

## **BUY AND SELL AGREEMENT**

Subject to the terms and conditions herein, this **Buy and Sell Agreement** (hereinafter "**Agreement**") is made on this the 5<sup>th</sup> day of May, 2004 between New Century Radio, Inc., a duly organized ALA corporation hereinafter referred to as Seller Joy Christian Communications, Inc., a duly organized corporation, (hereinafter referred to as Buyer) and Seller and Buyer do hereby covenant and agree as follows:

Whereas, Buyer desires to have the option to enter into an exchange and Seller is willing to accommodate Buyer in this regard so long as Seller's participation in the exchange is without recourse to expense to Seller.

### **1. ASSETS**

Seller agrees to sell, and Buyer agrees to purchase the following specifically described property as follows, to wit:

- A. WTID-AM License issued by the Federal Communications Commission (hereinafter "F.C.C.")
- B. WTID-AM Transmitter and tower site located at 3501 2<sup>nd</sup> Ave, Jasper, AL 35501.
- C. All equipment at AM transmitter currently being used to operate WTID-AM including
  - 1. Harris Transmitter
  - 2. Inoperable Harris Transmitter
  - 3. STL receiver
  - 4. Sine Systems Remote Control
  - 5. Optimod
- D. Intangibles including trademarks, logos, etc. associated with the operation of WTID-AM.
- E. Seller is to retain the right to use call letters WTID in another market.

The above specifically described property is hereinafter referred to as "**assets**", and the above described assets are the subject matter of this Agreement. Subject to the terms and conditions provided hereinbelow, Seller agrees to assign, transfer, and convey to Buyer the above specific assets, and subject to the terms and conditions provided hereinbelow, Buyer agrees and covenants to purchase the above specific assets by paying unto Seller the consideration stated hereinbelow.

### **2. CONSIDERATION AND CLOSING**

## ADDENDUM

THIS ADDENDUM IS TO BE INCORPORATED INTO SECTION 1 (ASSETS).....SUBSECTION C. IT IS A LIST OF STUDIO EQUIPMENT WHICH WILL BE INCLUDED IN SALE. SOME EQUIPMENT WHICH IS USED FOR BROADCAST OF FM SIGNAL WILL NOT BE INCLUDED SUCH AS FM STL EQUIPMENT AND AUDIO PROCESSORS. OTHER FM EQUIPMENT WILL BE INCLUDED AS OF DATE ALL FM ACTIVITIES ARE FINAL.

REMOTE PICKUP TRANSMITTER AND RECEIVER AND ASSOCIATED ANTENNAS.

AM STL TRANSMITTER

AM TEXAR AUDIO PROCESSOR

SAGE EAS DECODER

LPB CONSOLE

2-HARRIS MEDALIST CONSOLES

2-OTARI REEL TO REEL MACHINES

SHORT CUT DIGITAL AUDIO EDITOR

TELEVISION SET ON WALL

3-ELECTRO VOICE RE-20 MICROPHONES

1-SENNHEISER MICROPHONE

ARRAKIS DIGILINK 3

FAX MACHINE

COPIER

SANYO VCR

3 SETS OF SPEAKERS

3 STACK CART PLAYER

CASSETTE PLAYER

AM AUTOMATION UNIT

DESKS AND FURNITURE (EXCEPT OFFICE OCCUPIED BY VACHEL POSEY)

It is agreed that Buyer will pay to Seller as consideration for the purchase of the assets the sum of Two Hundred Thousand Dollars (\$200,000.00) (hereinafter the "**Purchase Price**"). Buyer agrees to pay seller earnest money in the amount of \$25,000.00 at the signing of this document and to simultaneously place the remaining \$175,000.00 into an escrow account at Compass Bank, Jasper, Alabama (said escrow account to be covered by a separate agreement). Funds referred to above must be verified by electronic transfer by Buyer. It is further agreed that Seller will execute and deliver to Buyer as consideration for the aforesaid Purchase Price the necessary bills of sale, assignments, and other transfer documents in order to transfer the title on said assets to Buyer upon F.C.C. License transfer initial approval.

It is agreed that closing shall take place at a mutually agreeable place within 5 days of F.C.C. initial approval of the license transfers to Buyer.

### **3. SELLER'S OBLIGATIONS**

Seller covenants, represents, and warrants that:

- A. The License will be in full force at the time of transfer, with no modifications since the date of issuance and there will be no action pending to revoke or modify the License.
- B. The Station is in compliance in all material respects with all FCC Rules and Regulations.
- C. Any written information provided, or to be provided is complete and accurate in all material respects.
- D. That it will use reasonable diligence to obtain approval for transfer from the FCC.
- E. That it will convey the assets at Closing to Buyer free and clear of all liabilities, claims, liens, and encumbrances.
- F. That Seller has the right and authority to execute and deliver this Agreement.

### **4. BUYER'S OBLIGATIONS**

Buyer covenants, represents, and warrants that:

- A. The Purchase Price above stated will be paid at Closing by Escrow transfer by Escrow Agreement.
- B. Any written information provided, or to be provided, is complete and accurate in all material respects.

- C. That it will use reasonable diligence to assist Seller in obtaining approval for transfer from the F.C.C.

## **5. CONDITIONS OF CLOSING**

The following are conditions that must be satisfied prior to Closing:

- A. The F.C.C. shall have issued an initial order for the transfer of the WTID license.

## **6. F.C.C. APPLICATIONS/CP IMPLEMENTATION**

Seller and Buyer do hereby agree to share equally in the necessary fees that have to be paid to the F.C.C. concerning the application to be filed to effectuate a transfer of the WTID-AM License together with the necessary legal fees for legal counsel in handling the F.C.C. applications and filings. All fees due to the F.C.C. and legal counsel fees involving the transfer of the Station will be split evenly between Seller and Buyer.

## **7. ESCROW**

Buyer will deliver to Seller, today, Twenty Five Thousand Dollars (\$25,000.00) as earnest money. Upon execution of this agreement, Buyer will deposit an additional \$175,000.00 into escrow. The escrow deposits totaling \$200,000.00 shall be held by a mutually agreeable escrow agent, who the parties agree shall be Bob Nolen or Brett Wadsworth, attorney for Seller, wherein said attorney shall hold said total escrow sum of \$200,000.00 in his normal, non-interest bearing trust account subject to the terms and conditions of this Buy and Sell Agreement.

In the event that the contemplated Closing occurs, the aforesaid Escrow shall be paid to Seller as the full purchase price.

In the event that the contemplated Closing does not occur due to the failure of the F.C.C. to transfer the WTID-AM license as contemplated herein, the Escrow shall be refunded to Buyer. However, in the event that the Closing does not occur for any reason other than breach of this Buy and Sell Agreement by Seller, the Escrow shall be paid to Seller as liquidated damages specified hereinbelow.

## **8. OTHER**

Seller and Buyer agree to allocate the purchase price for the Assets in the amount of \$200,000.00 as to personal property. Seller and Buyer warrant to each other that no entity, broker or organization is involved in this transaction and that the Seller and Buyer are the sole parties involved in the negotiation and execution of this Agreement. Each party agrees to pay its own attorney's fees, if any, in the event that legal counsel is considered necessary by either party in negotiating or

drafting this Agreement. Furthermore, in the event that the parties desire legal counsel to prepare or to negotiate this Agreement, each party acknowledges that it has separate legal counsel.

This Agreement shall be construed under the laws of the State of Alabama and Walker County, Alabama shall be the site for the resolution of any such disputes, if any.

This Agreement may not be amended or modified unless in writing with the mutual consent of the parties.

## 9. NOTICES

Any and all notices, if any, or any communications necessary herein under this Agreement shall be given to the addresses shown hereinbelow:

New Century Radio, Inc.  
Vachel L. Posey Jr. Pres.  
1499 N. Airport Road  
Jasper, AL 35504

Joy Christian Communications, Inc.  
P.O. Box 602  
Centre, AL 35960  
Attn: Ed Smith, Pres.

## 10. INDEMNIFICATIONS

**Breach of Seller's Agreements, Representations, and Warranties.** Seller shall reimburse Buyer for, and indemnify and hold harmless Buyer from and against, any loss, damage, liability, obligation, deficiency, claim, suit, cause of action, demand, judgment, or expense (including without limitations, payments, fines, penalties, interest, taxes, assessments, and reasonable attorneys' fees and accounting fees incurred by Buyer with respect thereto), contingent or otherwise, whether incurred or asserted prior to or after the Closing, arising out of or sustained by Buyer by reason of:

- A. any material breach of any covenant, warranty, representation, or agreement of Seller contained under this Agreement or in any certificate or other instrument furnished to Buyer pursuant to this Agreement or in connection with any of the transactions contemplated hereby;

- B. the operation of the Station or the ownership of the Assets prior to Closing (including, but not limited to, any and all claims, liabilities, and obligations arising or required to be performed prior to the Closing under the Agreements, or any other lease, contract, or agreement);
- C. any transaction entered into by Seller or arising in connection with the Station or the operation of the business thereof or any of the Assets prior to the Closing;
- D. any and all actions, suits, or proceedings, incident to any of the foregoing; or
- E. any claim, liability or obligation required to be performed at any time under any lease, contract or agreement not specifically assumed by Buyer in writing hereunder.

**Breach of Buyers Agreements, Representations and Warranties.** Buyer shall reimburse Seller for, and indemnify and hold harmless Seller from and against, any loss, damage, liability, obligation, deficiency, claim, suit, cause of action, demand, judgment, or expense (including without being limited to, payments, fines, penalties, interest, taxes assessments, reasonable attorneys' fees and accounting fees of any kind or nature incurred by Seller with respect thereto), contingent or otherwise, arising out of or sustained by Seller by reason of;

- A. any material breach of any covenant, warranty, representation, or agreement of Buyer contained under this Agreement or any certificate or other instrument furnished by Buyer pursuant to this Agreement or in connection with any of the transaction contemplated hereby;
- B. any and all liabilities or obligations of Seller specifically assumed by Buyer pursuant to this Agreement, or
- C. any and all actions suits, or proceedings incident to any of the foregoing.

## **11. DEFAULT AND TERMINATION**

A party shall "default" under this Agreement if it knowingly makes any material misrepresentation to the other party in connection with this Agreement, or materially breaches or fails to perform any of its representations, warranties, or covenants contained in this Agreement. Non-material breaches or failures shall not be grounds for declaring a party to be in default, postponing the Closing, or terminating this Agreement.

If either party believes the other to be in default hereunder, the former party shall provide the other with written notice specifying in reasonable detail the nature of such default. If the default is not curable or has not been cured within fifteen (15) days after delivery of that notice (or such additional reasonable time as the

circumstances may warrant provided the party in default undertakes diligent, good faith efforts to cure the default within such fifteen (15) day period and continues such efforts thereafter), then the party giving such notice may terminate this Agreement and/or exercise the remedies available to such party pursuant to this Agreement, subject to the right of the other party to contest such action through appropriate proceedings.

Buyer recognizes that if the transaction contemplated by this Agreement is not consummated as a result of Buyer's default, Seller would be entitled to compensation, the extent of which is extremely difficult and impractical to ascertain. To avoid this problem, the parties agree that the Seller shall have the remedy of being paid liquidated damages as an option to seeking specific performance. One of the remedies of Seller if this Agreement is not consummated due to the default of Buyer is that Seller shall be entitled to receive as liquidated damages the sum of Twenty Five Thousand Dollars (\$25,000.00). In the event that Seller elects to not seek specific performance, the parties agree that such amount (i.e., Twenty Five Thousand Dollars \$25,000.00) shall constitute liquidated damages and shall be in lieu of any other remedies to which Seller might otherwise be entitled due to Buyer's wrongful failure to consummate the transaction contemplated by this Agreement. In lieu of being paid the liquidated damages and in the sole discretion of Seller, Seller, if it so elects, shall have the option to file suit for specific performance being the same rights as are accorded to the Buyer as provided hereinbelow. In the event that Seller does not seek specific performance, Buyer and Seller each acknowledge and agree that the liquidated damage amount is reasonable in light of the anticipated harm which will be caused by Buyer's breach of this Agreement, the difficulty of proof of loss, the inconvenience and non-feasibility of otherwise obtaining an adequate remedy, and the value of the transaction to be consummated hereunder. In the event of default by the Buyer and in the event Seller elects as its remedy to be paid the aforesaid parties to the other upon Seller's receipt of said liquidated damages.

Seller agrees that the Assets include unique property that cannot be readily obtained on the open market and that Buyer will be irreparably injured if this Agreement is not specifically enforced.

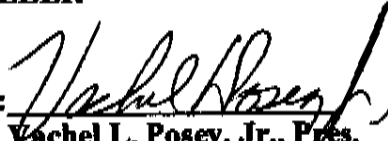
Therefore, Buyer shall have the right specifically to enforce Seller's performance under this Agreement, and Seller agrees to waive the defense in any such suit that Buyer has an adequate remedy at law and to interpose no opposition, legal or otherwise, as to the propriety of specific performance as a remedy. In the event Buyer elects to terminate this Agreement as a result of Seller's default instead of seeking specific performance, Buyer shall be entitled to the return of the Escrow Deposit.

If a lawsuit is filed by Buyer or Seller against the other regarding this agreement, each party shall bear its own attorneys fees, costs and other expenses incurred in filing, prosecuting, or defending the lawsuit.

This Buy and Sell Agreement has been executed on this the 5<sup>th</sup> day of May, 2004, in duplicate, each to be considered as an Original, and this Buy and Sell Agreement supersedes and replaces all prior written agreements of the parties.

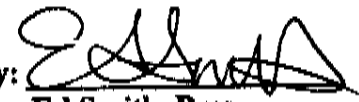
Accepted and Agreed this  
5<sup>th</sup> day of May, 2004.

SELLER

By:   
Rachel L. Posey, Jr., Pres.  
New Century Radio, Inc.

Accepted and Agreed this  
5<sup>th</sup> day of May, 2004

BUYER

By:   
Ed Smith, Pres.  
Joy Christian  
Communications, Inc.

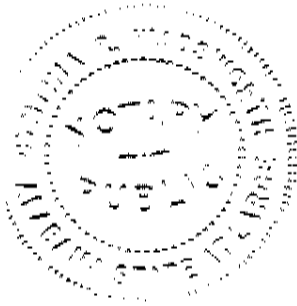
Escrow ch# 1067 - \$25,000 - 5/5/04  
Escrow ch# 1068 - \$175,000 - 5/5/04



STATE OF ALABAMA  
COUNTY OF WALKER

PERSONALLY appeared before me, the undersigned authority in and for the aforesaid State and County, Vachel L. Posey, Jr., personally known to me to be the President and Secretary respectively of New Century Radio, Inc. who acknowledged that he signed and delivered the above and foregoing Buy and Sell Agreement on the day and year therein mentioned for and on behalf of New Century Radio, Inc. and as its act and deed, and that he was duly authorized so to do.

GIVEN under my hand and seal this 5<sup>th</sup> day of May, 2004.



*[Handwritten Signature]*  
Notary Public

M.C.E. 11/14/07

STATE OF ALABAMA  
COUNTY OF WALKER

PERSONALLY appeared before me, the undersigned authority in and for the aforesaid State and County, Ed Smith, personally know to me to be the President of Joy Christian Communications, Inc. who acknowledged that they signed and delivered the above and foregoing Buy and Sell Agreement on the day and year therein mentioned for and on behalf of Joy Christian Communications, Inc. and its act and deed, and that they were duly authorized so to do.

GIVEN under my hand and seal this 5<sup>th</sup> day of May, 2004.



*Christina Nadeau*  
Notary Public

M.C.E. 11/14/07