

**SALE AND PURCHASE CONTRACT**

This Contract made and entered into this the 1st day of November, 2001, by and between **CUMBERLAND MEDIA, INC.**, and **LARRY BURDETTE** and wife, **GAIL BURDETTE**, in their individual capacity, of P. O. Box 1288, Mt. Vernon, Kentucky, 40456, Party of the First Part, (the Seller), and **CHARLES W. SAYLOR** and wife, **BOBBI J. SAYLOR**, of 35 Lovell Lane, Mt. Vernon, Kentucky, 40456, or their transferors or assigns, Party of the Second Part (the Buyer);

**WITNESSETH:** That for and in consideration of the sum of Two Hundred Thirty Thousand (\$230,000.00) Dollars, of which amount the Buyer has paid the sum of Five Thousand (\$5,000.00) Dollars, the receipt of which is hereby acknowledged, and the balance of Two Hundred Twenty-five Thousand (\$225,000.00) Dollars, shall be due and payable on or before January 15, 2002, the Seller does now agree to sell to the Buyer: WRVK radio, and including, but not limited to the following:

- (a) WRVK real estate including a tract on which two (2) offices are situated, and a tract of approximately five (5) acres, more or less, of real estate located in Rockcastle County, Kentucky, which is a parcel of land on which antenna system and tower is situated. The line joining KOA Campground, which is the entrance of said boundary shall be surveyed at the expense of the Seller, with the existing fence line. Sellers will execute general warranty deed without encumbrances at projected transfer date
- (b) Radio station goodwill (WRVK)
- (c) All equipment and inventory, including, but not limited to the following:
  - (i) Transmitter
  - (ii) Control Board
  - (iii) Music Library
  - (iv) Miscellaneous broadcasting equipment

**upon the following terms and conditions:**

**TERMS AND CONDITIONS**

1. The Buyer must pay to the Seller the remaining balance of the purchase price, cash in hand, on or before January 15, 2002, unless an extension is made necessary because the FCC has not yet confirmed an approved transfer. At the time of this payment, Seller will then convey said business and property to Buyer free and clear of any encumbrances or defects in title. In the event Seller is unable to complete the sale as agreed to herein, or if the FCC does not confirm and approve the proposed transfer, Seller agrees to refund to Buyer the down payment herein in the amount of Five Thousand (\$5,000.00) Dollars. Likewise, in the event Buyer is not able to complete the sale as agreed to herein, or if the FCC does not confirm the transfer due to liabilities created or retained by the Buyer, the down payment will be retained by the Seller and not refunded to the Buyer. Seller and Buyer warrant to proceed in good faith toward FCC approval.

2. This contract is subject to the FCC's written approval and confirmation of transfer of FCC license to new owner, with the Buyer being responsible for any and all FCC related fees and costs of transfer, including attorneys fees, incurred subsequent to the date of this contract. Seller agrees to facilitate transfer of FCC license by executing documents or papers necessary or required for transfer. Seller will hold Buyer harmless as to any liabilities up until transfer date related to the FCC.

3. Buyer shall be responsible for the payment of all Federal, State, or other taxes,



including sales taxes, of any nature, kind, or description, related to the transfer. Seller warrants to Buyer that any and all current taxes, tax liens or tax liabilities up until the transfer date is the Seller's responsibility. The attached Exhibit "B" is an inventory list accepted in relation to potential sales tax. Any other inventory agreed upon by sell subsequent to this written agreement would be required to be in writing and signed by the parties.

4. The Buyer will assume any and all existing contracts, agreements, and obligations between WRVK and third parties upon consummation of FCC license transfer, including but not limited to sporting event contracts. The attached Exhibit "C" is a list of any and all existing contracts and agreements between WRVK and others as notice to the Buyer.

5. Buyer will be responsible for any fees or costs of operation of WRVK radio upon consummation of FCC license transfer.

6. News and programming contracts that have not expired on their face will be assumed by Buyer upon consummation of FCC license transfer. See attached Exhibit "C" for a list of any and all news contracts and programming contracts as notice to the Buyer.

7. All accounts receivable, including accounts receivable for any completed services provided prior to projected transfer date, by WRVK radio due Seller upon transfer will remain property of Seller. All accounts receivable due for services at the transfer date and subsequent thereto shall belong to the Buyer. However, should any receivables be related to services provided by both the Seller and the Buyer, the proceeds will be divided pro rata. Likewise, any billings, cost or fees incurred prior to the projected transfer date, but received after the transfer date will be the responsibility of the Seller. Buyer will present any such billing to Seller within three (3) days of receipt, and Seller will pay said bill within three (3)

working days, or otherwise reimburse Buyer should Buyer be required to pay said bill after the three (3) day time period.

8. The Seller agrees to maintain all insurance coverages until consummation of FCC license transfer, at which time the Buyer agrees to insure the property. If an event or act of God results in the destruction, or damages in whole or part the WRVK business, all insurance proceeds belong to the Seller up until the transfer date. In the event of total destruction or substantial and significant damage that would materially impair operations, either the Buyer or Seller can, in writing, opt out of this agreement.

9. The Buyers shall pay all real estate taxes, fees and assessments against the property herein beginning January 1, 2002. If an extension of this contract is granted, the parties agree to pro-rate the real estate taxes.

10. Fifteen (15) days prior to projected transfer date, with approval from the FCC attorney, Seller agrees and approves of Buyer, Buyers agents and/or employees to be present at and have access to WRVK radio station facilities in preparation for assuming control and responsibilities of operation. This includes access and ability to observe, sell advertising, and create addresses, business office, stationery and other operating needs, subject to FCC approval. Buyer warrants not to interfere with day to day operations of Seller during this period, and Buyer will keep Seller informed by giving reasonable advance notice of such activities.

11. Seller asserts and warrants full and current compliance with all FCC, Federal, and State laws and regulations at time of transfer, including, but not limited to EAS equipment and NRSC measurements (report is in the public file).



12. This Contract for Purchase shall be binding upon the parties hereto, their heirs, assigns, and administrators, and shall not be amended except in writing.

IN TESTIMONY WHEREOF, witness the signature of the parties hereto, this the day and year first above written.

FIRST PARTY:

CUMBERLAND MEDIA, INC.

Larry Burdette, pres  
By: LARRY BURDETTE, PRESIDENT

Larry Burdette, ind.  
LARRY BURDETTE, individually

Gail Burdette  
GAIL BURDETTE, individually

SECOND PARTY:

Charles W. Saylor  
CHARLES W. SAYLOR

Bobbi J. Saylor  
BOBBI J. SAYLOR

COMMONWEALTH OF KENTUCKY

COUNTY OF ROCKCASTLE

SUBSCRIBED and SWORN TO before me, a Notary Public in and for the State and County aforesaid, by **LARRY BURDETTE, PRESIDENT, CUMBERLAND**

**MEDIA, INC.**, and in his individual capacity, and **GAIL BURDETTE**, in her individual capacity, this the 15 day of November, 2001.

Kathy A. Robinson  
NOTARY PUBLIC

My commission expires 2-18-03

COMMONWEALTH OF KENTUCKY

COUNTY OF ROCKCASTLE

**SUBSCRIBED and SWORN TO** before me, a Notary Public in and for the State and County aforesaid, by **CHARLES W. SAYLOR** and wife, **BOBBI J. SAYLOR**, this the 15<sup>th</sup> day of November, 2001.

Kathy A. Robinson  
NOTARY PUBLIC

My commission expires 2-18-03

THIS INSTRUMENT PREPARED BY:

**LAW OFFICES OF**

**JEFFREY T. BURDETTE**

140 West Main Street

P. O. Box 1250

Mt. Vernon, Kentucky 40456

(606) 256-2730

BY: JEFFREY T. BURDETTE

JTB/kr/11471