

ASSET PURCHASE AGREEMENT

THIS AGREEMENT is made and entered into this ^{MARCH} ~~February~~ 8 day of February, 2006, by and between Global Communications Incorporated, a Mississippi corporation ("Seller"), and Robert M. Ledbetter, Jr., an individual ("Buyer").

Recitals

WHEREAS, Seller is the licensee of television broadcast station WGBC (the "Station") (Facility Id. #24314) at Meridian, Mississippi, which is authorized to operate on Channel 30 (analog) and Channel 31 (digital) pursuant to certain licenses, authorizations and approvals (collectively, the "License") issued by the Federal Communications Commission ("FCC" or "Commission");

WHEREAS, WMDN, Inc. ("Programmer") supplies programming to the Station under a Program Services Agreement (as amended) dated as of August 1, 1995, by and between Programmer and Seller (the "LMA");

WHEREAS, Programmer and Seller were parties to an Asset Purchase Option Agreement dated July 17, 1995 (the "Option Agreement");

WHEREAS, On July 28, 2005, Programmer assigned to Buyer all of its rights and obligations under the Option Agreement to Buyer;

WHEREAS, On July 28, 2005, Buyer duly exercised the Option given under the Option Agreement;

WHEREAS, Subject to the terms and conditions set forth below, Seller desires to sell and Buyer desires to buy the Assets (defined below);

WHEREAS, The consummation of this transaction is subject to FCC Consent (defined below); and

WHEREAS, On July 28, 2005, Buyer deposited as earnest money One Hundred Thousand Dollars (\$100,000.00) (the "Escrow Deposit") with Glover, Young Walton & Simmons PLLC, as Escrow Agent.

NOW THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **Sale and Transfer of Assets.** At the Closing, Seller will sell, assign, transfer and deliver to Buyer all right, title and interest of Seller in and to the following (all of which are hereinafter collectively called the "Assets"):

1.1 Seller's License issued by the FCC, as listed on **Schedule 1.1**;

Asset Purchase Agreement
WGBC (TV)

1.2 all real property owned and used by Seller in the operation of the Station and described in Schedule 1.2 (the "Owned Real Property");

1.3 all tangible personal property of every kind and description which is used exclusively in the operation of the Station and is listed on Schedule 1.3;

1.4 the LMA and any other contracts and leases listed and described on Schedule 1.4 and any trade and barter agreements, together with any additional contracts and leases (including trade and barter agreements) entered into by Seller between the date hereof and the Closing Date consistent with the terms hereof (collectively, the "Station Contracts");

1.5 all right, title and interest of the Seller in and to the use of the call letters WGBC;

1.6 all goodwill, copyrights, trademarks or other similar rights, if any, of Seller pertaining to the operation of the Station as set forth on Schedule 1.6; and

1.7 all business records of the Station relating to its operation, but not including tax records and original journals and ledgers.

The Assets to be transferred hereunder shall not, however, include any of Seller's accounts receivable, cash, bank accounts, investments, prepaids, deposits, books and records pertaining to corporate organization, employee pension and other benefit plans, which shall remain the property of the Seller. The Assets shall be transferred to Buyer free and clear of liens, claims and encumbrances ("Liens") except for liens for taxes not yet due and payable, and in the case of the real property subject to the Real Property Leases and the Owned Real Property, such liens, easements, rights of way, building and use restrictions, exceptions, reservations and limitations that do not in any material respect impair the use thereof in the ordinary course of the business of the Station (collectively, "Permitted Liens"). The Owned Real Property will be conveyed by special warranty deed.

2 Purchase Price and Payment

2.1 **Purchase Price.** The purchase Price to be paid for the Assets will be Seven Hundred Fifty Thousand Dollars (\$750,000.00) (the "Purchase Price").

2.2 **Method of Payment.** The Purchase Price shall be paid by Buyer at Closing by wire transfer of the Escrow Deposit (\$100,000.00) from the Escrow Agent to Seller, and the balance (\$650,000.00) from Buyer pursuant to instructions of Seller, which instructions shall be delivered to Buyer at or before the Closing. Such wire transfers shall be in immediately available funds, and any interest earned on the Escrow Deposit will be transferred to Buyer pursuant to its written instructions.

2.3 **Allocation of Purchase Price.** The parties shall allocate the Purchase Price as set forth on Schedule 2.3.

2.4 Covenant Not to Compete. At the Closing Seller shall enter into a non-competition agreement with Buyer in the form of Exhibit A attached to this Agreement.

3 No Assumption of Liabilities. Buyer shall not assume and shall not be obligated to pay any of the liabilities or obligations of Seller, except liabilities and obligations arising or accruing on or after the Closing Date with respect to the Station Contracts. Upon assumption by Buyer of the Station Contracts Buyer shall be entitled to all of Seller's rights and benefits thereunder and shall relieve Seller of its obligations to perform the same.

4 Seller's Representations and Warranties. Seller represents and warrants to Buyer as of the date hereof and at the Closing, as set forth below in this Section 4.

4.1 Incorporation, Standing and Power. Seller is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Mississippi, and has all necessary power and authority to own, use and transfer its Assets and to transact its business as now being conducted.

4.2 Authority for Transaction. The execution and delivery of this Agreement, its compliance with the provisions hereof, and the consummation of all of the transactions contemplated hereby, have all been duly and validly authorized by all necessary actions on the part of Seller, including approval by the Seller's stockholder, and this Agreement is valid and binding upon Seller in accordance with its terms, subject to applicable bankruptcy and insolvency laws and equitable remedies.

4.3 License. Seller is and on the Closing Date will be the holder of the License, which was renewed by the FCC in 2005.

4.4 Condition of Assets. To Seller's knowledge, as of the date hereof, each item comprising the Station's tangible Assets is in good operating condition, reasonable wear and tear excepted.

4.5 Contracts and Agreements. To Seller's knowledge, the License and Station Contracts are, as of the date hereof, in full force and effect and, on the Closing Date there will be no Station Contract or agreement (not including this Agreement) which will be binding on the Buyer other than those specifically described in Schedule 1.1 and Schedule 1.4, and contracts and agreements not inconsistent with the provisions of this Agreement entered into in the usual course of the business of the Station after the date hereof, which shall not involve consideration or other expenditure payable or performable on or after the Closing Date in excess of Three Thousand Dollars (\$3,000.00) or performance over a period of more than twelve (12) months.

4.6 Legal Proceedings, Etc. No litigation, court or administrative proceeding is pending or, so far as is known to Seller, is threatened in writing against Seller relating to the Station or the Assets, which seeks to enjoin the consummation of the transactions contemplated by this Agreement.

4.7 **Compliance with Licenses, Laws, Regulations and Orders.** Seller will not take any action intended to make Seller not comply in all material aspects with all material terms and conditions of all Licenses, laws, regulations and orders applicable to its business and operations including, without limitation, compliance with the Communications Act of 1934, as amended (the "Act") and all regulations issued by the FCC. Seller has not been charged with violating or, to the knowledge of Seller, threatened in writing with a charge of violating in any material respect any License, or any federal or state law relating to its business. To Seller's knowledge, all of Seller's Assets operate in compliance with all material terms and conditions of its FCC licenses and will at the Closing Date.

4.8 **No Conflict.** Neither the execution and delivery of this Agreement by Seller, nor compliance by Seller with any of the provisions hereof, nor the consummation of the transactions contemplated hereby, will:

- (a) conflict with or result in a breach of any provision of Seller's Articles of Incorporation or By-laws;
- (b) result in a default, or give rise to any right of termination, cancellation or acceleration, under any term, condition or provision of any contract, encumbrance or other instrument or obligation to which Seller is a party or by which Seller or any of the Assets may be bound; or
- (c) violate any order, writ, injunction, decree, statute, rule or regulation applicable to Seller.

Except for the approval of the FCC, and such consents and/or notices as are necessary for assignment of the Station Contracts, no consent, waiver or approval by, notice to or filing with any person is required in connection with the execution and delivery of this Agreement by Seller, compliance by Seller with any of the provisions hereof, or the consummation of the transactions contemplated by this Agreement.

4.9 **Operation of Station.** Seller is not aware of any material noncompliance in operation of the Station with any laws, regulations and orders, including without limitation, with the Act and any regulations issued by the FCC thereunder, and the terms and conditions of the License.

4.10 **Liabilities.** To Seller's knowledge, as of the date hereof, all of Seller's liabilities relating to the Station Contracts are current and no notice of default has been received by Seller in respect thereof.

4.11 **Environmental Matters.** Seller has not knowingly discharged or stored pollutants, contaminants, or chemical, industrial or hazardous or toxic materials at the Real Estate in violation of the Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act, the Federal Water Pollution Control Act, the Clean Air Act, the Safe Drinking Water Act, the Toxic Substances Control Act, the Refuse Act, or the Emergency Planning and Community Right-to-Know Act (each as amended).

4.12 **Owned Real Property.** Schedule 1.2 includes a description of the Owned Real Property included in the Assets. To Seller's knowledge, the Owned Real Property is not subject to any suit for condemnation or other taking by any public authority and complies with applicable land use and zoning regulations. With respect to the Owned Real Property, Seller warrants that, except as otherwise described in Schedule 1.2, it has good and marketable title to the land described in Schedule 1.2 free and clear of all liens and encumbrances except the Permitted Liens. At least ten (10) business days prior to the Closing, Seller shall furnish to Buyer copies of the last deed of record, title insurance policies (if Seller has any policies currently in effect) and surveys (if any exist on the date hereof) pertaining to the Owned Real Property.

4.13 **Public Files.** To Seller's knowledge, the Station's public files contain the items required under the FCC's rules and regulations.

4.14 **Knowledge.** As used in this Article 4, the phrase "Seller's knowledge" and words of similar import mean the actual present knowledge of Seller.

5 **Buyer's Representations and Warranties.** The Buyer represents and warrants to Seller, as of the date hereof and as of the Closing Date, as follows:

5.1 **Buyer's Qualifications.** Buyer is qualified to become an FCC licensee and to own and operate the Station.

5.2 **Power and Authority.** Buyer is in compliance with Sections 310(a) and (b) of the Act, and has all necessary power and authority to execute and deliver this Agreement, to comply with the provisions hereof and to consummate the transactions contemplated by this Agreement. Buyer's execution and delivery of this Agreement, its compliance with the provisions hereof and the consummation of all of the transactions contemplated hereby have been duly and validly authorized by all necessary action on the part of Buyer, and this Agreement is valid and binding upon Buyer in accordance with its terms.

5.3 **No Conflict.** Neither the execution and delivery of this Agreement by Buyer, nor compliance by Buyer with any of the provisions hereof, nor the consummation of the transactions contemplated hereby will:

(a) result in a default, or give rise to any right of termination, cancellation or acceleration, under any term, condition or provision of any contract, encumbrance or other instrument or obligation to which Buyer is a party or by which it or any of its properties or assets may be bound; or

(b) violate any order, writ, injunction, decree, statute, rule or regulation applicable to Buyer or the Assets.

Except for the approval of the FCC, no consent, waiver or approval by, notice to or filing with any person is required in connection with the execution and delivery of this Agreement by

Buyer, compliance by Buyer with any of the provisions hereof, or the consummation of the transactions contemplated hereby.

5.4 **Legal Proceedings, Etc.** No litigation, court or administrative proceeding is pending or, so far as is known to the Buyer, threatened in writing against Buyer which seeks to enjoin the consummation of the transactions contemplated by this Agreement.

5.5 **Broker.** Buyer has not retained any broker in connection with this transaction.

5.6 **Financing.** Buyer has on hand sufficient cash and/or committed financing to consummate the transactions contemplated hereby.

6 **Covenants.**

6.1 **Access and Information.** Seller shall give Buyer and its representatives reasonable access during normal business hours throughout the period prior to Closing to the operations, properties, books, contracts, agreements, leases, commitments and records of the Stations; provided, however, that Buyer shall give Seller reasonable advance notice of exercising this right. Seller shall furnish to Buyer all information concerning the Station's affairs as Buyer may reasonably request. Buyer may conduct such surveys and environmental assessments on the Real Property as Buyer wishes prior to Closing, provided that neither the conduct of any such assessments or surveys, nor any results, thereof shall be conditions to Buyer's obligation to close under this Agreement.

6.2 **Conduct of Station's Business.** Prior to Closing, without the written consent of Buyer, Seller shall not enter into any transaction other than those in the ordinary course of the business of the Station; during the period until Closing the Seller shall operate the Station in the normal and usual manner; no employment contract shall be entered into by Seller relating to the Station, unless the same is terminable at will and without penalty; Seller shall not increase the compensation paid any employee of the Station or hire additional personnel for the Station, except as required in the ordinary course of business. Seller will maintain in force any policies of insurance relating to the Station. Notwithstanding anything to the contrary set forth herein, Buyer acknowledges and agrees that Seller is under no obligation to Buyer to modify, upgrade or replace any of the Station's Assets, nor to construct and implement the Station's digital television facilities specified in the Station's digital television construction permit FCC File No. BPCDT-19990921AAN (the "DTV Facilities"), and all representations, warranties, covenants and agreements of Seller hereunder shall be construed consistent therewith; *provided, however,* that Seller shall preserve its authority to broadcast a digital signal by filing a timely request to renew its Special Temporary Authority authorizing the Station to operate with minimal digital broadcasting facilities. Buyer acknowledges that the Station is being programmed by Programmer pursuant to the LMA, a copy of which has been provided to and reviewed by Buyer.

6.3 **Other Proposals.** Seller shall not, nor shall Seller permit any of its employees, agents, directors or officers to solicit or entertain any inquiries or proposals or

participate in any discussions, negotiations or agreements relating to the sale, merger or consolidation of Seller or the sale of all or substantially all of Seller's Assets prior to the Closing Date.

6.4. **Cable and Satellite Matters.** Schedule 6.4 hereto contains a list of all current retransmission consent, channel positioning or other agreements with cable systems with respect to the Station and Seller complied with the election notice requirements of Sections 76.57(f) and 76.66(c) of the FCC's rules and regulations, on or before October 1, 2005.

6.5 **Divestiture of Attributable Interest in Programmer.** If such is required by the FCC, prior to Closing, and to facilitate a Grant of the Assignment Application (as defined in Section 7.1), Buyer shall take any and all actions necessary to fully divest himself of any interest in Programmer which is considered an "Attributable" interest under the FCC's rules and regulations.

6.6 **DTV Buildout.** Simultaneously with the execution of this Agreement, Seller and Buyer shall enter into a Technical Services Agreement pursuant to which Buyer, subject to Seller's supervision and control, shall build out the Station's DTV Facilities at its expense. If construction of the DTV Facilities will not be completed by July 1, 2006, Seller and Buyer shall cooperate to timely submit a request to the FCC for an extension of time within which to complete such construction (the "Extension Request"). Buyer shall pay all costs related to the preparation and filing of the Extension Request. Buyer acknowledges and agrees that any change in the Station's authorized digital television service area which may result from a denial of the Extension Request shall not be considered a breach of this Agreement.

7 **Application for FCC Approval.**

7.1 **Filing and Prosecution of Application.**

(a) Buyer and Seller shall, within ten (10) calendar days from the date of this Agreement, join in an application to be filed with the FCC requesting its written consent (the "FCC Consent") to the assignment of the Station's License from Seller to Buyer (the "Assignment Application"). Buyer and Seller shall proceed with due diligence and promptly take all steps necessary to the expeditious prosecution of the Assignment Application.

7.2 **Expenses.** Each party shall bear its own expenses in connection with the preparation of the applicable sections of the FCC application and in connection with the prosecution of such application. Seller and Buyer will each pay one half of the FCC filing fee relating to the Assignment Application. Buyer and Seller shall share equally in the payment of all transfer, sales and use, bulk sales and similar taxes relating to the transactions contemplated by this Agreement.

7.3 **Designation for Hearing.** If, for any reason, with respect to the Assignment Application the staff of the FCC advises that dismissal, denial or designation for hearing will be required, either party, if not then in material default, shall have the right, by written notice within thirty (30) days of such notification, to terminate this Agreement, in which event neither party shall have any rights or liabilities hereunder and the Escrow Deposit and all accrued interest shall be returned to Buyer.

7.4 **Time of FCC Consents; Upset Date.** If the FCC Consent has not been received without any conditions materially adverse to Buyer or Seller within twelve (12) months from the date on which the Assignment Application is accepted for filing by the FCC, either party may terminate this Agreement by giving written notice to the other. Upon any such termination, neither party shall have any liability to the other hereunder, except for any liability for breach or default of this Agreement prior to termination, and the Escrow Deposit and all accrued interest shall be returned to Buyer.

7.5 **Control of Station.** This Agreement shall not be consummated until the FCC has given its written consent to the assignment of the License of the Station to the Buyer. Until the Closing, Buyer shall not, directly or indirectly, control, supervise, direct or attempt to control, supervise or direct the operation of the Station, but such operation shall be the sole responsibility of Seller.

7.6 **Risk of Loss; Burden of Risk; Buyer's Option.** The risk of loss, damage or destruction of the Assets to be sold from fire or any other casualty or cause shall be borne by the Seller at any time prior to the Closing hereunder. Upon occurrence of any loss or damage of any of the Assets to be sold as the result of fire, casualty or other causes prior to Closing, Seller shall immediately notify Buyer of same in writing stating with particularity the extent of the loss or damage incurred, and the cause thereof if known, and the extent to which restoration, replacement or repair of the Assets to be sold, or a portion thereof that is lost, damaged or destroyed will be reimbursed under any insurance policy with respect thereto. Subject to the provisions hereof, Buyer shall have fifteen (15) business days after the receipt of such notice from Seller to:

(a) **Postponement.** Postpone Closing until such time as the Assets to be sold or a portion thereof that has been lost, damaged or destroyed, have been completely repaired, replaced or restored; or

(b) **Elect Consummation.** Consummate the Closing and accept the Assets to be sold in its "then" condition. In the event the Buyer shall elect to consummate the Closing before the Assets to be sold have been fully and completely repaired, replaced or restored, Seller shall assign to Buyer all rights it may have under any insurance claim covering the loss and pay over to Buyer any proceeds under any such insurance policy theretofore received to Seller with respect thereto; or

(c) **Terminate.** Terminate this Agreement if the repair, replacement or restoration provided for in Section 7.6. has not been completed within thirty (30) days after such loss, damage, or destruction or by the date of the postponed Closing under Section 7.6(a) reasonable satisfaction within sixty (60) days after the casualty, Buyer may then terminate this Agreement, at which time the Escrow Deposit and all accrued interest will be returned to Buyer.

8 **Conditions to Parties' Obligations.**

8.1 **Conditions to Buyer's Obligations.** The obligations of Buyer to complete the transactions provided for herein shall be subject, at its election, to satisfaction on or before the Closing Date of each of the following conditions:

(a) Representations and warranties: all representations and warranties of Seller contained in this Agreement shall be true and correct in all respects as of the date hereof and in all material respects as of the Closing Date as though made on and as of the Closing Date (except as may be otherwise provided in this Agreement), and Buyer shall have received a Certificate to that effect, dated the Closing Date, signed by Seller;

(b) Pre-Closing obligations: Seller shall have performed all obligations required to be performed by Seller hereunder, the performance of which has not been waived by Buyer, and Buyer shall have received a certificate to that effect, dated the Closing Date, signed by Seller;

(c) Due authorization: Seller's execution and delivery of this Agreement, its compliance with the provisions hereof and the consummation of all of the transactions contemplated hereby shall have been duly and validly authorized by all necessary corporate action on the part of Seller, and Buyer shall have received a duly certified copy of all actions taken by Seller effecting same;

(d) No bar: there shall not be in effect any judgment, decree or order of any court of competent jurisdiction, nor shall any law or regulation have been enacted which restrains, prohibits or makes illegal the consummation of the transactions contemplated by this Agreement.

(e) FCC Consent: the FCC Consent shall have been obtained by final order;

(f) Further Closing documents: Seller shall have delivered to Buyer the following documents and instruments in customary form and substance:

(1) certificate of the Secretary of State of Mississippi attesting to the good standing of the Seller in such jurisdiction as of a date reasonably proximate to the Closing Date;

(2) Seller's Instructions to Escrow Agent, that the Escrow Deposit be disbursed to Seller and that all accrued interest be disbursed to Buyer;

(3) a special warranty deed, acknowledged and in recordable form conveying Seller's interest in the Owned Real Property;

(4) bills of sale, assignments and other instruments of transfer and conveyance, each duly executed by Seller, transferring to Buyer title to each item comprising the Assets other than the Owned Real Property;

(5) an assignment of the Station Contracts duly executed by Seller; and

(6) the executed non-competition agreement.

(h) Taxes, etc.: except as otherwise expressly provided herein, all taxes, assessments, utilities, insurance and water charges shall have been prorated between Buyer and Seller to the Closing Date;

(i) Possession: Seller shall have delivered to Buyer actual possession of the Assets;

(j) Other matters: Buyer shall have received such other instruments and documents as shall have been reasonably requested by counsel to Buyer on or before the Closing Date.

8.2 **Conditions to Seller's Obligations.** The obligations of Seller to complete the transactions provided for herein shall be subject, at its election, to satisfaction on or before the Closing Date of each of the following conditions:

(a) Representations and warranties: all representations and warranties of Buyer contained in this Agreement shall be true and correct in all respects as of the date hereof and in all material respects as of the Closing Date as though made on and as of the Closing Date (except as may be otherwise provided in this Agreement), and Seller shall have received a Certificate to that effect, dated the Closing Date, signed by Buyer;

(b) Pre-Closing obligations: Buyer shall have performed all obligations required to be performed by it hereunder, the performance of which has not been waived by Seller, and Seller shall have received a certificate to that effect, dated the Closing Date, signed by Buyer;

(c) Due authorization: Buyer's execution and delivery of this Agreement, its compliance with the provisions hereof and the consummation of all of the transactions contemplated hereby shall have been duly and validly authorized by all necessary action on the part of Buyer, and Seller shall have received a duly certified copy of all required consents effecting the same;

(d) No bar: there shall not be in effect any judgment, decree or order of any court of competent jurisdiction, no shall any law or regulation have been enacted, which restrains, prohibits or makes illegal the consummation of the transactions contemplated by this Agreement;

(e) FCC Consent: the FCC shall have been obtained by final order;

(f) Further closing documents: Buyer shall have delivered to Seller an instrument of assumption of the Station Contracts, duly executed by Buyer in customary form and substance;

(g) Other matters: Seller shall have received such other instruments and documents as shall have been reasonably requested by counsel to Seller on or before the Closing Date.

9 **Closing.** Subject to the terms and conditions herein stated, the parties agree as follows:

9.1 **Closing Date.** The Closing hereunder shall occur no later than ten (10) business days following the date that the FCC Consent shall have become a final order (the "Closing Date"). Such Closing shall take place at the offices of Glover, Young Walton & Simmons, PLLC, Meridian, Mississippi, or by mail at 10:00 a.m. prevailing local time, or such other place and time as mutually agreed.

9.2 **Failure to Close; Termination.** This Agreement may be terminated at any time prior to the Closing Date, as follows:

(a) by the mutual consent of Seller and Buyer;

(b) by written notice of Buyer to Seller if Seller:

(i) does not perform the obligations to be performed by it under this Agreement on the Closing Date; or

(ii) 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:

(i) does not perform the obligations to be performed by it under this Agreement on the Closing Date; or

(ii) 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 by Seller to Buyer, if the FCC denies the Assignment Application ; or

(e) as provided by Sections 7.3 and 7.4 of this Agreement.

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 (i) fifteen (15) calendar days thereafter or (ii) the Closing Date. Termination of this Agreement shall not relieve any party hereto of any liability for breach or default prior to the date of such termination.

10 Liabilities on Termination or Breach.

10.1 **Specific Performance.** Seller acknowledges that the Station is of a special, unique and extraordinary character and that damages are inadequate to compensate Buyer for any breach of this Agreement. Accordingly, in the event of a material breach by Seller of its representations, warranties, covenants and agreements under this Agreement, Buyer in its sole election in lieu of other remedies available to it, and subject to any requisite approval by the FCC, Buyer may sue in law for damages or may seek a decree of specific performance requiring Seller to fulfill its obligations under this Agreement, provided that Buyer is not itself in material breach of this Agreement. The prevailing party shall be entitled to its actual attorney's fees and expenses in connection with any action brought pursuant to this Section.

10.2 **Liquidated Damages.** In the event of a material breach by Buyer of any representation, warranty, covenant or agreement under this Agreement which is not cured prior to Closing Date, and provided that Seller is not itself in material breach of this Agreement, Seller shall be entitled to receive from the Escrow Agent the Escrow Deposit (\$100,000.00) as Seller's liquidated damages, and such payment of the Escrow Deposit aforesaid shall be Seller's full, complete and exclusive remedy for any such incurred breach.

11 Indemnification.

11.1 Indemnification by Seller.

(a) The sole and exclusive remedy which Buyer shall have against Seller under this Agreement after the Closing Date shall be the right to proceed for indemnification in the manner and only to the extent provided by this Section 11. Seller hereby indemnifies Buyer and holds it and its agents, successors and assigns harmless, with respect to demands for indemnification asserted by Buyer, as provided by this Section 11.1, within twelve (12) months after the Closing Date from, against and in respect of:

- (1) all of Seller's pre-closing obligations under the Station Contracts;
- (2) all losses, damages and deficiencies resulting from any failure or breach of any representation or warranty, or any breach or non-fulfillment of any covenant or agreement, of Seller made in this Agreement; and

(3) all actions, suits, proceedings, claims, demands, assessments, judgments, fines, penalties, amounts paid in settlement, costs and expenses (including reasonable attorneys' fees and expenses) incident to any of the foregoing;

provided, however, that Seller shall have no indemnification obligation whatsoever in respect of any matter that is the responsibility or obligation of Programmer under the LMA or that is caused or contributed to by Buyer or Programmer.

(b) If a demand for indemnification arises out of a claim made against Buyer by a person not a party to this Agreement or affiliated with a party to this Agreement (a "Third Party Claim"), Buyer shall give prompt notice thereof to Seller, stating in reasonable detail the nature of the Third Party Claim, the identity of the Third Party Claimant and the specific representations, warranties or covenants which Buyer contends Seller has breached. Such notice shall also indicate whether Buyer intends to defend against the Third Party Claim. If Buyer shall defend against the Third Party Claim, Seller shall cooperate in all reasonable respects with Buyer in such defense, shall make available to Buyer all records and other materials reasonably required by Buyer in such defense, and shall have the right to participate in such defense. If Buyer does not intend to defend against the Third Party Claim, then Seller may assume defense of the Third Party Claim through legal counsel of its choice reasonably satisfactory to Buyer, in which event Buyer shall cooperate in all reasonable respects with Seller in such defense, shall make available to them all records and other materials reasonably required by them in such defense, but Seller shall at all times control such defense. So long as a Third Party Claim is pending and is not resolved, Buyer shall hold in abeyance its demand for indemnification. If Seller reaches a settlement with the Third Party Claimant which results in any liability to Buyer, or if a judgment is rendered against Buyer which judgment is not properly appealed or appealable, then Buyer shall be entitled to indemnification in an amount sufficient to discharge the Third Party Claim. Each party shall be responsible for its own costs and expenses, including legal fees, incurred in defending a Third Party Claim except that Seller shall pay (i) Buyer's actual costs and expenses (including legal fees) incurred in connection with defending a claim which is determined adversely to Seller and which shall be found to have constituted a breach of Seller's representations, warranties and covenants hereunder, and (ii) Buyer's actual costs and expenses (including legal fees) incurred in asserting and proving its entitlement to indemnification.

(c) If Buyer asserts a demand for indemnification hereunder, but such demand is not based upon a Third Party Claim, Buyer shall notify Seller thereof, stating in reasonable detail the nature of Buyer's claim and the specific representations, warranties and covenants which Buyer contends Seller has breached. Seller shall have 15 days after the effective date of such notice to accept or reject Buyer's demand for indemnification. If Seller accepts such demand for indemnification, it shall pay the amount of indemnification claimed by Buyer and shall also pay Buyer's actual costs and expenses incurred in asserting and proving Buyer's entitlement to indemnification. If no acceptance is received by Buyer within such 15-day period, Seller shall be deemed to have rejected the demand. In the event Seller rejects Buyer's demand for indemnification or fails to accept such demand within such 15-day period, the parties shall immediately submit the controversy to arbitration in accordance with the

provisions of Section 11.1(d). If the arbitrator(s) render an award in the arbitration proceeding in favor of Buyer, Buyer shall be entitled to indemnification to the extent provided in such award. If the arbitrator(s) render an award in favor of Seller, Seller shall have no further liability on Buyer's claim. So long as Buyer's claim is pending and is not resolved, Buyer shall hold in abeyance its demand for indemnification.

(d) If there is any disagreement between Buyer and Seller concerning the validity of any demand for indemnification asserted under Section 11.1, then such disagreement shall, as provided by Section 11.1(c) or otherwise on demand of either party, be referred to arbitration in Meridian, Mississippi. Buyer and Seller shall attempt to agree on the appointment of a single arbitrator. If they are unable to agree, a panel of three arbitrators shall be appointed: one arbitrator shall be appointed by Buyer, one shall be appointed by Seller, and one shall be appointed by the two so appointed. The determination in writing of such arbitrator(s), signed by at least two of them (if there be more than one), shall be final and binding on the parties. Such determination shall be made as soon as practicable after the reference of the claim to arbitration. The arbitrators shall be governed by the Commercial Arbitration Rules of the American Arbitration Association then in effect, and shall have full power to make such regulations and to give such orders and directions in all respects as they shall deem expedient, as well as in respect to the claims and differences referred to them, and also with respect to the mode and times of executing and performing any of the acts or things which may be awarded or directed to be done. The arbitrator(s) shall also allocate among the parties the fees and expenses of the arbitrators and the actual costs and expenses (including legal fees) incurred by the parties in connection with the demand for indemnification and the arbitration in an equitable manner consistent with the decision of the arbitrator(s) regarding the resolution of the claims and differences referred to them, which allocation shall form part of the arbitrator(s)' written determination.

11.2 Indemnification by Buyer.

(a) The sole and exclusive remedy which Seller shall have against Buyer under this Agreement after the Closing Date shall be the right to proceed for indemnification in the manner and only to the extent provided by this Section 11. Buyer hereby indemnifies Seller and holds it and its agents, successors and assigns harmless, with respect to demands for indemnification asserted by Seller, as provided by this Section 11.2, within twelve (12) months after the Closing Date from, against and in respect of:

- (1) all of Buyer's post-closing obligations under the Station Contracts;
- (2) all losses, damages and deficiencies resulting from any failure or breach of any representation or warranty, or any breach or non-fulfillment of any covenant or agreement, of Buyer made in this Agreement;

(3) the business and operations of the Station after the Closing, and all obligations of Programmer under the LMA, whether before or after Closing; and

(4) all actions, suits, proceedings, claims, demands, assessments, judgments, fines, penalties, amounts paid in settlement, costs and expenses (including reasonable attorneys' fees and expenses) incident to any of the foregoing.

(b) If a demand for indemnification arises out of a claim made against Seller by a person not a party to this Agreement or affiliated with a party to this Agreement (a "Third Party Claim"), Seller shall give prompt notice thereof to Buyer, stating in reasonable detail the nature of the Third Party Claim, the identity of the Third Party Claimant, and the specific representations, warranties or covenants which Seller contends Buyer has breached. Such notice shall also indicate whether Seller intends to defend against the Third Party Claim. If Seller shall defend against the Third Party Claim, Buyer shall cooperate in all reasonable respects with Seller in such defense, shall make available to Seller all records and other materials reasonably required by Seller in such defense, and shall have the right to participate in such defense. If Seller does not intend to defend against the Third Party Claim, then Buyer may assume defense of the Third Party Claim through legal counsel of its choice reasonably satisfactory to Seller, in which event Seller shall cooperate in all reasonable respects with Buyer in such defense, and shall make available to them all records and other materials reasonably required by them in such defense, but Buyer shall at all times control such defense. So long as a Third Party Claim is pending and is not resolved, Seller shall hold in abeyance its demand for indemnification. If Buyer reaches a settlement with the Third Party Claimant which results in any liability to Seller, or if a judgment is rendered against Seller which judgment is not properly appealed or appealable, then Seller shall be entitled to indemnification in an amount sufficient to discharge the Third Party claim. Each party shall be responsible for its own costs and expenses, including legal fees, incurred in defending a Third Party Claim except that Buyer shall pay (i) Seller's actual costs and expenses (including legal fees) incurred in connection with defending a claim which is determined adversely to Buyer and which shall be found to have constituted a breach of Buyer's representations, warranties and covenants hereunder, and (ii) Seller's actual costs and expenses (including legal fees) incurred in asserting and proving its entitlement to indemnification.

(c) If Seller asserts a demand for indemnification hereunder, but such demand is not based upon a Third Party Claim, Seller shall notify Buyer thereof, stating in reasonable detail the nature of Seller's claim and the specific representations, warranties and covenants which Seller contends Buyer has breached. Buyer shall have 15 days after the effective date of such notice to accept or reject Seller's demand for indemnification. If Buyer accepts such demand for indemnification, it shall pay the amount of indemnification claimed by Seller and shall also pay Seller's actual costs and expenses (including legal fees) incurred in asserting and proving Seller's entitlement to indemnification. If no acceptance is received by Seller within such 15-day period, Buyer shall be deemed to have rejected the demand. In the event Buyer rejects Seller's demand for indemnification or fails to accept such demand within such 15-day period, the parties shall immediately submit the controversy to arbitration in

accordance with the provisions of Section 11.2(d). If the arbitrator(s) render an award in the arbitration proceeding in favor of Seller, Seller shall be entitled to indemnification to the extent provided in such award. If the arbitrator(s) render an award in favor of Buyer, Buyer shall have no further liability on Seller's claim. So long as Seller's claim is pending and is not resolved, Seller shall hold in abeyance its demand for indemnification.

(d) If there is any disagreement between Seller and Buyer concerning the validity of any demand for indemnification asserted under Section 11.2, then such disagreement shall, as provided by Section 11.2(c) or otherwise on demand of either party, be referred to arbitration in Meridian, Mississippi. Buyer and Seller shall attempt to agree on the appointment of a single arbitrator. If they are unable to agree, a panel of three arbitrators shall be appointed: one arbitrator shall be appointed by Buyer, one shall be appointed by Seller, and one shall be appointed by the two so appointed. The determination in writing of such arbitrator(s), signed by at least two of them (if there be more than one), shall be final and binding on the parties. Such determination shall be made as soon as practicable after the reference of the claim to arbitration. The arbitrators shall be governed by the Commercial Arbitration Rules of the American Arbitration Association then in effect, and shall have full power to make such regulations and to give such orders and directions in all respects as they shall deem expedient, as well as in respect to the claims and differences referred to them, and also with respect to the mode and times of executing and performing any of the acts or things which may be awarded or directed to be done. The arbitrators shall also allocate among the parties the fees and expenses of the arbitrators and the actual costs and expenses (including legal fees) incurred by the parties in connection with the demand for indemnification and the arbitration in an equitable manner consistent with the decision of the arbitrator(s) regarding the resolution of the claims and differences referred to them, which allocation shall form part of the arbitrator(s)' written determination.

12 Further Covenants.

12.1 **Taxes.** Except as otherwise provided herein, all taxes originating from this transaction shall be paid by the party responsible by law to pay such tax.

12.2 **Expenses of the Parties.** Except as otherwise expressly provided in this Agreement, all expenses involved in the preparation, negotiation, authorization and consummation of this Agreement and the transactions contemplated hereby, including all fees and expenses of Agent, representatives, counsel and accountants, shall be borne solely by the party who shall have incurred the same, and no other party shall have any responsibility with respect thereto.

12.3 **Confidentiality.** Except for necessary disclosure to such party's directors, officers, members, employees, counsel, accountants, lenders and other Agent, and except for the disclosure contemplated by Section 7 and such other disclosures as may be required by law, each party shall keep the provisions of this Agreement confidential until it is filed with the FCC. Without limiting the generality of the foregoing, no party shall make any press release or advertisement with respect to the transactions contemplated hereby without the prior consent of the other party, unless the disclosing party determines, upon the advice of counsel, that such

action is required by law, and then the disclosing party shall promptly notify the other party of such disclosure.

12.4 Further Assurances. Each party shall cooperate with the other, take such further action, and execute and deliver such further documents, as may be reasonably requested by any other party in order to carry out the terms and purposes of this Agreement. Without limiting the generality of the foregoing, from and after the Closing Date:

(a) each party shall file all tax returns consistent with the allocation of the Purchase Price set forth in **Schedule 2.3**, and no party shall take any position on audit or in litigation which is inconsistent with such allocation if such position would result in the payment of any additional tax by, or the disallowance of any deduction or credit to, any other party; and

(b) upon request, each party shall take such action and deliver to the requesting party such further instruments of assignment, conveyance or transfer and other documents of further assurance as in the opinion of counsel to the requesting party may be reasonably desirable to assure, complete and evidence the full and effective transfer, conveyance and assignment of the Assets and possession thereof to Buyer, its successors and assigns, and the performance of this Agreement by Seller and Buyer in all respects.

13 General Provisions.

13.1 Survival of Representations, Warranties and Covenants. The several representations, warranties and covenants of the parties herein contained, and the provisions hereof which by their terms are to be performed after the Closing Date, shall survive the Closing Date as provided herein, but subject to the twelve (12) month limitation set forth in Sections 11.1 and 11.2; *provided, however*, that if a party learns of any breach of any such representations, warranties, covenants or agreements prior to Closing it shall promptly inform the other party thereof with reasonable specificity.

13.2 Amendment and Waiver. This Agreement may be amended only by a writing executed by Buyer and Seller. No waiver of compliance with any provision or condition hereof, and no consent provided for herein, shall be effective unless evidenced by an instrument in writing duly executed by the party sought to be charged therewith. No failure on the part of a party to exercise, and no delay in exercising, any of its rights hereunder shall operate as a waiver thereof, nor shall any single or partial exercise by any party of any right preclude any other or future exercise thereof or the exercise of any other right.

13.3 Assignment. This Agreement may be assigned by either party upon notice to the other party, *provided* that the assigning party shall not be released from its obligations hereunder without the prior consent of the non-assigning party and *provided further*, that the assigning party shall use commercially reasonable efforts to avoid any substantial delays in the parties' receipt of the FCC Consent. All covenants, agreements, representations, warranties and indemnities in this Agreement by and on behalf of the parties hereto shall bind and inure to the benefit of their respective successors and permitted assigns.

13.4 **Notices, Etc.** Each notice, report, demand, waiver, consent and other communication required or permitted to be given hereunder shall be in writing and shall be sent either by registered or certified first-class mail, postage prepaid and return receipt requested, or by nationally recognized overnight courier, addressed as follows:

If to Buyer: Robert M. Ledbetter, Jr.
1941 Carolyn Drive
Tupelo, MS 38801

with a copy to: Garvey Schubert Barer
1000 Potomac Street, N.W. 5th Floor
Washington, DC 20007-3501
Attn: Henry A. Solomon, Esq.

If to Seller: Global Communications Incorporated
4715 4th Place
Meridian, MS 39305
Attn.: Ms. Phyllis Nuckolls, President

with a copy to: Wiley Rein & Fielding LLP
1776 K Street, N.W.
Washington, DC 20006
Attn: John M. Burgett, Esq.
Brook A. Edinger, Esq.

Each such notice or other communication given by mail shall be deemed to have been received five (5) days after it is deposited in the United States mail in the manner specified herein, and each such notice or other communication given by nationally recognized overnight courier shall be deemed to have been received on the next business day after it is deposited with such courier. Any party may change its address for the purpose hereof by giving notice in accordance with the provisions of this Section 13.4.

13.5 **Binding Effect.** Subject to the provisions of Section 13.3, this Agreement shall be binding upon and shall inure to the benefit of the parties and their respective successors and assigns. This Agreement creates no rights of any nature in any person not a party hereto.

13.6 **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Mississippi, and any legal action with respect hereto shall be brought in the state or federal court in the State of Mississippi having jurisdiction.

13.7 **Effect of Agreement.** This Agreement sets forth the entire understanding of the parties, and supersedes any and all prior agreements, arrangements and understandings, written or oral, relating to the subject matter hereof and thereof.

13.8 **Headings; Counterparts.** The Article and Section headings of this Agreement are for convenience of reference only and do not form a part hereof and do not in any

way modify, interpret or construe the intention of the parties. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[This space intentionally left blank. Signature page follows]

[Signature Page to WGBC (TV) Asset Purchase Agreement]

IN WITNESS WHEREOF, the parties have duly executed this Agreement on the date first written above.

SELLER:

GLOBAL COMMUNICATIONS INCORPORATED

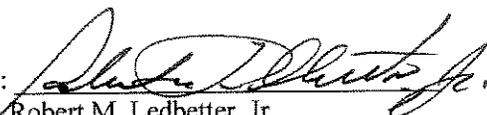
By:


Phyllis Nuckolls, President

BUYER:

ROBERT M. LEDBETTER, JR.

By:


Robert M. Ledbetter, Jr.

Schedule 1.1

The License

Television Broadcast Station WGBC, Meridian, Mississippi
NTSC Channel 30 and DTV Channel 31
Facility Identification Number: 24314

<u>Call Sign</u>	<u>Description</u>	<u>Expiration Date</u>
WGBC(TV)	Main License (FCC File No. BLCT-19910923KF)	June 1, 2013
WGBC-DT	Digital Television Construction Permit (FCC File No. BPCDT-19990921AAN)	July 1, 2006
WGBC-DT	Special Temporary Authority (FCC File Nos. BEDSTA-20051216ACS, BEDSTA-20050617ACI, BEDSTA-20041119AGG, BEDSTA-20040102AAL, BEDSTA-20030605AEZ, and BDSTA-20021112ADF)	July 1, 2006
WHG261	TV Intercity Relay	June 1, 2013
WHG410	TV Intercity Relay	June 1, 2013