

## **ASSET PURCHASE AND SALE AGREEMENT**

THIS **ASSET PURCHASE AND SALE AGREEMENT** is made and entered into this \_\_\_\_ day of January, 2007 (the "Agreement"), by and between WGSO, LLC, a Louisiana limited liability company, and MCMedia, LLC, a Louisiana limited liability company (collectively, the "Seller"), and Northshore Radio, LLC, a Louisiana limited liability company (the "Buyer").

### **RECITALS:**

**WHEREAS**, Seller is the owner and licensee of radio broadcast station WGSO (990 AM), Metairie, Louisiana, FCC Facility No. 52433 (the "Station");

**WHEREAS**, Seller desires to sell, assign and transfer to Buyer, and Buyer desires to purchase and assume from Seller, certain Station assets, including and not limited to the Station's FCC Authorizations (as defined below), all on the terms and conditions described herein;

**WHEREAS**, to consummate the sale and purchase of the Station and the Assets, the consent of the Federal Communications Commission ("FCC") must be first obtained; and

**WHEREAS**, Seller and Buyer mutually agree that consummation of this transaction after FCC consent will serve the public interest, convenience, and necessity;

**NOW, THEREFORE**, in consideration of the foregoing and of the mutual covenants, warranties, and agreements contained herein, the parties agree as follows:

### **ARTICLE 1 – DEFINITIONS**

As used in this Agreement, the following terms shall have the following meanings:

1.1 "Assets." The assets of Seller more particularly described in Section 2.1 and Schedules 2.1.1, 2.1.2, except for the Excluded Assets;

1.2 "Accounts Receivable" shall mean all sums due the Seller for the sale of advertising time on the Station;

1.3 "Assumed Contracts." Only those contracts, agreements, leases, and commitments of Seller listed in Schedule 2.1.2 for which consents to assignment have been obtained;

1.4 "Assumed Liabilities." Only those liabilities and obligations of Seller as described in Section 2.4;

1.5 "Authorizations." All of Seller's governmental licenses, permits, authorizations, franchises or certificates of compliance issued in connection with the Station described in Schedule 1.6 other than the FCC Authorizations.

1.6 "Closing" and "Closing Date." The closing of the transaction contemplated herein, which shall be deemed to have occurred at 11:59 p.m. E.S.T. at the place and on the date established in Article 8 of this Agreement.

1.7 "Escrow Funds." The Initial Earnest Money Deposit, if no disbursements pursuant to Section 3.2(a) and (b) of this Agreement have been made, or the Remaining Escrow Balance.

1.8 "Excluded Assets." The assets of Seller more particularly described in Section 2.2 and Schedule 2.2;

1.9 "FCC Authorizations." The licenses, permits, or other authorizations issued by the FCC in connection with the Station and issued to Seller, as described in Schedule 1.9, and renewals thereof.

1.10 "FCC's Consent." The consent of the FCC to the assignment to Buyer of the FCC Authorizations for the Station.

1.11 "Final Order." An order (i) which is effective, (ii) with respect to which no appeal, request for stay, request for reconsideration or other request for review is pending, (iii) with respect to which the time for appeal, requesting a stay, requesting reconsideration or requesting other review has expired, and (iv) which cannot be set aside *sua sponte*.

1.12 "Purchase Price." The purchase price for the Assets, as more particularly described in Section 3.1.

1.13 "Seller." WGSO, LLC and MCMedia, LLC, provided however, that the term "Seller" (i) shall only apply to MCMedia, LLC to the extent MCMedia, LLC owns or controls an Asset, whether apart from or in conjunction with WGSO, LLC, and (ii) with respect to any obligation, covenant, representation or warranty given or arising hereunder, shall be limited to only those matters related to the Station, and any other business interests or assets of MCMedia, LLC are not included therein or affected thereby.

1.14 "Capitalized Terms." Any capitalized terms herein that are defined upon first use using parentheticals shall have the meaning specified in such definition.

## **ARTICLE 2 - PURCHASE AND SALE OF ASSETS AND ASSUMPTIONS OF LIABILITIES**

2.1 "Seller's Assets." On the Closing Date, Seller shall sell, transfer, assign, convey and deliver to Buyer and Buyer shall purchase, assume and acquire from Seller, all of Seller's right, title and interest in and to the following described Assets, as the same shall exist on the Closing Date; *provided however*, that the Assets shall not include any of the Excluded Assets:

2.1.1 All furniture, fixtures, machinery, equipment, supplies, spare parts, inventory, and all other corporeal movable property described in Schedule 2.1.1, together with any replacements thereof or additions thereto, acquired between the date hereof and the Closing Date, less any items used, consumed, or expended in the ordinary course of business between the date hereof and the Closing Date;

2.1.2 Those contracts, agreements and understandings listed or described in Schedule 2.1.2;

2.1.3 Goodwill and going-concern value, and related tangible and intangible rights, including any and all rights to the call letters "WGSO" owned by Seller and used or useful in connection with the Station, unless excluded hereunder;

2.1.4 The FCC Authorizations listed on Schedule 1.9 and the Authorizations listed on Schedule 1.6; and

2.1.5 All logs, reports, the public inspection file, books, records, tapes, recordings, and supplies on hand, used by or related to the Station, other than Seller's corporate and financial records.

2.2 Excluded Assets. Notwithstanding anything to the contrary contained in Section 2.1, Seller is not selling, transferring or conveying to Buyer and the Assets shall not include any of the following Excluded Assets:

2.2.1 Cash. Cash, certificates of deposit, bank or savings and loan accounts, U.S. government securities, any other marketable securities of any kind or nature or notes receivable;

2.2.2 Claims. Claims of Seller against third parties and the claims, rights and interest in and to any refunds of taxes or fees of any nature;

2.2.3 Bonds and Insurance. Bonds, letters of credit, surety instruments, and insurance policies furnished by Seller pursuant to any authorization or agreement;

2.2.4 Contracts. Those contracts, agreements and understandings not listed on Schedule 2.1.2;

2.2.5 Accounts Receivable. Accounts Receivable of the Seller, and ledgers or documentation related thereto;

2.2.6 "Biz" Assets. The trade names "Biz New Orleans" and "BizRadio", as well as any related trade dress, intellectual property, or internet websites, including without limitation www.bizneworleans.com; and

2.2.7 Other. All other items described in Schedule 2.2.

2.3 Records. On the Closing Date, Seller shall deliver to Buyer all operating and maintenance logs and FCC records and reports relating to the operation of the Station in its possession on such date.

2.4 Assumption of Liabilities. Buyer shall assume, pay, perform and discharge, and forever defend, indemnify and hold Seller, its affiliates, successors, assigns, officers, directors and employees harmless against and from the following liabilities and obligations of Seller (provided that the Assumed Liabilities shall not include any of the liabilities described in Section 2.5):

2.4.1 Assumed Contracts. All of Seller's liabilities and obligations to be satisfied or performed on or after the Closing Date under the Assumed Contracts. If and to the extent that Seller, in the ordinary course of business consistent with past practices, enters into written agreements with parties not affiliated with Seller after the date of this Agreement but before the Closing Date that have terms of less than 90 days and have payment or performance obligations of less than One Thousand Dollars (\$1,000), individually or in the aggregate, Buyer shall assume all of such agreements as part of the Assumed Contracts. Buyer shall assume any other agreements entered into by Seller to the extent Buyer has provided Seller with its express written approval of such agreements. Copies of the Assumed Contracts are attached hereto as Schedule 2.4.1.

2.4.2 Operating Liabilities. All liabilities, obligations, costs and expenses with respect to claims arising with respect to the operation of the Station on or after the Closing Date, including, without limitation, any and all copyright fees, federal, state or local income, sales, use, excise, property or other taxes or tort claims arising out of or attributable to the conduct of the Station on or after the Closing Date.

2.5 Excluded Liabilities. Notwithstanding anything contained in Section 2.4 to the contrary, Buyer shall not assume and shall not be obligated to pay, perform or discharge any of Seller's following liabilities:

2.5.1 Operating Liabilities. Any and all liabilities, obligations, costs and expenses with respect to claims arising with respect to the operation of the Station prior to the Closing Date, including without limitation any and all copyright fees, federal, state or local income, sales, use, excise, property, employment or other taxes or tort claims arising out of the conduct of the Station before the Closing Date.

2.5.2 Taxes. Subject to Buyer's obligations under Section 3.6, any of Seller's liabilities and obligations for any federal, state or local income taxes resulting from the sale of the Assets hereunder.

2.5.3 Other Liabilities. Any and all of Seller's liabilities and obligations not explicitly assumed pursuant to Section 2.4 of this Agreement.

## 2.6 Due Diligence.

2.6.1 Due Diligence Documents. Buyer acknowledges that Seller has delivered to Buyer copies of the following documents, instruments and materials relating to the Assets and the Station, to the extent such items exist and are in Seller's possession or control (collectively, the "Due Diligence Documents"): all licensing governmental permits and approvals and all applications therefor; all contracts involving or related to any of the Assets or the Station, and all business records of the Seller pertaining to any of the Assets or the Station. Until the Closing or the termination of this Purchase Agreement, Seller shall have a continuing obligation to deliver any additional Due Diligence Documents to Buyer as and when they are received by Seller.

2.6.2 Due Diligence. Buyer acknowledges and agrees that it has been provided a satisfactory opportunity to investigate, and has completed its investigation of: the condition of the Assets and the Station; the licensing of the Station; the status of other governmental requirements; the operation of the Station transmitter; the status and condition of the building at 1500 Canal Street, New Orleans, Louisiana that serves as the Station's tower site (the "Tower Site Building"), including the possibility and risk that the building will be demolished and the Station tower site lost; the existence of only a month-to-month informal agreement for the use of the Station tower site by Seller pending a determination by the owner of the Tower Site Building (the "Tower Building Owner") of the status of the Tower Site Building; the suitability of the Station for Buyer's planned uses; the potential profit of such uses; and any other matter that may be relevant to Buyer (collectively, the "Due Diligence Information"). Buyer further acknowledges that it has received and reviewed the letter from the Tower Building Owner to Seller, attached hereto as Exhibit C, which clarifies the Station's present status on the Tower Site Building and modifies the terms of the Station's use of the Tower Site Building before and after this Agreement is consummated (the "Acknowledgment Letter"), and that such letter is also part of the Due Diligence Information.

2.6.3 Access and Approvals. From the date of this Agreement until the earlier of the Closing or the termination of this Agreement, Buyer and its representatives and consultants shall have

access to the Station and the Assets, all contracts relating to the Station or the Assets, and the business and licensing records relating to the Station and the Assets, including the Station's account list for the twelve (12) months prior to the date of this Agreement, during normal business hours and upon reasonable advance notice to Seller. Buyer shall defend, indemnify and hold harmless Seller from and against any liability arising out of the actions of Buyer or its agents and contractors. Buyer shall also have the right to contact and consult with applicable governmental agencies and officials with respect to the Station and any licensing issues regarding the Station. These consultations may include a review of compliance with any existing permits, licenses and other governmental approvals and an analysis of any required permits, licenses and other governmental approvals that have been applied for but not yet obtained. Seller, at no cost or expense to it, agrees to use commercially reasonable measures to assist Buyer in connection with Buyer's consultations with applicable governmental agencies and officials, and Seller agrees to authorize disclosure to Buyer of all information pertaining to the Assets.

### **ARTICLE 3 - PURCHASE PRICE; DEPOSIT**

3.1 Purchase Price. The purchase price shall be One Million Ten Thousand Dollars (\$1,010,000.00) (the "Purchase Price").

3.1.1 Post-Closing Escrow. In the event that Seller, as of the Closing Date, has not received a written order from the Tower Building Owner to vacate the Station tower site, but has been unable to secure a lease of or license to use the tower with the Tower Building Owner on the terms set forth at Schedule 3.1.1 (the "Tower Agreement"), Thirty-Five Thousand Dollars of the Purchase Price shall be deposited on the Closing Date by Buyer into an escrow account (the "Post-Closing Escrow Account") with Elkins, P.L.C., a Louisiana professional law corporation (the "Post-Closing Escrow Agent") pursuant to an escrow agreement to be negotiated within ten (10) business days of the execution of this Agreement and attached hereto as Exhibit A (the "Post Closing Escrow Agreement"). The Post-Closing Escrow Account Funds shall be disbursed only as follows:

(a) If at anytime during the period after the Closing Date and up to and including December 15, 2007 (the "Post Closing Period"), Buyer receives a written order from the Tower Building Owner to vacate the Station tower site, or elects to vacate the Tower Site because of the Tower Building Owner's failure to comply with the terms of Exhibit II of the Acknowledgment Letter, Seller shall join with Buyer in instructing the Post-Closing Escrow Agent in writing to disburse the Post Closing Escrow Account funds, together with accrued interest thereon, to Buyer.

(b) If during the Post-Closing Period, Buyer voluntarily elects to vacate the Tower Site, Seller shall join with Buyer in instructing the Post-Closing Escrow Agent in writing to disburse the Post-Closing Escrow Account Funds, together with accrued interest thereon, fifty percent (50%) to Buyer and fifty percent (50%) to Seller.

(c) If during the Post-Closing Period, Buyer is offered or enters into a Tower Agreement with the Tower Building Owner, Buyer shall join with Seller in instructing the Post-Closing Escrow Agent in writing to disburse the Post-Closing Escrow Account Funds, along with any accrued interest thereon, to Seller.

(d) If upon the expiration of the Post Closing Period with no disbursement of the Escrow Account Funds having been made pursuant to Section 3.1.1(a), (b) and (c), Buyer has (i) neither received a written order from the Tower Building Owner to vacate the Station tower site nor vacated the Station tower site because of the Tower Building Owner's failure to comply with the terms of

Exhibit II of the Acknowledgment Letter, and (ii) still has not been offered a Tower Agreement by the Tower Building Owner, Seller shall join with Buyer in instructing the Post-Closing Escrow Agent in writing to disburse the Post-Closing Escrow Account Funds, together with accrued interest thereon, fifty percent (50%) to Buyer and fifty percent (50%) to Seller.

In all instances set forth in this Section 3.1.1 where the Tower Building Owner has issued a written order to vacate the Station tower site, or offered a Tower Agreement to Buyer, a copy of such order or offer shall be provided to and reviewed by each Party before joint disbursement instructions are given to the Post-Closing Escrow Agent.

3.1.2 Pre-Closing Tower Vacation; Purchase Price Adjustment. Prior to the Closing, Buyer may notify Seller in writing that Buyer has voluntarily decided to vacate the Tower Site, in which case the Purchase Price shall be adjusted to Nine-Hundred Ninety-Two Thousand Five-Hundred Dollars (\$992,500.00), provided, however, that in the event that Seller receives a written order from the Tower Building Owner to vacate the Station tower site at any time before the Closing, the Purchase Price shall be adjusted to and become Nine-Hundred Seventy-Five Thousand Dollars (\$975,000.00). The adjustment to the Purchase Price made pursuant to this Section 3.1.2 shall be referred to herein as the "Adjusted Purchase Price."

3.2 Earnest Money Deposit. Within ten (10) business days after the execution of this Agreement, Buyer and Seller shall negotiate and enter into an escrow agreement, to be attached hereto as Exhibit B (the "Escrow Agreement"), and Buyer shall deposit One Hundred Thousand Dollars (\$100,000.00) (the "Initial Earnest Money Deposit") with Elkins P.L.C., a Louisiana professional law corporation (the "Escrow Agent"), pursuant to the Escrow Agreement, which funds shall be held in escrow in an interest-bearing account (the "Escrow Account") and disbursed only as follows:

(a) At Buyer's election prior to the Closing, amounts not to exceed Thirty-Seven Thousand One Hundred Fifty Dollars (\$37,150.00) of the Initial Earnest Money Deposit may, with Seller's approval and oversight, be disbursed and used to repair the Station's tower and transmission facilities (the "Station Repairs") at the Station tower site consistent with the itemization set forth in Schedule 3.2.1 (the "Station Repair Costs"). To effect the Station Repairs, which shall at all times be for the benefit of Seller until Closing, in Seller's name and subject to Seller's approval, control and oversight, (i) Buyer will present Seller with third-party contractor(s) and written terms and/or contracts necessary to complete the Station Repairs, (ii) Seller shall review and approve each such contractor and/or contract, such approval not to be unreasonably withheld, (iii) Buyer shall monitor progress of the Station Repairs and report and advise Seller regarding same, (iv) upon receipt of an invoice for payment for the Station Repairs, Seller and Buyer shall jointly instruct the Escrow Agent in writing to disburse the invoiced amount (subject to the cap specified above) to Seller, and (v) Seller shall immediately remit the disbursed funds in payment of the invoice to the applicable vendor and provide Buyer with copies of such payment.

(b) In the event Seller receives a written order from the Tower Building Owner to vacate the Station tower site at any time during the period between the execution of this Agreement and the Closing Date, amounts in the Escrow Account not used for or in excess of the allowed cap for Station Repairs, may be disbursed and used to facilitate the relocation of the Station's transmission facilities (the "Station Relocation"). To effect the Station Relocation, which shall at all times be for the benefit of Seller until Closing, in Seller's name and subject to Seller's approval, control and oversight, (i) Buyer will present Seller with third-party contractor(s) and written terms and/or contracts necessary to complete the Station Relocation, (ii) Seller shall review and approve each such contractor and/or contract, such approval not to be unreasonably withheld, (iii) Buyer shall monitor progress of the Station Relocation and report and

advise Seller regarding same, (iv) upon receipt of an invoice for payment for the Station Relocation, Seller and Buyer shall joint instruct the Escrow Agent in writing to disburse the invoiced amount to Seller (collectively, the "Relocation Disbursements"), and (v) Seller shall immediately remit the disbursed funds in payment of the invoice to the applicable vendor and provide Buyer with copies of such payment. Buyer and Seller agree to consult and cooperate in determining the location and lease for any new transmission facilities and the relocation of same, which shall be subject to Seller's approval, not to be unreasonably withheld.

(c) At Closing, Buyer shall join with Seller in instructing the Escrow Agent in writing to disburse by federal wire transfer to an account designated by Seller in writing either (i) the Initial Earnest Money Deposit, if no disbursements pursuant to Section 3.2(a) and (b) have been made, or (ii) the funds in the Escrow Account which remain after any disbursements pursuant to Section 3.2(a) and (b) (the "Remaining Escrow Balance"), which amount shall be allocated to and be part of the Purchase Price.

If Buyer and Seller have not negotiated and entered into the Escrow Agreement as required by this Section 3.2, or the Initial Earnest Money Deposit is not deposited in the Escrow Account as required by this Section 3.2, this Agreement shall become null and void and no party hereto shall have any further obligation hereunder.

3.3 Payment of Purchase Price. On the Closing Date, Buyer shall pay to Seller the Purchase Price, or if applicable, the Adjusted Purchase Price (a portion of which will be satisfied by the Escrow Agent's remittance of the amount required by Section 3.2(c) hereof) by federal wire transfer to an account designated by Seller in writing. If the Closing does not occur hereunder through no fault of Buyer, the Initial Earnest Money Deposit or, if portions of the Initial Earnest Money Deposit have been disbursed in accordance with Section 3.2 (a) or (b) hereof, the Remaining Escrow Balance, shall be returned to Buyer, and Seller will retain the benefits and ownership of the equipment purchased and work then completed for the Station Repairs or Station Relocation. If Closing does not occur due to a failure of Buyer to perform its obligations hereunder, Seller will retain the benefits and ownership of the equipment purchased and work then completed for the Station Repairs or Station Relocation and the Initial Earnest Money Deposit or, if portions of the Initial Earnest Money Deposit have been disbursed in accordance with Section 3.2 (a) or (b) hereof, the Remaining Escrow Balance, shall be released to Seller as liquidated damages for Buyer's breach hereunder, in accordance with the procedures outlined in Section 14.1 hereof, and such retention by Seller shall constitute a release by Seller of any and all liability or costs incurred by Seller and any claims Seller may have against Buyer in connection with or arising out of this Agreement except for those costs and expenses incurred by Seller in enforcing its rights under this Section 3.3. Buyer and Seller agree that in the event Buyer fails to perform its obligations hereunder that Seller's damages will be difficult or impossible to quantify and that the Initial Earnest Money Deposit or, if portions of the Initial Earnest Money Deposit have been disbursed in accordance with Section 3.2 (a) or (b) hereof, the Remaining Escrow Balance, plus the value of the equipment purchased and work then completed for the Station Repairs or Station Relocation, represents a good faith determination of such damages and is not intended to constitute a penalty.

#### **ARTICLE 4 - REPRESENTATIONS AND WARRANTIES**

4.1 Buyer. Buyer represents and warrants to Seller as follows:

4.1.1 Due Formation. Buyer is a limited liability company duly organized and validly existing under the laws of the State of Louisiana and has the power and authority to conduct the Station's

business as heretofore conducted and to own or hold under lease the Station's properties and assets. Buyer is duly qualified to do business in the State of Louisiana.

4.1.2 Authorization. Buyer has full power to execute and deliver this Agreement and to perform hereunder, and the execution, delivery and performance hereof and the consummation of the transactions contemplated hereby have been duly authorized by all requisite action. No other or further action by Buyer or its members or managers is required in connection herewith.

4.1.3 No Breach of Statute or Contract. Neither the execution and delivery of this Agreement, nor compliance with the terms and provisions hereof, on the part of Buyer will (a) cause Buyer to breach any statute, ordinance or regulation of any governmental authority, domestic or foreign, or (b) conflict with or result in a material breach of any of the terms, conditions or provisions of an agreement or instrument to which Buyer is a party or by which it may be bound, or constitute a default thereunder, which breach, conflict, default or creation would have a material adverse effect on the financial condition or business operations of Buyer or the ability of Buyer to perform its obligations hereunder.

4.1.4 Qualification as a Broadcast Licensee. Buyer is qualified under the Communications Act of 1934, as amended, and the existing rules, regulations and policies of the FCC to hold the FCC Authorizations respecting the Station. The acquisition of the Station by Buyer complies with the FCC's multiple ownership rules in effect on the date of this Agreement.

4.1.5 Third Party Consents. Buyer has obtained all consents from all persons whose consent to the execution, delivery and performance of this Agreement by Buyer is legally or contractually required.

4.1.6 Enforceability. This Agreement has been duly executed and delivered by Buyer, and constitutes a valid and binding obligation of Buyer enforceable in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other similar laws affecting creditors' rights generally or by the application of general principles of equity.

4.1.7 Claims, Litigation and Disputes. There is no claim or litigation or investigative proceeding pending or threatened against Buyer, its members or managers which would materially affect Buyer's ability to perform hereunder.

4.1.8 Brokerage Fees. No person or other entity acting on behalf of Buyer is entitled to any brokerage or finder's fee or commission in connection with this Agreement.

4.1.9 Financial. Buyer has adequate financial resources, debt and equity, on hand or available to it to consummate the transactions contemplated herein.

4.1.10 Station Status. Based upon the Due Diligence Information, Buyer (i) is buying the Assets in as-is condition based upon its own inspections; (ii) knows of certain repairs and improvements that must be made to the Assets and the cost of same; (iii) acknowledges and agrees that those repair costs have already been factored into the Purchase Price, there will be no further adjustment to the Purchase Price for any additional costs for such repairs, and that such costs might exceed the Station Repair Costs and for which Buyer would be solely responsible; (iv) is fully aware and acknowledges that an order to vacate the Station's tower site may be issued at any time, and that such an order would require a relocation of the Station's transmission facilities and tower site, the cost of which might exceed the difference between



the Purchase Price and the Adjusted Purchase Price and for which Buyer would be solely responsible; (v) acknowledges and agrees that Seller's efforts to obtain a Tower Agreement from the Tower Building Owner prior to Closing may not be successful; (vi) acknowledges and agrees that the disbursement of funds from the Escrow Account for the Station Repair Costs and for the Station Relocation do not offset or reduce the Purchase Price; (vii) accepts and fully bears the risks associated with the Due Diligence Information and agrees that no development arising from these facts can or shall provide the basis for a termination of this Agreement by either Buyer or Seller, or otherwise modify Buyer or Seller's obligation to close this transaction; and (viii) acknowledges the necessity of certain applications or filings with the FCC arising from the Station Repairs or Station Relocation, and that the filing by Seller of same, or a grant of or action on such applications or filings by the FCC, are not conditions to Buyer's obligation to Close.

4.2 Seller. Each Seller represents and warrants to Buyer as follows:

4.2.1 Due Formation. Each Seller is a limited liability company duly organized and validly existing under the laws of the State of Louisiana and has the power and authority to conduct its business in the State of Louisiana as heretofore conducted and to own or hold under lease or license the Assets.

4.2.2 Authorization. Each Seller has full power to execute and deliver this Agreement and to perform its obligations hereunder, and the execution, delivery and performance hereof and the consummation of the transactions contemplated hereby have been duly authorized by all requisite action. No other or further company action by either Seller, its members or managers is required in connection herewith.

4.2.3 No Breach of Statute or Contract. Subject to the receipt of the approvals relating to matters on Schedules 1.6, 1.9 and 2.1.2, neither the execution and delivery of this Agreement, nor compliance with the terms and provisions hereof, on the part of Seller will, to Seller's knowledge, (a) cause Seller to breach any statute, ordinance or regulation of any governmental authority, (b) conflict with or result in a breach of any of the terms, conditions or provisions of any agreement or instrument to which Seller is a party or by which it may be bound, or constitute a default thereunder, or (c) other than any liability for any income taxes which may be payable by Seller as a result of the consummation of the transactions contemplated hereby, in any case result in the creation of any material lien, charge or encumbrance of any nature whatsoever, or give to others any interest or rights, including rights of termination or cancellation, in or with respect to any of the Assets.

4.2.4 Enforceability. This Agreement has been duly executed and delivered by each Seller, and constitutes a valid and binding obligation of each Seller enforceable in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other similar laws affecting creditors' rights generally or by the application of general principles of equity.

4.2.5 Assets. The Assets constitute all assets necessary for the operation of the Station and the conduct of the Station's business as presently conducted, except for those excluded items listed on Schedule 2.2. Seller has good and marketable title, free and clear of any mortgage, lien, restriction, encumbrance or adverse claim to all of the Assets, except for (a) liens for general taxes and assessments for the year of Closing and subsequent years; (b) minor encumbrances which do not materially affect the transferability, present use or value thereof; and (c) mortgages, judgments and other liens to be satisfied at or before Closing (collectively, "Permitted Encumbrances").

4.2.6 Claims, Litigation and Disputes. Except as provided in Schedule 4.2.7, to Seller's knowledge, except for actions, proceedings or investigations affecting the radio industry in general, and except with respect to the application to the FCC for the assignment of the Station to Buyer contemplated by this Agreement, there is no claim or litigation or investigative proceeding pending or threatened which would materially affect (i) Seller's ability to perform hereunder, (ii) the Assets, (iii) the rights granted under the Assumed Contracts, or (iv) the ownership, use, maintenance or operation of the Assets and the Station by Buyer.

4.2.7 Compliance with Laws. All of the Station's FCC Authorizations are validly existing authorizations for the operation of the facilities described therein under the Communications Act of 1934, as amended (the "Communications Act"). To Seller's knowledge, there are no conditions imposed by the FCC as part of any FCC Authorization that are neither set forth on the face thereof as issued by the FCC nor contained in the rules and regulations of the FCC applicable generally to stations of the type, nature, class or location of the Station. Except as provided in Schedule 4.2.7, all FCC regulatory fees for the Station have been paid. To Seller's knowledge, the broadcast tower used by Seller from which the Station operates is not required to be registered with the FCC and the Federal Aviation Administration (the "FAA"). Except as provided in Schedule 4.2.7, there is no action pending nor, to the knowledge of Seller, threatened by or before the FCC or other body to revoke, refuse to renew or suspend any of the FCC Authorizations, or any action which may result in the denial of any pending application, the issuance of any cease and desist order, or the imposition of any administrative sanction with respect to the Station or its respective operation. To Seller's knowledge, there is not pending any investigation, by or before the FCC, or any order to show cause, notice of violation, notice of apparent liability, or notice of forfeiture or complaint by, before or with the FCC against Seller with respect to the Station nor, to the knowledge of Seller, is any of the foregoing threatened.

4.2.8 Brokerage Fees. Seller has retained the brokerage services of The Thorburn Company in association with the sale of the Station, shall be solely responsible for any brokerage fee arising therefrom, and shall indemnify and hold Buyer harmless from any liability associated therewith.

4.2.9 Contracts. To Seller's knowledge, each of the Assumed Contracts is valid, binding and enforceable in accordance with its terms. The Seller is not currently in default under any Assumed Contract and no event of default has occurred that (whether with or without notice, lapse of time or occurrence of any other event) would constitute a default by the Seller or, to the knowledge of the Seller, any other party thereto. Subject to required approvals, each Assumed Contract may be assigned to Buyer without breach or violation of the terms of such Assumed Contract.

## **ARTICLE 5 - FCC MATTERS**

5.1 FCC Consent to Assignment. Notwithstanding anything herein to the contrary, the terms and conditions of this Agreement are subject to and conditioned upon receipt of the FCC's Consent prior to the Closing Date, thereby granting consent with respect to the application specified in Section 5.2 of this Agreement.

5.2 Application for Consent; Cooperation of the Parties. Buyer and Seller shall, within ten (10) business days after the execution of this Agreement, file an application ("Application") seeking FCC consent to assignment of the FCC Authorizations to Buyer. The parties shall promptly and diligently file and expeditiously prosecute all necessary amendments, briefs, pleadings, documents, and supporting data to that Application, and take all such actions and give all such notices as may be required or requested by the FCC or as may be appropriate in an effort to expedite the approval by the FCC of the Application. In

the event of the filing of any protest, petition to deny, petition for reconsideration, or appeal of the FCC's consent and approval, or other action seeking review or reconsideration of such consent and approval, the parties mutually agree that any such filing or action will be vigorously opposed by each of them as the facts and applicable law may allow. All of the above actions shall be at each party's sole cost and expense, except that the fee for the filing of the Application shall be shared equally by Seller and Buyer.

5.3 Operation of the Station Before Closing. Between the date of this Agreement and the Closing Date, Seller will operate the Station in the public interest, convenience, and necessity, and will file with the FCC all documents required to be filed in connection with the operation of the Station.

5.4 Access. Access to the equipment and facilities of the Station shall be allowed in accordance with Section 2.6.3 hereof.

5.5 Time for FCC's Consent. If the FCC's Consent with respect to the Application has not become a Final Order on or within ten (10) months after the date the Application is accepted for filing so that this Agreement may be consummated in accordance with its terms and conditions, then this Agreement may be terminated by either Seller or Buyer, the Escrow Funds shall be distributed in accordance with the procedures outlined in those portions of Section 14.1 or 14.2 hereof related to termination under this Section 5.5.

5.6 Other FCC Applications or Filings. In accordance with FCC requirements, Seller shall file applications or make certain filings with the FCC either in advance of or upon completion of the Station Repairs or Station Relocation, but only to the extent that such applications or filings must be made before the Closing Date. All application and engineering fees for same shall be processed and paid from the Escrow Account as disbursements for Station Repair Costs or from the Relocation Distributions, provided that Seller and Buyer shall pay their own attorneys' fees associated with all such FCC filings, and no attorneys' fees for the Seller or the Buyer shall be paid from the Escrow Account.

## **ARTICLE 6 – COVENANTS OF SELLER**

Except and to the extent Buyer may otherwise permit in writing, each Seller covenants and agrees as follows:

6.1 Third Party Consents. Seller shall give all notices to governmental authorities and other third parties required to be given by it under the Assumed Contracts or otherwise in connection with the transactions contemplated hereby. To facilitate the orderly assignment and transfer of all rights and privileges necessary to own and operate the Station, and to facilitate the securing of all required approvals by the FCC or any other governmental authority, Seller shall proceed after the execution of this Agreement, to prepare, file and prosecute each request and application therefore together with such information as may be reasonably necessary and appropriate to effect such approvals. In obtaining such approvals, Seller may agree to commercially reasonable non-material changes to any Assumed Contract. Nothing herein shall require the expenditure or payment of any monies (other than in respect of normal and usual filing fees) or the giving of any other consideration by Seller in order to obtain any of such approvals.

6.2 Further Assurances. At the reasonable request of Buyer, Seller will execute such additional documents as Buyer may reasonably request in order to carry out the transactions contemplated hereunder.

6.3 Confidentiality. Seller covenants and agrees that it will not, at any time directly or indirectly, except in connection with the transactions contemplated hereby or to the extent required by law,

make any public announcements or press releases without obtaining the prior written consent of Buyer, which consent shall not be withheld or delayed unreasonably.

6.4 Commercially Reasonable Efforts. Seller will use commercially reasonable efforts to cause the Closing contemplated hereby to occur, including, without limitation, commercially reasonable efforts to cause all required third party consents for transfer of the Assets to be obtained and to obtain a Tower Agreement from the Tower Building Owner prior to the Closing; *provided, however*, that such efforts by Seller shall not require Seller to undertake any extraordinary or unreasonable measures to cause the Closing or to obtain such consents, including, without limitation, the payment of extraordinary or unreasonable fees or expenses, or the initiation or prosecution of legal proceedings.

6.5 Employee Matters. Seller, as may be appropriate, will terminate the employment of each employee whose work relates solely to the Station as of the Closing Date.

6.6 Conduct of Business. During the period from the date of this Agreement to and including the earlier of its termination or the Closing Date, Seller shall cause the Station to be operated in the ordinary and usual course consistent with practices in effect on the date of this Agreement. Without limiting the foregoing, prior to the Closing, Seller, without the prior written consent of Buyer, shall not:

(a) by any act or omission surrender, modify adversely, forfeit, or fail to renew under regular terms any of the Authorizations, or give the FCC or FAA grounds to revoke, suspend or involuntarily modify any of the FCC Authorizations, or fail to prosecute with due diligence any pending application with respect to any of the Authorizations or the FCC Authorizations;

(b) dissolve, liquidate, merge or consolidate or sell, transfer, lease or otherwise dispose of the Assets, other than supplies consumed in the ordinary and customary course of business, or obligate itself to do so;

(c) materially amend, modify, change, alter, terminate, rescind or waive any rights or benefits under any agreement in Schedule 2.1.2; or

(d) cancel or fail to renew any of the current insurance policies or any of the coverage thereunder maintained for the protection of any of the Station or the Assets

6.7 Station Repairs or Relocation; Cooperation. Seller shall permit Buyer or third parties retained by Buyer, subject to Seller's control and approval, to access the Station tower site and commence and complete approved repairs or changes related to the Station Repairs or Station Relocation. Seller shall request the consent and approval of the Tower Building Owner for all such access, repairs and changes.

## **ARTICLE 7 – COVENANTS OF BUYER**

Except and to the extent Seller may otherwise permit in writing, Buyer covenants and agrees as follows:

7.1 Third Party Consents. Buyer shall give all notices to governmental authorities and other third parties required to be given by it in connection with the transactions contemplated hereby. To facilitate the orderly assignment and transfer of all rights and privileges necessary to own and operate the Station, and to facilitate the securing of all required and necessary approvals by the FCC or by any other governmental entity or authority, Buyer shall cooperate with Seller, and shall provide Seller with such

information and complete such application forms as may reasonably be requested by Seller to prepare, file and prosecute each request and application therefor. Buyer shall attend such meetings as Seller may reasonably request in connection with obtaining third party consents, and Buyer shall provide such financial information as third parties may reasonably request in connection with the review of transfer requests. In addition to or in lieu of the consents listed on Schedule 4.2.4, Buyer acknowledges that it may need to enter into direct agreements with governmental entities or authorities or other third parties. Nothing herein shall require the expenditure or payment of any monies (other than in respect of normal and usual FCC and other required filing fees) or the giving of any other consideration by Buyer in order to obtain such consents.

7.2 Discharge of Assumed Liabilities. From and after the Closing, Buyer shall pay, perform and discharge the Assumed Liabilities as they become due, including, without limitation, the discharge and performance when due of each and every obligation of Seller under the Assumed Contracts.

7.3 Confidentiality. Buyer covenants and agrees that it will not, at any time, directly or indirectly, except in connection with the transactions contemplated hereby or to the extent required by law, make any public announcements or press releases without obtaining the prior written consent of Seller, which consent shall not be withheld or delayed unreasonably.

7.4 Commercially Reasonable Efforts. Buyer shall use its commercially reasonable efforts to cause the Closing contemplated hereby to occur, including, without limitation, commercially reasonable efforts to cause all required third party consents for transfer of Assets to be obtained; provided, that such efforts by Buyer shall not require Buyer to undertake any extraordinary or unreasonable measures to cause the Closing or to obtain such consents, including, without limitation, the payment of extraordinary or unreasonable fees or expenses, or the initiation or prosecution of legal proceedings.

7.5 Access. Seller shall, for a period of one year from the Closing Date, have access to, and the right to copy, at its expense, for bona fide business purposes and during usual business hours upon reasonable period notice to Buyer, all of Seller's books and records relating to the Station. Buyer shall retain and preserve all such books and records for such one-year period.

7.6 Spanish Language Operations. For a period of nine (9) months from the date of this Agreement, Buyer agrees to give Seller one-hundred fifty (150) days prior written notice if Buyer elects to program the station in a Spanish language format. Buyer shall not transfer the station to any third party unless this restriction is accepted by such third party.

7.7 Further Assurances. At the reasonable request of Seller, Buyer will execute such additional documents as Seller may reasonably request in order to carry out the transactions contemplated hereunder.

## **ARTICLE 8 – CLOSING**

8.1 Closing Date; Prorations. The Closing shall be held at the offices of Orrill, Cordell & Beary, LLC, 1010 Common Street, Suite 3100, New Orleans, Louisiana, or at such other location as the parties may mutually agree upon. The Closing shall occur on a mutually agreeable date no later than ten (10) business days immediately following the date that the FCC's Consent granting the Application has become a Final Order. At Closing, any pre-paid expenses of Seller which will accrue to Buyer's benefit after the Closing shall be pro-rated, and the amount thereof accruing to Buyer's benefit shall be remitted by Buyer to Seller.

8.2 Buyer's Remedies. The parties to this Agreement agree that Seller's failure to fulfill its obligation to close the transactions contemplated by this Agreement will result in irrevocable and continuing damage to Buyer for which there will be no adequate remedy at law. If Closing does not occur due to a failure of Seller to perform its obligations hereunder, Buyer's sole remedy shall be to bring an arbitration claim in accordance with Section 15.14 hereof seeking specific performance to enforce this Agreement and/or related injunctive relief as provided by Louisiana law.

#### **ARTICLE 9 – CONDITIONS TO SELLER'S OBLIGATION TO CLOSE**

9.1 Conditions to Obligations of Seller. The following are conditions precedent to Seller's obligations to close, any or all of which may be waived in writing by Seller, except for Section 9.3.

9.2 Buyer's Deliveries. Buyer shall have delivered the items referred to in Article 12.

9.3 FCC's Consent. The FCC's Consent shall have been granted and the FCC's Consent shall be a Final Order.

9.4 Buyer Covenants. Buyer shall have performed and complied in all material respects with all of the covenants set forth in Article 7 which are to be performed by it before or as of the Closing Date.

#### **ARTICLE 10 – CONDITIONS TO BUYER'S OBLIGATION TO CLOSE**

10.1 Conditions to Obligations of Buyer. The following are conditions precedent to Buyer's obligation to close, any or all of which may be waived in writing by Buyer, except for Section 10.5:

10.2 Seller's Representations and Warranties. Each representation and warranty made by Seller in Section 4.2 shall be true and correct in all material respects on and as of the Closing Date with the same effect as though each such representation and warranty had been made or given on and as of the Closing Date.

10.3 Seller's Covenants. Seller shall have performed and complied in all material respects with all of the covenants set forth in Article 6 which are to be performed by it before or as of the Closing Date.

10.4 Seller's Deliveries. Seller shall have delivered the documents referred to in Article 11.

10.5 FCC's Consent. The FCC's Consent shall have been granted and the FCC's Consent shall be a Final Order.

#### **ARTICLE 11 – SELLER'S DELIVERIES AT CLOSING**

At Closing, Seller shall deliver the following to Buyer:

11.1 Bill of Sale. A bill of sale, dated as of the Closing Date;

11.2 Assignment and Assumption Agreement. An Assignment and Assumption Agreement, dated the Closing Date, as to the Assumed Contracts;

11.3 Assignment of Licenses. An assignment and transfer of all the FCC Authorizations, executed by Seller, in form reasonably required by Buyer;

11.4 Tower Agreement. If Seller has been successful in its efforts to obtain a Tower Agreement from the Tower Building Owner, the Tower Agreement, executed by the Tower Building Owner, or, in the absence of same, an assignment of all of Seller's rights to use the Tower Site Building as the Station tower site.

11.5 Closing Statement. A Closing Statement, agreed to by Buyer and Seller, specifying the final Purchase Price and the distribution of the Purchase Price;

11.6 Seller's Certificate. A Certificate dated as of the Closing Date and signed by Seller's Manager certifying that each of the representations and warranties of Seller contained in this Agreement were true and correct when made and are true and correct in all material respects on the Closing Date, and Seller has performed and complied in all material respects with each and every covenant and agreement required by the Agreement to be performed by Seller on or before the Closing Date, as defined in the Agreement; and

11.7 Other Consents. Copies of such other consents as are required for the transfer or assignment of any of the Assets.

## **ARTICLE 12 – BUYER'S DELIVERIES AT CLOSING**

At Closing, Buyer shall deliver the following to Seller:

12.1 Purchase Price. Payment of the Purchase Price in accordance with Section 3.3;

12.2 Assignment and Assumption Agreement. An Assignment and Assumption Agreement dated as of the Closing Date, as to the Assumed Contracts;

12.3 Closing Certificate. A Closing Statement, agreed to by Buyer and Seller, specifying the Purchase Price and the distribution of the Purchase Price; and

12.4 Buyer's Certificate. A certificate dated as of the Closing Date and signed by Buyer's Manager certifying that each of the representations and warranties of Buyer contained in the Agreement were true and correct when made and are true and correct in all material respects as of the date of Closing, and Buyer has performed and complied in all material respects with each and every covenant and condition required by the Agreement to be performed by Buyer on or before the Closing Date.

## **ARTICLE 13 – INDEMNIFICATION**

13.1 Survival of Representations and Warranties. The representations and warranties of Buyer and Seller contained in this Agreement or in any document delivered pursuant hereto shall survive the Closing for a period of six (6) months (the "Survival Period").

13.2 Buyer's Indemnification. Buyer shall defend, indemnify and hold harmless Seller, its affiliates, partners, employees, directors, officers, agents, and assigns, from and against any loss, liability, damage, or expense (including attorneys' and other experts' fees): (a) resulting from any claim by any third party relating to the Assets or the Station arising or accruing on or after the Closing Date, and (b) arising from any breach of any representation, warranty, or covenant by Buyer in this Agreement, including

without limitation any liabilities and costs arising from any pending or threatened litigation involving Buyer.

13.3 Seller's Indemnification. Seller shall defend, indemnify and hold harmless Buyer, its affiliates, partners, employees, directors, officers, agents, and assigns (collectively, "Buyer Indemnified Parties"), from and against any loss, liability, damage, or expense (including attorneys' and other experts' fees) (a) resulting from any claim by any third party relating to the Assets or the Station arising or accruing prior to the Closing Date, and (b) arising from any breach of any representation, warranty, or covenant by Seller in this Agreement, including without limitation any liabilities and costs arising from any pending or threatened litigation involving Seller.

13.4 Defense of Claims. If any third party shall assert any claim which, if successful, would entitle a party to indemnification under this Article 13, such party shall give notice of such claim to the other party, who shall have a reasonable opportunity to conduct any proceedings or negotiations in connection therewith and to take all other steps or proceedings to settle or defend any such claim at the indemnifying party's expense and with counsel of indemnifying party's own selection. The indemnified shall have the right to participate in the defense of such claim at its expense, in which case (a) the indemnifying party shall cooperate in providing information to and consulting with the indemnified party about the claim; and (b) the indemnifying party shall not consent to the entry of judgment or enter into any settlement without the prior written consent of the indemnified party which shall not be unreasonably withheld or delayed. If the indemnifying party shall, within a reasonable time after such notice, fail to defend, the indemnified party shall have the right, but not the obligation, to undertake the defense of, and to compromise or settle (exercising reasonable business judgment) the claim or other matter on behalf, for the account, and at the risk, of the indemnifying party, and all at the cost of the indemnifying party, including attorneys' fees.

13.5 Exclusive Remedy; Limits of Indemnity. This Article 13 shall constitute the parties' sole and exclusive remedy for any breach of this Agreement arising or discovered after the Closing Date. Claims allowed under this Article 13 must be asserted within ninety (90) days of the Survival Period to be valid, and any claim asserted after such date shall be null and void. Seller shall not have any obligation to indemnify any Buyer Indemnified Party unless and until the Buyer Indemnified Parties have collectively suffered losses in excess of \$5,000 in the aggregate which would be indemnifiable hereunder but for this Section 13.5, at which point the Buyer Indemnified Parties may recover any indemnifiable damages in excess of such \$5,000 basket, up to a maximum aggregate amount equal to the Purchase Price. Notwithstanding anything to the contrary set forth in this Agreement, in no event shall Seller's aggregate liability under this Agreement exceed the Purchase Price payable hereunder.

## **ARTICLE 14 – TERMINATION**

14.1 Seller's Right to Terminate. Seller may terminate this Agreement in accordance with Sections 3.3 and 5.5 above.

(a) In the event that Seller terminates this Agreement in accordance with Section 3.3 and Buyer does not dispute such termination pursuant to Section 15.14 hereof, Buyer shall join with Seller in instructing the Escrow Agent to distribute the Escrow Funds to Seller within ten (10) days of such termination. In the Event Seller terminates this Agreement in accordance with Section 3.3 and upon Buyer's contest of such termination under Section 15.14 hereof, the Arbitrator decides such dispute (i) in favor of Seller, the Arbitrator will render a judgment including an instruction to the Escrow Agent to deliver the Escrow funds to Seller, and such distribution shall be as liquidated damages, it being understood



that such payment of the Escrow Funds represents Seller's sole remedy, or (ii) in favor of Buyer, the Arbitrator will render a judgment including an instruction to deliver the Escrow Funds to Buyer.

(b) In the event that Seller terminates this Agreement in accordance with Section 5.5, and Buyer has fulfilled its obligations pursuant to this Agreement (including without limitation Section 7.4), Buyer shall join with Seller in instructing the Escrow Agent to distribute the Escrow Funds to Buyer within ten (10) days of such termination. If, however, such termination is contested by Buyer, and the Arbitrator decides such dispute (i) in favor of Seller, the Arbitrator will render a judgment including an instruction to the Escrow Agent to deliver the Escrow funds to Seller, and such distribution shall be as liquidated damages, it being understood that such payment of the Escrow Funds represents Seller's sole remedy, or (ii) in favor of Buyer, the Arbitrator will render a judgment including an instruction to deliver the Escrow Funds to Buyer.

(c) Regardless of the reason for Seller's termination under this Section 14.1, and irrespective of who receives the Escrow Funds therefrom, Seller shall retain the benefits and ownership of the equipment purchased and work then completed for the Station Repairs or Station Relocation.

14.2 Buyer's Right to Terminate. In addition to Buyer's right to terminate this Agreement in accordance with Section 5.5 above, in the event of a material breach by Seller prior to the Closing Date of any material term of this Agreement, Buyer may: (i) seek specific performance or injunctive relief as provided in Section 8.2 above, or (ii) terminate this Agreement.

(a) In the event of Buyer's termination pursuant to Section 5.5, and Buyer has fulfilled its obligations pursuant to this Agreement (including without limitation Section 7.4), Seller shall join with Buyer in instructing the Escrow Agent to distribute the Escrow Funds to Buyer within ten (10) days of such termination. If, however, such termination is contested by Seller pursuant to Section 15.14 hereof, and the Arbitrator decides the dispute (i) in favor of Seller, the Arbitrator will render a judgment including an instruction to deliver the Escrow Funds to Seller as liquidated damages, it being understood that such payment of the Escrow Funds represents Seller's sole remedy; or (ii) in favor of Buyer, the Arbitrator will render a judgment including an instruction to the Escrow Agent to deliver the Escrow Funds to Buyer.

(b) In the event of Buyer's termination pursuant to Section 14.2(ii), if Buyer has fulfilled its obligations pursuant to this Agreement (including without limitation Section 7.4), and Seller does not contest such termination pursuant to Section 15.14 hereof, Seller shall join with Buyer in instructing the Escrow Agent to distribute the Escrow Funds to Buyer within ten (10) days of such termination. If, however, such termination is contested by Seller pursuant to Section 15.14 hereof, and the Arbitrator decides the dispute (i) in favor of Buyer, the Arbitrator will render a judgment including an instruction to the Escrow Agent to deliver the Escrow Funds to Buyer; or (ii) in favor of Seller, the Arbitrator will render a judgment including an instruction to the Escrow Agent to deliver the Escrow Funds to Seller as liquidated damages, it being understood that such payment of the Escrow Funds represents Seller's sole remedy for Buyer's breach of this Agreement

(c) Regardless of the reason for Buyer's termination under this Section 14.2, and irrespective of who receives the Escrow Funds therefrom, Seller shall retain the benefits and ownership of the equipment purchased and work then completed for the Station Repairs or Station Relocation.

14.3 Risk of Loss. The risk of loss, damage or destruction to the Assets from fire or other casualty or cause, shall be borne by Seller at all times up to the Closing. In the event that property

reasonably required for the normal operation of the Station is not repaired, replaced or restored prior to the Closing, Buyer, at its sole option, upon written notice to Seller: (a) may elect to postpone Closing until such time as the property has been repaired, replaced or restored, or (b) may elect to consummate the Closing and accept the property in its then condition, in which event Seller shall assign to Buyer all proceeds of insurance theretofore, or to be, received, covering the property involved; and if Buyer shall extend the time for Closing, and the repairs, replacements or restorations are not completed within sixty (60) days after the date on which the FCC's Consent has become a Final Order, Buyer may terminate this Agreement by giving written notice thereof to Seller. In the event of Buyer's termination pursuant to this Section 14.3, Seller shall join with Buyer in instructing the Escrow Agent to distribute the Escrow Funds to Buyer within ten (10) days of such termination, and Seller shall retain the benefits and ownership of the equipment purchased and work then completed for the Station Repairs or Station Relocation.

## **ARTICLE 15 - MISCELLANEOUS**

15.1 Expenses. Except as otherwise expressly provided for in this Section 15.1 or elsewhere in this Agreement, each party hereto shall pay its own expenses and costs relating to the negotiation, execution and performance of this Agreement (including, without limitation, fees and expenses of attorneys, accountants, brokers, consultants, finders, lenders and investment bankers). In the event of arbitration regarding the performance, interpretation, or alleged breach of this Agreement, the prevailing party shall recover from the other party all expenses and costs of such arbitration, including, without limitation, attorneys' fees.

15.2 Governing Law. This Agreement shall be construed and interpreted according to the laws of the State of Louisiana without reference to the rules of conflicts of law.

15.3 Notices. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given when personally delivered or telefaxed, or five business days after mailed, certified or registered mail, with postage prepaid addressed as follows (or to such other person or address as the party to receive such notice may have designated from time to time by notice in writing pursuant hereto):

If to Buyer:

Northshore Radio, LLC  
W. Christopher Beary, Manager  
1010 Common Street, Suite 3100  
New Orleans, LA 70112  
Telephone: (504) 299-8724  
Fax: (504) 299-8735

If to Seller:

WGSO, LLC  
111 Veterans Blvd., Suite 1800  
Metairie, LA 70005  
Telephone: 504-832-3555  
Fax: 504-830-7200

With a copy (which shall not constitute effective notice) to:

Alan Campell  
72 Watson Road  
Fanwood, NJ 07023  
Telephone: 908-322-9179  
Fax: 908-322-0444

15.4 Definition of Agreement. Unless the context clearly otherwise requires, as used herein, the term "Agreement" means this Agreement and the Schedules and Exhibits hereto. The words "herein," "hereof," and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section, or other subdivision. Any of such Schedules and Exhibits may be later amended or revised by the mutual consent of the parties. Such Schedules and Exhibits, as so amended or revised, shall be true, complete and correct in all material respects and shall be incorporated into and shall for all purposes be deemed a part of this Agreement.

15.5 Headings, Gender and Person. The headings to Articles and Sections of this Agreement are for reference only and shall not be used in construing the provisions hereof or otherwise affect the meaning hereof. The use of the neuter pronoun "it" shall also refer to as appropriate to the masculine or feminine gender. The use of the singular herein shall, where appropriate, be deemed to include the plural and vice versa. As used herein, the word "person" refers to any individual, corporation, partnership, trust, governmental body or authority or other organization or entity.

15.6 Knowledge. When used herein, references to Seller's "knowledge" shall mean the actual knowledge of Seller's local manager and executive officers, without investigation and without any imputation of knowledge of matters not actually known to them.

15.7 Counterparts. 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.

15.8 Entire Agreement. This Agreement embodies the entire agreement and understanding between Seller and Buyer and supersedes all prior agreements and understandings related to the subject matter hereof. There are no representations, warranties, covenants, promises or agreements on the part of either party to the other hereto which are not explicitly set forth herein.

15.9 Modifications. Any modification, amendment or waiver of or with respect to any provision of this Agreement or any agreement, instrument or document delivered pursuant hereto shall not be effective unless it shall be in writing and signed by Seller and Buyer and shall designate specifically the terms and provisions so modified.

15.10 Assignment and Binding Effect. Neither party may assign this Agreement or any interest herein without the prior written consent of the other party hereto and any purported assignment without such consent shall be void. Subject to the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their respective successors and assigns.

15.11 Time of the Essence. Time is of the essence in each and every provision of this Agreement.

15.12 Severability. If any part of any provision of this Agreement is invalid or unenforceable under applicable law, the provision shall be ineffective only to the extent of such invalidity or unenforceability without in any way affecting the remaining parts of the provision or this Agreement.

15.13 Relationship of the Parties. Nothing herein shall be deemed or construed to create or constitute a partnership, joint venture or agency relationship between the parties, and neither party is authorized to hold itself out or to act toward third parties or the public in any manner that would indicate the existence of any such relationship with the other.

15.14 Arbitration. As a replacement and substitute for any litigation or court action by either party hereto, any dispute regarding this Agreement shall be submitted to an independent arbitrator and thereafter arbitrated pursuant to the rules of the American Arbitration Association. The party instituting arbitration may designate an independent arbitrator. Within ten (10) days thereafter, the other party shall accept such designation or designate a second independent arbitrator. If the other party designates a second independent arbitrator, the two (2) arbitrators shall thereafter select a third independent arbitrator, who shall be the arbitrator for the dispute. If the responding party fails to appoint an arbitrator within the applicable ten (10) day period, the arbitrator selected by the initiating party shall be the arbitrator for the dispute. No arbitrator shall be a current or former member, manager, shareholder, director, officer, or employee of either party or of any of its affiliates or an attorney (or member of a law firm) who has rendered legal services to either party or its affiliates, or a family member or relative of either party or its affiliates and their respective members, managers, shareholders, directors or officers. A hearing shall be held by the arbitrator at a location mutually agreeable to the parties or if the parties are unable to agree on a site, at a site designated by the arbitrator. The decision of the arbitrator shall be in writing and shall be final and binding upon all parties hereto. The relief grantable by the arbitrator shall be limited to the relief permitted under the terms of this Agreement. Judgment upon the award rendered may be entered in any court having jurisdiction thereof. The costs of arbitration, including all attorneys' fees, shall be borne by the party whose contention was not upheld in the arbitration proceedings.

[SIGNATURE

PAGE

FOLLOWS]

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Jan 26 2007 3:06PM

FAX NO. 504 830 7200  
908-322-4613

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~~DATELINES OF THE DATE FIRST WRITTEN ABOVE.~~


SELLER:

WGSO, LLC

By: MCMedia, L.L.C.  
Its: Sole Member

By: Metcalf Family Limited Partnership  
A Louisiana Limited Partnership


By: 1425 State Street, L.L.C.  
A Louisiana Limited Partnership  
Its: General Partner

By:   
William M. Metcalf, Jr.  
Its Manager

MCMedia, LLC

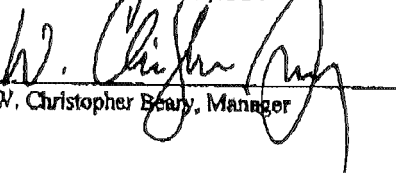
By: Metcalf Family Limited Partnership  
A Louisiana Limited Partnership

By: 1425 State Street, L.L.C.  
A Louisiana Limited Partnership  
Its: General Partner

By:   
William M. Metcalf, Jr.  
Its Manager

BUYER:

NORTHSHORE RADIO, LLC

By:   
W. Christopher Beary, Manager