30) days if Univision reasonably determines that any action to restore the station to substantially all of its normal broadcasting capability can be completed during such delay period.

6.9 Environmental Conditions. The Environmental Assessment obtained by Salem pursuant to Section 5.11 hereof shall not have disclosed any material violation of any Environmental Law which is not removed or cured by Univision prior to Closing.

ARTICLE VII
CONDITIONS PRECEDENT OF THE
OBLIGATION OF UNIVISION TO CLOSE

The obligation of Univision to close the transaction contemplated by this Agreement is subject to the satisfaction, on or prior to the Closing Date, of each of the following conditions, unless waived by Univision in writing:

7.1 Accuracy of Representations and Warranties; Closing Certificate.

(a) The representations and warranties of Salem contained in this Agreement or in any other Document shall be complete and correct in all material respects on the date hereof and at the Closing Date with the same effect as though made at such time except for changes that do not constitute a Material Adverse Condition.

(b) Salem shall have delivered to Univision on the Closing Date a certificate that (i) the condition specified in Section 7.1(a) is satisfied as of the Closing Date, and (ii) except as set forth in such certificate (none of which exceptions shall be a Material Adverse Condition or materially adverse to Salem's ability to consummate the transaction contemplated hereby), the condition specified in Section 7.2 is satisfied as of the Closing Date.

7.2 Performance of Agreements. Salem shall have performed in all material respects all of its covenants, agreements and obligations required by this Agreement and each of the other Documents to be performed or complied with by it prior to or upon the Closing Date.

7.3 FCC, HSR and Other Consents.

(a) The FCC Orders shall have been issued by the FCC and shall have become a Final Action without any Material Adverse Condition.

(b) Salem shall have satisfied all material conditions which the FCC Orders or any order, ruling or decree of any judicial or administrative body relating thereto or in connection therewith specifies and requires to be satisfied by Salem prior to transfer to Salem of the FCC Licenses for the Salem Station.

(c) If legally required, all filings with the FTC and the DOJ pursuant to the HSR Act shall have been made and all applicable waiting periods with respect to such filings (including any extensions thereof) shall have expired or been terminated and no actions shall have been instituted which are pending on the Closing Date by the FTC or DOJ challenging or seeking to enjoin the consummation of this transaction.

(d) All other material authorizations, consents, approvals and clearances of federal, state or local governmental agencies required to permit the consummation by Univision of the transactions contemplated by this Agreement, shall have been obtained; all material statutory and regulatory requirements for such consummation shall have been fulfilled; and no such authorizations, consents, approvals or clearances shall contain any conditions that individually or in the aggregate would constitute a Material Adverse Condition.

7.4 Adverse Proceedings. Neither Univision nor any affiliate of Univision shall be subject to any ruling, decree, order or injunction restraining, imposing material limitations on or prohibiting (i) the consummation of the transactions contemplated hereby or (ii) its participation in the operation, management, ownership or control of the Applicable Stations; and no litigation, proceeding or other action seeking to obtain any such ruling, decree, order or injunction shall be pending. No governmental authority having jurisdiction shall have notified any party to this Agreement that consummation of the transaction contemplated hereby would constitute a violation of the laws of the United States or of any state or political subdivision or that it intends to commence proceedings to restrain such consummation or to force divestiture, unless such governmental authority shall have withdrawn such notice. No governmental authority having jurisdiction shall have commenced any such proceeding.

7.5 Opinion of Salem's FCC Counsel. Univision shall have received from Salem's FCC counsel an opinion, dated the Closing Date, in form and substance reasonably satisfactory to Salem's FCC counsel, to the effect that:

(a) The FCC Licenses for the Salem Station listed on Schedule 2.2(b) are valid, in good standing and in full force and effect and include all material licenses, permits and authorizations which are necessary under the Rules and Regulations for Salem to operate the Salem Station in the manner in which they are currently being operated.

(b) To counsel's knowledge, no condition has been imposed by the FCC as part of any FCC License for the Salem Station which is not set forth on the face thereof as issued by the FCC or contained in the Rules and Regulations applicable generally to stations of the type, nature, class or location of the Salem Station.

(c) No proceedings are pending or, to counsel's knowledge, are threatened which may result in the revocation, modification, non-renewal of, suspension of, or the imposition of a Material Adverse Condition upon, any of the FCC Licenses for the Salem Station, the denial of any pending applications, the issuance of any cease and desist order or the imposition of any fines, forfeitures or other administrative actions by the FCC which would constitute a Material Adverse Condition, other than proceedings affecting the radio broadcasting industry in general.

In rendering such opinion, counsel shall be entitled to rely upon Salem's representations and warranties in this Agreement and to limit its inquiry to its files and such FCC files and records as are available to it as of 10:00 o'clock A.M. Eastern time the fifth business day

immediately preceding the Closing Date. Counsel may state that, as to any factual matters embodied in, or forming a basis for any legal opinion expressed in, such opinion, counsel's knowledge is based solely on such inquiry.

7.6 Other Consents. Salem shall have obtained in writing and provided to Univision on or before the Closing Date, without any condition materially adverse to Univision or the Applicable Stations, the material consents or waivers to the transactions contemplated by this Agreement required under those Station Agreements which Univision has elected to assume.

7.7 Delivery of Closing Documents. Salem shall have delivered or caused to be delivered to Salem on the Closing Date each of the Documents required to be delivered pursuant to Section 8.2.

7.8 No Cessation of Broadcasting.

(a) Between the date hereof and the Closing Date, the Salem Station shall not have for a period of more than ten (10) days, (i) ceased broadcasting on its authorized frequency, (ii) lost substantially all of their normal broadcasting capability or (iii) been broadcasting at a power level of 50% or less of its FCC authorized level except to the extent any such event or condition is the result of any action of Univision in connection with its operation of the Salem Station pursuant to the LMA. Salem shall promptly notify Univision of the occurrence of any one or more of the foregoing events or conditions.

(b) In addition, during the five (5) days immediately preceding the Closing Date, the Salem Station shall have been operating continuously with substantially all of its normal broadcasting capability except for cessation or reductions for insignificant periods of time resulting from occurrences (such as lightning strikes) over which Salem has no control, or any action of Univision in connection with its operation of the Salem Station pursuant to the LMA. Salem shall have the right to delay Closing for a period not to exceed thirty (30) days if Salem reasonably determines that any action to restore the station to substantially all of its normal broadcasting capability can be completed during such delay period.

7.9 Environmental Conditions. The Environmental Assessment obtained by Univision, if any, pursuant to Section 5.11 hereof shall not have disclosed any material violation of any Environmental Law which is not removed or cured by Salem prior to Closing.

ARTICLE VIII
CLOSING

8.1 Time and Place. Unless otherwise agreed to in advance by the parties, Closing shall take place in person or via facsimile at the offices of Salem's counsel in Camarillo, California, or at such other place as the parties agree, at 10:00 A.M. Pacific Time on the date (the

"Closing Date") that is the later of (i) the fifth Business Day after the Applicable Date, or (ii) the date as soon as practicable following satisfaction or waiver of the conditions precedent hereunder. The "Applicable Date" shall be the date on which issuance of the FCC Orders without any condition materially adverse to the parties has become effective under the rules of the FCC. Notwithstanding the foregoing, the parties will endeavor in good faith to effect the Closing simultaneously in different locations to avoid the travel and additional expense of requiring all parties to be located in the same place and in connection therewith the parties will deliver, in escrow, to opposing counsel and other appropriate parties, all agreements, instructions, documents, releases, certificates, wire transfer instructions, pay-off instructions, UCC-3's and other matters and things necessary to effect Closing in such manner.

8.2 Documents to be Delivered to Transferee by Transferor. At the Closing, with respect to each of the Applicable Stations, the Transferor shall deliver or cause to be delivered to the Transferee the following:

- (a) Certified resolutions of Transferor's Board of Directors approving the execution and delivery of this Agreement and each of the other Documents and authorizing the consummation of the transactions contemplated hereby and thereby.
- (b) The certificate required by Section 6.1(b) or Section 7.1(b), as applicable.
- (c) A bill of sale and other instruments of transfer and conveyance transferring to Transferee the Tangible Personal Property.
- (d) Executed releases, in suitable form for filing and otherwise in form and substance reasonably satisfactory to Transferee, of any security interests granted in the Sale Assets as security for payment of loans and other obligations and of any other Liens (other than Permitted Liens).
- (e) An instrument or instruments assigning to Transferee all right, title and interest of Transferor in and to all Station Agreements being assumed by Transferee,
- (f) As to any material Station Agreement, an estoppel certificate executed by the parties to such agreement, in a form reasonably satisfactory to Transferee, confirming the terms of such agreement and that Transferor is not in default under, or in breach of, such agreement.
- (g) [Intentionally omitted].
- (h) An instrument assigning to Transferee all right, title and interest of Transferor in the FCC Licenses, and all other assignable or transferable governmental permits, licenses and authorizations (and any renewals, extensions, amendments or modifications thereof).

(i) The opinion of Transferor's FCC counsel, dated the Closing Date, to the effect set forth in Section 6.5 or Section 7.5, as applicable.

(j) True and correct copies of all records as described in Section 2.1(e) or Section 2.2(e), as applicable.

(k) A Certificate of Good Standing and Certificate of No Tax Liability (or similar document confirming Transferor has no current tax liability) issued no more than a reasonable amount of time prior to Closing by (i) Transferor's state of incorporation and (ii) the state where the Sale Assets are located.

(l) Such additional information, documents and materials as Transferee shall have reasonably requested, including without limitation, evidence that all consents and approvals required as a condition to Transferee's obligation to close hereunder have been obtained.

8.3 Documents to be Delivered to Transferor by Transferee. At the Closing, with respect to each of the Applicable Stations, the Transferee shall deliver or cause to be delivered to the Transferor the following:

(a) Certified resolutions of Transferee's Board of Directors approving the execution and delivery of this Agreement and each of the other Documents and authorizing the consummation of the transaction contemplated hereby and thereby.

(b) The agreement of Transferee assuming the obligations under any Station Agreements being assumed by Transferee.

(c) The certificate required under Section 6.1 (b) or Section 7.1 (b), as applicable

(d) [Intentionally omitted].

(e) Such additional information, documents and materials as Transferor shall have reasonably requested.

ARTICLE IX

SURVIVAL OF REPRESENTATIONS AND WARRANTIES; INDEMNIFICATION

9.1 Survival of Representation and Warranties. All representations, warranties, covenants and agreements contained in this Agreement or in any other Document shall survive the Closing for the Survival Period and the Closing shall not be deemed a waiver by either party of the representations, warranties, covenants or agreements of the other party contained herein or

in any other Document. No claim may be brought under this Agreement or any other Document 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 Survival Period. In the event such a notice is so given, the right to indemnification with respect thereto under this Article shall survive the Survival Period until such claim is finally resolved and any obligations with respect thereto are fully satisfied. For purposes of this agreement the "Survival Period" shall be twelve (12) months after the Closing Date except as to any representation or warranty of Univision or Salem as to (i) Transferor's qualification and authority to consummate the transactions contemplated hereby, (ii) title of the Transferor to the Applicable Stations or Sale Assets, or (iii) any tax obligation of Transferor, in which event the Survival Period shall be indefinite.

9.2 Indemnification in General. Univision and Salem agree that the rights to indemnification and to be held harmless set forth in this Agreement shall, as between the parties hereto and their respective successors and assigns, be exclusive of all rights to indemnification and to be held harmless that such party (or its successors or assigns) would otherwise have by statute, common law or otherwise. Except with respect to claims based on actual fraud or intentional misrepresentation, each party's rights under this Article IX shall be the sole and exclusive remedies with respect to claims resulting from or relating to any misrepresentation, breach of warranty or failure to perform any covenant or agreement contained in this Agreement or otherwise relating to the transactions that are the subject of this Agreement. Without limiting the generality of the foregoing, in no event shall either party or any Person claiming through, by or on behalf of either party, be entitled to claim or seek rescission of the transactions consummated under this Agreement.

9.3 Indemnification by Transferor.

(a) Subject to the provisions of Section 9.3(b) and Section 10.2, the Transferor of any Sale Asset shall defend, indemnify and hold harmless the Transferee and any officer, director, agent, employee and affiliate thereof with respect to any and all demands, claims, actions, suits, proceedings, assessments, judgments, costs, losses, damages, liabilities and expenses (including reasonable attorneys' fees), relating to or arising out of:

(i) Any breach or non-performance by such Transferor of any of its representations, warranties, covenants or agreements set forth in this Agreement or any other Documents; or

(ii) The ownership or operation by such Transferor of the Applicable Stations and the Sale Assets of such Transferor on or prior to the Closing Date, other than the Assumed Obligations; or

(iii) All other liabilities and obligations of such Transferor other than the Assumed Obligations.

(iv) Noncompliance by such Transferor with the provisions of the Bulk Sales Act, if applicable, in connection with the transactions contemplated hereby.

(v) Any violation of any Environmental Laws by such Transferor or the existence of any Hazardous Materials on the Real Property on or before Closing.

(b) Except for any amounts owed by such Transferor to Transferee under Section 9.3(a)(iv), and Section 2.8, if Closing occurs, such Transferor shall not be obligated until the amount of such claims, liabilities, damages, losses, costs and expenses exceeds the Transferor's Threshold Limitation, in which case Transferee shall then be entitled to indemnification of the entire amount.

9.4 Indemnification by Transferee.

(a) Subject to the provisions of Section 9.4(b) below and Section 10.2 below, the Transferee of any Sale Asset shall defend, indemnify and hold harmless the Transferor and any officer, director, agent, employee and affiliate thereof with respect to any and all demands, claims, actions, suits, proceedings, assessments, judgments, costs, losses, damages, liabilities and expenses (including reasonable attorneys' fees) relating to or arising out of:

(i) Any breach or non-performance by such Transferee of any of its representations, warranties, covenants or agreements set forth in this Agreement or any other Document; or

(ii) The ownership or operation by such Transferee of the Applicable Stations after the Closing Date; or

(iii) All other liabilities or obligations of such Transferee pursuant to the terms of this Agreement, including, without limitation, the Assumed Obligations.

(b) Except for any amounts owed by such Transferee to Transferor under Section 2.8, if Closing occurs, such Transferee shall not be obligated until the amount of such claims, liabilities, damages, losses, costs and expenses exceeds Transferee's Threshold Limitation, in which case the Transferor shall then be entitled to indemnification of the entire amount.

9.5 Indemnification Procedures. In the event that an Indemnified Party may be entitled to indemnification hereunder with respect to any asserted claim of, or obligation or liability to, any third party, such party shall notify the Indemnifying Party thereof, describing the matters involved in reasonable detail, and the Indemnifying Party shall be entitled to assume the defense thereof upon written notice to the Indemnified Party with counsel reasonably satisfactory to the Indemnified Party; provided, that once the defense thereof is assumed by the Indemnifying Party, the Indemnifying Party shall keep the Indemnified Party advised of all developments in the defense thereof and any related litigation, and the Indemnified Party shall be entitled at all

times to participate in the defense thereof at its own expense. If the Indemnifying Party fails to notify the Indemnified Party of its election to defend, or contests its obligation to indemnify under this Article IX, the Indemnified Party may pay, compromise, or defend such a claim without prejudice to any right it may have hereunder.

ARTICLE X
TERMINATION; LIQUIDATED DAMAGES

10.1 Termination. If Closing shall not have previously occurred, this Agreement shall terminate upon the earliest of:

(a) the giving of written notice from Salem to Univision, or from Univision to Salem, if:

(i) Salem gives such termination notice and is not at such time in material default hereunder, or Univision gives such termination notice and Univision is not at such time in material default hereunder; and

(ii) Either:

(A) Any of the representations or warranties contained herein of Univision (if such termination notice is given by Salem), or of Salem (if such termination notice is given by Univision), are inaccurate in any respect and materially adverse to the party giving such termination notice unless the inaccuracy has been induced by or is the result of actions or omissions of the party giving such termination notice or

(B) Any material obligation to be performed by Univision (if such termination notice is given by Salem) or by Salem (if such termination notice is given by Univision) is not timely performed in any material respect unless the lack of timely performance has been induced by or is the result of actions or omissions of the party giving such termination notice or

(C) Any condition (other than those referred to in Section 10.1(a)(ii)(A) or Section 10.1(a)(ii)(B)) to the obligation to close the transaction contemplated herein of the party giving such termination notice has not been timely satisfied; and

(iii) any such inaccuracy, failure to perform or non-satisfaction of a material condition neither has been cured nor satisfied within twenty (20) days after written notice thereof from the party giving such termination notice nor waived in writing by the party giving such termination notice; provided however that such opportunity to cure shall not apply to the failure of a party to perform its obligations set forth in Article VIII.

(b) Written notice from Salem to Univision, or from Univision to Salem, at any time after eighteen (18) months from the date this Agreement is executed; provided that termination shall not occur upon the giving of such termination notice by Salem if Salem is at such time in material default hereunder or upon the giving of such termination notice by Univision if Univision is at such time in material default hereunder.

(c) Written notice from Salem to Univision, or from Univision to Salem, at any time following a determination by the FCC that the applications for consent to assignment of the FCC Licenses, or any of them, has been designated for hearing; provided that the party which is the subject of the hearing (or whose alleged actions or omissions resulted in the designation for hearing) may not elect to terminate under this Section 10.1(c).

(d) The written election by Salem under Section 5.11 or Article XI or by Univision under Section 5.11 or Article XI.

(e) [Intentionally deleted];

(f) Written notice from Salem to Univision, or from Univision to Salem, at any time following the material breach of the LMAs, or any of them; provided that termination shall not occur upon the giving of such termination notice by Salem if Salem is at such time in material default under the LMAs, or any of them, or upon the giving of such termination notice by Univision if Univision is at such time in material default under the LMAs, or any of them.

10.2 Obligations Upon Termination

(a) In the event this Agreement is terminated pursuant to Section 10.1(a)(ii)(A), Section 10.1(a)(ii)(B) or Section 10.1(f), the aggregate liability of Univision for breach hereunder shall be as provided in Section 10.2(b) below, and the aggregate liability for Salem for breach hereunder shall be as provided in Section 10.2(c) below. In the event this Agreement is terminated for any other reason, neither party shall have any liability hereunder.

(b) Notwithstanding any provision of this Agreement to the contrary, if the Agreement is terminated by Salem's giving of written notice to Univision pursuant to Section 10.1(a)(ii)(A), Section 10.1(a)(ii)(B), Section 10.1(e) or Section 10.1(f), Salem shall be entitled to actual damages and indemnification from Univision.

(c) Notwithstanding any provision of this Agreement to the contrary, if the Agreement is terminated by Univision's giving of written notice to Salem pursuant to Section 10.1(a)(ii)(A), Section 10.1(a)(ii)(B) or Section 10.1(f), Univision shall be entitled to actual damages and indemnification from Salem.

10.3 Termination Notice. Each notice given by a party pursuant to Section 10.1 to terminate this Agreement shall specify the section (and clause or clauses thereof) of Section 10.1 pursuant to which such notice is given.

10.4 Specific Performance. Both parties acknowledges that the Stations and the Sale Assets are of a special, unique, and extraordinary character, and that any breach of this Agreement by either party may not be fully compensated for by monetary damages. Accordingly, if either party shall breach its obligations under this Agreement, the other shall be entitled, in addition to any of the remedies that it may have, to enforcement of this Agreement (subject to obtaining any required approval of the FCC) by decree of specific performance or injunctive relief requiring the breaching party to fulfill its obligations under this Agreement. In any action to equitably enforce the provisions of this Agreement, the parties shall waive the defense that there is an adequate remedy at law or equity and agree that the parties 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.

ARTICLE XI **CASUALTY**

Upon the occurrence of any casualty loss, damage or destruction material to the operation of the Applicable Stations or the Sale Assets prior to the Closing, Transferor shall promptly give Transferee written notice setting forth in detail the extent of such loss, damage or destruction and the cause thereof if known. Transferor shall use commercially reasonable efforts to promptly commence and thereafter to diligently proceed to repair or replace any such lost, damaged or destroyed property. In the event that such repair or replacement is not fully completed prior to the Closing Date, Transferee may elect at its sole option to postpone the Closing until Transferor's repairs have been fully completed if such event shall occur within sixty (60) days or to consummate the transactions contemplated hereby on the Closing Date, in which event Transferor shall assign to Transferee the portion of the insurance proceeds (less all reasonable costs and expenses, including without limitation attorney's fees, expenses and court costs incurred by Transferor to collect such amounts), if any, not previously expended by Transferor to repair or replace the damaged or destroyed property (such assignment of proceeds to take place regardless of whether the parties close on the scheduled or deferred Closing Date) and Transferee shall accept the damaged Sale Assets in their damaged condition provided that Transferor has satisfied its insurance obligations in Section 5.1(a) hereof. In the event the Transferor is unable to complete the repairs within sixty (60) days, Transferee shall have the option to terminate this Agreement. In the event the loss, damage or destruction causes or will cause the Applicable Station(s) to be off the air for more than seven (7) consecutive days or fifteen (15) total days during a one month period, whether or not consecutive, then Transferee may elect either (i) to consummate the transactions contemplated hereby on the Closing Date, in which event Transferor shall assign to Transferee the portion of the insurance proceeds (less all reasonable costs and expenses, including without limitation attorney's fees, expenses and court costs,

incurred by Transferor to collect such amounts), if any, not previously expended by Transferor to repair or replace the damaged or destroyed property, and Transferee shall accept the damaged Sale Assets in their damaged condition, or (ii) to terminate this Agreement.

ARTICLE XII **CONTROL OF STATION**

Except as may otherwise be provided in the LMAs between the parties, between the date of this Agreement and the Closing Date, Univision shall not control, manage or supervise the operation of the Salem Station, all of which shall remain the sole responsibility and under the control of Salem, subject to its compliance with this Agreement. Except as may otherwise be provided in the LMAs between the parties, between the date of this Agreement and the Closing Date, Salem shall not control, manage or supervise the operation of the Univision Station, all of which shall remain the sole responsibility and under the control of Univision, subject to its compliance with this Agreement.

ARTICLE XIII **MISCELLANEOUS**

13.1 Further Actions. From time to time before, at and after the Closing, each party, at its expense and without further consideration, will execute and deliver such documents to the other party as the other party may reasonably request in order more effectively to consummate the transactions contemplated hereby.

13.2 Access After the Closing Date. After the Closing and for a period of twelve (12) months, each Transferee shall provide the Transferor, Transferor's counsel, accountants and other representatives with reasonable access during normal business hours to the books, records, property, personnel, contracts, commitments and documents of the Stations pertaining to transactions occurring prior to the Closing Date, that are the responsibility and obligation of the Transferor, when requested by Transferor, and Transferee shall retain such books and records for the normal document retention period of Transferee. At the request and expense of Transferor, Transferee shall deliver copies of any such books and records to Transferor.

13.3 Payment of Expenses.

(a) Any filing fees assessed by the FCC in connection with the filings contemplated by Section 5.2(a) or consummation of the transactions contemplated hereby shall be shared equally between Univision and Salem.

(b) Any filing fees assessed in connection with the filings contemplated by Section 5.2(b) shall be shared equally between Univision and Salem.

(c) All state or local sales or use, stamp or transfer, grant and other similar taxes payable in connection with consummation of the transactions contemplated hereby shall be paid for by the party required to pay such amount by law or local customs.

(d) Except as otherwise expressly provided in this Agreement, each of the parties shall bear its own expenses, including the fees of any attorneys and accountants engaged by such party, in connection with this Agreement and the consummation of the transactions contemplated herein.

13.4 Notices. All notices, demands or other communications given hereunder shall be in writing and shall be sufficiently given if delivered by courier or sent by registered or certified mail, first class, postage prepaid, or by telex, cable, telegram, facsimile machine or similar written means of communication, addressed as follows:

(a) If to Univision, to:

c/o Univision Radio
3102 Oak Lawn Ave., Suite 215
Dallas, TX 75219
Attention: McHenry T. Tichenor, Jr.
Telephone: (214) 525-7712
Facsimile No.: (214) 525-7830

With a copy to:

c/o Univision Communications, Inc.
5999 Center Drive
Los Angeles, CA 90045-0073
Attention: Phyllis B. Verdugo
Telephone: (310) 348-3677
Facsimile No.: (310) 348-3679

(b) If to Salem, to:

c/o Salem Communications Corporation
4880 Santa Rosa Road
Camarillo, CA 93012
Attention: Jonathan L. Block
Telephone: (805) 987-0400
Facsimile No.: (805) 384-4505

or such other address with respect to any party hereto as such party may from time to time notify (as provided above) to the other party hereto. Any such notice, demand or communication shall be deemed to have been given (i) if so mailed, as of the close of the third (3rd) business day following the date mailed, and (ii) if personally delivered or otherwise sent as provided above, on the date received.

13.5 Entire Agreement. This Agreement, the LMAs, the schedules and exhibits hereto, and the other Documents constitute the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersede any prior negotiations, agreements, understandings or arrangements between the parties with respect to the subject matter hereof.

13.6 Binding Effect; Benefits. Except as otherwise provided herein, this Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors or assigns. Except to the extent specified herein, nothing in this Agreement, express or implied, shall confer on any Person other than the parties hereto and their respective successors or assigns any rights, remedies, obligations or liabilities under or by reason of this Agreement.

13.7 Assignment. This Agreement and any rights hereunder shall not be assignable by either party hereto without the prior written consent of the other party. Notwithstanding the foregoing, either party may in its sole and absolute discretion, assign all of its right, title, interest and obligation under this Agreement to any entity controlled by, or under common control with it.

13.8 Governing Law. This Agreement shall in all respects be governed by and construed in accordance with the laws of the State of California, including all matters of construction, validity and performance.

13.9 Bulk Sales. Transferee hereby waives compliance by Transferor with the provisions of the Bulk Sales Act and similar laws of any state or jurisdiction, if applicable. Transferor shall, in accordance with Article IX, indemnify and hold Transferee harmless from and against any and all claims made against Transferee by reason of such non-compliance.

13.10 Amendments and Waivers. No term or provision of this Agreement may be amended, waived, discharged or terminated orally but only by an instrument in writing signed by the party against whom the enforcement of such amendment, waiver, discharge or termination is sought. Any waiver shall be effective only in accordance with its express terms and conditions.

13.11 Severability. If any provision of this Agreement, or the application thereof to any Person or entity or any circumstance, is invalid or unenforceable in any jurisdiction, (i) a suitable and equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the extent and purpose of such invalid and unenforceable provision, and (ii) the remainder of this Agreement and the application of such provision to other Persons, entities or circumstances shall not be affected by such invalidity or unenforceability, nor shall such invalidity or unenforceability affect the validity or enforceability of such provision, or the application thereof, in any other jurisdiction.

13.12 Headings. Except as provided in Article I, the captions in this Agreement are for convenience of reference only and shall not define or limit any of the terms or provisions hereof.

13.13 Counterparts. This Agreement may be executed in any number of counterparts, and by either party on separate counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Fax signatures shall be deemed the same as original signatures. This Agreement is not binding until executed by both parties hereto.

13.14 References. All references in this Agreement to articles and sections are to articles and sections contained in this Agreement unless a different document is expressly specified.

13.15 Schedules and Exhibits. Unless otherwise specified herein, each schedule and exhibit referred to in this Agreement is attached hereto, and each such schedule and exhibit is hereby incorporated by reference and made a part hereof as if fully set forth herein.

13.16 Dispute Resolution. Any claims or disputes arising out of this Agreement shall be resolved in the courts of the State of Texas, Dallas County or in the federal courts located in the State of Texas, Dallas County and each party hereto consents to and accepts for itself and its respect of its property, generally and unconditionally, the jurisdiction of such courts. The parties irrevocably waive any objections including, without limitation, any objection to the laying of venue or based on the grounds of *forum non conveniens*, which it may now or hereafter have to the bringing of any such action, suit or other proceeding in those jurisdictions.

13.17 Attorneys' Fees. If any action at law or equity is brought, whether in a judicial proceeding or arbitration, to enforce or interpret any provision of this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and expenses from the other party, which fees and expenses shall be in addition to any other relief, which may be awarded.

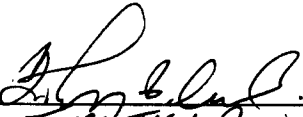
13.18 Knowledge. All references to the knowledge or awareness of the parties shall refer to each parties respective actual knowledge, assuming a reasonable degree of investigation by such party.

13.19 Consent. Except as specifically set forth to the contrary herein, no consent required hereunder shall be unreasonably withheld, conditioned or delayed.

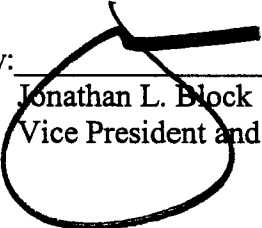
[Signature page follows.]

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first written.

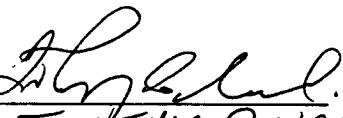
UNIVISION RADIO SACRAMENTO, INC.

By: 
Name: TIMOTHY P. WARD
Title: V.P. & CEO

**GOLDEN GATE BROADCASTING
COMPANY, INC.**

By: 
Jonathan L. Block
Vice President and Secretary

UNIVISION RADIO LICENSE CORPORATION

By: 
Name: TIMOTHY P. WARD
Title: V.P. & CEO