

## **COVENANT NOT TO COMPETE**

THIS COVENANT NOT TO COMPETE is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2004, by and between ROBERT TRAVIS AND KAREN TRAVIS; jointly and severally ("Covenantors") and CENTENNIAL BROADCASTING, LLC ("Buyer")

### **W I T N E S S E T H:**

WHEREAS, Covenantors are the majority members and sole managers of Travis Media, LLC ("Seller"), licensee of Radio Stations WZZI, facility ID 9047, Vinton, Virginia and Stations WZZU, facility ID 17407, Lynchburg, Virginia (the "Stations").

WHEREAS, Simultaneously herewith, Buyer is purchasing from Seller substantially all of the assets, property and rights, tangible and intangible, of Seller used or useful in the business or operation of the Stations, including all licenses, permits and authorizations issued by the Federal Communications Commission (the "FCC") for the operation of the Stations (the "Assets"), on the terms and subject to the conditions set forth in an Asset Purchase Agreement dated as of the 30<sup>th</sup> day of August, 2004 (the "Purchase Agreement").

WHEREAS, it is a condition precedent to the Buyer's obligation to Close under the Purchase Agreement that Covenantors enter into this Agreement ancillary to the aforementioned sale of business;

NOW, THEREFORE, in consideration of the premises and the mutual promises contained herein, the parties agree as follows:

1. The Covenantors each agree that from the date hereof until the fourth (4<sup>th</sup>) anniversary of Closing, they will not directly or indirectly, whether as owner, licensee, principal, agent, consultant, employee, proprietor, partner, lender, or shareholder, director or officer of a corporation (or similar position in any other entity), or in any other capacity (a) solicit for employment (except by non-specific general advertising in newspapers or trade publications), employ or assist in employing, or otherwise associate as an active participant in business with, any person who, at the time of such solicitation, employment, assistance or association, is an employee, officer or agent of the Stations or (b) induce any employee, officer or agent of the Stations to terminate his or her employment or other relationship with the Stations.

2. The Covenantors further agree that from the date hereof until the fourth (4<sup>th</sup>) anniversary of Closing, they will not directly or indirectly, whether as owner licensee, principal, agent, consultant, employee, proprietor, partner, lender, or shareholder, director or officer of a corporation (or similar position in any other entity), or in any other capacity, other than as employee or contractor of Buyer, engage in, own, manage, operate, control or otherwise participate in or be in any manner connected with the ownership, operation, management or control of any commercial AM or FM broadcast business at any radio broadcasting station that (x) is licensed to a community the reference coordinates of which are within 10 miles of the reference coordinates of either Lynchburg or Vinton, Virginia or (y) provides primary service to any portion of any county or city included in the Roanoke-Lynchburg, Virginia Metro Radio

Market as defined by Arbitron if such station described in this clause (y) utilizes a programming format substantially similar to any format used by the Stations on the date Buyer acquires the Stations.

3. In consideration of the Covenantors' covenants contained herein, the Buyer shall pay Covenantors the sum of Four Thousand Dollars (\$4,000.00) in four installments of One Thousand Dollars (\$1,000.00) (payable one-half to each Covenantor), the first of which installments shall be paid to Covenantors upon the execution of this Covenant Not to Compete and the remainder of which shall be due and payable on the first, second and third anniversaries of this Covenant Not to Compete.

4. The parties to this Agreement acknowledge that the injury to the Buyer resulting from any violation by the Covenantors of their covenants herein will be irreparable and of such a character that it cannot be compensated by money damages, that the remedy at law for any such violation will be inadequate, and that the damages resulting from any such violation are not readily susceptible to being measured in monetary terms. Accordingly, Buyer may, in addition to pursuing its other remedies, obtain a temporary restraining order and preliminary and permanent injunctive relief from any court having jurisdiction of the matter restraining any such violation and any threatened or further violation; and Covenantors shall not object to, and shall be deemed hereby to join in Buyer's petition that bond or other security be waived in connection with any such restraining order or injunctive relief. Nothing in this Paragraph four (4) shall be deemed to limit Buyer's other or additional remedies, at law or in equity or otherwise, for any violation by the Covenantors of any of the provisions of this Agreement which may be pursued or availed of by the Buyer.

5. The Covenantors have carefully considered the nature and extent of the restrictions upon them and the rights and remedies conferred upon the Buyer under this Agreement, and the Covenantors hereby acknowledge and agree that such restrictions, rights and remedies are reasonable in time and territory, are designed to eliminate competition which otherwise would be unfair to the Buyer following the Buyer's purchase of the Stations, do not stifle the inherent skill and experience of Covenantors, would not operate as a bar to either of the Covenantor's sole means of support, are fully required to protect the legitimate interests of the Buyer as the purchaser of the Stations and do not confer a benefit upon the Buyer disproportionate to the detriment to the Covenantors.

6. In the event that the Covenantors violate any provision of this Agreement as to which there is a specific time period during which such parties are prohibited from taking certain actions or from engaging in certain activities as set forth in this Agreement, then, in such event, such violation shall toll the running of such time period from the date such violation commences until such violation shall cease.

7. Any notice, demand, or request required or permitted to be given under the provisions of the Covenant Not to Compete shall be deemed effective if made in writing (including telecommunications) and delivered to recipient's address or facsimile number set forth under its name below by any of the following means: (a) hand delivery, (b) registered or certified mail, postage pre-paid, or (c) Federal Express, express mail or like courier service. Notice made

in accordance with this section shall be deemed delivered upon receipt.

To Seller: Robert Travis  
Karen Travis  
844 Deercroft Drive  
Blacksburg, Virginia 24060  
Fax: 540-951-9863

With a copy that will not constitute notice to:  
David Tillotson, Esquire  
4606 Charleston Terr., N.W.  
Washington, D.C. 20007  
Fax: 202/965-2018

To Buyer: Centennial Broadcasting, LLC  
3443 Robinhood Road, Suite H  
Winston-Salem, NC 27106  
Fax: 336/794-7971  
Attn: Allen B. Shaw, President & CEO

With a copy that will not constitute notice to:  
Heather K. Mallard, Esquire  
150 Fayetteville Street Mall, Suite 2100  
Raleigh, NC 27601  
Fax: 919/755-6077

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

8. If any court determines that the covenants not to compete contained in this Agreement are unenforceable because of the duration or geographic scope of such provisions, such court shall have the power to reduce the duration or scope of such provisions, as the case may be, in their reduced form, such provisions shall then be enforceable.

9. Each of the covenants on the part of Covenantors contained in paragraphs 1 and 2 of this Agreement shall be construed as an agreement independent of each other such covenant. The existence of any claim or cause of action of Covenantors against Buyer, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by Buyer of any such covenant.

10. This Agreement contains the entire understanding of the parties with respect to the subject matter hereof and supersedes all prior arrangements, agreements and understandings relative to the subject matter hereof. No amendment, waiver of compliance with any provision or condition hereof, or consent provided for herein will be effective unless evidenced by an instrument in writing signed by the party against whom enforcement of any such change is sought.

11. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

12. This Agreement shall be construed and governed in accordance with the laws of the State of Virginia.

13. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, representatives, successors and assigns.

14. Buyer's failure to insist upon strict compliance with any provision of this Agreement shall not be deemed a waiver of such provision or any other provision.

15. The invalidity or nonenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

COVENANTORS

\_\_\_\_\_  
Karen Travis

\_\_\_\_\_  
Robert Travis

CENTENNIAL BROADCASTING, LLC

By: \_\_\_\_\_  
Allen Shaw, President & CEO