

## ASSET PURCHASE AGREEMENT

THIS AGREEMENT is made and entered into as of this 17th day of April, 2003, by and between Gary L. Violet, a Florida resident ("Seller") and LSM Radio Partners, LLC, a Delaware limited liability company (the "Buyer").

### Recitals

Seller is the licensee and operator of radio station WWWK-FM, licensed to Marathon, Florida (the "Station"); and

Subject to the consent of the Federal Communications Commission ("FCC"), Buyer desires to acquire the Station, and all or substantially all of the assets, leases, contracts, agreements, and licenses used in the operation of the Station, with certain exceptions as provided herein, and Seller desires to transfer such assets to Buyer.

### Agreement

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.** Subject to and in reliance upon the terms and conditions set forth in this Agreement, at the Closing Seller will sell, assign, transfer and deliver to Buyer the following (all of which are hereinafter collectively called the "Assets"):

1.1       All licenses, permits and authorizations issued by any governmental or regulatory agency which are transferable or assignable, used in the operation of the Station, including all licenses issued by the FCC, as listed on Schedule 1.1, and all applications therefor, together with any modifications thereof and additions thereto occurring between the date hereof and Closing (the "Licenses");

1.2       All leased real estate described on Schedule 1.2 (the "Leased Real Property");

1.3       All machinery, equipment, supplies, inventory and tangible property used or usable in the operation of the Station as listed on Schedule 1.3, and any replacements therefor acquired prior to Closing (the "Tangible Property");

1.4       The leases, contracts and agreements listed and described on Schedule 1.4 (true and correct copies of which are attached thereto), all of which shall be in effect on the Closing Date unless otherwise noted on Schedule 1.4 (the "Assigned Contracts");

1.5       All right, title and interest of the Seller in and to the use of the call letters for the Station (the "Call Letters");

1.6 All customer lists, vendor lists, goodwill, copyrights, trademarks or other similar rights, if any, which the Seller may have acquired or used in the operation of the Station as set forth on Schedule 1.6 (the “Intangible Property”);

1.7 All public files and any technical, programming or other logs maintained by Seller and pertaining to the Station, whether or not required by the FCC, and all business records of the Station relating to its operation, but not including tax records and original journals and ledgers (the “Business Records”);

1.8 All prepaid items and expenses paid by or on behalf of the Seller prior to Closing.

The Assets to be transferred hereunder shall not, however, include any of Seller's accounts receivable, cash, bank accounts, marketable securities, investments, deposits, contracts of insurance (including the cash surrender value thereof, and all insurance proceeds or claims made by Seller relating to property or equipment repaired, replaced or restored by Seller prior to the Closing Date), employee pension and other benefit plans or collective bargaining agreements, duplicate copies of such records as are necessary to enable Seller to file his tax returns and reports, as well as any other records or materials relating to Seller generally and not involving the Station specifically, all of which shall remain the property of Seller.

## 2 Purchase Price and Payment.

2.1 **Purchase Price.** Subject to Section 9.1(i) of this Agreement, the purchase price for all of the Assets shall be Five Hundred Forty Thousand Dollars (\$540,000.00) (the “Purchase Price”).

2.2 **Escrow Deposit and Post-Signing Escrow Deposit.** Seller acknowledges Buyer's earlier payment of a good faith deposit in the amount of Ten Thousand Dollars (\$10,000.00). Upon execution of this Agreement, Buyer shall pay an additional deposit in the amount of Twenty Thousand Dollars (\$20,000.00). The aggregate sum of Thirty Thousand Dollars (\$30,000.00) (the “Escrow Deposit”) shall be held by CobbCorp, LLC, as Escrow Agent, as further provided and governed by the Escrow Agreement attached hereto as Exhibit A.

2.3 **Cash at Closing.** At Closing, the Escrow Deposit shall be credited against the cash portion of the Purchase Price and the Buyer shall pay the Seller, by wire transfer of immediately available funds, an additional Ninety Thousand Dollars (\$90,000.00) in complete payment of the cash portion of the Purchase Price. The cash at Closing shall be subject to the prorations set forth in Section 12.1. The parties shall allocate the Purchase Price as set forth on Schedule 2.3.

2.4 **Promissory Note.** At Closing, the Buyer shall execute the Promissory Note attached hereto as Exhibit B, and shall cause Kenneth MacKenzie, Burton K. Barlow and

Bruce G. Danziger to execute the joint and several Personal Guaranty attached hereto as Exhibit C, and the Membership Pledge Agreement attached hereto as Exhibit D.

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 Assigned Contracts to the extent actually assigned. Upon assumption by Buyer of any of the Assigned Contracts, Buyer shall be entitled to all of Seller's rights and benefits thereunder and shall relieve Seller of his obligations to perform the same.

4       **Seller's Representations and Warranties.** Notwithstanding any investigation made by, or knowledge of, the Buyer, the Seller represents and warrants to Buyer as of the date hereof and as of the Closing Date, as follows:

4.1       **Formation, Standing and Power.** The Seller is an individual resident of the State of Florida. Seller has all necessary power and authority to own, use and transfer his properties and Assets and to transact his business as now being conducted.

4.2       **Authority for Transaction.** Seller's execution and delivery of this Agreement and the other documents, certificates and instruments to be executed and delivered pursuant hereto, his compliance with the provisions hereof and thereof, and the consummation of all of the transactions contemplated hereby and thereby, have all been duly and validly authorized by all necessary action on the part of Seller, and this Agreement is valid and binding upon Seller in accordance with its terms.

4.3       **Licenses.** Subject to the disclosures set forth in Schedule 1.1, Seller is the holder of the Licenses, all of which (i) are in full force and effect, (ii) are unimpaired by any acts or omissions of Seller, (iii) are free and clear of any restrictions other than restrictions stated on the Licenses themselves or imposed on radio stations generally by the rules, regulations and policies of the FCC, and (iv) have not been revoked, suspended, canceled, rescinded, or terminated and have not expired. There is no pending, or to the Seller's knowledge, threatened action by or before the FCC to revoke, suspend, cancel, rescind or materially adversely modify the Licenses and there is not now issued, outstanding, pending, or to Seller's knowledge threatened, by or before the FCC, any order to show cause, notice of violation, notice of apparent liability, or notice of forfeiture or complaint against Seller or the Licenses. Seller holds the Licenses in accordance with the Communications Act of 1934, as amended (the "Act"), and all the rules, regulations and policies of the FCC (collectively with the Act, the "Federal Communications Act"), and knows of no fact that could result in revocation or suspension. To Seller's knowledge, there are no facts relating to Seller's qualifications that, under the Federal Communications Act would disqualify Seller from assigning the Licenses or from consummating the transactions contemplated herein within the times contemplated herein.

4.4       **Condition of Assets.** The Assets are all of the assets needed to operate the Station as presently being operated. On the Closing Date, each item comprising the Assets

shall be in working order and in the same or better operating condition as on the date of execution of this Agreement, reasonable wear and tear excepted.

4.5 **Title.** Seller has the complete and unrestricted right to sell, convey, assign and deliver the Assets to Buyer and shall transfer to Buyer at the Closing, good and marketable title to all of the Assets free and clear of any security interests, claims, pledges, licenses, options, conditional sales contracts, assessments, levies, charges or encumbrances of any nature whatsoever, subject only to those encumbrances which shall be removed immediately after Closing through payment of the Seller's underlying obligations from the Purchase Price.

4.6 **Contracts, Leases, Agreements, Etc.** The Licenses, Assigned Contracts, Call Letters and Intangible Property to be transferred or assigned to Buyer are now and will, on the Closing Date, be in full force and effect. Each Assigned Contract may be transferred without consent of the other contracting party, or Seller shall have obtained such consent by the Closing.

4.7 **Employees and Agreement Relating to Employment.** The names of all employees of the Station, their current rate of compensation and all fringe benefits are as set forth on Schedule 4.7. Except as set forth on Schedule 4.7, there is (i) no written employment contract with any employee of the Station, (ii) no obligation, contingent or otherwise, under any employment arrangement, (iii) no collective bargaining agreement, (iv) no employee pension, retirement, profit sharing, bonus or similar plan, and (v) no union has been certified or sought recognition as a bargaining agent for any employee of the Station.

4.8 **Legal Proceedings, Etc.** No litigation, court or administrative proceeding is pending or, so far as is known to the Seller, threatened against Seller involving or affecting, directly or indirectly, the Station or any Asset to be conveyed hereunder which would affect Buyer's enjoyment of the Assets, or which would hinder or prevent the consummation of the transactions contemplated by this Agreement, and Seller does not know, or have reasonable grounds to know, of any basis for any such possible action.

4.9 **Compliance with Licenses, Laws, Regulations and Orders.** Seller is now, and at Closing will be, in compliance with all material terms and conditions of all Licenses, laws, regulations and orders applicable to his business and operations including, without limitation, compliance with the Federal Communications Act, and Seller is not charged with violating or, to the knowledge of Seller, threatened with a charge of violating or under investigation with respect to a possible violation of, any provision of any License, or any federal, state or local law or administrative ruling or regulations relating to any aspect of his business. All of Seller's Assets operate in compliance with all material terms and conditions of his FCC licenses.

4.10 **No Conflict.** Neither the execution and delivery of this Agreement and the other documents, certificates and instruments to be executed and delivered pursuant hereto by Seller, nor compliance by Seller with any of the provisions hereof or thereof, 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 Seller is a party or by which Seller or any of Seller's Assets may be bound; or

(b) violate any order, writ, injunction, decree, statute, rule or regulation applicable to Seller or any of Seller's Assets.

Except for the approval of the FCC, and such consents and/or notices as are necessary for assignment of the Assigned 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 or the other documents, certificates and instruments to be executed and delivered pursuant hereto by Seller, compliance by Seller with any of the provisions hereof or thereof, or the consummation of the transactions contemplated hereby or thereby.

4.11 **Operation of Station.** From the date hereof through Closing, the Station will be operated in substantial compliance with all laws, regulations and orders, including without limitation, compliance with the Federal Communications Act and the terms and conditions of the Licenses, and Seller knows of no breach or facts which might amount to a breach of any such law, regulation or order.

4.12 **Insurance.** The insurance policies owned by Seller or of which Seller is a named beneficiary set forth on Schedule 4.12, copies of which have previously been provided to Buyer, are now and through the Closing Date will be fully in effect in accordance with their terms, with no default in the payment of premiums on any such policy and no ground for cancellation or avoidance of any portion thereof or, subject to the disclosure set forth on Schedule 4.12, for reduction of the coverage provided thereby.

4.13 **Liabilities.** As of the Closing Date, all of Seller's liabilities, except for those liabilities arising on or after the Closing Date relating to the Assigned Contracts, shall have been fully paid and discharged and no creditors of Seller shall have any claim on the Assets for payment of such liabilities.

4.14 **No Misleading Statements.** The representations and warranties of Seller herein, or in any schedule, statement, certificate, instrument or document furnished pursuant to this Agreement, do not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained herein or therein not materially misleading. All statements and information of the Seller contained in this Agreement or any schedule, statement, certificate, instrument or document furnished pursuant to this Agreement shall be deemed to be statements and representations by the Seller.

4.15 **Broker.** The only broker retained by Seller is CobbCorp, LLC, and Seller shall be solely responsible for any brokerage fee or commission claimed by such broker or any other broker claiming to have been retained by Seller.

4.16 **Environmental Matters.** Except as set forth on Schedule 4.16:

(a) To the best of his knowledge, Seller has complied with all material laws, rules, and regulations of all federal, state, and local governments (and all agencies thereof) concerning the environment, public health and safety, and employee health and safety, and no charge, complaint, action, suit, proceeding, hearing, investigation, claim, demand, or notice has been filed or commenced against Seller in connection with Seller's ownership or operation of the Assets or the Station alleging any failure to comply with any such law, rule, or regulation.

(b) Seller has no liability relating to Seller's ownership and operation of the Assets or the Station (and, to the best of Seller's knowledge, there is no basis related to the past or present operations, properties, or facilities of the Station for any present or future charge, complaint, action, suit, proceeding, hearing, investigation, claim, or demand against Seller giving rise to any such liability) under 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) or any other law, rule, or regulation of any federal, state, or local government (or agency thereof) concerning release or threatened release of hazardous substances, public health and safety, or pollution or protection of the environment.

(c) Seller has no liability relating to Seller's ownership and operation of the Assets or the Station (and, to the best of Seller's knowledge, there is no basis for any present or future charge, complaint, action, suit, proceeding, hearing, investigation, claim, or demand against Seller giving rise to any such liability) under the Occupational Safety and Health Act, as amended, or under any other law, rule, or regulation of any federal, state, or local government (or agency thereof) concerning employee health and safety.

(d) In connection with his ownership and operation of the Assets and the Station, Seller has obtained and been in material compliance with all of the terms and conditions of all permits, licenses, and other authorizations which are required under, and has complied in all material respects with all other limitations, restrictions, conditions, standards, prohibitions, requirements, obligations, schedules, and timetables which are contained in, all federal, state, and local laws, rules, and regulations (including all codes, plans, judgments, orders, decrees, stipulations, injunctions, and charges thereunder) relating to public health and safety, worker health and safety, and pollution or protection of the environment, including laws relating to emissions, discharges, releases, or threatened releases of pollutants, contaminants, or chemical, industrial, hazardous, or toxic materials or wastes into ambient air, surface water, ground water, or lands or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of pollutants, contaminants, or chemical, industrial, hazardous, or toxic materials or wastes.

(e) All of the Assets are and, to the best of Seller's knowledge, have been free of asbestos and asbestos-related products and PCB's. There are no above ground or, to the best of Seller's knowledge, underground storage tanks located on the Leased Real Property.

(f) To the best of Seller's knowledge, no pollutant, contaminant, or chemical, industrial, hazardous, or toxic material or waste has ever been manufactured, buried, stored, spilled, leaked, discharged, emitted, or released by Seller on any Leased Real Property.

Seller has provided Buyer with copies of all environmental studies in Seller's possession relating to any Leased Real Property.

4.18 **Financial Condition.** No insolvency proceeding of any character, including, without limitation, bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary, affecting Seller or any of his assets or properties is pending or threatened, and Seller has made no assignment for the benefit of creditors, fraudulent conveyances, preferences, or transfers, nor has Seller taken any action with a view to, or which would constitute a basis for, the institution of any such insolvency proceeding.

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 **Formation, Standing and Power.** Buyer is a limited liability company duly formed, validly existing and in good standing under the laws of the State of Delaware and as of the Closing Date will be authorized to transact business in the State of Florida. Buyer has all necessary limited liability company power and authority to carry on its business as now being conducted, to execute and deliver this Agreement, to comply with the provisions hereof and to consummate the transactions contemplated hereby.

5.2 **Authority for Transaction.** Buyer's execution and delivery of this Agreement and the other documents, certificates and instruments to be executed and delivered pursuant hereto, its compliance with the provisions hereof and thereof, and the consummation of all of the transactions contemplated hereby and thereby have been duly and validly authorized by all necessary action on the part of Buyer, and this Agreement and the other documents, certificates and instruments to be executed and delivered pursuant hereto and thereto, are valid and binding upon Buyer in accordance with their terms.

5.3 **No Conflict.** Neither the execution and delivery of this Agreement and the other documents, certificates and instruments to be executed and delivered pursuant hereto, by Buyer, nor compliance by Buyer with any of the provisions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby will:

(a) conflict with or result in a breach of any provision of Buyer's Certificate of Formation or Limited Liability Company Agreement;

(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 Buyer is a party or by which it, any of its affiliates, or any of its properties or assets may be bound; or

(c) violate any order, writ, injunction, decree, statute, rule or regulation applicable to Buyer or any of its properties or 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 and the other documents, certificates and instruments to be executed and delivered pursuant hereto, by Buyer, compliance by Buyer with any of the provisions hereof or thereof, or the consummation of the transactions contemplated hereby or thereby.

5.4 **Legal Proceedings, Etc.** There is no legal, equitable, administrative or arbitration action, suit, proceeding or known investigation pending or, to Buyer's knowledge, threatened in any forum against or affecting Buyer, any of its affiliates, or any of its assets which, if adversely determined, would adversely affect the ability of Buyer to consummate the transactions contemplated hereby.

5.5 **Qualifications.** Buyer is qualified, financially and legally, under the Communications Act of 1934, as amended and the rules and regulations of the FCC to purchase the Assets and to be the licensee of the Station. Buyer's purchase of the Station is now and as of the date of closing will be in compliance with the terms of Section 73.3555. Buyer knows of no reason that the routine processing and/or grant of the FCC Application would be flagged, delayed, or denied.

5.5 **No Misleading Statements.** The representations and warranties of Buyer herein or in any schedule, statement, certificate, instrument or document furnished pursuant to this Agreement do not contain any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements contained herein not materially misleading.

5.6 **Broker.** Buyer has not retained any broker in connection with this transaction. Buyer shall be solely responsible for any brokerage fee or commission claimed by any broker claiming to have been retained by Buyer.

## 6 **Seller's Covenants.**

### 6.1 **Indemnification.**

(a) The sole and exclusive remedy that 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 6. Except with respect to the litigation matters set forth in Schedule 4.8 for which Seller's indemnification hereunder shall continue in effect for so long as such claims remain outstanding, 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 6.1, within eighteen (18) months after the Closing Date from, against and in respect of:

(1) all liabilities, obligations, claims against and contracts of Seller of every kind and nature whatsoever, at any time existing or

asserted, whether or not accrued, whether fixed, contingent or otherwise, whether known or unknown, and whether or not recorded on the books and records of Seller, arising out of his ownership or operation of the Assets and the Station or by reason of this or any other transaction or event occurring prior to the Closing, which have not been assumed by Buyer; and

(2) all losses, damages and deficiencies resulting from any failure or breach of any representation or warranty, or any misrepresentation, breach or nonfulfillment of any covenant or agreement, of Seller made in this Agreement or the other agreements referenced herein; and

(3) all actions, suits, proceedings, claims, demands, assessments, judgments, fines, 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 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 his choice reasonably satisfactory to Buyer, in which event 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, 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 there is 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 or 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 promptly notify Seller thereof,

stating in reasonable detail the nature of Buyer's claim and the specific representations, warranties or covenants which Buyer contends Seller has breached. Seller shall have 15 days after the receipt 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 rejection is received by Buyer within such 15-day period, Seller shall be deemed to have accepted the demand. In the event Seller rejects Buyer's demand for indemnification within such 15-day period, the parties shall immediately submit the controversy to arbitration in accordance with the provisions of Section 6.1(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.

(d) If there is any disagreement between Buyer and Seller concerning the validity of any demand for indemnification asserted under Section 6.1, then such disagreement shall, as provided by Section 6.1(c) or otherwise on demand of either party, be referred to arbitration in Miami, Florida. 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. 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.

(e) Provided that Seller has not paid Buyer an amount determined pursuant to sections 6.1 (a) – (d) to be owed by Seller to Buyer within three (3) business days after written notice of such, then Buyer may offset the amount due from Seller to Buyer against amounts to be paid by Buyer to Seller pursuant to the Promissory Note attached hereto as Exhibit B.

**6.2 Access and Information.** Seller shall give Buyer and its representatives full but 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 Station; provided, however, that Buyer shall give Seller reasonable advance notice of exercising this right. Seller may require that he or his designated representative be present during any such access. Seller shall furnish to Buyer all information concerning the Station's affairs as Buyer may reasonably request. Buyer may conduct such due diligence on the Assets, and in particular, such surveys and environmental assessments on the Leased Real Property, as Buyer wishes prior to Closing, provided, however, that Buyer understands that it shall not be entitled to terminate

this agreement based upon any such due diligence unless such due diligence discloses a breach of Seller's warranties or representations giving rise to an event of termination pursuant to Section 10.2(c).

**6.3 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. Prior to Closing, 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 may be required to comply with the rules and regulations of the FCC or unless such personnel may be terminated on the Closing Date without penalty; Seller will maintain in force the insurance specified in Schedule 4.12; Seller will not make any material change in the price or terms of advertising.

**6.4 Risk of Loss.** Seller shall bear all risk of loss or damage to any of the Assets to be transferred to Buyer hereunder occurring prior to the Closing. In the event any loss or damage occurs prior to the Closing, Seller shall use reasonable commercial efforts to restore, repair or replace the damaged Assets in accordance with Seller's past practices at Seller's sole cost and expense. The proceeds of any insurance policy covering such loss shall be used by Seller to repair, replace or restore any such loss prior to the Closing; provided, however, that if the proceeds of such insurance are not sufficient to repair, replace or restore the loss, Seller shall provide additional funds for such purpose upon request by Buyer. If Seller fails to provide such additional funds, Buyer may terminate this Agreement without any further obligation. In the event that any loss or damage described in this Section 6.4 shall not be restored, replaced or repaired as of the Closing Date, Seller may defer the Closing Date until such restorations, replacements or repairs are made, so long as such restorations, replacements or repairs are made within forty-five (45) days after the date the Closing would have occurred in the absence of such loss or damage. In the event such loss or damage prevents the broadcast transmission of the Station in the normal and usual manner, Seller shall give prompt written notice thereof to Buyer. If Seller cannot restore the facilities so that transmission can be resumed in the normal and usual manner within 5 days, or, in the case of more than one event, the aggregate number of days preceding such restorations from all such events exceeds ten (10) days, Buyer shall have the right after such 5-day period or such 10-day period to terminate this Agreement by giving written notice to Seller. In the event of any such termination pursuant to this Section 6.4 neither party shall have any further right or liability hereunder.

**6.5 Other Proposals.** Seller shall not, nor shall Seller permit any of his employees, or agents 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 the Station prior to the Closing Date. If Seller receives any unsolicited inquiries regarding such transactions, Seller shall refrain from participating in such discussions and shall immediately provide notice to Buyer of such inquiry.

## **7 Buyer's Covenants:**

## 7.1 Indemnification.

(a) Buyer shall be responsible for and hereby indemnifies Seller and holds it and his agents, successors and assigns harmless, with respect to demands for indemnification asserted by Seller, as provided by this Section 7.1, within eighteen (18) months after the Closing Date from, against and in respect of:

(1) All of Buyer's post-closing obligations under the Assigned Contracts assumed by Buyer; and

(2) All losses, damages and deficiencies resulting from any failure or breach of any representation or warranty, or any misrepresentation, breach or non-fulfillment of any covenant or agreement, of Buyer made in this Agreement, or Buyer's ownership or operation of the Assets and the Station following the Closing; 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.

(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 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, in which event Seller shall cooperate in all reasonable respects with Buyer 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 his 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 or covenants hereunder, and (ii) Seller's actual costs and expenses (including legal fees) incurred in asserting and proving his 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 promptly 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 receipt 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 rejection is received by Seller within such 15-day period, Buyer shall be deemed to have accepted the demand. In the event Buyer rejects Seller's demand for indemnification within such 15-day period, the parties shall immediately submit the controversy to arbitration in accordance with the provisions of Section 7.1(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.

(d) If there is any disagreement between Seller and Buyer concerning the validity of any demand for indemnification asserted under Section 7.1, then such disagreement shall, as provided by Section 7.1(c) or otherwise on demand of either party, be referred to arbitration in Miami, Florida. 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. 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.

## **8 Application for FCC Approval.**

**8.1 Filing and Prosecution of Application.** Buyer and Seller shall, within five days from the date of this Agreement, join in an application to be filed with the FCC requesting its written consent to the assignment of the Licenses of the Station from Seller to Buyer (the "FCC Application"). Buyer and Seller shall proceed with due diligence and promptly take all steps necessary to the expeditious prosecution of the FCC Application to a favorable conclusion, using their best efforts throughout.

**8.2 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 divide and pay equally any filing fee imposed by the FCC or any fees or expenses incurred with respect to a joint application.

8.3 **Designation for Hearing.** If, for any reason, the FCC staff designates the FCC Application for hearing, either party, if not then in default, shall have the right, by written notice within 30 days of such notification, to terminate this Agreement, in which event neither party shall have any rights or liabilities hereunder.

8.4 **Time of FCC Consent.** If approval of the transfer of the Licenses has not become final (all protests and appeals having been decided or dismissed, or barred by the expiration of time) within nine months from the date of public notice of the acceptance of the FCC Application, either party, if not then in default, may terminate this Agreement by giving written notice to the other. Upon such termination, neither party shall have any further right or liability hereunder. Buyer may elect, however, at its sole risk to consummate the transactions contemplated by this Agreement under an FCC approval that has not become final as herein provided.

8.5 **Control of Station.** This Agreement shall not be consummated until the FCC has given its written consent to the transfer of the Licenses 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.

## 9 **Conditions to Parties' Obligations.**

9.1 **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 Closing Date, 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) Seller's consents, etc.: all necessary notices, filings, consents, waivers and approvals set forth in Section 4.10 shall have been given, made or obtained, as the case may be, by Seller, and Buyer shall have received a true copy of each thereof;

(d) No bar: there shall not be in effect any judgment, decree or order of, or position taken by, any court or administrative body of competent jurisdiction, nor shall there have been any action, suit, proceeding or known investigation instituted or threatened, nor shall any law or regulation have been enacted or any action taken thereunder, which would, in Buyer's reasonable judgment, restrain or prohibit, make illegal, or subject Buyer to material damage as a result of, the consummation of the transactions contemplated hereby;

by Section 8; (e) FCC consent: the FCC shall have given the consent contemplated

(f) Further closing documents: Seller shall have delivered to Buyer the following documents and instruments in form reasonably satisfactory to counsel to Buyer:

(1) Warranty Bill of Sale transferring to Buyer title to the Tangible Assets;

(2) Assignment and Assumption Agreement assigning to Buyer the Licenses, Call Letters, Intangible Assets and Business Records;

(3) Assignment and Assumption of Lease for the Station's tower site;

(4) Joint Written Instructions to the Escrow Agent for the release and delivery of the Escrow Deposit to Seller as part of the Cash payment due at Closing;

(5) Updated Schedules to this Agreement reflecting information that is true and accurate as of the Closing Date; and

(6) Opinion of Seller's FCC counsel in the form attached hereto as Exhibit E;

(g) Prorations: except as otherwise expressly provided herein, all regulatory and FCC fees, taxes, assessments, utilities, insurance, sewer and water charges shall have been prorated between Buyer and Seller to the Closing Date;

(h) Prepaid credits: except as otherwise provided herein, all prepaid expenses or advertisements shall have been prorated between Buyer and Seller to the Closing Date. Buyer shall receive a credit towards the Purchase Price for the amount by which the Station has received cash, trade or barter for advertising that has yet to be aired.

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

**9.2 Conditions to Seller's Obligations.** The obligations of Seller to complete the transactions provided for herein shall be subject, at his 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 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 an officer of 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 an officer of Buyer;

(c) Due authorization: Buyer's execution and delivery of this Agreement and the other documents, certificates and instruments to be executed and delivered pursuant hereto, its compliance with the provisions hereof and thereof, and the consummation of all of the transactions contemplated hereby and thereby 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 company resolutions and all required consents effecting the same;

(d) No bar: there shall not be in effect any judgment, decree or order of, or position taken by, any court or administrative body of competent jurisdiction, nor shall there have been any action, suit, proceeding or known investigation instituted or threatened, nor shall any law or regulation have been enacted or any action taken thereunder, which would, in Seller's reasonable judgment, restrain or prohibit, make illegal, or subject Seller to material damage as a result of, the consummation of the transactions contemplated hereby;

(e) FCC consent: the FCC shall have given the consent contemplated by Section 8;

(f) Delivery to Seller of \$120,000 (including the Escrow Deposit) in immediately available U.S. funds pursuant to wire instructions provided by Seller;

(g) The opinion of Buyer's corporate counsel in the form attached hereto as Exhibit F;

(h) Further closing documents: Buyer shall have delivered to Seller the following documents and instruments in form reasonably satisfactory to counsel to Seller:

(1) Certificates of the Secretaries of the States of Delaware and Florida attesting to the good standing of Buyer to do business in such jurisdictions as of a date no more than 60-days prior to the Closing Date;

(2) Assignment and Assumption Agreement by which Buyer assumes the Licenses, Assigned Contracts, Call Letters, Intangible Assets and Business Records;

(3) the fully executed Promissory Note attached hereto as Exhibit B;

(4) the fully executed Personal Guaranty attached hereto as Exhibit C;

(5) the fully executed Membership Pledge Agreement attached hereto as Exhibit D;

(6) certified financial statements of each of the Guarantors/Pledgors reflecting no significant negative change from the financial documentation provided to Seller prior to execution of this Agreement.

(7) Joint Written Instructions to the Escrow Agent for the release and deliver of the Escrow Deposit to Seller as part of the Cash payment due at Closing

(g) Prorations: all taxes, assessments, utilities, insurance and water charges shall have been prorated between Buyer and Seller to the Closing Date.

(h) 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.

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

10.1 **Closing Date.** The Closing of the transaction provided for in this Agreement shall be held not later than ten days following the date upon which the order of the FCC approving the assignment of the Licenses for the Station from Seller to Buyer has become Final (i.e., no action, request for stay, petition for rehearing or reconsideration, or administrative or judicial appeal is pending and the time for filing such request, petition, or appeal has expired) (the "Closing Date"). Such Closing shall take place at the offices of Sheehan Phinney Bass + Green, Professional Association or by mail at 10:00 a.m. or such other place and time as mutually agreed. Notwithstanding the foregoing, Buyer shall have the right, upon at least 10 business days advanced written notice to Seller, to require closing at any time following the FCC approval.

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

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

(b) by Buyer, by written notice of termination delivered to Seller, provided that Buyer is not then in uncured material breach or default and provided Seller is in material default of its obligations hereunder or material breach of its warranties and representations hereunder and has failed to cure such default to Buyer's reasonable satisfaction within thirty (30) days following written notice of such default sent by Buyer to Seller;

(c) by Seller, by written notice of termination delivered to Buyer, provided that Seller is not then in uncured material breach or default and provided Buyer is in

material default of its obligations hereunder or material breach of its warranties and representations hereunder and has failed to cure such default to Seller's reasonable satisfaction within thirty (30) days following written notice of such default sent by Seller to Buyer;

(d) as provided by Sections 6.4, 8.3 and 8.4 of this Agreement; or

(e) as provided by Sections 9.1 and 9.2 of this Agreement.

In the event of any termination as provided by Section 10.2(a), or (d), this Agreement shall thereupon become void and of no effect, without any additional liability on the part of any party.

11 **Remedies.** In the event the Closing does not occur due to Buyer's uncured material breach or material default as provided in Section 10.2(c), Seller shall be entitled to the Escrow Deposit as liquidated damages and as his sole and exclusive remedy. In the event the Closing does not occur due to Seller's uncured material breach or material default, Buyer shall be entitled to the return of its deposit and entitled to seek legal or equitable relief. It is agreed that the rights and privileges granted to Buyer in this Agreement are special and unique and that the Buyer shall be entitled to seek injunctive and other equitable relief, including without limitation specific performance, in a court of competent jurisdiction, and if such relief is granted, the Buyer shall be entitled to recover from the Seller all costs and expenses (including reasonable attorneys' fees) incurred in securing such injunctive or other equitable relief. In the event that specific performance is granted, Buyer shall be obligated to pay Seller the total purchase price as provided in Section 2.

## 12 **Further Covenants.**

12.1 **Taxes.** Any transfer, sales, filing or use Taxes or fees applicable to, imposed upon or arising out of the transactions contemplated hereby or the transfer of any Leased Real Property or personal property, whether now in effect or hereinafter adopted, but excluding any Tax on or measured by net or gross income or gain of Seller (which Tax or fee shall be paid by Seller), shall be paid by the party responsible for the payment of such tax pursuant to the laws of the State of Florida.

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 such party's agents, 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 agents, and except for the disclosure contemplated by Section 8 and such disclosure as may be required by law, each party shall keep the provisions of this Agreement confidential prior to the Closing Date. Without limiting the generality of the foregoing, no party shall make any press release or advertisement with respect to the transactions contemplated hereby prior to Closing 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 **Broker's Fee.** Each party will be solely responsible for any and all brokerage fees asserted against it by a person or entity claiming entitlement to such fees as a result of this transaction.

12.5 **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 the 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.

12.6 **Accounts Receivable.** For a period of 90 days after the Closing Date (the "Collection Period"), Buyer will use commercially reasonable efforts to collect in the normal course of business for the account of Seller the accounts receivable of the Station outstanding as of the Closing Date. Seller will furnish Buyer with a complete list of such accounts receivable at, or as soon as reasonably possible after, the Closing. Buyer will not, without the prior written consent of Seller, compromise or settle for less than full value any of Seller's accounts receivable. Any monies received by Buyer from any person who was indebted to Seller as of the Closing Date shall be applied first against said indebtedness, except when and to the extent the account debtor expressly otherwise specifies; provided, however, that Buyer shall not attempt to influence an account debtor's normal payment practices with respect to such receivables. The obligation of Buyer hereunder will be to collect such accounts receivable in the ordinary and normal course of business and does not extend to the institution of litigation, employment of counsel or a collection agency, or any other extraordinary means of collection. Every thirty (30) days during the Collection Period, Buyer will remit to Seller all monies collected on the accounts receivable. As soon as practicable, but in any event no more than seven (7) business days following the end of the Collection Period, Buyer shall deliver to Seller list of Seller's outstanding accounts receivable and thereafter, Buyer will have no further responsibilities with respect to any uncollected accounts receivable of Seller except to remit promptly to Seller any amounts subsequently received by Buyer on account of Seller's receivables, and Seller will be free to collect all of Seller's receivables in any manner he deems appropriate. Seller shall at all

times remain solely responsible for any commissions payable to salespersons for the sales that generated the accounts receivable outstanding as of the Closing Date.

### 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 for eighteen (18) months and shall be effective regardless of any investigation which may have been or may be made at the time by or on behalf of the party to whom such representations, warranties, covenants and agreements are made.

13.2 **Amendment and Waiver.** This Agreement may be amended only by a writing executed by each of the parties hereto. 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 any 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.** No party shall assign or attempt to assign any of its rights or obligations under this Agreement without the prior written consent of the other party hereto. The foregoing notwithstanding, Buyer may assign or delegate all or a portion of its rights or obligations hereunder without the consent of Seller to any entity or entities controlling, controlled by, or under common control with Buyer so long as any such assignment will not delay the Closing beyond the date on which any Closing is required to occur in accordance with this Agreement. To the extent of such assignment by Buyer, the assignee shall assume and Buyer shall be released of its obligations hereunder. Any assignment by Buyer in accordance with the foregoing shall become effective upon delivery of written notice in accordance with Section 13.4.

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: LSM Radio Partners, LLC  
70 Walnut Street  
Wellesley, MA 02481  
Attn: Bruce G. Danziger

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

Sheehan Phinney Bass + Green,  
Professional Association  
1000 Elm Street, P.O. Box 3701

Manchester, NH 03105-3701  
Attn: Joseph A. DiBrigida, Jr., Esq.

If to Seller:

Gary L. Violet  
1401 West 21<sup>st</sup> Street  
Miami Beach, FL 33140

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

Fletcher Heald & Hildreth, PLC  
1300 N. 17<sup>th</sup> Street, Suite 1100  
Arlington, VA 22209  
Attn: Frank R. Jazzo, Esq. or Kathleen Victory,

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 Florida.

13.7 **Effect of Agreement.** This Agreement and the Exhibits and Schedules hereto set 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.

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.

[Signature Page Follows]

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

**SELLER:**

Gary L. Violet

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**BUYER:**

LSM Radio Partners LLC

By: \_\_\_\_\_

Name:

Title: