

## ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement ("Agreement") is made and entered into this 17<sup>th</sup> day of September 2008, by and between **University of the Pacific**, a California nonprofit corporation and private institution of higher education ("Seller"), and **California State University, Sacramento** ("Buyer"), a California public institution of higher education.

### WITNESSETH:

WHEREAS, Seller is the licensee of noncommercial educational FM Broadcast Station KUOP, Stockton, CA, FIN 69157, operating on the frequency 91.3 MHz (the "Station");

WHEREAS, Buyer desires to acquire, and Seller desires to sell to Buyer, certain of the assets, tangible and intangible, used and useful in the operation of the Station including, but not limited to, the licenses, construction permits, and other authorizations issued by the Federal Communications Commission ("FCC" or "Commission") for its operation ("FCC Licenses") as well as any licenses and authorizations issued by other governmental entities used solely for the operation of the Station (collectively, including the "FCC Licenses," the "Licenses"); and

WHEREAS, the FCC Licenses may not be assigned to Buyer without the prior written consent of the Commission.

WHEREAS, Seller and an auxiliary of Buyer, Capital Public Radio, Inc. ("CPR"), are parties to a Management and Programming Agreement, dated May 30, 2000, as amended by the First Amendment to Management and Programming Agreement, dated as of November 23, 2005 (the "Management Agreement"), which Management Agreement is currently in effect.

NOW, THEREFORE, in consideration of the mutual promises and covenants

contained herein, the parties intending to be legally bound agree as follows:

1.0 Definitions. Unless otherwise stated in this Agreement, terms used herein shall have the following meanings:

1.1 "Assets" means all assets referred to in Sections 2.0 through 2.6 hereof to be conveyed to Buyer pursuant to this Agreement.

1.2 "Assignment Application" means the application that Seller and Buyer will file with the Commission requesting consent to the assignment of the FCC Licenses to Buyer.

1.3 "Closing" means the consummation of the transactions contemplated herein.

1.4 "Closing Date" means 10:00 a.m. Pacific Time on a mutually-acceptable date within fifteen (15) business days following the date the Commission's grant of the Assignment Application has become a Final Order, or such earlier or later time as the parties mutually may agree to in writing.

1.5 "Closing Method" means the exchange of all closing documents by mail, email and/or air courier or such other method or place as the parties may mutually agree to in writing.

1.6 "Escrow Agreement" means an escrow agreement in the form of EXHIBIT A attached hereto executed by Seller, Buyer and Escrow Agent simultaneously with the execution of this Agreement.

1.7 "Escrow Agent" means the Bank of Sacramento or such other escrow agent as may be agreed to by the parties.

1.8 "Environmental Laws" means the Comprehensive Environmental

Response, Compensation and Liability Act, the Resource Conservation Recovery Act, the Toxic Substances Control Act, the Federal Water Pollution Control Act, the Safe Drinking Water Act, the Emergency Planning and Community Right to Know Act, the Refuse Act, the Hazardous Materials Transportation Act, the Clean Air Act, the Occupational Safety and Health Act (each as amended) and other similar or applicable federal and state laws, as amended, together with all regulations issued or promulgated thereunder, relating to pollution, the protection of the environment, or the health and safety of workers or the general public.

1.9 "Final Order" means action by the Commission (or its staff acting on delegated authority) granting its consent and approval to the Assignment Application, which action is not reversed, stayed, enjoined, or set aside, and with respect to which no request for stay, reconsideration, review, rehearing or notice of appeal is pending, and as to which the time for filing any such request, petition or notice of appeal, or for review by the FCC on its own motion, has expired.

1.10 "Hazardous Substance" means any hazardous substance, hazardous or toxic waste, hazardous material, pollutant, or contaminant, as those or similar terms are used in the Environmental Laws, and includes, without limitation, asbestos and asbestos-related products, chlorofluorocarbons, oils or petroleum-derived compounds, polychlorinated biphenyls, pesticides, and radon.

1.11 "To the best of [a party's] knowledge", means the knowledge based on the party's understanding, information, or belief as to the matters represented (i.e. it is not limited to knowledge based on first-hand experience), but without inquiry or investigation, as to the matters represented.

1.12 "UST" means an underground storage tank as that term is defined in

regulations promulgated by the United States Environmental Protection Agency or in any statutes or rules promulgated by the governmental authorities for the USVI in effect on the date hereof and the Closing Date.

2.0 Assets to be Conveyed. Subject to the terms and upon satisfaction of the conditions contained in this Agreement, on the Closing Date and using the Closing Method, Seller shall sell, assign, convey, transfer and deliver to Buyer, by instruments of conveyance in form and substance reasonably satisfactory to Buyer and its counsel, and Buyer shall purchase and accept from Seller, all of Seller's right, title and interest in and to the following:

2.1 Licenses. The Licenses, all of which are listed in SCHEDULE 2.1 attached hereto including applications therefor.

2.2 Personal Tangible Assets. All of the fixed and tangible personal property, physical assets and equipment, leasehold improvements, studio equipment, office and transmission equipment, and related assets used and useful in the operation of the Station as listed in SCHEDULE 2.2 together with any replacements thereof or additions thereto made between the date of this Agreement and the Closing Date, less any retirements made in the ordinary and usual course of business in connection with the replacement of same with similar assets of equal or greater value ("Personal Tangible Assets"), free and clear of all mortgages, liens, charges, claims, pledges, security interests and other encumbrances whatsoever except for (i) liens for taxes not yet due and payable and (ii) liens expressly disclosed in SCHEDULE 2.2.

2.3 Contracts. Any and all right, title and interest held by Seller in and to the fixtures and improvements on the real property on which the Station's transmitting facilities are located to the extent owned by Seller (the fixtures and improvements, and the real property on which they are located, being collectively referred to hereinafter as "the Real Property"), free and

clear of all liens, charges, claims, pledges, obligations, security interests and other encumbrances whatsoever, and of all easements, reservations, limitations, adverse uses, encroachments, equities, restrictions, servitudes and the like except for those disclosed in SCHEDULE 2.3 and except for liens for taxes not yet due and payable.

2.4 Call Letters. The call letters "KUOP".

2.5 Station Records. All records and logs pertaining to the technical operation of the Station and the public inspection file.

2.6 Goodwill. The goodwill and going concern value of the Station.

3.0 Excluded Assets. The assets being sold to Buyer hereunder do not include (a) any assets of Seller not listed in Section 2.1 to 2.6 above and that are not dedicated solely to the Station; (b) all cash, cash equivalents, accounts receivable or similar type investments of Seller; and (c) any and all contracts of insurance or insurance proceeds and insurance claims made by Seller relating to property or equipment repaired, replaced or restored by Seller prior to the Closing Date.

4.0 Excluded Liabilities and Contracts. Except as set forth in the Management Agreement, Seller shall be solely responsible for, and there shall be no assumption by Buyer of, any liabilities of Seller with respect to the Station except as explicitly set forth in this Agreement under SECTION 2.3 and SCHEDULE 2.3. Without limiting the generality of the foregoing, it is expressly agreed that Buyer shall not assume any liability for any accounts payable of Seller for goods and services delivered prior to the Closing Date (except those listed and described in SCHEDULE 2.3 or except as set forth in the Management Agreement).

5.0 Fundraising. For a period of three (3) years from and after the Closing, Seller shall provide Buyer and CPR with information and assistance relative to fundraising

through the cooperation of Seller's Development Office and otherwise, such information to constitute current lists of Seller's faculty and alumni at the Stockton campus (to include names, business addresses (both their physical address and e-mail), and business phone number). In furtherance hereof, Seller and Buyer shall execute a joint letter announcing the sale and the reasons why the transaction is in the best interests of Buyer and Seller, and which encourages the recipients to continue their support for KUOP under its new ownership, as well as their support for Seller.

6.0 Purchase Price, Method of Payment and Allocation. The purchase price to be paid by Buyer hereunder shall be a total of Four Million Seven Hundred Thousand Dollars (\$4,700,000.00) (the "Purchase Price") payable as follows:

6.1 Cash at Closing. At Closing Buyer shall deliver to Seller the sum of Four Million Dollars (\$4,000,000.00) or, if the Escrow Deposit (defined below) is disbursed to Seller, the sum of Three Million Six Hundred Thousand Dollars (\$3,600,000.00) by either wire transfer of federal funds or by a bank cashier's or certified check for immediately available funds; and

6.2 Underwriting Credits. Underwriting credits in the approximate amount of Seven Hundred Thousand Dollars (\$700,000.00), to be valued at Buyer's standard underwriting rates as set from time to time, said underwriting to take the form of announcements regarding, and promotional spots for, Seller and broadcast via the Station and/or other stations operated by Buyer, on dates and times and for durations to be determined and agreed upon by Buyer and Seller. Buyer shall furnish Seller a statement of account on a monthly basis in the same format furnished to Buyer's paid underwriters.

6.3 Escrow Deposit. Within one (1) business day after execution of this Agreement, Buyer shall deposit the sum of Four Hundred Thousand Dollars (\$400,000.00)

("Escrow Deposit") with the Escrow Agent, which sum shall be held and disbursed in accordance with the provisions of the Escrow Agreement attached hereto as Exhibit A. If the Escrow Deposit is not deposited with the Escrow Agent within one (1) business day, Seller may, within two (2) business days thereafter, terminate this Agreement with no further obligation to Buyer. At Buyer's election, the Escrow Deposit may be credited to the Purchase Price, or shall be disbursed to Buyer at the Closing together with accumulated interest.

6.4. Reserved.

6.5 Proration Adjustments. Except to the extent paid by CPR pursuant to the Management Agreement, operation of the Station and all income, expenses and liabilities attributable thereto through 11:59 p.m. on the day before the Closing Date (the "Effective Time") shall be for the account of Seller and thereafter for the account of Buyer as provided in this Agreement.

7.0 Representations and Warranties of Seller. Seller represents and warrants to Buyer that:

7.1 Organization and Standing. Seller is a nonprofit corporation duly organized, validly existing and in good standing under the laws of the State of California, and is now and on the Closing Date will be qualified to do business in California. Seller has full power and authority to own, lease and operate the Assets and to carry on the business of the Station as now being conducted and as proposed to be conducted between the date hereof and the Closing Date.

7.2 Authorization. Seller has full power and authority to enter into and perform its obligations under this Agreement and the transactions contemplated hereby. All necessary action to duly approve the execution, delivery and performance of this Agreement and

the consummation of the transactions contemplated hereby has been taken by Seller. This Agreement has been duly executed and delivered by Seller and constitutes the valid and binding obligation of Seller enforceable in accordance with its terms. Seller shall deliver at Closing copies of all instruments memorializing the power and authority of Seller to enter into and perform this Agreement and the transactions contemplated hereunder, certified by Seller's Secretary.

7.3 Licenses. Seller is the holder of the Licenses listed on SCHEDULE 2.1, which Licenses have been renewed without conditions except for conditions generally applicable to stations of the same class and type as the Station for a full license term expiring December 1, 2013. To the best of Seller's knowledge, the Licenses constitute all of the licenses and authorizations required for and/or used in the operation of the Station as now operated. To the best of Seller's knowledge, the Licenses are in full force and effect unimpaired by any act or omission of Seller, or its officers, employees or agents. There is not now pending, or to the knowledge of Seller threatened, any action by or before the Commission or any other governmental body to revoke, cancel, rescind, modify or refuse to renew in the ordinary course the Licenses, or any investigation, Order to Show Cause, Notice of Violation, Notice of Apparent Liability or of Forfeiture, or complaint against the Station or Seller. In the event of any such action, or the filing or issuance of any such order, notice or complaint, or knowledge of the threat thereof, Seller shall notify Buyer of same in writing within three (3) business days of becoming aware of same, and shall cooperate with Buyer, at Seller's expense, to contest in good faith or seek removal or rescission of such action, order, notice or complaint. Except as disclosed on SCHEDULE 7.3, all reports, forms, and statements required to be filed by Seller with the FCC with respect to the Station have been filed and are complete and accurate in all material respects.

To the best of Seller's knowledge, the Station is operating in accordance with its Licenses, and in material compliance with the Communications Act of 1934, as amended, and the FCC's Rules and policies, and otherwise within the limits of all material local, state, and federal laws governing the business of the station. Except as disclosed on Schedule 7.3, Seller is legally qualified to be the assignor of the Licenses hereunder, and is not involved in any proceedings before the FCC which would prevent assignment of the FCC Licenses, nor is it aware of any claim, or any reasonable grounds for same which would result in an FCC proceeding which questions Seller's qualifications to assign the Licenses or prevents the sale contemplated hereunder.

7.4 Personal Property. The Personal Tangible Assets used and useful in the operation of the Station are listed and described in SCHEDULE 2.2. Seller has good title to the Personal Tangible Assets, free and clear of all mortgages, liens, charges, claims, pledges, security interests and encumbrances whatsoever, except as disclosed on SCHEDULE 2.2.

7.5 Insurance. The Assets are insured by Seller, which insurance Seller at its expense shall continue in force through the Closing Date. To the best of Seller's knowledge, such insurance policies are adequate in amount with respect to the Assets and insure the Assets against all customary and reasonably foreseeable risks. All such policies are in full force and effect, and are valid and enforceable.

7.6 Condition of Assets. To the best of Seller's knowledge and based upon CPR's obligations under the Management Agreement, except as disclosed in SCHEDULE 7.6, the Personal Tangible Assets are in good operating condition and repair, reasonable wear and tear from ordinary usage excepted.

7.7 Litigation. No judgment is issued or outstanding against the Station or

Seller with respect to the operation of the Station or its business activities. Except for matters affecting the broadcasting industry generally or as disclosed on SCHEDULE 7.7, no action, suit, judgment, proceeding or investigation is pending (or to the knowledge of Seller threatened) before any court, or governmental body, department or agency of any kind to which Seller or the Station is a party that (a) might reasonably result in a material adverse change in the condition, business, or prospects of the Station or the Assets, (b) 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 material damages by reason thereof, (c) questions the validity of any action taken or to be taken pursuant to or in connection with this Agreement, (d) would have a material adverse effect upon the Assignment Application, or (e) reasonably could be expected to result in a claim for damages greater than Ten Thousand Dollars (\$10,000) for which Buyer could be responsible. Furthermore, Seller knows of no basis for such claim, litigation, proceeding or investigation.

7.8 Contracts. Except as set forth on Schedule 2.3, there are no contracts, agreements, leases and understandings to which Seller is a party and which are necessary for the operation of the Station as now operated. Except as disclosed on SCHEDULE 7.8, Seller is not in default under its lease for the Real Property and no event has occurred, or failed to occur, which with the giving of notice, the passage of time, or both, would constitute a default by Seller; to the best of Seller's knowledge, there are no improvements installed or planned by any public authority, any part of the cost of which might be assessed against Seller or Buyer; and to the best of Seller's knowledge, with respect to the Real Property, there are no (a) applications, ordinances, petitions, resolutions, or other matters pending before any governmental agency having jurisdiction to act on zoning changes that would prohibit or make non-conforming the use

of the Real Property as a broadcast tower site, or (b) pending or threatened condemnation proceedings, or proposed sale in lieu thereof.

7.9 Insolvency. No insolvency proceedings of any character including, without limitation, bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary, against Seller or any of its assets or properties (including but not limited to the Assets) is pending or, to the knowledge of Seller, threatened.

7.10 Taxes and Reports. Seller has filed any required federal, state and local tax returns pertaining to the Station or the Assets, and has paid in full when due any and all taxes, interest, penalties, assessments and deficiencies assessed or levied against the Station or any of Seller's respective assets or properties related thereto. Any taxes, interest, penalties, assessments and deficiencies that may become due and payable with respect to any tax return or tax obligation of Seller arising from the operation of the Station prior to the Effective Time shall be the responsibility of Seller.

7.11 Absence of Restrictions. Except as disclosed in SCHEDULE 7.11, the execution, delivery and consummation of this Agreement by Seller does not conflict with, or result in a breach of, the terms, conditions or provisions of, or constitute a default under, its respective articles of incorporation or by-laws, or any other agreements, instruments, laws or regulations by which it is or may be bound.

7.12 Reserved.

7.13 Disclosure. No representation or warranty of Seller in this Agreement, nor any statements, certificate, Schedule, document or Exhibit hereto furnished or to be furnished by or on behalf of Seller pursuant to this Agreement or in connection with the transactions contemplated hereby, contains or shall contain any untrue statement of material fact or omits or

shall omit a material fact necessary to make the statements contained therein not misleading.

7.14 Compliance with Applicable Laws. Except as disclosed on SCHEDULE 7.14, to the best of Seller's knowledge the operation of the Station, the Personal Tangible Assets, and the Real Property, are in compliance in all material respects with all applicable laws, ordinances, regulations, rules and orders. Except as disclosed on SCHEDULE 7.14, Seller has all authorizations required to carry on and conduct its business as heretofore conducted, and to own, lease, use and operate the Station's properties at the places and in the manner in which the Station is conducting business.

7.15 Copyrights, Trademarks and Similar Rights. To the best of Seller's knowledge, the use of the call letters "KUOP" by Seller does not infringe any copyright, trademark or similar right of any third party, or violate or breach any license or franchise with respect to any such right.

7.16 Absence of Certain Changes. To the best of Seller's knowledge, from May 14, 2007, to the date hereof there has not been (i) any material adverse change in the Assets, properties, operation, business or prospects of the Station; (ii) any charge or complaint against Seller with respect to the Station filed with any local, state, or federal agency or commission, pertaining to any alleged violation of local, state, or federal laws; or (iii) any material physical damage, destruction or loss in an amount exceeding Ten Thousand Dollars (\$10,000.00) in the aggregate affecting the Personal Tangible Assets or fixtures or improvements on the Real Property.

7.17 Environmental Protection.

(a) Compliance with Law. To the best of Seller's knowledge, all activities of the Station, or of Seller with respect to the Station, whether at or upon the Real

Property, since Seller's occupancy or lease of the Real Property (and to Seller's knowledge, all activities of those parties in possession or ownership of the Real Property prior to Seller's leasehold interest in the Real Property), have been and are being conducted in compliance with all Environmental Laws.

(b) Site Contamination. To the best of Seller's knowledge, no Hazardous Substance, nor any petroleum product (including UST) is present in any medium in the operation of the Station at the Real Property in such a manner as may require remediation under any applicable law.

(c) Other Hazardous or Toxic Materials. To the best of Seller's knowledge, (i) no polychlorinated biphenyls or substances containing polychlorinated biphenyls, nor any asbestos or materials containing asbestos are present in the structures or equipment utilized by the Station, and (ii) no substance or material is present on the Real Property in a condition or quantity which is prohibited, or for which storage, treatment or disposal is regulated by any law or regulation.

(d) No Notice of Lack of Compliance with Environmental Laws. Neither Seller, nor the Station, has been notified in writing by any governmental authority of any violation by Seller or the Station of any Environmental Laws.

8.0 Affirmative Covenants of Seller. Between the date hereof and the Closing Date, and except as contemplated by this Agreement and the Management Agreement, Seller shall:

8.1 Adverse Developments. After the date hereof, Seller shall promptly give Buyer written notice of any materially adverse developments known to Seller which affect the Assets or operation of the Station.

8.2 Reasonable Access. Provide Buyer and representatives of Buyer with reasonable access, during normal business hours on reasonable advance notice, to the properties, contracts, files, logs and records (other than financial records) of the Station, and furnish such additional information concerning the Station as Buyer may from time to time reasonably request.

8.3 Third Party Consents. Use its best efforts to obtain the consent of any third parties necessary for the assignment to Buyer of the Assets.

8.4 Timely Payments. Subject to the Management Agreement, timely make or provide any payments, services, or other consideration due for the Real Property, so that all payments required to be made as of 11:59 p.m. on the day before the Closing Date, will have been paid.

8.5 Payment of Taxes. Except as provided by the Management Agreement, pay or cause to be paid or provided for any and all income, property, sales, use, franchise, excise, social security, withholding, worker's compensation and unemployment insurance taxes and all other taxes of or relating to the Station, the Assets and Seller employees, required to be paid to city, federal and other governmental units up to the Closing Date.

8.6 FCC Filings. Promptly cooperate in the preparation, execution, and filing of such FCC applications and filings as Buyer may reasonably request.

8.7 Additional Covenants. Seller shall maintain its present insurance in full force and effect, with policy limits and scope of coverage not less than is now provided by its present insurance. Seller shall not, without the express written consent of Buyer which shall not be unreasonably withheld or delayed: (i) subject to a lien or sell or agree to sell or otherwise dispose of any of the Assets; (ii) enter into any contract, lease or agreement that will be binding

on Buyer after Closing; (iii) cancel or compromise any debt or claim or waive or release any right of material value that is related to the Stations; (iv) incur any debts, obligations, or liabilities (absolute, accrued, contingent, or otherwise) that include obligations (monetary or otherwise) to be performed by Buyer after the Closing Date; or (v) enter into any agreement to do any of the foregoing.

9.0 Negative Covenants of Seller. Between the date hereof and the Closing Date, except as contemplated by this Agreement, Seller will not, without the prior written consent of Buyer, such consent not to be unreasonably withheld or delayed, or at the request of Buyer:

9.1 Call Letters. Change the Station's call letters.

9.2 Inconsistent Action. Take any action inconsistent with its obligations under this Agreement or the Management Agreement which would result in a breach of its respective obligations under such agreements.

9.3 Contractual Obligations. Do, or omit to do, any act which would cause a breach of, default under, or termination of, agreements to be assigned.

10.0 Buyer's Representations, Warranties and Covenants. Buyer represents, warrants and covenants to Seller that:

10.1 Organization and Standing. Buyer is a public institution of higher education existing and in good standing under the laws of the State of California. Buyer has all necessary power and authority to carry on its business as now being conducted and to enter into and perform this Agreement.

10.2 Authorization. Buyer has full power and authority to enter into and perform its obligations under this Agreement and the transactions contemplated hereby. Any

necessary action to duly approve the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby has been, or by the Closing will have been, taken by Buyer, and this Agreement constitutes a valid and binding agreement of Buyer enforceable in accordance with its terms.

10.3 Qualifications of Buyer. Buyer is legally and financially qualified to be the assignee of the Licenses hereunder, and has and will maintain through Closing a committed source of funds to establish the Escrow Deposit and to pay the Purchase Price at Closing. Buyer is not engaged in any proceedings with the FCC which would prevent assignment of the Licenses hereunder, nor is it aware of any claim which would result in such a proceeding or which would prevent the sale contemplated herein.

10.4 Litigation. No judgment is issued or outstanding against Buyer, CPR or any of their officers or directors, nor is any litigation, action, suit, judgment, proceeding or investigation pending before any forum, court or governmental body, department or agency of any kind, or to the best of Buyer's knowledge threatened, to which Buyer or CPR is a party, (a) 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; (b) which questions the validity of any action taken or to be taken pursuant to, or in connection with, this Agreement; (c) which would prevent Buyer from being qualified to be the assignee of the Station's Licenses, or from consummating the transactions contemplated hereunder; or (d) which would otherwise adversely affect Buyer's ability to carry out the transactions contemplated by this Agreement.

10.5 Insolvency. No insolvency proceedings of any character including, without limitation, bankruptcy, receivership, reorganization, composition or arrangement with

creditors, voluntary or involuntary, against Buyer or any of its assets or properties, is pending or, to the best of Buyer's knowledge, threatened.

10.6 Absence of Restrictions. The execution, delivery and performance of this Agreement by Buyer do not conflict with, or result in a breach of, the terms, conditions or provisions of, or constitute a default under any agreements, instruments, laws or regulations by which it is or may be bound.

10.7 Disclosure. No representation or warranty of Buyer in this Agreement, nor any statements, certificate, Schedule, document or Exhibit hereto furnished or to be furnished by or on behalf of Buyer pursuant to this Agreement or in connection with the transactions contemplated hereby, contains or shall contain any untrue statement of material fact or omits or shall omit a material fact necessary to make the statements contained therein not misleading.

11.0 Joint Covenants. Seller and Buyer acknowledge and/or agree as follows:

11.1 Environmental Due Diligence. Buyer, at its sole cost and expense, may retain a consulting firm engaged in the regular business of environmental engineering to conduct an environmental assessment of the Real Property, which assessment shall be completed within 50 days following the date of this Agreement. Buyer shall provide Seller with a copy of the consulting firm's written report of the assessment (the "Environmental Report") within three business days of Buyer's receipt thereof. If, according to the Environmental Report, as a result of Seller's use or occupancy of the Real Property remediation is required to bring the Real Property into compliance with the Environmental Laws, Seller at its sole cost and expense may have thirty (30) days to complete the remediation called for in the Environmental Report (the "Remediation Period"). The Remediation Period shall automatically be extended an additional ten (10) days if Seller has commenced, but has not completed, the remediation within the

Remediation Period. Notwithstanding the foregoing, if Seller determines not to undertake the remediation called for in the Environmental Report, Seller shall promptly notify Buyer in writing. In such event, or in the event the Environmental Report reveals other deficiencies not due to Seller's use or occupancy of the Real Property, Buyer shall have the right to terminate this Agreement upon written notice to Seller in which the Escrow Deposit plus accumulated interest shall be returned to Buyer.

11.2 Notification. Each of Buyer and Seller shall notify the other party of any litigation, arbitration or administrative proceeding pending or threatened against it which challenges the transactions contemplated hereby, including any challenges to the FCC applications, and shall use reasonable efforts to remove any such impediment to the transactions contemplated by this Agreement.

11.3 Tower Lease. Buyer will enter into a tower lease with Gerber & Wells Cattle Co., Inc. substantially in the form attached hereto as Exhibit B coincident with the Closing.

11.4 Mutual Covenant of Disclosure and Notification. No provision of this Agreement or any document or agreement delivered or made pursuant to the terms of this Agreement relating to Buyer or Seller knowingly contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact required to be stated in order to make the statement, in light of the circumstances in which it is made, not misleading. Each of Buyer and Seller agree that it shall promptly notify the other of the existence of any fact, circumstance or condition which arises prior to the Closing which makes any representation or warranty of such party in this Agreement either false or misleading. Each of Buyer and Seller shall also notify the other of the existence of any litigation, arbitration or administrative proceeding

pending or threatened against it which challenges the transactions contemplated hereby, including any challenges to the FCC applications, and shall promptly use reasonable efforts to remove any such impediment to the successful consummation of the transactions contemplated by this Agreement.

12.0 Control of the Station. This Agreement shall not be consummated unless and until the Commission has granted the Assignment Application. Between the date of this Agreement and the Closing Date, Buyer, its employees or agents, shall not exercise ultimate supervision or control over the operation of the Station, but CPR shall continue to provide the management services over the day to day operations as required by the Management Agreement.

13.0 Application for Commission Consent and Approval. Seller and Buyer shall use their best efforts to file the Assignment Application with the Commission as soon as practicable, but in no event later than ten business (10) days after the date hereof. The parties will take all steps as may be necessary or proper to expeditiously and diligently prosecute the Assignment Application to a favorable conclusion. Seller and Buyer shall each bear their own expenses in connection with preparation of their respective portions of the Assignment Application, and with prosecution thereof including defense to any challenge against the Assignment Application based upon the party's qualifications.

14.0 Time for Commission Consent. In the event that FCC grant of the Assignment Application has not become a Final Order within twelve (12) months after public notice of the filing of the Assignment Application, either Buyer or Seller may thereafter terminate this Agreement upon five (5) days written notice to the other party; provided, however, that the party seeking to terminate is not, and has not been, in material default hereunder. In the event of termination of this Agreement pursuant to this SECTION, each party shall be released

from all liability under this Agreement, except for liability for any material breaches of this Agreement by a party prior to such termination, and the Escrow Deposit plus accumulated interest shall be returned to Buyer.

15.0 Risk of Loss. Except for loss or damage due to Buyer or CPR's wrongful act or negligence, the risk of loss or damage to any of the Assets of the Station from fire or other casualty or cause shall be upon Seller at all times up to the Closing, and it shall be the responsibility of Seller to repair or cause to be repaired and to restore the Assets so that they are in compliance with Seller's representations and warranties. In the event of any loss or damage to any Asset the cost to repair or replace which exceeds, individually or in the aggregate, \$1,000, Seller shall notify Buyer of same in writing immediately, specifying with particularity the loss or damage incurred, the cause thereof, if known or reasonably ascertainable, and the insurance coverage. The proceeds of any claim for loss payable under any insurance policy with respect thereto shall be used to repair, replace or restore such property subject to the conditions stated below. If the property is not completely repaired, replaced or restored on or before the Closing Date, Buyer, at its sole discretion, may elect to: (a) postpone the Closing until such time as the property has been repaired, replaced or restored so as to be in compliance with Seller's representations and warranties, and, if necessary, the parties shall join in an application or applications requesting the Commission to extend the effective period of its consent to the Assignment Application; (b) consummate the Closing and accept the property in its then condition, in which event the Purchase Price shall be adjusted downward by the reasonable cost of the repairs, replacements or restorations, less any insurance proceeds covering the Assets involved which shall be assigned to Buyer; or (c) terminate this Agreement and declare it of no further force and effect if such repairs, replacements or restorations are not completed within

thirty (30) days after the original Closing Date specified in SECTION 1.4 or within such further time as Buyer in its discretion may allow.

16.0 Conditions Precedent to Buyer's Obligations. The obligation of the Buyer to consummate the transactions contemplated hereby is subject to fulfillment, prior to and at the Closing Date, of each of the following conditions, each of which may be waived (but only by an express written waiver) at the sole discretion of Buyer:

16.1 Commission Approval. The Commission shall have given its written consent to the Assignment Application without conditions materially adverse to Buyer, and such consent shall have become a Final Order.

16.2 Representations and Warranties. The representations and warranties of the Seller shall be true and correct in all material respects as of the date hereof, and as of the Closing Date, except for any changes permitted by the terms hereof or consented to in writing by the Buyer and except for any such representations and warranties as specifically relate to a different date.

16.3 Performance. Seller shall have performed and complied in all material respects with all covenants, agreements and conditions required by this Agreement to be performed or complied with by it prior to and at the Closing Date.

16.4 Licenses. On the Closing Date, Seller shall be the holder of the Licenses. No proceedings shall be pending or threatened which may result in the revocation, cancellation, suspension or modification of the Licenses.

16.5 Tower Lease. Gerber & Wells Cattle Co., Inc. shall have entered into the tower lease substantially in the form attached hereto as Exhibit B.

16.6 Lien Search. Seller shall have caused delivery to Buyer and Buyer shall

have received a report prepared by a firm reasonably satisfactory to Buyer showing the results of searches of such UCC financing statements, tax liens, and judgement lien records, together with such duly-executed termination statements, releases, and satisfaction memoranda as are appropriate to demonstrate that the Assets are being conveyed by Seller free and clear of all liens, collateral assignments, security interests, and encumbrances whatsoever other than those expressly permitted hereunder. Seller shall commission and pay the cost of the record searches described in this SECTION and shall ensure their receipt in a timely manner.

16.7 Reserved.

16.8 No Material Adverse Change. Between the date of this Agreement and the Closing Date, there shall have been no material adverse change in the condition, prospects, business or operation of the Station or the Assets (except as such may be due to CPR's wrongful act or negligence in the operation of the Station), or material regulatory, legal, engineering, or other impediments to Buyer's purchase and operation of the Station in accordance with the Licenses.

16.9 Due Diligence. Buyer shall have completed an inspection of the Personal Tangible Assets, the Real Property, and the studio space referenced in Section 18.8, which inspection shall have confirmed the continuing material accuracy of Seller's representations, warranties and covenants with respect thereto.

16.10 Reserved.

17.0 Conditions Precedent to Seller's Obligations. The obligation of the Seller to consummate the transactions contemplated hereby is subject to fulfillment, prior to and at the Closing Date, of each of the following conditions, each of which may be waived (but only by an express written waiver) at the sole discretion of Seller:

17.1 Commission Approval. The Commission shall have given its written consent to the Assignment Application without attaching any conditions materially adverse to Seller except for conditions applicable generally to stations of the same class and type as the Station, and such consent shall have become a Final Order.

17.2 Representations and Warranties. The representations and warranties of Buyer contained in this Agreement shall be true and correct in all material respects as of the date hereof, and as of the Closing Date, except for any changes permitted by the terms hereof or consented to in writing by Seller and except for any such representations and warranties as specifically relate to a different date.

17.3 Performance. Buyer shall have performed and complied in all material respects with all covenants, agreements and conditions required by this Agreement to be performed or complied with by it prior to and at the Closing Date.

18.0 Seller's Performance at Closing. On the Closing Date using the Closing Method, Seller shall execute and deliver, or cause to be executed and delivered, to Buyer the following documents in form and substance reasonably satisfactory to Buyer and its counsel:

18.1 Bills of Sale. One or more bills of sale conveying to Buyer unencumbered title to all of the Personal Tangible Assets to be acquired by Buyer hereunder.

18.2 Licenses. A form of assignment conveying to Buyer the Licenses and any pending applications therefor.

18.3 Reserved.

18.4 Compliance Certificate. A certificate executed by Seller's President attesting that the representations and warranties made by Seller in this Agreement are true and correct on and as of the Closing Date with the same force and effect as though such

representations and warranties had been made or given on the Closing Date (except for any changes permitted by the terms of this Agreement or consented to in writing by Buyer), and that Seller has performed and complied with all of Seller's covenants and obligations under this Agreement which are to be performed or complied with on or prior to the Closing Date.

18.5 The Station Files. An assignment of the files, records and logs referred to in SECTION 2.6 hereof.

18.6 Resolutions. A certified copy of a resolution of Seller's Board of Regents, certified by Seller's Secretary, authorizing the execution, delivery and performance of this Agreement and the transactions contemplated hereby.

18.7 Releases. Releases and/or termination statements for any liens, security interests, or encumbrances on the Assets, and a mutual release and termination relative to the Management Agreement in form and substance identical to that attached hereto as Exhibit C.

18.8 Studio Lease. A lease for studio space for the Station on Seller's campus in form and substance identical to that attached hereto as Exhibit D.

18.9 Joint Fundraising Documents. The records, documents and lists contemplated in Section 5.0.

18.10 Other Instruments. Such other assignments, bills of sale, instruments of conveyance, and certificates of officers as reasonably may be requested by Buyer to consummate this Agreement and the transactions contemplated hereby.

19.0 Buyer's Performance at Closing. On the Closing Date using the Closing Method Buyer shall deliver to Seller:

19.1 Payment. The Purchase Price subject to adjustments permitted hereunder.

19.2 Reserved.

19.3 Corporate Resolution. A copy of a resolution of Buyer's President, certified by Buyer's Vice President for Administration, authorizing the execution, delivery and performance of this Agreement and the transactions contemplated hereby, and evidencing the President's authority to execute said resolution.

19.4 Compliance Certificate. A certificate executed by Buyer attesting that the representations and warranties made by Buyer in this Agreement are true and correct on and as of the Closing Date with the same force and effect as though such representations and warranties had been made or given on the Closing Date (except for any changes permitted by the terms of this Agreement or consented to in writing by Seller), and that Buyer has performed and complied with all of Buyer's covenants and obligations under this Agreement which are to be performed or complied with on or prior to the Closing Date.

19.5 Release and Termination Statement. A mutual release and termination relative to the Management Agreement in form and substance identical to that attached hereto as Exhibit C.

19.6 Other Instruments. Such other instruments, documents and certificates of officers as reasonably may be requested by Seller to consummate this Agreement and the transactions contemplated hereby

20.0 Indemnification. Indemnification rights as between the parties are set forth below.

20.1 Indemnification by Seller. It is understood and agreed that Buyer does not assume, and shall not be obligated to pay, any liability of Seller and shall not be obligated to perform any obligations of Seller of any kind or manner, except by reason of contracts expressly assumed by Buyer hereunder and with respect to such contracts only such obligations which

arise subsequent to the Effective Time, or as herein provided. Seller hereby agrees to indemnify, defend and hold harmless Buyer, and its permitted assigns, from and against:

(a) Any and all claims, demands, liabilities, obligations, actions, suits, proceedings, losses, damages, costs, expenses, assessments, judgments, recoveries and deficiencies, including interest, penalties and reasonable attorneys' fees, of every kind and description (the foregoing hereinafter collectively referred to as "Damages") resulting from Seller's status as licensee of the Station prior to the Effective Time including, but not limited to claims related to compliance with FCC rules and regulations, and any and all claims, liabilities and obligations arising or required to be performed prior to the Effective Time in connection with Seller's occupancy of the Real Property.

(b) Any and all Damages occasioned by, arising out of, or resulting from any misrepresentation, breach of warranty or covenant, or default or nonfulfillment of any agreement on the part of Seller under this Agreement, or under any certificate, agreement, SCHEDULE or other instrument furnished to Buyer pursuant to this Agreement.

(c) Notwithstanding the foregoing, Seller shall not be liable for, and Buyer agrees to indemnify, defend, and save harmless Seller against any loss, damage, or liability that may be caused by or arise from CPR's management or operation of the Station under the Management Agreement as provided below.

20.2 Indemnification by Buyer. Buyer agrees to indemnify, defend and hold harmless Seller, and its permitted assigns, from and against:

(a) Any and all Damages directly due to CPR's day-to-day operation of the Station prior to the Effective Time.

(b) Any and all Damages resulting from operation of the Station

subsequent to the Effective Time including, but not limited to, any and all claims, liabilities and obligations arising or required to be performed subsequent to the Effective Time under any contract, agreement or lease assumed by Buyer hereunder.

(c) Any and all Damages occasioned by, arising out of, or resulting from any misrepresentation, breach of warranty or covenant, or default or nonfulfillment of any agreement on the part of Buyer under this Agreement, or under any certificate, agreement, SCHEDULE or other instrument furnished to Seller pursuant to this Agreement.

20.3 Indemnification Procedure. In the event of claims subject to indemnification hereunder, the party seeking indemnification ("Indemnified Party") shall notify the other party ("Indemnifying Party") in writing as soon as practicable. The Indemnified Party's failure to so notify shall not preclude it from seeking indemnification hereunder unless such failure has materially prejudiced the Indemnifying Party's ability to defend such claim; provided, however, that notice of any claim based upon demands of a third party shall be provided to the Indemnifying Party within ten (10) business days after the Indemnified Party's receipt thereof. The Indemnifying Party shall promptly defend such claim by counsel of its own choosing and the Indemnified Party shall cooperate with the Indemnifying Party in the defense of such claim, including (except as specified below) settlement of the matter on a basis reasonably stipulated by the Indemnifying Party (with the Indemnifying Party being responsible for all costs and expenses of such settlement). If the Indemnifying Party, within a reasonable time after notice of a claim, fails to defend the Indemnified Party, the Indemnified Party shall be entitled to undertake the defense, compromise or settlement of such claim at the expense of and for the account and risk of the Indemnifying Party. Upon assumption of the defense of such claim, the Indemnifying Party may settle, compromise or defend as it sees fit, provided, however, that anything in this

SECTION to the contrary notwithstanding:

(a) If there is a reasonable probability that a claim may materially and adversely affect the Indemnified Party, the Indemnified Party shall have the right, at its cost and expense, to defend, compromise or settle such claim against it.

(b) If the facts giving rise to indemnification hereunder involve a possible claim by the Indemnified Party against a third party, the Indemnified Party shall have the right, at its own cost and expense, to undertake the prosecution, compromise and settlement of such claim.

(c) The Indemnifying Party will not, without the Indemnified Party's written consent, settle or compromise any claim or consent to any entry of judgment which does not include, as an unconditional term thereof, the giving by the claimant or the plaintiff to the Indemnified Party of a release from all liability in respect of such claim.

(d) If the facts giving rise to indemnification hereunder involve a claim solely between the parties, following receipt of written notice of the claim the Indemnifying Party shall have thirty (30) days to make such investigation of the claim as the Indemnifying Party deems necessary or desirable. For the purposes of such investigation, the Indemnified Party agrees to make available to the Indemnifying Party and/or its authorized representatives the information relied upon to substantiate the claim. If the parties agree at or prior to the expiration of the thirty (30) day period (or any mutually agreed upon extension thereof) to the validity and amount of such claim, the Indemnifying Party shall immediately pay to the Indemnified Party the full amount of the claim. If the parties do not agree within the thirty (30) day period (or any mutually agreed upon extension thereof), the Indemnified Party may pursue available remedies, the costs of any such action, including reasonable attorneys' fees,

being awarded to the prevailing party.

21.0 Default and Remedies.

21.1 Material Breaches. A party shall be deemed in default under this Agreement only if such party has materially breached or failed to perform its obligations hereunder.

21.2 Opportunity to Cure. If Seller or Buyer believes the other party to be in default, the party believing a material default has occurred shall provide the other with written notice specifying in reasonable detail the nature of such default. If the material default has not been cured by the earlier of: (a) the Closing Date, or (b) within twenty (20) calendar days after delivery of that notice, then the party giving such notice may terminate this Agreement and/or exercise the remedies available to such party pursuant to this Agreement. Notwithstanding the foregoing, and except for an event of force majeure as provided in Section 40.0, Buyer shall not have an opportunity to cure a default of payment of the Purchase Price on the Closing Date.

21.3 Seller's Remedies.

Buyer recognizes that if the transaction contemplated by this Agreement is not consummated as a result of Buyer's breach, Seller would be entitled to compensation, the extent of which is difficult to ascertain. To avoid this problem, the parties agree that if this Agreement is not consummated due to the default of Buyer, Seller shall be entitled to receive the Escrow Deposit (plus interest) as liquidated damages in lieu of any other remedies to which Seller might be entitled due to Buyer's wrongful failure to consummate this Agreement, and Buyer agrees that it shall not interpose any objection to the receipt of such liquidated damages by Seller on the grounds that Seller has an available remedy at law or on any other basis.

21.4 Buyer's Remedies. Seller agrees that the Assets to be conveyed hereunder

include unique property that cannot be readily obtained on the open market and that Buyer will be irreparably injured if this Agreement is not specifically enforced. Therefore, Buyer shall have the right specifically to enforce Seller's performance under this Agreement, and Seller agrees to waive the defense in any such suit that Buyer has an adequate remedy at law and to interpose no opposition, legal or otherwise, as to the propriety of specific performance as a remedy. In any such action Buyer shall not be required to post security. In the event Buyer elects to terminate this Agreement as a result of Seller's breach instead of seeking specific performance, Buyer shall be entitled to return of the Escrow Deposit (plus interest) and such other compensation or damages as Buyer may be awarded in an action at law, including reasonable attorney's fees and costs of the action.

21.5 Confidentiality. Each party agrees during the period beginning on the date hereof and ending on the later of (i) the Closing Date, or (ii) the date that is three (3) years from the date hereof (the "Confidentiality Period") (a) that any and all information learned or obtained by it or by its agents or representatives from the other party (and that is not otherwise public or known in the radio broadcast industry or developed by one party, or that party's agents or representatives independent of disclosure by the other party other than as a result of a breach of this provision), whether learned or obtained in connection with this Agreement or the Management Agreement, shall be confidential and (b) not to disclose any such information to any person whatsoever, except to its "affiliates" (meaning any person or entity controlling, controlled by or under common control with such party), lenders, brokers, and legal and financial advisors to the extent that such disclosure is necessary for the purpose of analyzing and effecting the transaction, or as required by law, or to other parties as is necessary to arrange for financing the transaction. Each party will use its best efforts to cause its affiliates, lenders, brokers, and

legal and financial advisors who receive such confidential information to preserve the confidential nature of such information and agree not to disclose or use such information except in connection with the Transaction during the Confidentiality Period. If this Agreement is terminated, Buyer shall return, and shall use its best efforts to cause its affiliates, lenders, brokers and legal and financial advisors who received such confidential information regarding Seller, the Stations, or the Assets to return, to Seller all documents obtained from Seller (including all copies thereof), and Seller shall return, and shall use its best efforts to cause its affiliates, lenders, brokers, and legal and financial advisors to return, all documents obtained from Buyer (including all copies thereof). If any party hereto is required by legal process or applicable law to disclose confidential information regarding another party hereto, the first party shall provide the second party with prompt written notice of such requirement so that the second party may seek an appropriate protective order.

22.0 Jurisdiction, Venue. Each party waives any objection and agrees to submit itself to the jurisdiction of and venue in state or federal court sitting in Sacramento County in connection with any litigation arising out of this Agreement.

23.0 Expenses. All taxes, transfer and recording fees assessed or levied in connection with sale of the Assets to Buyer hereunder, and any other costs of transferring the Assets to Buyer, shall be borne by Buyer. Except as otherwise expressly provided by this Agreement, all other expenses incurred in connection with this transaction shall be borne by the party incurring same.

24.0 Survival. The representations, warranties, covenants, indemnities, and agreements contained in this Agreement shall survive the Closing Date for a period of one (1) year, at which time the same shall expire (except for claims made during such one-year period),

notwithstanding any investigation made by or on behalf of the parties hereto, other than representations and warranties as to title to Assets and Authorization (SECTIONS 7.2, 7.4 and 7.13) which shall survive indefinitely, and claims brought by third parties in which case survival shall extend for the applicable statute of limitations. Any claims based on representations, warranties, covenants, indemnities, and agreements that survive the Closing Date must be asserted within one (1) year following the Closing Date or shall be deemed waived, except that in the event Seller brings a claim based on representations, warranties, covenants, or indemnities against CPR pursuant to the Management Agreement, Buyer shall have an additional month to bring a claim against Seller under this Agreement.

25.0 Finders, Consultants and Brokers. The parties hereby represent and warrant to each other that no person is entitled to any commission or fee as a broker or finder in connection with this transaction other than Public Radio Capital which has represented Buyer and for which any fee shall be for Buyer's account. Buyer shall also be responsible for any fees owed to Public Radio Capital based on its prior representation of Seller. The parties hereby indemnify and hold each other harmless against any claim from a broker or finder based upon any agreement, arrangement, or understanding alleged to have been made by the indemnifying party.

26.0 Notices. All notices, requests, demands, and other communications pertaining to this Agreement shall be in writing and shall be deemed duly given on the date of personal service or on the date of receipt by the party to whom such notice is to be given, and shall be sent via email or overnight delivery addressed to the addressee at the physical or email address stated below, or at the most recent such addresses specified by notice under this section:

If to Seller:

Patrick Cavanaugh  
Vice President for Business and Finance  
University of the Pacific  
Stockton, CA 95211  
Telephone: (209) 946-2345  
Email: pcavanau@pacific.edu

cc (which shall not constitute notice):

Brian M. Madden, Esquire  
John W. Bagwell, Esquire  
Leventhal Senter & Lerman PLLC  
2000 K Street, NW  
Suite 600  
Washington, DC 20006  
Telephone: (202) 429-8970  
Email: bmadden@lsl-law.com  
Email: jbagwell@lsl-law.com

If to Buyer:

Stephen G. Garcia  
Vice President, Administration  
California State University, Sacramento  
6000 J Street  
Sacramento, CA 95819-6038  
Telephone: (916) 278-6312  
Email: sggarcia@csus.edu

cc:

David Shannon, Director  
Procurement and Contracts  
California State University, Sacramento  
6000 J Street  
Sacramento, CA 95819-6008

cc (which shall not constitute notice):

William K. Keane, Esquire  
Duane Morris LLP  
505 9th Street, N.W.  
Suite 1000  
Washington, D.C. 20004-2166

Telephone: (202) 776-5243  
Email: kkeane@duanemorris.com

or to such other addresses as the parties may from time to time designate in writing.

27.0 Benefit and Assignment. This Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective permitted successors and assigns. This Agreement may not be assigned by a party without the prior written consent of the other party, not to be unreasonably withheld or delayed.

28.0 Other Documents. The parties shall execute such other documents without further consideration as may be necessary for implementation and consummation of this Agreement.

29.0 Schedules and Exhibits. The Exhibits and Schedules attached to this Agreement shall be deemed a part hereof and incorporated herein as if fully set forth herein.

30.0 Construction. This Agreement shall be governed, construed and enforced in accordance with the laws of California without regard to the choice of law rules utilized in that jurisdiction.

31.0 Counterparts. This Agreement may be signed in any number of counterparts with the same effect as if the signature on each such counterpart were upon the same instrument.

32.0 Headings. The headings of the SECTIONS of this Agreement are inserted as a matter of convenience for reference purposes only and in no respect define, limit or describe the scope of this Agreement or the intent of any SECTION hereof.

33.0 Entire Agreement. This Agreement, its Schedules and Exhibits, and all agreements to be delivered by the parties pursuant hereto, represent the entire understanding and agreement between the parties hereto with respect to the purchase and sale of the Station and the

Assets, and supercede all prior negotiations between such parties, and can be amended, supplemented or modified only by an agreement in writing which makes specific reference to this Agreement or the agreement delivered pursuant hereto, as the case may be, and which is signed by the party against whom enforcement of any such amendment, supplement or modification is sought.

34.0 No Reversionary Interest. The parties expressly agree, pursuant to Section 73.1150 of the FCC's Rules, that Seller retains no right of reversion in the Licenses, no right to reassignment of the Licenses in the future, and no right to use the facilities of the Station for any period after the Closing.

35.0 Time of Essence. Time is of the essence in the performance of each and every provision of this Agreement and in any action brought to enforce the performance thereof.

36.0 Third Parties. Nothing in this Agreement, whether express or implied, is intended to: (i) confer any rights or remedies on any person other than Seller or Buyer, and their respective successors and assigns; (ii) to relieve or discharge the obligation or liability of any third party; or (iii) to give any third party any right of subrogation or action against Seller or Buyer.

37.0 Counsel. Each party has been represented by counsel in connection with the negotiation and preparation of this Agreement. Consequently, each party waives application of any rule of law that would otherwise be applicable in connection with the interpretation of this Agreement including, but not limited to, any rule of law to the effect that any provision of this Agreement shall be interpreted or construed against the party whose counsel drafted that provision.

38.0 Severability. If any term of this Agreement is illegal or unenforceable at

law or in equity, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby. Any illegal or unenforceable term shall be deemed void and of no force and effect only to the extent necessary to bring such term within the provisions of applicable law and such term, as so modified, and the balance of this Agreement shall then be fully enforceable.

39.0 Public Statements. Prior to the Closing Date, neither Seller nor Buyer shall without the prior approval of the other party issue any press release or other public announcement concerning the transactions contemplated by this Agreement except (i) Seller and Buyer may issue a mutually agreeable public announcement or press release at a point subsequent to the signing of this Agreement; and (ii) to the extent that either party shall be so obligated by law, in which case the other party shall be so advised and the parties shall use their best efforts to cause a mutually agreeable release or announcement to be issued. Nothing in this Section shall be construed as qualifying a party's obligations to make such filings or public notice as may be required by a governmental agency.

40.0 Force Majeure. Notwithstanding anything to the contrary herein, if the performance of any obligation under this Agreement on the part of either party is prevented or delayed by an event of force majeure, such as wars (whether declared or not), insurrections, strikes, hurricanes, earthquakes, fires, floods, or other natural catastrophes, terrorism, acts of a government in its sovereign capacity, blockades or embargoes (provided such event is without the fault of or beyond the reasonable control of the party invoking force majeure), the performance of the party's obligation shall be suspended for a period equal to the delay directly resulting from the occurrence of such event. In the event of force majeure, neither party shall be responsible for any damage, increased costs or loss which the other party may sustain by reason

of such a failure or delay of performance. In the event that either party wishes to invoke this force majeure provision, the party shall, within seven (7) days after the occurrence of the event of force majeure has become known to that party, send written notice of such event to the other party. The party affected shall take appropriate measures to minimize or remove the effects of force majeure and, within the shortest possible time, attempt to resume performance of the obligations affected by the event of force majeure.

41.0 Bulk Sales Act. Buyer waives compliance by Seller with bulk sales provisions of the Uniform Commercial Code to the extent such provisions are applicable to this transaction, provided that Seller agrees to indemnify, defend, and hold Buyer harmless against any claims, liabilities, costs, or expenses, including reasonable attorneys' fees, that Buyer may incur as a result of the failure to comply with such laws.

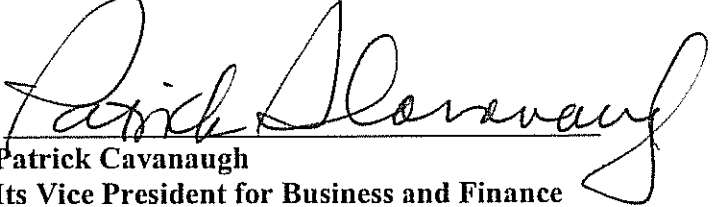
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers as of day and year first above written.

[Signature page to follow]

SELLER:

UNIVERSITY OF THE PACIFIC

By:

  
Patrick Cavanaugh

Its Vice President for Business and Finance

BUYER:

CALIFORNIA STATE UNIVERSITY,  
SACRAMENTO

By:

  
Stephen G. Garcia

Vice President, Administration

**ASSET PURCHASE AGREEMENT**  
**by and between**  
**UNIVERSITY OF THE PACIFIC AND**  
**CALIFORNIA STATE UNIVERSITY, SACRAMENTO**

**List of Exhibits and Schedules**

<b><u>Exhibit</u></b>	<b><u>Description</u></b>
A	Escrow Agreement
B	Form of Tower Lease
C	Mutual Release and Termination
D	Short-Form Lease

<b><u>Schedule</u></b>	<b><u>Description</u></b>
2.1	List of Licenses
2.2	Personal Tangible Assets
2.3	List of Contracts
7.3	Open / Pending FCC Matters
7.6	Condition of Assets
7.7	Litigation
7.8	Status of Contracts
7.11	Absence of Restrictions
7.14	Compliance with Applicable Laws