

WJSS (AM)
ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement ("Agreement") that has been made and entered into this ____ day of January, 2004, by and between **PEOPLES BROADCAST NETWORK LLC**, a limited liability company organized under the laws of the State of Connecticut with an office at 301 Guinea Road, Stamford, Connecticut 06903 (hereinafter called the "Seller"), and **BENJAMIN-DANE, LLC**, a limited liability company organized under the laws of the Commonwealth of Virginia with an office at 21 Laurel Wood Road, Newport News, Virginia 23602 ("the Purchaser").

1. Declarations.

Seller owns and operates **Radio Station WJSS (AM)**, Havre de Grace, Maryland (the "Station"). The Station operates under a commercial radio broadcast license granted by the Federal Communications Commission ("FCC"). For the consideration and subject to the terms and conditions hereinafter set forth, Purchaser desires to purchase from Seller and Seller desires to sell to Purchaser those assets hereinafter specifically defined and used in connection with the operation and business of the Station, free and clear of all liens, claims, encumbrances and other security interests of any nature whatsoever (except as provided herein), and, subject to FCC approval, the Seller desires to assign the Station licenses to Purchaser. The purpose of this Agreement is to evidence the terms and conditions upon which such purchase and sale shall be effected. Each party agrees to pursue diligently all requirements of and actions to be taken pursuant to this Agreement in order to effect the Closing (as hereinafter defined) at the earliest possible date.

2. Sale and Transfer of Assets.

2.1 Agreement to Sell and Purchase. Subject to the terms and conditions of this Agreement, at the Closing, Seller shall sell, transfer, assign, and deliver to Purchaser, and Purchaser shall purchase and accept, in consideration of the Purchase Price defined and payable as hereinafter set forth, all of the rights and tangible and intangible assets used or useful in

2. Sale and Transfer of Assets.

2.1 Agreement to Sell and Purchase. Subject to the terms and conditions of this Agreement, at the Closing, Seller shall sell, transfer, assign, and deliver to Purchaser, and Purchaser shall purchase and accept, in consideration of the Purchase Price defined and payable as hereinafter set forth, all of the rights and tangible and intangible assets used or useful in connection with the operation of the Station and the transmission of the Station's signal (hereinafter referred to as the "Assets"), as follows:

2.1(a) Tangible Personal Property. All the tangible personal property and assets of the Station, owned by the Seller and used, useful or intended for use in connection with or related to the Station and the operation thereof as of the date of this Agreement, including, but not limited to, those items listed on Exhibit "A" attached hereto and made a part hereof, together with any and all replacements thereof or additions or accessions thereto of similar or like quality, made in the usual and ordinary course of the Station's business between the date hereof and the Closing Date, free and clear of all liens, claims, encumbrances and other security interests of any nature whatsoever (except as provided herein). The Assets do not include cash on hand or in any bank, notes receivable or accounts receivable that have arisen prior to the Closing Date (as hereinafter defined), billed or unbilled, all of which shall remain the property of the Seller. Further, Seller's limited liability company documents, minute book, records, or contracts of insurance shall not be included in this sale.

2.1(b) Contracts/Leases. All broadcast, transmission, network, and advertising agreements, customer lists, goodwill, franchises, licenses, contracts, personal property leases, and commitments of Seller relating to the ownership and operation of the Station, all as identified and described on Exhibit "B" attached hereto and made a part hereof;

2.1(c) FCC Licenses. All licenses, permits, and authorizations listed on Exhibit "C" hereto and made a part hereof, issued by the FCC for the operation of the Station, together with any additional or modified authorizations issued pending the Closing, and any applications relating to the Station pending on the closing (the "Licensees");

2.1(d) Call Letters. The call letters of the Station, which are "WJSS."

2.1(e) Intangibles. All copyrights, program rights, trademarks, tradenames, service marks, names, logos (registered or unregistered), and other intangibles, together with the goodwill associated therewith, if any, which are owned by Seller and used in connection with the Station or the other Assets as listed on Exhibit "D" hereto and made a part hereof; and

2.1(f) Trade Out Receivables. All air time or "trade out" receivables of Seller with respect to the Station and its operations through the close of business on the Closing Date listed on Exhibit "E" hereto and made a part hereof.

The precise aggregate values of the Assets as of the Closing Date shall be determined by mutual agreement of the parties within sixty (60) days from the date hereof and shall be noted on a Supplement Exhibit attached hereto to be prepared by the parties for the Closing. Said values determination shall not cause any change in the total Purchase Price, and the failure to reach such mutual-agreement as to the precise aggregate values, however, shall not constitute or cause a default by either party under this Agreement.

It is understood by the parties that accounts receivable invoiced in the normal course of business shall remain the property of the Seller and shall be collected by the Seller.

2.2 The Purchase Price. The total consideration ("Purchase Price") for the sale and purchase of the Assets shall consist of a cash payment of \$350,000.00 at Closing, hereinafter defined. The Seller acknowledges that the Purchaser has deposited the amount of \$17,500.00 in escrow as an earnest money deposit ("Earnest Money"). The Earnest Money has been placed in an escrow account with **HOLT MEDIA GROUP**, of 2178 Industrial Drive, Suite 914, Bethlehem, Pennsylvania 18017, the broker in this transaction, which shall serve as escrow agent pursuant to an Escrow Agreement substantially in the form attached hereto as Exhibit "F".

2.2(a) Payment. At Closing, subject to the terms of this Agreement, and as the consideration for the sale and transfer of the Assets to the Purchaser, the Purchaser shall satisfy the elements of the Purchase Price as follows:

- (1) Purchaser shall deliver to the Seller a bank, cashier's, or certified check in the amount of \$332,500.00 or arrange for a wire transfer of that sum, and the Earnest Money in the amount of \$17,500.00 shall be released by the Escrow Agent to the Seller.
- (2) Subject to obtaining necessary consents to assignment, Purchaser shall assume and agree to perform and discharge the obligations of Seller to be performed from and after the closing Date under the leases, contracts, and other agreements and obligations of the Seller all as listed on Exhibit "B" hereto, copies of which have been delivered to Purchaser.

2.2(b) Limitation of Assumptions. Except as specifically provided in Section 2.2(a) above, Purchaser shall not assume any obligations of Seller asserted or unasserted, matured or unmatured.

3. Closing.

3.1 The Closing. The consummation of the transfer, assignment, and delivery of the Assets to Purchaser by Seller and the payment to Seller of the Purchase Price therefor shall constitute the Closing as referred to herein. The Closing shall occur at West Hartford, Connecticut, or at such other place as is mutually agreeable to the parties on a date ("Closing Date") which shall be between the first and sixth days, inclusive, after the FCC's approval of and consent to the assignment of the Licenses and Broadcast Authority, (as defined in Section 4.1(k)) pursuant to this Agreement (referred to herein as the "FCC Approval"), which consent and approval shall conform in form and substance to reasonable requirements of Purchaser and Seller and their respective counsel, the terms of which do not adversely affect the assets, properties, business or financial condition of Seller and Station, and shall have become a final order not subject to further administrative or judicial review. By mutual agreement of Seller and

Purchaser, the Closing may occur on a date after the FCC Approval but before the FCC Approval becomes a final order of the FCC, and such date shall be the Closing Date.

3.2 Transfer of Assets – Instruments of Transfer. The Seller hereby agrees at the Closing and subject to the terms and conditions hereof that it shall execute and deliver to Purchaser or the following instruments to transfer title to all of the Asset being sold hereunder:

(a) Bill of Sale, Assignment of FCC Authorizations, Assignment of the WJSS Tower Lease and the WJSS Studio Lease, all required consents, and any other instruments or documents regarding the transfer of any and all other Assets which may reasonably be required in order to transfer, sell, and assign all of the Assets.

(b) All records, logs, books and accounts, public files and other data relating to the operation of the Station which the Purchaser may reasonably request or which may be otherwise required by the terms of this Agreement.

(c) Seller shall execute such other documents and do and perform such other acts that Purchaser shall reasonably request in order to place the Purchaser in actual possession and operating control of the Station and all of its Assets, and to consummate the transaction herein.

(d) Termination Statement or any existing lien.

(e) A receipt acknowledging payment by Purchaser of the Purchase Price.

(f) Certified resolutions of Seller approving the execution and delivery of this Agreement and authorizing the consummation of this transaction.

(g) A certificate that the representations and warranties of the Seller shall be complete and correct in all material aspects on the date of the Closing and that the Seller shall have performed in all material respects all of its covenants, agreements and obligations required by this Agreement.

4. Representations and Warranties.

4.1 Representations and Warranties of Seller. Seller represents and warrants to Purchaser as follows:

(a) Due Organization, Good Standing and Power. Seller is a limited liability company duly organized, validly existing, and in good standing under the laws of the State of Connecticut and has all requisite power and authority to enter into and execute this Agreement and to consummate the transactions contemplated hereby.

(b) Authorization. The execution, delivery and performance of this Agreement by Seller has been duly authorized by the Seller by its Members, and this Agreement constitutes a valid, binding and enforceable agreement of Seller enforceable in accordance with its terms, except insofar as the enforceability thereof may be affected by applicable bankruptcy, insolvency, receivership, moratorium or other laws affecting creditors' rights generally.

(c) No conflicts or violations. The consummation of the transactions contemplated by this Agreement by the Seller will not violate any provision of any statute or law or conflict with a result in any breach in any of the provisions of the Seller's Articles of Organization and Operating Agreement and will not result in any breach or violation of or default of any judgment, decree, mortgage, agreement or indenture applicable to the Seller.

(d) Title. Except as disclosed on Schedule 4.1(d) hereto, Seller has good and marketable title to all of the Assets, and its interest therein, to be sold hereunder, and at the Closing, such Assets will be free and clear of all pledges, security interests, liens, restrictions and encumbrances of whatever kind and nature except (i) liens in connection with leaseholds and inchoate statutory liens which do not materially detract from the value of the properties to which they relate or materially impair their use in the operation of Seller's business; and (ii) liens for current personal property taxes and assessments not yet due and payable.

(e) Condition of Property. Seller warrants that the Assets, which are not new, are in good operating condition and repair, free of any substantial defects, and are suitable, adequate, and fit for the uses for which they are intended or are being used; and the present use of the Assets do not violate in any material respect any applicable licenses, statutes, or building, fire, zoning, health, and safety or any other laws or regulations. Without limiting the foregoing, such Assets and the operations thereof do not result in exposure of workers or the general public to levels of radiofrequency radiation in excess of the guidelines recommended by the American National Standards Institute. If the Assets are not in compliance with the foregoing, the Seller shall, upon written notification by Purchaser prior to the Closing, be responsible for any repairs to the Assets which may reasonably be necessary to bring the Station's equipment into compliance with said rules. Seller shall provide the Purchaser with a copy of its most recent Proof of Performance and shall provide Purchaser's engineering counsel with access to the Station's facilities for purposes of inspections upon reasonable notice prior to Closing.

(f) Property Leases. The Seller has furnished in Exhibit "B" a complete and correct description of any and all leases covering fixtures including improvements, antennas, transmitters, towers and microwave dishes leased by Seller and used in connection with the operations of the Station and has furnished copies of all written leases and summaries of the terms of all oral leases. Except as disclosed on Schedule 4.1(f) attached hereto and made a part hereof, to the best of Seller's knowledge, each such lease is valid, subsisting and in good standing and enforceable in accordance with its terms, may be assigned to Purchaser as contemplated herein, and all rentals payable pursuant to such leases have been duly paid; Seller is not in default or in arrears in the performance or satisfaction of any material term or provision of any such lease; and there is no default or other occurrence, condition or omission under any such lease which would or could result in a material default or in a forfeiture or termination thereof or in any material liability thereunder. Except as disclosed on Schedule 4.1(f) Seller's interest in each of such leases is free and clear of all mortgages, security interests, liens, pledges, charges, encumbrances, claims and assessments of any nature whatsoever, and the Seller has acquired peaceful possession of the properties covered thereby.

(g) No Defaults or Violations. Except as disclosed on Schedule 4.1(g) hereto, Seller has not breached any provision of, and is not in violation of or in default with respect to (and no event has occurred which, with the lapse of time or notice or other action by a third party would result in any such violation or default) any term, provision, condition or covenant of any mortgage, indenture, contract, lease agreement or other instrument or commitment to which Seller is a party or is subject or by which any' of Seller's assets or properties may be bound, or any judgment, decree, writ, order or regulatory statute, rule or regulation of any court or any governmental agency, board, commission, bureau or other instrumentality applicable to Seller or to the Station, which breach or violation would materially affect the Assets or operations of the Station; and the execution, delivery and compliance with all the terms and provisions of this Agreement do not and will not result in any such breach, violation or default.

(h) Litigation. Except as disclosed on Schedule 4.1(h) hereto, there are no actions, suits, claims or legal, administrative or arbitrate proceedings pending or, to the best of Seller's knowledge, threatened against or affecting the Seller, or its properties or business, at law or in equity, or before or by any United States, state, municipal, or other governmental department, commission board, bureau, agency, court or instrumentality, which involve any claim not fully covered by insurance or which if determined adversely to Seller would adversely affect the business, properties, assets or condition (financial or otherwise) of the Seller or its right to conduct its business as presently conducted, and Seller does not know of any facts or circumstances which could reasonably form the basis for any such suit, action, claim, investigation or proceeding.

(i) Insurance. Seller has furnished on Schedule 4.1(i) hereto a complete and correct description of all policies of liability, theft, fidelity, life, fire, and other forms of insurance held by Seller with respect to the Station or the Assets, which insurance shall remain in effect up to and including the Closing Date. Copies of such policies have been provided Purchaser on or before the execution of this Agreement.

(j) Authorization. This Agreement constitutes and will constitute as of the Closing Date a valid, binding, and enforceable agreement of Seller enforceable in accordance with its terms except insofar as the enforceability thereof maybe affected by applicable bankruptcy, insolvency, receivership, moratorium or other laws affecting creditors' rights generally.

(k) Broadcast Authority. Seller is, and on the closing Date will be, the holder of the FCC broadcast authority (including, without limitation the main, auxiliary, and subsidiary broadcasting authorities, if any), as well as the Licenses, all FCC applications, construction permits, call letters, renewals, and all other FCC and non-FCC licenses, permits or other authorizations for or in connection with the operation of Station, including, without limitation, those listed in Exhibit "C" and in Section 2.1(c) hereof (all of the foregoing, transfer of some or all which may require FCC consent or approval, is sometimes referred to collectively herein as the "Broadcast Authority"). The Broadcast Authority includes all the FCC authorizations required for or used in the operation of the Station as it is now operated. The Broadcast Authority is now, and on the Closing Date will be, subject to its regularly required renewal, in full force and effect, unimpaired by any act or omission of Seller, its employees or agents. No action is pending and, to the knowledge of Seller after reasonable inquiry, no action is threatened by or before the FCC to revoke, cancel, rescind, modify, or refuse to renew the Broadcast Authority. All returns, reports, and statements relating to the Station currently required to be filed by Seller with the FCC or any other governmental instrumentality have been filed and complied with and are true, correct, and complete in all material respects. All such reports, returns, and statements shall continue to be filed on a current basis until the Closing Date, and will be true, correct, and complete in all material respects. All documents required by the FCC's rules to be placed in the Station's public file have been placed and are being held in such file. All logs and business records of every type and nature relating to the operation of the Station, including but not limited to political and public record files, program, operating and maintenance logs, equipment performance measurements, policies or evidence of insurance, licenses, operator agreements, and other records pertaining to the business and operations of the Station have been

maintained in all material respects in accordance with the rules of the FCC and are in the possession of Seller. The Seller further agrees to maintain the validity of the FCC licenses and comply in all material respects with all rules and regulations of the FCC. Upon receiving notice or otherwise becoming aware of any violation relating to the licenses, any violation by the Seller or the Station of any rules and regulations of the FCC, or any material violations under any other applicable statutes, rules, regulations, or laws, Seller shall promptly notify Purchaser and, at Seller's expense, cure all such violations prior to the Closing Date. The Seller also shall promptly notify Purchaser in writing if the Station ceases to broadcast at its authorized power for more than forty-eight (48) consecutive hours.

(l) Employment and Labor Contracts. Except as set forth on Exhibit "B" and on Schedule 4.1(l) attached hereto and made a part hereof, as to the operation of the Station, Seller is not a party to or bound by any employment contract, collective bargaining agreement, consultation agreement, professional services contract or employee pension, retirement, insurance profit-sharing or similar plan. None of the Station's employees are now represented by any labor union and there is not now any labor strike or other substantial employee or labor controversy or dispute pending (including without limitation any organizational drive) or, to the best knowledge of Seller, threatened which may affect the operations or employees of the Station.

(m) Taxes. As respects the Assets, all taxes of every kind and description (whether incurred in respect of, or measured by, income or otherwise) relating to any date or period of time prior to the Closing Date and payable by Seller to the United States, any State thereof, all taxing authorities therein, and any other taxing authority, which have been assessed prior to the date hereof, have either been paid in full or, with respect to any such taxes which have not been paid on or before the Closing Date, have been properly accrued on Seller's books and Seller is not, nor on the Closing Date will be, delinquent with respect to any tax payment or assessment which could be a lien or charge against the Assets. There are no audits or material claims pending or, to the knowledge of Seller, threatened, concerning taxes or assessments asserted against any of the Assets by any taxing authority or agent thereof, nor are there

outstanding any requests by Seller or its agents for any extension of time relating to the filing, reporting, declaration, assessment or payment of any tax owed in respect to the Station. At Closing, Seller shall provide Buyer with a sales tax clearance issued by the State of Maryland Tax Commissioner.

(n) Compliance with Applicable Laws. The Station and all of the Assets are now and on the Closing Date will be in substantial compliance with applicable laws, ordinances, regulations, rules and orders. Seller now has and on the Closing Date will have all requisite and necessary permits, certificates, licenses, approvals, consents and other authorizations required to carry on and conduct the Station's business and to own, lease, use and operate the Station's properties at the places and in the manner in which the Station's business is conducted.

(o) No Conflicts or Violations. The consummation of the transactions contemplated by this Agreement by the Seller (i) will not violate any provision of any statute or law; (ii) will not result in any breach or violation of or default under any mortgage, agreement or indenture described in Exhibit "B"; and (iii) will not result in any breach or violation of or default under any judgment or decree applicable to Seller or the properties of Seller.

(p) ERISA. Seller does not now maintain and has never maintained an "employee pension benefit plan" or any "employee welfare benefit plan", has never sponsored or contributed to any "multiemployer pension plan," and does not maintain any retirement plans, bonus benefit arrangements, life insurance and hospitalization programs or any other fringe benefit arrangements (collectively, "fringe-benefit arrangements") for any employees.

(q) Employees. Seller shall deliver to Purchaser a true and complete list of all present employees of Seller rendering services in connection with the operation of the Station, the jobs to which they are now assigned and their current compensation and rates of bonus or commission. Seller will make no increase or decrease in the compensation or rates of bonus or commission payable to any of its employees, executives or sales personnel rendering services in connection with the operation of the Station.

(r) Disclosure. All facts of material importance to the Assets and to the Station have been fully and truthfully disclosed to Purchaser in this Agreement. No representation or warranty by the Seller and no document, statement, certificate, schedule, or exhibit to be furnished or delivered to Purchaser pursuant to or in connection with this Agreement contains or will contain any material untrue or misleading statement of fact or omits or will omit any fact necessary to make the statements contained herein or therein not materially misleading.

As used in this Section 4.1 hereof, the term "Agreement" shall include this Agreement and all other agreements, instruments and documents required or contemplated hereof.

4.2 Representations and Warranties of the Purchaser. The Purchaser represents to the Seller as follows:

(a) Due Organization, Good Standing and Power. Purchaser is a limited liability company duly organized, validly existing, and in good standing under the laws of the Commonwealth of Virginia and has all requisite power and authority to enter into and execute this Agreement and to consummate the transactions contemplated hereby. As of the Closing Date, Purchaser shall be qualified to do business in Maryland.

(b) Authorization. The execution, delivery and performance of this Agreement by Purchaser has been duly authorized by Purchaser by its Manager and Members, and this Agreement constitutes a valid, binding and enforceable agreement of Purchaser enforceable in accordance with its terms, except insofar as the enforceability thereof may be affected by applicable bankruptcy, insolvency, receivership, moratorium or other laws affecting creditors' rights generally.

(c) No Conflicts or Violations. Consummation of the transactions contemplated by this Agreement by the Purchaser will not violate any provision of any statute or law or conflict with or result in any breach of any of the provisions of the Purchaser's Articles of Organization or Operating Agreement and will not result in any breach or violation of or default under any judgment, decree, mortgage, agreement or indenture applicable to the Purchaser.

(d) Operation of Station. Purchaser will not operate or exercise control over the Station until after the Closing Date.

(e) FCC Qualifications. To the best of its knowledge, Purchaser is now, and on the Closing Date will be legally, financially and otherwise qualified to become the licensee of the Station, and knows of no reason why it will not be found qualified by the FCC to be the licensee of the Station. Purchaser will not take any action which it knows or has reason to know would cause it not to be so qualified.

(f) Litigation. No litigation, action, suit, judgment, proceeding or investigation is pending or outstanding or, to the knowledge of Purchaser, threatened before any forum, court or governmental body, department or agency of any kind to which Purchaser is a party and which has the stated purpose or the probable effect of enjoining or preventing the consummation of this Agreement or the transactions contemplated hereby, or to recover damages by reason thereof, or which questions the validity of any action taken or to be taken pursuant to or in connection with this Agreement, and Purchaser does not know of any basis for any such claim, litigation, proceeding or investigation.

(g) Disclosure. All facts of material importance to this transaction have been fully and truthfully disclosed to Seller in this Agreement. No representation or warranty by Purchaser and no document, statement, certificate, schedule, or exhibit to be furnished or delivered to the Seller pursuant to or in connection with this Agreement contains or will contain any material untrue or misleading statement of fact or omits or will omit any fact necessary to make the statements contained herein or therein not materially misleading.

As used in this Section 4.2 hereof, the term "Agreement" shall include this Agreement and all other agreements, instruments and documents required or contemplated hereby.

5. Covenants.

5.1 Affirmative Covenants of the Seller. From and after the date of this Agreement up to the Closing Date, Seller covenants and agrees as follows:

(a) At all reasonable times, Seller shall permit the Purchaser and its authorized representatives to have full access to all of the properties, records and documents of Seller, as Purchaser may from time to time reasonably request.

(b) Seller shall complete, execute, and transmit to the Purchaser and its counsel its portion of the application for the approval by the FCC of the assignment to the Purchaser of the Licenses, Broadcast Authority and business of the Station within fifteen (15) business days of the date of this Agreement.

(c) Seller shall conduct the business associated with the Assets and the Station in the usual, regular and ordinary course of business, and shall continue in good faith to seek and to maintain the good standing of such business and the condition of the Assets of the Station.

(d) Seller shall keep in full force and effect all of the fire, casualty, liability and other insurance and all bonds, if any, on personnel which were in force on the date of this Agreement.

(e) Seller shall maintain all books, accounts and records with respect to the Station in the usual, regular and ordinary manner and on a basis consistent with prior periods.

(f) Seller shall remain liable for and agrees to pay all accrued expenses for bonuses, property taxes or other liabilities of the Seller attributable to the business of Seller through the Closing Date and not specifically assumed by Purchaser pursuant to this Agreement.

(g) Seller shall take all necessary action and use its best efforts to obtain all consents, approvals and agreements required to carry out the transactions contemplated in this Agreement and to satisfy, or cause to be satisfied, all conditions contained herein including, without limiting the generality of the foregoing, the approval of the FCC to the assignment of the Licenses, Broadcast Authority and business of the Station which are being purchased hereunder.

(h) Seller will use its best efforts to keep available to Purchaser the services of Seller's present employees rendering services in connection with the Station and to preserve for Purchaser the good will of the Station's suppliers, advertisers, listeners, and others having business relations with the Station.

5.2 Negative Covenants of Seller. From and after the date hereof and up to the Closing Date, except as specifically agreed in writing by Purchaser, Seller covenants and agrees as follows:

(a) Seller shall not sell, dispose of, or encumber any of the Assets except in the ordinary course of business if it replaces them with items of at least equal value.

(b) Seller shall not acquire any tangible properties or assets for which the purchase price has not been paid in full as of the Closing without first obtaining Purchaser's prior written approval.

(c) Seller shall not enter into any employment contracts or other contracts or agreements except in the ordinary course of business.

(d) Except for customer advertisement contracts, the Seller shall not amend, modify or terminate, without the prior written consent of Purchaser, any of the contracts or agreements to be assumed by Purchaser hereunder.

(e) Seller shall not incur any indebtedness for which any of the Assets are, or may be, subject to any lien or claim, either expressed or implied.

(f) Seller shall not enter into any undertaking to furnish services for any consideration other than money, except under which Seller shall have fully performed as of the Closing Date or which Purchaser expressly assumes pursuant to Section 2.2 of this Agreement.

5.3 Covenants of the Purchaser. From and after the date of this Agreement up to the Closing Date, the Purchase agrees as follows:

(a) The Purchaser shall use its best efforts to obtain all consents, approvals and agreement required to carry out the transactions contemplated in this Agreement and to satisfy, or cause to be satisfied, all conditions contained herein, including, without limiting the generality of the foregoing, the approval of the FCC to the assignment of the Licenses, Broadcast Authority and business of the Station which are being purchased hereunder; and

(b) Purchaser shall complete its portion of the application for the approval of the FCC of the assignment of the Licenses, Broadcast Authority, and business of the Station within fifteen (15) business days of the date of this Agreement. Purchaser shall transmit a copy of its portion of the application to the Seller and its counsel.

(c) Purchaser shall transmit a fully executed application to the FCC, together with all FCC fees and charges, within twenty (20) business days of the date of this Agreement.

6. Conditions.

6.1 Mutual Conditions. The obligations of Purchaser and Seller to consummate this Agreement and the transactions contemplated hereby are subject to the fulfillment, prior to or contemporaneously with the Closing Date, of the following conditions precedent unless waived by the mutual consent of the parties:

(a) Diligent Prosecution. Both parties shall diligently prosecute the FCC application and respond promptly to any objection or inquiry regarding the same.

(b) Absence of Litigation. There shall be no material suit, action, claim, demand, or other proceeding pending or threatened before any court or before or by any governmental agency in which it is sought to restrain, prohibit, invalidate or set aside in whole or in significant part, the consummation of this Agreement or the transactions contemplated hereby or in which it is sought to obtain damages in connection with the consummation of this Agreement, unless either party shall have agreed to assume all responsibility for defending such suit, action or other proceeding and shall have made arrangements reasonably satisfactory to the other party to indemnify and hold the other party harmless with respect thereto.

(c) FCC Approval. The FCC shall have consented to and approved the assignment of the Licenses and Broadcast Authority and operation of the Station by Purchaser, which consent and approval is in form and substance satisfactory to Purchaser and its counsel, the terms of which do not adversely affect the Assets, prospects, business or financial condition of Purchaser and which consent and approval shall have become a final order not subject to further administrative or judicial review (the "FCC Order").

6.2 Conditions Precedent to the Obligations of the Purchaser. The obligations of the Purchaser under this Agreement are subject to the fulfillment of each of the following conditions prior to or contemporaneously with the Closing Date:

(a) Accuracy of Representations and Warranties. The representations and warranties made by Seller herein shall be true and correct in all material respects on and as of the Closing Date with the same force and effect as though made on and as of the Closing Date.

(b) Performance of Agreements. Seller shall have performed in all material respects all obligations and agreements and complied with all covenants contained in this Agreement to be done, observed complied with or performed by it prior to the Closing Date.

(c) Delivery of the Assets. Seller shall have delivered (i) the Assets to the Purchaser on and as of the Closing Date by appropriate instruments of transfer duly executed and (ii) any and all necessary consents and approvals in connection with the sale and assignment of the Assets to the extent required by this Agreement.

(d) Absence of Litigation. No claim, action, suit or proceeding shall be pending or threatened against any of the parties hereto or any of their affiliates which, if adversely determined, might prevent or hinder consummation of the transactions contemplated by this Agreement, result in any payment of substantial damages as a result of the transactions contemplated hereby or otherwise materially impair the benefits contemplated hereby.

(e) Tower Lease and Studio Lease. The required consents of the Landlord when assignment of the Station's Tower Lease and Studio Lease pursuant to Exhibit B attached hereto.

(f) Certificate. Purchaser shall have received the certificate of the Seller dated as of the Closing Date, reasonably satisfactory in form and substance to counsel for the Purchaser, certifying the accuracy and performance of the matters contained in paragraphs (a), (b) and (c) of this Section 6.2.

(g) Condition of Assets. The Assets shall be in substantially the same condition as they were in on the date hereof, ordinary wear and tear in the normal course of business excepted.

(h) Consents. All permits, orders, consents, licenses, designations and other authorizations of federal, state and local governmental authorities and all other material consents and authorizations, if any, necessary in connection with the consummation of the transactions contemplated hereby and provided for herein which are required to be obtained by Seller shall have been obtained. In addition, Seller shall have obtained all required consents for the assignment and assumption of the leases, agreements and contracts to be assigned or transferred hereunder.

6.3 Conditions Precedent to Obligations of the Seller. The obligations of the Seller under this Agreement are subject to each of the following conditions existing at and as of the Closing Date:

(a) Accuracy of Representations and Warranties. The representations and warranties of Purchaser herein contained shall be true and correct in all material respects on and as of the Closing Date with the same force and effect as though made on and as of the Closing Date.

(b) Performance of Agreements. Purchaser shall have performed in all material respects all obligations and agreements and complied with all covenants contained in this Agreement to be done, observed, complied with or performed by it prior to the Closing Date.

(c) Consents. All permits, orders, consents, licenses, designations and other authorizations of federal, state and local governmental authorities and all other material consents and authorizations, necessary in connection with the consummation of the transactions contemplated hereby and provided for herein which are required to be obtained by Purchaser, shall have been obtained.

(d) Certificate. Seller shall have received a certificate of the Manager of the Purchaser, dated as of the Closing Date, reasonably satisfactory in form and substance to counsel for the Seller, certifying the accuracy and performance of the matters contained in paragraphs (a), (b) and (c) of this Section 6.3, and attaching resolutions of the Members and Manager of the Purchaser authorizing the transactions and agreements contemplated in this Agreement.

(e) Payment of the Purchase Price. Purchaser shall have delivered to the Seller the Purchase Price, as provided herein, including all appropriate documentation in connection therewith.

7. Survival of Covenants, Representations and Warranties and Indemnification.

7.1 Survival of Covenants, Representations and Warranties. The covenants, representations and warranties of the parties contained in this Agreement shall survive the Closing Date for a period of six (6) months and shall be effective with respect to any breach thereof, notice of which shall have been duly given in accordance with Section 14.3 hereof within such six (6) month period. However, despite anything else contained in this Section or any other portion of this Agreement, it is specifically agreed that all Assets to be acquired hereunder by Purchaser will be acquired by Purchaser without warranties as against any defects, either hidden or apparent, and without any warranties as against any redhibitory defects. Accordingly, the final act of sale shall contain such language as is required under Maryland Law to protect Seller from any claims for rescission, claims for reduction in the purchase price, losses, damages or attorney fees arising out of any redhibitory defects or arising out of any other defects, hidden or apparent, in the Assets conveyed.

7.2 Indemnification. Seller agrees to and does hereby indemnify and hold Purchaser harmless, and Purchaser agrees to and does hereby indemnify and hold Seller harmless, as the case may be, from and against any and all liability, loss, damage or injury, together with all reasonable costs and expenses relating thereto, including legal and accounting fees and expenses, arising out of or resulting from any breach of the covenants, representations and warranties made by Seller or Purchaser, as the case may be, in this Agreement; provided, however, that no claim for indemnification under this Agreement shall be brought after the end of the applicable survival period set forth in Section 7.1 hereof, and provided further that the provisions of this Section shall have no application to any default situations dealt with in Section 8, *infra*.

8. Remedies Upon Default.

8.1 Remedies Upon Default by Purchaser Prior to Closing. If Purchaser shall default in the performance of its obligations under this Agreement or shall for this reason fail to consummate this Agreement on the Closing Date, and Seller is not then in default of any of its material obligations hereunder, Seller shall be entitled to terminate this Agreement, and to obtain the Earnest Money as liquidated damages in full satisfaction of Purchaser's default, as provided in the Escrow Agreement upon written notice to Purchaser, provided that Purchaser shall have a period of ten (10) days following written notice from the Seller to cure any breach of this Agreement, if such breach is curable.

8.2 Remedies Upon Default by the Seller Prior to Closing. If the Seller shall default in the performance of its obligations under this Agreement or shall for this reason fail to consummate this Agreement on the Closing Date, and the Purchaser is not then in default of any of its material obligations hereunder, Purchaser shall be entitled (i) to waive any such defaults by Seller and to require Seller through specific performance (which Seller acknowledges to be an appropriate remedy) to consummate the sale in accordance with the terms of this Agreement, or (ii) to terminate this Agreement upon written notice to the Seller, obtain the return of the Earnest Money as provided in the Escrow Agreement upon written notice to the Seller, provided that Seller shall have a period of ten (10) days following written notice from Purchaser to cure any breach of this Agreement, if such breach is curable, and to institute any and all appropriate actions against the Seller for damages caused by such breach.

9. Termination. This Agreement may be terminated at any time prior to the closing date:

- (a) By mutual written consent of Purchaser and Seller, or
- (b) By written notice from Purchaser to Seller if the Seller does not transmit to Purchaser within fifteen (15) days of the date of the Agreement its portion of the application for the approval by the FCC of the assignment to the Purchaser of the Licenses, Broadcast Authority, and business of the Station within fifteen (15) business days of the date of Agreement in accordance with paragraph 5.1(b) of this Agreement.

(c) By written notice from Seller to Purchaser if the Purchaser does not transmit to Seller within fifteen (15) days of the date of the Agreement its portion of the application for the approval by the FCC of the assignment to the Purchaser of the Licenses, Broadcast Authority, and business of the Station within fifteen (15) business days of the date of Agreement in accordance with paragraph 5.3(b) of this Agreement.

(d) By written notice from Seller to Purchaser if Purchaser does not transmit a complete application, fully executed, to the FCC, together with all FCC fees and charges, within twenty (20) business days of the date of this Agreement in accordance with paragraph 5.3(c) of this Agreement.

(e) By written notice from Seller to Purchaser if at any time Purchaser does not comply with any request made on Purchaser by FCC within seven (7) business days of the time said request is made by FCC.

(f) By written notice from Purchaser to Seller if by the Closing Date the conditions provided in Sections 6.1 and 6.3 have been satisfied but one or more of the conditions set forth in Section 6.2 shall not have been satisfied.

(g) By written notice from Seller to Purchaser if by the closing date the conditions set forth in Sections 6.1 and 6.2 shall have been satisfied but one or more of the conditions provided in Section 6.3 shall not have been satisfied.

(h) By written notice from either party to the other if for any reason the sale and assignment contemplated by this Agreement does not occur within 180 days of the date of this Agreement provided the delay is not caused by the party giving notice.

10. Expenses of Purchase and Sale.

All expenses incurred up to and including the Closing Date will be paid by the party incurring them (including, but not limited to, legal and accounting fees). Except as provided otherwise herein, the operation of the Station, the income, expenses and liabilities attributable thereto through the close of business on the Closing Date, shall be for the account of Seller and thereafter for the account of Purchaser. Expenses, including but not limited to such items as music licenses, insurance premiums for coverage other than the building and physical premises,

personal property taxes, power and utilities charges, frequency discounts, prepaid time sales agreements, rents, and similar prepaid and deferred items, shall be prorated between Seller and Purchaser in accordance with generally accepted accounting principles as applied in the broadcast industry, the proration to be made and paid, insofar as feasible, on the Closing Date, with a final settlement sixty (60) days after the Closing Date.

11. Broker's and FCC Application Fees.

The parties hereby confirm that the only broker entitled to a commission for this transaction is **HOLT MEDIA GROUP**, 2178 Industrial Drive, Suite 914, Behtleham, PA 18017, and that payment of said commission shall be the exclusive responsibility of the Seller. The parties shall share equally all FCC application filing fees.

12. Risk of Loss.

Seller shall bear the risk of loss or damage to any of the Assets of the Station from fire or other casualty or cause at all times up to the closing on the Closing Date. In the event of any such loss or damage in excess of \$10,000.00 in the aggregate, Seller immediately shall notify the Purchaser of such loss in writing, specifying with particularity the loss or damage incurred and the cause thereof, if known or reasonably ascertainable and in connection with any loss or damage (regardless of amount) shall, to the extent reasonably possible, repair, replace or restore the Assets on or before the Closing Date. In the event the Assets subject to such loss or damage are repaired, restored or replaced by Seller on or before the Closing Date, Purchaser shall, subject to other provisions of Closing hereunder, be obligated to consummate the transactions contemplated by this Agreement. The costs of such repair, restoration and/or replacement shall be solely that of Seller.

13. Taxes.

If any Maryland sales, transfer or similar taxes are payable in connection with this transaction, Seller agrees to pay such taxes. The parties shall cooperate in the preparation of appropriate sales, transfer or similar tax returns.

14. Miscellaneous.

14.1 Cooperation. From time to time prior to the Closing Date, each of the parties will cooperate and assist the other in any reasonable way to achieve the consummation of the transactions contemplated hereby. Seller and Purchaser shall promptly provide one another with copies of any filings made with and inquiries from the FCC staff.

14.2 Execution in Counterparts. For the convenience 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 document, and any of which, when signed by any party hereto, shall be fully binding on such party whether or not the same counterpart shall be signed by any other party hereto.

14.3 Notices. All notices which are required or may be given pursuant to the terms of this Agreement shall be in writing and shall be sufficient in all respects if given in writing and delivered personally or by registered or certified mail, postage prepaid, as follows:

If to the Purchaser to:

Ronald Reeves and Dena Reeves, Members
Benjamin-Dane, LLC
21 Laurel Wood Road
Newport News, VA 23602

with copies to:

John C. Trent, Esq.
Putbrese, Hunsaker & Trent P.C.
100 Carpenter Drive, Suite 100
Sterling, VA 20167

If to Seller to:

Otto Miller, Manager
Peoples Broadcast Network LLC
301 Guinea Road
Stamford, Connecticut 06903

with copies to:

Daniel Blume, Esq.
Blume & Associates LLC
970 Farmington Avenue, Suite 209
West Hartford, Connecticut 06107

or to such other address as any party may from time to time designate by notice to the other parties.

14.4 Waivers. Any failure to any party hereto to comply with any of its obligations, agreements or conditions as set forth herein may be expressly waived in writing by the other party. No such waiver shall operate as a waiver of any other obligation, agreement or condition and the failure to enforce any provision hereof shall not operate as a waiver of such provision or of any other provisions hereof.

14.5 Confidential Information. In the absence of or until the Closing Date each party and its representatives will hold in strict confidence all data and information obtained in confidence from the other and will not use such data and information for any purpose other than the consummation and financing of the transactions contemplated by this Agreement, and if the transactions herein provided for are not consummated as contemplated herein, each party will return to the other parties all such data which the other party may reasonably request. After the Closing Date, each party shall make available to the other party, at any reasonable time during business hours, for any proper purpose (including the preparation of tax returns), any books, records and other data delivered by the other party.

14.6 Amendment. This Agreement may be amended, modified or supplemented in whole or in part, at any time before or after the approval hereof only by an agreement in writing executed in the same manner as this Agreement.

14.7 Headings. The headings of the various sections herein have been included for convenience of reference only and shall not affect in any way the express provisions of this Agreement.

14.8 Governing Law. This Agreement and all matters in connection herewith shall be construed and enforced in accordance with the laws of the State of Connecticut, except insofar as federal law, particularly applicable FCC rules, regulations and orders, shall be applicable to the Agreement and the transactions contemplated hereby.

14.9 Assignment. Purchaser may assign this Agreement only with the prior written consent of the Seller which consent shall not be unreasonably withheld. Seller may assign this Agreement only with the prior written consent of Purchaser which consent shall not be unreasonably withheld.

14.10 Legal Proceedings. Any legal proceedings concerning this Agreement, any matters dealt with herein, or enforcement hereof shall be filed in Stamford, Connecticut, and said jurisdiction and venue only, and Seller and Purchaser hereby consent to said jurisdiction and venue.

14.11 Effective Date. This Agreement shall be deemed effective as of December , 2003.

14.12 Benefit. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective parties hereto and their successors and assigns.


14.13. Additional Documents. The parties hereto shall execute such additional documents and shall perform such other acts as may be necessary and/or required for the implementation and consumation of this Agreement.

14.14. Severability. If any term, condition, clause or provision of this Agreement shall be deemed to be void or invalid in law or otherwise, then only that term, condition, clause or provision shall be stricken from the Agreement and in all other respects the Agreement shall be valid and in full force and operation.

14.15. General Interpretive Rules. For purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires (i) the terms defined in this Agreement have the meaning assigned to them in this Agreement and include the plural as well as the singular and the use of any gender herein shall be deemed to include the other gender; (ii) reference to a subsection without further reference to a Section is a reference to a subsection

contained in the same Section in which the reference appears, and this rule shall also apply to paragraphs and other subdivisions; (iii) "including" means "including but not limited to;" (iv) "knowledge" means actual knowledge, and (v) the words "herein", "hereof", "hereunder", and other words of similar import refer to this Agreement as a whole and not to any particular provision.

SELLER:
Peoples Broadcast Network LLC

By: 
Daniel Blume, Assistant Manager

PURCHASER:
Benjamin-Dane, LLC

By _____
Ronald Reeves, Member

By _____
Dena Reeves, Member

contained in the same Section in which the reference appears, and this rule shall also apply to paragraphs and other subdivisions; (iii) "including" means "including but not limited to;" (iv) "knowledge" means actual knowledge, and (v) the words "herein", "hereof", "hereunder", and other words of similar import refer to this Agreement as a whole and not to any particular provision.

SELLER:

Peoples Broadcast Network LLC

By: 

Daniel Blume, Assistant Manager

PURCHASER:

Benjamin-Dane, LLC

By:  1-28-04

Ronald Reeves, Member

By:  1/22/04

Dana Reeves, Member