

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is made as of March 30, 2007 by and between Blue Chip Communications, Inc., an Ohio corporation ("Seller"), and Radio One, Inc., a Delaware corporation ("Buyer").

Recitals

A. Seller owns and operates the following radio broadcast station (the "Station") pursuant to certain authorizations issued by the Federal Communications Commission (the "FCC"):

WDBZ(AM), Cincinnati, Ohio, FCC Facility ID No. 10139

B. Pursuant to the terms and subject to the conditions set forth in this Agreement, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, the Station Assets (defined below).

C. Buyer (as Programmer) and Seller (as Licensee) are parties to the August 10, 2001 Local Programming and Marketing Agreement (as amended, the "LMA") pursuant to which, among other things, Buyer provides programming for, and is entitled to receive the revenues from the sale of advertising time on, the Station.

Agreement

NOW, THEREFORE, taking the foregoing into account, and in consideration of the mutual covenants and agreements set forth herein, the parties, intending to be legally bound, hereby agree as follows:

ARTICLE 1: SALE AND PURCHASE

1.1 Station Assets. On the terms and subject to the conditions hereof, on the Closing Date (defined below), Seller shall sell, assign, transfer, convey and deliver to Buyer, and Buyer shall purchase and acquire from Seller, all right, title and interest of Seller in and to all assets, properties, interests and rights of Seller, real and personal, tangible and intangible, that are used or held for use in the operation of the Station, except the Excluded Assets (defined below) (the "Station Assets"), including without limitation the following:

(a) all licenses, permits and other authorizations issued to Seller by the FCC with respect to the Station (the "FCC Licenses"), including those described on *Schedule 1.1(a)*, including any renewals or modifications thereof and additional FCC licenses, permits and authorizations issued between the date hereof and Closing (defined below);

(b) all of Seller's equipment, transmitters, antennas, cables, towers, vehicles, furniture, fixtures, spare parts and other tangible personal property of every kind and description that are used or held for use exclusively in the operation of the Station and located at the

Station's tower site or studio (the "Tangible Personal Property"), including without limitation those items listed on *Schedule 1.1(b)*;

(c) all of Seller's leased real property used or held for use in the operation of the Station (including any appurtenant easements and improvements located thereon) and listed on *Schedule 1.1(c)* (the "Real Property");

(d) all agreements entered into in the ordinary course of business for the sale of advertising time on the Station for cash that are cancelable without penalty that exist at Closing (defined below), and all other operating contracts, agreements and leases that are used in the operation of the Station and listed on *Schedule 1.1(d)* attached hereto (the "Station Contracts");

(e) all of Seller's rights in and to the Station's call letters and Seller's rights in and to the trademarks, trade names, service marks, copyrights, computer software, programs and programming material, jingles, slogans, logos, and other intangible property that is used or held for use exclusively in the operation of the Station, including without limitation those listed on *Schedule 1.1(e)* attached hereto (the "Intangible Property");

(f) all interests of Seller in all programs and programming materials and elements of whatever form or nature used or held for use in the operation of the Station, whether recorded on tape or any other substance or intended for live performance, and whether completed or in production, and all related common-law and statutory copyrights used or held for use in the operation of the Station;

(g) Seller's rights in and to all the files, documents, records, and books of account (or copies thereof) relating to the operation of the Station, including the Station's local public files, programming information and studies, blueprints, technical information and engineering data, advertising studies, marketing and demographic data, sales correspondence, lists of advertisers, credit and sales reports, and logs;

(h) all claims (including warranty claims) relating to items included in the Station Assets, deposits, prepaid expenses, and Seller's goodwill in, and the going concern value of, the Station; and

(i) all accounts receivable of the Station existing at Closing (the "Receivables").

The Station Assets shall be transferred to Buyer free and clear of liens, claims and encumbrances ("Liens") except for Permitted Encumbrances and Buyer shall assume and undertake to pay, discharge and perform all obligations and liabilities of Seller arising or accruing on or after the Closing Date under the Station Assets attributable to the period on and after the Closing (except insofar as an adjustment therefore is made in favor of Seller under Section 1.5), including but not limited to the Station Contracts (the "Assumed Obligations"). Permitted Encumbrances shall mean current taxes not yet due and payable and assessments, easements, covenants, restrictions, reservations of record, legal highways, zoning ordinances and defects in title, encroachments or other matters that do not materially adversely affect the continued use of the property as currently used by Seller.

1.2 Excluded Assets. Notwithstanding anything to the contrary contained herein, the Station Assets shall not include cash, cash equivalents, insurance policies, employee benefit plans, contracts used in the operation of the Station other than those listed on *Schedule 1.1(d)*, and the assets listed on Schedule 1.2 (if any) (the "Excluded Assets").

1.3 Retained Liabilities. Except for the Assumed Obligations, and except as provided in the LMA, Buyer does not assume and will not be deemed by execution and delivery of this Agreement or any agreement, instrument or document delivered pursuant to or in connection with this Agreement or otherwise by reason of the consummation of the transactions contemplated hereby, to have assumed, any liabilities, obligations or commitments of Seller of any kind, whether or not disclosed to Buyer, including, without limitation, any liability or obligation of Seller under any contracts not included in the Station Contracts (the "Retained Liabilities").

1.4 Purchase Price. The purchase price to be paid for the Station Assets shall be the sum of Two Million Six Hundred Fifty Thousand Dollars (\$2,650,000), subject to adjustment pursuant to Section 1.5 *plus* \$39,342.77 for tax on imputed interest (the "Purchase Price"). The Purchase Price shall be paid in monthly installments beginning April 1, 2007 by wire transfer of immediately available federal funds or check as set forth on *Exhibit A* and as documented in the Note (as defined below) delivered at Closing. All payments received by Seller prior to Closing shall be credited to Buyer at Closing and shall reduce the Purchase Price accordingly. If this Agreement is terminated prior to Closing for any reason (other than pursuant to Section 10.1(c)), then any and all payments made to Seller from Buyer pursuant to *Exhibit A* shall be immediately refunded to Buyer. If this Agreement is terminated prior to Closing by Seller pursuant to Section 10.1(c), then Seller shall be entitled to receive \$662,500 (the "Liquidated Damages Amount") as liquidated damages and the sole remedy of Seller under this Agreement. If at the time of such termination pursuant to Section 10.1(c), Seller has already received monthly payments in the aggregate in excess of the Liquidated Damages Amount, then Seller shall promptly repay to Buyer such excess and shall retain only the Liquidated Damages Amount. If at the time of such termination pursuant to Section 10.1(c), Seller has received less than the Liquidated Damages Amount, then Buyer shall promptly pay to Seller the difference between the aggregate of such monthly payments received and the Liquidated Damages Amount. Buyer acknowledges and agrees that Seller's recovery of the Liquidated Damages Amount shall constitute payment of liquidated damages and not a penalty and that Seller's Liquidated Damages Amount is reasonable in light of the substantial but indeterminate harm anticipated to be caused by Buyer's material breach or default under this Agreement, the difficulty of proof of loss and damages, the inconvenience and non-feasibility of otherwise obtaining an adequate remedy, and the value of the transactions to be consummated hereunder. "Note" means an unsecured promissory note dated as of the date hereof in the principal amount of \$2,650,000 *less* the aggregate amount of the monthly installments made as set forth above prior to Closing, and shall be in substantially the same form as *Exhibit B*, attached hereto.

1.5 Prorations. Subject to the LMA, the operation of the Station and the income and operating expenses attributable thereto until 11:59 p.m. on the day preceding the day of Closing (the "Adjustment Time") shall be for the account of Seller and thereafter for the account of Buyer, and income and expenses shall be prorated between Seller and Buyer as of the Adjustment Time in accordance with generally accepted accounting principles, and the Purchase

Price shall be adjusted accordingly. Such prorations shall include all property taxes (except transfer taxes as provided by Section 11.1), music and other license fees, utility expenses, rent and other amounts under Station Contracts and similar prepaid and deferred items. Prorations and adjustments shall be made at Closing to the extent practicable. As to those prorations and adjustments not capable of being ascertained at Closing, an adjustment and proration shall be made within ninety (90) calendar days after Closing.

1.6 Allocation. The Purchase Price shall be allocated among the Station Assets based upon an appraisal prepared by Bond & Pecaro (whose fees shall be paid by Buyer). Seller and Buyer agree to use the allocation determined pursuant to this Section for all tax purposes, including without limitation those matters subject to Section 1060 of the Internal Revenue Code of 1986, as amended.

1.7 Closing. The consummation of the sale and purchase of the Station Assets pursuant to this Agreement (the "Closing") shall take place on a date designated by Buyer, by providing written notice to Seller, no later than ten business days after the date that the FCC Consent becomes Final (defined below), in any case subject to the satisfaction or waiver of the last of the conditions required to be satisfied or waived pursuant to Articles 6 or 7 below (other than those requiring a delivery of a certificate or other document, or the taking of other action, at the Closing). The date on which the Closing is to occur is referred to herein as the "Closing Date."

1.8 Termination of LMA. Concurrently with Closing, the LMA shall, automatically and without the need for any action on the part of Seller or Buyer, terminate and be of no further force or effect other than Section 14 which shall remain in full force and effect notwithstanding the termination of the LMA. Upon such termination, notwithstanding anything set forth in the LMA to the contrary, neither party (nor any successor or assignee) to the LMA shall have any further rights or obligations thereunder, and no provision of the LMA shall survive such termination, provided, however, that any obligations for reimbursement under Section 11 of the LMA or for indemnification under Section 14 of the LMA shall survive until performed.

1.9 Effect of LMA. Notwithstanding anything contained herein to the contrary, Seller shall not be deemed to have breached any of its representations, warranties, covenants or agreements contained herein to the extent that the inaccuracy of any such representations, the breach of any such warranty, covenant or agreement arises out of (a) any actions taken by or at the direction of Buyer or its affiliates (or any of their respective officers, directors, employees or agents) in connection with Buyer's performance of its obligations under the LMA, or (b) the failure of Buyer to perform any of its obligations under the LMA. Buyer's actions or failures as provided for in (a) and (b) of this Section 1.9 shall hereinafter be referred to as "*Buyer LMA Actions*." Buyer acknowledges and agrees that Seller shall not be deemed responsible for or have authorized or consented to any action or failure to act on the part of Buyer or its affiliates (or any of their respective officers, directors, employees, agents or representatives) in connection with the LMA solely by reason of the fact that prior to Closing, Seller shall have the legal right to control, manage, and supervise the operation of the Stations and the conduct of the business, except to the extent Seller actually exercises control, management or supervision of the operation of the Stations or the conduct of the business.

ARTICLE 2: SELLER REPRESENTATIONS AND WARRANTIES

Seller represents and warrants to Buyer as follows:

2.1 Organization. Seller is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and is qualified to do business in each jurisdiction in which the Station Assets are located. Seller has the requisite power and authority to own and operate the Station, to carry on the Station's business as now conducted by it, and to execute, deliver and perform this Agreement and the documents to be made by Seller pursuant hereto.

2.2 Authorization. The execution, delivery and performance of this Agreement and the documents to be made pursuant hereto have been duly authorized and approved by all necessary action of Seller (the "Seller Authorization") and do not require any further authorization or consent of Seller. This Agreement and the documents to be made pursuant hereto are legal, valid and binding agreements of Seller enforceable in accordance with their respective terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

2.3 No Conflicts. The execution, delivery and performance by Seller of this Agreement and the documents to be made pursuant hereto does not conflict with any organizational documents of Seller or any law, judgment, order, or decree to which Seller is subject, and does not require the consent, approval or authorization, or filing with, any third party or any court or governmental authority, except the FCC Consent, the Required Consent (as defined below) and any other third party consents set forth herein or in the Schedules attached hereto and made a part hereof.

2.4 FCC Licenses.

(a) Seller holds the FCC Licenses listed and described on *Schedule 1.1(a)*. Such FCC Licenses constitute all of the authorizations required under the Communications Act of 1934, as amended (the "Communications Act"), or the rules, regulations and policies of the FCC for the present operation of the Station. The FCC Licenses are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated and have not expired. There is not pending or, to Seller's knowledge, threatened any action by or before the FCC to revoke, suspend, cancel, rescind or modify any of the FCC Licenses (other than proceedings relating to FCC rules of general applicability), and there is no order to show cause, notice of violation, notice of apparent liability, or notice of forfeiture or complaint pending or, to Seller's knowledge, threatened against Seller or the Station by or before the FCC. Seller and the Station are in compliance in all material respects with the FCC Licenses, the Communications Act, and the rules, regulations and policies of the FCC.

(b) Seller and the Station Assets are in compliance in all material respects with all rules and regulations of the Federal Aviation Administration applicable to the Station.

Since the date of the last renewal of Seller's license for the Station, all material reports and filings required to be filed with, and all regulatory fees required to be paid to, the FCC by Seller with respect to the Station (including without limitation all required equal employment opportunity reports) have been timely filed and paid in all material respects. All such reports and filings are accurate and complete in all material respects. Seller maintains public files for the Station as required by FCC rules.

(c) The operation of the Station does not expose workers or others to levels of radio frequency radiation in excess of the "Radio Frequency Protection Guides" recommended in "American National Standard Safety Levels with Respect to Human Exposure to Radio Frequency Electromagnetic Fields 3 kHz to 300 GHz" (ANSI/IEEE C95.1-1992), issued by the American National Standards Institute.

2.5 Personal Property. To the best of Seller's knowledge, *Schedule 1.1(b)* contains a list of all material items of Tangible Personal Property included in the Station Assets.

2.6 Real Property. *Schedule 1.1(c)* contains a description of all real property used or held for use in the business or operation of the Station. *Schedule 1.1(c)* includes a description of the lease under which Seller is lessee of the Station's transmission site (the "Real Property Lease"). To the best of Seller's knowledge, the Real Property Lease provides sufficient access to the Station's facilities without need to obtain any other access rights. Seller has not received any notice or other communication indicating that the Real Property Lease may be terminated or not renewed (whether pursuant to Section 13 of the Real Property Lease or otherwise), and is not aware of any plan or intent on the part of the Lessor under the Real Property Lease to terminate or not renew the Real Property Lease. The Real Property Lease is in full force and effect and is binding upon Seller and the other parties thereto (subject to bankruptcy, insolvency, reorganization or other similar laws relating to or affecting the enforcement of creditors' rights generally), and the last date upon which the Renewal Notice (defined below) may be given is no earlier than February 3, 2008.

2.7 Contracts. *Schedule 1.1(d)* contains a list of all contracts used in the operation of the Station by Seller. Each of the Station Contracts is in effect and is binding upon Seller and, to Seller's knowledge, the other parties thereto (subject to bankruptcy, insolvency, reorganization or other similar laws relating to or affecting the enforcement of creditors' rights generally). Seller has performed its obligations under each of the Station Contracts in all material respects, and is not in material default thereunder, and to Seller's knowledge, no other party to any of the Station Contracts is in default thereunder in any material respect. Complete and correct copies of each Station Contract (including the Real Property Lease), together with all amendments thereto, have been delivered to Buyer by Seller.

2.8 Environmental. No hazardous or toxic substance or waste (including without limitation petroleum products) or other material regulated under any applicable environmental, health or safety law (each a "Contaminant") has been generated, stored, transported or released (each a "Release") on, in, from or to the assets or properties of the Station by Seller or, to the best knowledge of Seller, by any other person, except *de minimis* amounts used in the ordinary course of business in compliance with applicable law. To the best of Seller's knowledge, neither the Station nor any of the assets or properties of the Station are subject to any order from or

agreement with any governmental authority or private party regarding any Contaminant or Release. To the best of Seller's knowledge, neither the Station nor any of the assets or properties of the Station includes any underground storage tanks or surface impoundments, any asbestos containing material, or any polychlorinated biphenyls. Seller has not received in respect of the Station or any assets or properties of the Station any notice or claim to the effect that it is or may be liable as a result of the Release of a Contaminant. To Seller's knowledge, neither the Station nor any of its assets or properties is the subject of any investigation by any governmental authority with respect to a Release of a Contaminant.

2.9 [Intentionally Omitted.]

2.10 Station Assets. Seller has good and marketable title to the Station Assets, free and clear of Liens, except for Permitted Encumbrances. At Closing, Seller will transfer to Buyer good and marketable title to the Station Assets, free and clear of Liens, except for Permitted Encumbrances. Seller maintains sufficient insurance policies with respect to the Station and the Station Assets and will maintain such policies in full force and effect until Closing.

2.11 Compliance with Law. Seller has complied in all material respects with all laws, regulations, rules, writs, injunctions, ordinances, franchises, decrees or orders of any court or of any foreign, federal, state, municipal or other governmental authority which are applicable to the Station or the Station Assets. Except as set forth on *Schedule 2.11*, there is no action, suit or proceeding pending or threatened against Seller in respect of the Station or the Station Assets. Except as set forth on *Schedule 2.11*, to Seller's knowledge, there are no claims or investigations pending or threatened against Seller in respect of the Station or the Station Assets. Seller has, filed all foreign, federal, state, county and local income, excise, property, sales, use, franchise and other tax returns and reports which are required to have been filed by it under applicable law in connection with the Station's business, and has paid all taxes which have become due pursuant to such returns or pursuant to any assessments which have become payable.

2.12 No Finder. No broker, finder or other person is entitled to a commission, brokerage fee or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Seller or any party acting on Seller's behalf. Payment of any broker engaged by Seller shall be Seller's sole cost and expense.

ARTICLE 3: BUYER REPRESENTATIONS AND WARRANTIES

Buyer represents and warrants to Seller as follows:

3.1 Organization. Buyer is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and is qualified to do business in each jurisdiction in which the Station Assets are located. Buyer has the requisite power and authority to execute, deliver and perform this Agreement and the documents to be made by Buyer pursuant hereto.

3.2 Authority. The execution, delivery and performance of this Agreement and the documents to be made pursuant hereto have been duly authorized and approved by all necessary action of Buyer (the "Buyer Authorization") and do not require any further authorization or consent of Buyer. This Agreement and the documents to be made pursuant hereto are legal,

valid and binding agreements of Buyer enforceable in accordance with their respective terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

3.3 No Conflicts The execution, delivery and performance by Buyer of this Agreement and the documents to be made pursuant hereto does not conflict with any organizational documents of Buyer or any law, judgment, order, or decree to which Buyer is subject, and does not require the consent, approval or authorization, or filing with, any third party or any court or governmental authority, except the FCC Consent.

3.4 Qualification. Buyer is legally, financially and otherwise qualified to hold the FCC Licenses under the Communications Act and the rules, regulations and policies of the FCC as they exist on the date of this Agreement and is financially able to consummate the transactions contemplated by this Agreement. No waiver of any FCC rule or policy relating to the qualifications of Buyer is necessary for the FCC Consent to be obtained.

3.5 No Finder. Except as previously disclosed by Buyer to Seller, no broker, finder or other person is entitled to a commission, brokerage fee or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Buyer or any party acting on Buyer's behalf. Payment of any broker engaged by Buyer shall be Buyer's sole cost and expense.

ARTICLE 4: SELLER COVENANTS

4.1 Seller Covenants. From the date hereof until Closing, subject to the LMA, Seller shall: (i) operate the Station in the ordinary course of business consistent with past practice; (ii) operate the Station in accordance with the terms of the FCC Licenses and in compliance with the Communications Act, FCC rules, regulations and policies, and all other applicable laws, rules and regulations, and maintain the FCC Licenses in full force and effect; (iii) preserve the business organization of the Station intact, retain substantially as at present the Station's employees, consultants and agents, and preserve the goodwill of the Station's suppliers, advertisers, customers and others having business relations with it; (iv) preserve intact the Station Assets and keep all Tangible Personal Property and Real Property in good operating condition (ordinary wear and tear excepted) and repair and maintain adequate and usual supplies, spare parts and other materials; (v) maintain in effect its current insurance policies with respect to the Station and the Station Assets; (vi) from time to time give Buyer access during normal business hours to the Station Assets, and provide Buyer such information concerning the Station or the Station Assets as Buyer may reasonably request; and (vii) not: (A) change the call letters of the Station; (B) sell, lease or transfer, or agree to sell, lease or transfer, any Station Assets except for non-material items disposed of in the ordinary course of business and replaced by items of comparable or superior kind, condition and value; (C) modify or terminate any Station Contract or enter into any new Station Contract; or (D) grant raises to employees of the Station, pay substantial bonuses to or enter into any new contract of employment with any employee of

the Station, except in the ordinary course of business, if required under existing contracts with such employees, or with Buyer's consent.

4.2 Real Property Lease. Seller shall timely give the Renewal Notice (defined below), with a copy to Buyer, unless Buyer requests in writing that Seller not give the Renewal Notice. Seller shall promptly notify Buyer if it receives a notice or other communication indicating, or otherwise becomes aware, that the Real Property Lease may be terminated or not renewed (whether pursuant to Section 13 of the Real Property Lease or otherwise) (a "Lease Termination Notice"), and use its best efforts to prevent the termination or non-renewal of the Real Property Lease.

ARTICLE 5: JOINT COVENANTS

5.1 Confidentiality. Subject to the requirements of applicable law and except as otherwise provided herein, this Agreement, the transactions contemplated hereby and all non-public information regarding the parties and their business and properties disclosed in connection with the negotiation, preparation or performance of this Agreement shall be confidential and shall not be disclosed to any other person or entity, except on a confidential basis to the parties' attorneys, accountants, investment bankers, investors and lenders, and their respective attorneys for the purpose of consummating the transactions contemplated by this Agreement. Notwithstanding anything to the contrary herein, Buyer and its affiliates may, in accordance with their respective legal obligations (including without limitation filings permitted or required by the applicable securities laws or any securities market), make such filings and public statements and announcements as they deem necessary or appropriate in connection with this Agreement and the transactions contemplated hereby. Buyer will provide Seller with a copy of such filings, statements and announcements.

5.2 Announcements. Except as set forth in Section 5.1, prior to Closing, no party shall, without the prior written consent of the other, issue any press release or make any other public announcement concerning the transactions contemplated by this Agreement, except to the extent that such party is so obligated by law, in which case such party shall give advance notice to the other, and the parties shall cooperate to make a mutually agreeable announcement.

5.3 Control. Consistent with FCC rules and the terms of the LMA, control, supervision and direction of the operation of the Station prior to Closing shall remain the responsibility of Seller as the holder of the FCC Licenses. Except as otherwise provided in the LMA, the risk of loss of or damage to any of the Station Assets, and the risk of any interruption in the Station's normal broadcast transmission, shall remain with Seller at all times until 12:01 a.m. local time on the day of Closing, and prior to Closing Seller shall repair and replace any lost or damaged Station Assets and restore any interrupted transmission, provided that Seller shall not be required to spend more than \$1,000.

5.4 Consents. Prior to Closing Buyer and Seller shall use commercially reasonable efforts to obtain the Required Consent, a customary written estoppel certificate (the "Estoppel Certificate") duly executed by the lessor under the Real Property Lease, in form and substance reasonably satisfactory to Buyer in which the lessor under the Real Property Lease confirms, among other things, the date on which the Real Property Lease commenced was August 3, 1988,

that the term of the Real Property Lease ends on August 2, 2008, that the Real Property Lease may be renewed for one (1) additional term of twenty (20) years upon written notice to the Lessor thereunder given at least six (6) months prior to the end of the term (the "Renewal Notice"), and that the last date upon which the Renewal Notice may be given is no earlier than February 3, 2008 (the "Renewal Deadline"), and the other consents noted on *Schedule 1.1(d)* hereto. To the extent that any Station Contract may not be assigned without the consent of any third party, and such consent is not obtained prior to Closing, this Agreement and any assignment executed at Closing pursuant hereto shall not constitute an assignment thereof, but to the extent permitted by law shall constitute an equitable assignment by Seller and assumption by Buyer of Seller's rights and obligations under the applicable Station Contract, with Seller making available to Buyer the benefits thereof and Buyer performing the obligations thereunder on Seller's behalf; provided, however, that receipt of consent to assign the Real Property Lease is a condition precedent to Buyer's obligation to close under this Agreement (the "Required Consent").

5.5 Employees. Buyer may (but is not obligated to) offer post-Closing employment to any employees of Seller working at the Station as new employees of Buyer to occupy positions designated by Buyer and pursuant to terms and conditions determined by Buyer. With respect to each such employee who accepts Buyer's offer of employment, Seller shall (except as set forth in the LMA with respect to reimbursements) be responsible for all compensation and benefits arising prior to Closing (in accordance with Seller's employment terms) and Buyer shall be responsible for all compensation and benefits arising after Closing (in accordance with Buyer's employment terms). With respect to such employees, in connection with the prorations under Section 1.5, an adjustment shall be made in favor of Buyer in an amount equal to the value of any accrued but unused vacation time, provided that Buyer makes available such vacation time to Employees after the Closing Date. Buyer does not assume any of Seller's employee obligations (including any severance obligations), all of which are Retained Liabilities, other than those severance obligations contained in any Station Contracts, which are Assumed Obligations.

5.6 FCC Consent.

(a) Within five calendar days after the date of this Agreement, Buyer and Seller shall file an application (the "FCC Application") requesting FCC consent to the assignment of the FCC Licenses from Seller to Buyer (the "FCC Consent"). Seller and Buyer shall diligently prosecute the FCC Application. Each party shall promptly provide the other with a copy of any pleading, order or other document served on it relating to the FCC Application, and shall thereafter prosecute the FCC Application with all commercially reasonable diligence and otherwise use commercially reasonable efforts to obtain the FCC Consent as expeditiously as practicable. Buyer and Seller shall notify each other of all documents filed with or received from any governmental agency with respect to this Agreement or the transactions contemplated hereby. Buyer and Seller shall furnish each other with such information and assistance as such the other may reasonably request in connection with their preparation of any governmental filing hereunder.

(b) For purposes of this Agreement, the term "Final" shall mean that action shall have been taken by the FCC (including action duly taken by the FCC's staff, pursuant to

delegated authority) which shall not have been reversed, stayed, enjoined, set aside, annulled or suspended; with respect to which no timely request for stay, petition for rehearing, appeal or certiorari or *sua sponte* action of the FCC with comparable effect shall be pending; and as to which the time for filing any such request, petition, appeal, certiorari or for the taking of any such *sua sponte* action by the FCC shall have expired or otherwise terminated.

5.7 Environmental.

(a) If Buyer elects to obtain a Phase I environmental assessment of the Real Property, it may do so at its own expense, and Buyer shall provide a copy to Seller (such assessment, the "Phase I").

(b) If the Phase I identifies a condition that requires remediation in order for the Station to operate in compliance with applicable environmental law in all material respects, then:

(i) except as set forth below, if the cost to remediate such condition is \$5,000 or less, then Seller shall promptly remediate such condition in all material respects prior to Closing at Seller's sole cost and expense, provided that Buyer may elect to proceed to Closing, and Seller shall complete such remediation after Closing (and Buyer will provide Seller access and any other reasonable assistance requested by Seller with respect to such remediation);

(ii) if the cost to remediate such condition is greater than \$5,000, then Buyer and Seller shall discuss the appropriate steps to be taken in respect of such remediation and, if no agreement is reached between Buyer and Seller in respect thereof, then Buyer may elect to terminate this Agreement and/or the LMA upon written notice to Seller and all payments made under Section 1.4 (Purchase Price) of this Agreement will be returned by Seller to Buyer within five (5) business days of such notice.

ARTICLE 6: SELLER CLOSING CONDITIONS

The obligation of Seller to consummate the Closing is subject to satisfaction of the following conditions at or prior to Closing:

6.1 Representations and Covenants. The representations and warranties of Buyer made in this Agreement, shall be true and correct in all material respects as of Closing except for changes permitted by the terms of this Agreement. The covenants and agreements to be complied with and performed by Buyer at or prior to Closing shall have been complied with or performed in all material respects. Seller shall have received a certificate dated as of Closing from Buyer executed by an authorized officer of Buyer, to the effect that the conditions set forth in this section have been satisfied (the "Buyer Bringdown Certificate").

6.2 Proceedings. Neither Seller nor Buyer shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

6.3 FCC Consent. The FCC Consent shall have been granted.

6.4 Deliveries. Buyer shall have made the deliveries to be made by it at Closing under this Agreement.

ARTICLE 7: BUYER CLOSING CONDITIONS

The obligation of Buyer to consummate the Closing is subject to satisfaction of the following conditions at or prior to the Closing:

7.1 Representations and Covenants. The representations and warranties of Seller made in this Agreement shall be true and correct in all material respects as of Closing except for changes permitted by the terms of this Agreement or caused solely by Buyer as Programmer under the LMA or as a result of Buyer LMA Actions. The covenants and agreements to be complied with and performed by Seller at or prior to Closing shall have been complied with or performed in all material respects. Buyer shall have received a certificate dated as of Closing from Seller, executed by an authorized officer of Seller to the effect that the conditions set forth in this section have been satisfied (the "Seller Bringdown Certificate").

7.2 Proceedings. Neither Seller nor Buyer shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

7.3 FCC Consent. The FCC Consent shall have been granted and become Final.

7.4 Deliveries. Seller shall have made the deliveries to be made by it at Closing under this Agreement.

ARTICLE 8: CLOSING DELIVERIES

8.1 Seller Deliveries. At Closing, Seller shall deliver or cause to be delivered to Buyer:

- (a) a certified copy of the Seller Authorization;
- (b) the Seller Bringdown Certificate;
- (c) an Assignment of FCC Licenses assigning the FCC Licenses to Buyer;
- (d) an Assignment and Assumption of Contracts assigning the Station Contracts to Buyer;
- (e) an Assignment and Assumption of Lease assigning the Real Property Lease to Buyer;
- (f) an Assignment of Marks assigning the Station's registered marks (if any) to Buyer;
- (g) domain name transfer forms assigning the Station's domain names listed on *Schedule 1.1(e)* (if any) to Buyer;

(h) endorsed vehicle titles conveying the vehicles included in the Tangible Personal Property (if any) to Buyer;

(i) a bill of sale conveying all Station Assets to Buyer;

(j) the Required Consent and Estoppel Certificate; and

(k) any other documents and instruments of conveyance, assignment and transfer that may be reasonably necessary to convey, transfer and assign the Station Assets to Buyer, free and clear of Liens, except for Permitted Encumbrances.

8.2 Buyer Deliveries. At the Closing, Buyer shall deliver to Seller:

(a) the Note in accordance with the terms of this Agreement;

(b) a certified copy of the Buyer Authorization;

(c) the Buyer Bringdown Certificate;

(d) an Assignment and Assumption of Contracts assuming the obligations arising after Closing under the Station Contracts;

(e) an Assignment and Assumption of Lease assuming the obligations arising after Closing under the Real Property Lease;

(f) domain name transfer forms assuming the Station's domain names included in the Intangible Property (if any); and

(g) any other documents and instruments of assumption that may be reasonably necessary to assume the Assumed Obligations.

ARTICLE 9: SURVIVAL AND INDEMNIFICATION

9.1 Survival. All representations, warranties, covenants and agreements contained in this Agreement, or in any certificate, agreement, or other document or instrument, delivered pursuant hereto, shall survive (and not be affected in any respect by) the Closing, any investigation conducted by any party hereto and any information which any party may receive; provided, however, that representations and warranties contained in this Agreement shall survive Closing for a period of twelve (12) months or, in the case of Damages (as defined below) in respect of representations and warranties contained in this Agreement as to which notice was given prior to the expiration of such 12-month period, until resolved.

9.2 Indemnification.

(a) From and after Closing, Seller shall defend, indemnify and hold harmless Buyer from and against any and all losses, costs, damages, liabilities and expenses, including reasonable attorneys' fees and expenses ("Damages") incurred by Buyer arising out of or resulting from: (i) any breach or default by Seller of any of its representations or warranties

made under this Agreement; (ii) any breach or default by Seller of any of its covenants or agreements made under this Agreement; (iii) the Retained Liabilities; or (iv) without limiting the foregoing, the business or operation of the Station prior to Closing (including any third party claim arising from such operations).

(b) From and after Closing, Buyer shall defend, indemnify and hold harmless Seller from and against any and all Damages incurred by Seller arising out of or resulting from: (i) any breach or default by Buyer of any of its representations or warranties made under this Agreement; (ii) any breach or default by Buyer of any of its covenants or agreements made under this Agreement; (iii) the Assumed Obligations; or (iv) without limiting the foregoing, the business or operation of the Station on and after Closing (including any third party claim arising from such operations).

9.3 Procedures.

(a) The indemnified party shall give prompt written notice to the indemnifying party of any demand, suit, claim or assertion of liability by a third party that is subject to indemnification hereunder (a "Claim"), but a failure to give such notice or delaying such notice shall not affect the indemnified party's rights or the indemnifying party's obligations, except to the extent the indemnifying party's ability to remedy, contest, defend or settle with respect to such Claim is thereby prejudiced.

(b) The indemnifying party shall have the right to undertake the defense or opposition to such Claim with counsel reasonably selected by it. In the event that the indemnifying party does not undertake such defense or opposition in a timely manner, the indemnified party may undertake the defense, opposition, compromise or settlement of such Claim with counsel selected by it at the indemnifying party's cost.

(c) Notwithstanding anything herein to the contrary:

(i) the indemnified party shall have the right, at its own cost and expense, to participate in the defense, opposition, compromise or settlement of any Claim, and shall have the right to consult with the indemnifying party and its counsel concerning any Claim, and the indemnifying party and the indemnified party shall cooperate in good faith with respect to any Claim; and

(ii) the indemnifying party shall not, without the indemnified party's written consent, settle or compromise any Claim or consent to entry of any judgment which does not include a release of the indemnified party from all liability in respect of such Claim.

9.4 Sole Remedy. After the Closing, the right to indemnification under this Article 9 shall be the exclusive remedy of any party in connection with any breach or default (other than breaches or defaults constituting fraud) by another party under this Agreement. No party shall have any liability to the other party under any circumstances for special, consequential, punitive or exemplary damages.

ARTICLE 10: TERMINATION AND REMEDIES

10.1 Termination. This Agreement may be terminated prior to Closing as follows:

- (a) by mutual written consent of Buyer and Seller;
- (b) by written notice of Buyer to Seller if Seller does not satisfy the conditions or perform the obligations to be satisfied or performed by it under this Agreement on the Closing Date, or otherwise breaches in any material respect any of its representations or warranties or defaults in any material respect in the performance of any of its covenants or agreements contained in this Agreement, and such breach or default is not cured within the Cure Period (defined below);
- (c) by written notice of Seller to Buyer if Buyer does not satisfy the conditions or perform the obligations to be satisfied or performed by it under this Agreement on the Closing Date, or otherwise breaches in any material respect any of its representations or warranties or defaults in any material respect in the performance of any of its covenants or agreements contained in this Agreement, and such breach or default is not cured within the Cure Period (defined below);
- (d) by written notice of Buyer to Seller, or Seller to Buyer, if the FCC denies the FCC Application;
- (e) by written notice of Buyer to Seller, or Seller to Buyer, if the Closing does not occur by the date eighteen (18) months after the date of this Agreement ("Drop Dead Date") provided, however, if at any time prior to the Drop Dead Date the payments made to Seller by Buyer under Section 1.4 hereof exceed (or would exceed, if the next subsequent payment were made) 90% of the Purchase Price, Buyer shall cease making payments under Section 1.4 hereof until delivery of the Note at Closing, and the payments set forth under the Note shall resume on a monthly basis thereafter following the Closing;
- (f) by written notice of Buyer to Seller pursuant to Section 5.7(b)(ii) hereof;
- (g) by written notice of Buyer to Seller if the LMA terminates;
- (h) if a court of competent jurisdiction or governmental, regulatory or administrative agency or commission shall have issued an order, decree or ruling or taken any other action, in each case permanently restraining, enjoining or otherwise prohibiting the transactions contemplated by this Agreement and such order, decree, ruling or other action shall have become final and nonappealable; and
- (i) by written notice of Buyer to Seller if the Renewal Notice has not been timely given at least thirty (30) days prior to the Renewal Deadline (unless Buyer directs that the Real Property Lease not be renewed) or if Seller receives a notice or other communication indicating, or otherwise becomes aware, that the Real Property Lease may be terminated or not renewed (whether pursuant to Section 13 of the Real Property Lease or otherwise).

The term "Cure Period" as used herein means a period commencing the date Buyer or Seller receives from the other written notice of breach or default hereunder and continuing until the earlier of fifteen (15) calendar days thereafter or the Closing Date. Termination of this Agreement shall not relieve any party of any liability for breach or default under this Agreement prior to the date of termination.

10.2 Specific Performance. In the event of a breach or threatened breach by Seller of any representation, warranty, covenant or agreement under this Agreement, at Buyer's election, in addition to any other remedy available to it, Buyer shall be entitled to an injunction restraining any such breach or threatened breach and to enforcement of this Agreement by a decree of specific performance requiring Seller to fulfill its obligations under this Agreement, in each case without the necessity of showing economic loss or other actual damage and without any bond or other security being required.

ARTICLE 11: MISCELLANEOUS.

11.1 Expenses. Each party shall be solely responsible for all costs and expenses incurred by it in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement. All governmental taxes, fees and charges applicable to the request for FCC Consent or applicable to the transfer of the Station Assets under this Agreement shall be paid by Buyer.

11.2 Further Assurances. After Closing, each party shall execute all such instruments and take all such actions as any other party may reasonably request, without payment of further consideration, to effectuate the transactions contemplated by this Agreement, including without limitation the execution and delivery of confirmatory and other transfer documents in addition to those to be delivered at Closing.

11.3 Assignment. This Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective successors and permitted assigns. Seller may not assign any of its rights or delegate any of its obligations hereunder, and any such attempted assignment or delegation without consent shall be void. Buyer may assign its right to acquire the Station Assets (in whole or in part) without Seller's consent to any affiliate of Buyer, but any such assignment shall not relieve Buyer of its obligations under this Agreement or delay the Closing.

11.4 Notices. Any notice pursuant to this Agreement shall be in writing and shall be deemed delivered on the date of personal delivery, or confirmed facsimile transmission or confirmed delivery by a nationally recognized overnight courier service, or on the third day after prepaid mailing by certified U.S. mail, return receipt requested, and shall be addressed as follows (or to such other address as any party may request by written notice):

if to Seller, then to:

Blue Chip Communications, Inc.
11785 Highway Drive
Suite 100
Cincinnati, Ohio 45241
Attn: L. Ross Love

CEO and President
Facsimile: (513) 759-3312

with a copy (which shall not
constitute notice) to:

Graydon Head & Ritchey LLP
1900 Fifth Third Center
Cincinnati, OH 45202
Attn: Richard G. Schmalzl
Facsimile: (513) 651-3836

if to Buyer, then to:

Radio One, Inc.
5900 Princess Garden Parkway – 7th Floor
Lanham, Maryland 20706
Attn: Alfred C. Liggins
Chief Executive Officer
Facsimile: (301) 429-3502

Radio One, Inc.
5900 Princess Garden Parkway – 5th Floor
Lanham, Maryland 20706
Attn: General Counsel
Facsimile: (301) 306-9638

with a copy (which shall not
constitute notice) to:

Wiley Rein LLP
1776 K Street, N.W.
Washington, D.C. 20006
Attn: Brook A. Edinger
Facsimile: (202) 719-7049

11.5 Amendments and Waivers. No amendment or waiver of compliance with any provision hereof or consent pursuant to this Agreement shall be effective unless in a writing signed by the party against whom enforcement of such amendment, waiver, or consent is sought.

11.6 Entire Agreement. This Agreement and the LMA constitute the entire agreement and understanding of the parties hereto and thereto with respect to the subject matter hereof and thereof, and supersede all prior agreements and understandings with respect to the subject matter hereof and thereof. Nothing in this Agreement is intended to modify or amend the LMA, which remains in full force and effect. Buyer and Seller acknowledge and agree that neither Buyer nor Seller has made any representation or warranty in respect of the transactions contemplated hereby except as expressly set forth in this Agreement or the other agreements referenced in the immediately preceding sentence.

11.7 Severability. If any court or governmental authority holds any provision in this Agreement invalid, illegal or unenforceable under any applicable law, then, so long as no party is deprived of the benefits of this Agreement in any material respect, this Agreement shall be construed with the invalid, illegal or unenforceable provision deleted and the validity, legality

and enforceability of the remaining provisions contained herein shall not be affected or impaired thereby.

11.8 No Beneficiaries. Nothing in this Agreement expressed or implied is intended or shall be construed to give any rights to any person or entity other than the parties hereto and their respective successors and permitted assigns.

11.9 Governing Law. The construction and performance of this Agreement shall be governed by the laws of the State of Ohio without giving effect to the choice of law provisions thereof.

11.10 Counterparts. This Agreement may be executed in separate counterparts, each of which shall be deemed to be an original and all of which together constitute one and the same agreement.

[SIGNATURE PAGE FOLLOWS]

12628253.2

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

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

BUYER:

RADIO ONE, INC.

By: 

Name: Linda J. Vilarde

Title: Vice President

SELLER:

BLUE CHIP COMMUNICATIONS, INC.

By: _____

Name: L. Ross Love

Title: President


SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

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

BUYER: RADIO ONE, INC.

By: _____
Name:
Title:

SELLER: BLUE CHIP COMMUNICATIONS, INC.

By: 
Name: L. Ross Love
Title: President