

## AGREEMENT

This agreement, made and entered into this 23 day of April, 2004, by and between Norman Communications NMB, Inc., a South Carolina Corporation, William Norman Jr., and Linda Susanne Norman (hereinafter "Buyer") and Fidelity Broadcasting, Inc., a \_\_\_\_\_ Corporation (hereinafter "Seller").

### Witnesseth:

Whereas, Seller is the sole holder of licenses from the Federal Communications Commission (hereinafter "FCC" or "Commission") authorizing the operation of AM broadcast station WNMB in North Myrtle Beach, South Carolina; and

Whereas, Seller desires to sell and Buyer desires to purchase certain of the tangible and intangible assets of the Seller used in the operation of the stations and to secure approval for assignment of all licenses, permits and authorizations issued by the Commission or any other governmental regulatory agency in connection with the operation of the station; and

Whereas, the assignment of broadcast licenses provided for herein is subject to the prior approval of the Commission:

Now, therefore, in consideration of the premises, the mutual promises and undertakings herein contained and for other good and valuable consideration, the receipt of which is hereby acknowledged, each party stipulates, agrees and covenants with the other as follows:

### Article 1. Assets to be Assigned.

It is agreed that seller's cash is excluded from and will not be assigned to buyer. It is agreed that at closing, Seller will convey, transfer, assign and deliver to Buyer the following:

- A. All legally assignable licenses, construction permits and authorizations issued to or held by Seller from the Commission and any other governmental or regulatory agency in connection with the operation of the stations.
- B. The rights to use the call letters WNMB and all trade names, service marks and slogans used or useful in the operation of the stations.
- C. All of the fixed and tangible assets used or useful in the operation of the Station as listed on Exhibit A attached hereto, consisting of the personal property used or useful in the operation of the stations in the normal course of business, and except as expressly noted herein, free and clear of any and all liens and encumbrances, including, but not limited to, broadcast equipment, vehicles, furniture, other equipment, supplies and relevant business and Commission records:
- D. Certain of sellers legally assignable contracts, leases and agreements as follows:
  1. All such contracts listed in Exhibit B attached hereto.
  2. All contracts and start orders for the sale of time on the Stations which are valid and enforceable at the time of closing; provided, however, all such contracts have been entered into in the normal course of the station's business, and Seller shall not be in default with respect to any of the obligations thereunder.
- E. All business and government records (except journals, books of accounts, corporate records or tax returns) and FCC public files relating to the operation of the stations. It is agreed, however, Buyer and Seller shall have full access after Closing to such records held by the other party relating to the operation of the station by Seller for the purpose of bookkeeping procedures and for such other purposes as may be reasonably necessary or proper. Buyer agrees to maintain

the confidentiality of any records furnished by Seller to Buyer and to execute an indemnification provision to this affecting a form satisfactory to seller's counsel at such time as such request is made.

- F. The land and building located at Water Tower road near North Myrtle Beach, South Carolina. The land and building will be purchased by the buyer or his designated representative separately from the assets of WNMB, but the consumation of the real estate contract is to take place on a simultaneous basis with the WNMB asset purchase and license assignmnet transaction..

#### **Article 2. Purchase Price and Terms of Payment and Escrow Amount.**

Subject to the limitations specified herein, the purchase price of all of the assets and aforesaid rights of WNMB shall be the sum of Two hundred fifty thousand dollars (\$250,000.00), which sum shall be paid as follows:

- A. In full by certified funds at closing.

#### **Article 3. Accounts Payable and Receivable.**

It is agreed that buyer shall not be liable for payment of seller's accounts payable.

#### **Article 4. Seller's Warranties and Representations.**

Seller hereby makes the following warranties and representations each of which shall be deemed a separate covenant to Buyer and shall survive the Closing and payment of the purchase price. There are no representations or warranties other than those set forth herein as follows:

- A. Seller is now and at closing will be a Corporation in good standing and duly organized, qualified and licensed to do business under the laws of the state of South Carolina and to operate the Station under the laws of South Carolina.
- B. Seller will furnish Buyer upon the closing of this agreement copies of the following:
  - 1. A resolution duly adopted by at least two thirds of the seller's outstanding voting shares of stock authorizing the sale of assets to Buyer in the manner provided for herein;
  - 2. A duly adopted resolution of the Board of Directors of Seller authorizing and directing its officers to execute this agreement and to comply with all of the provisions contained herein.
- C. Between the date hereof and closing, Seller shall timely file with the FCC all applications, reports, and other documents required by the FCC to be filed, other than as provided for in article 8.
- D. To Seller's knowledge, there are no notices of revocation of licenses, rule violations, investigations, inquiries or unsatisfied forfeitures presently pending at the Commission against the station. Seller knows of no complaints presently pending against the station at the Commission, or of any matter which might impair the Station's broadcast licenses.
- E. All technical equipment used or furnished for the operation of the stations and being sold hereunder to buyer presently meets and shall at closing meet all Commission standards for such equipment.
- F. Seller will be sole responsible for and shall either pay or make provision to which shall be satisfactory to buyer for all debts, taxes, or impositions imposed or arising by reason of Seller's operation of the station prior to the date of closing, and seller shall indemnify and hold buyer harmless from any and all such charges.

- G. At closing, seller shall have filed all tax returns then due and shall have paid or made provisions which shall be satisfactory to buyer for payment of all regular and special taxes, assessments, excises, fees and levies then due which are required of Seller arising by reason of Seller's operation of the stations.
- H. Seller agrees to indemnify and hold Buyer harmless against any violations by Seller prior to closing of any rules and regulations of the Commission or any other Federal, State or local government agency relating to the employment of labor, including those relating to wages, hours, non-discriminatory practices and working conditions arising by reason of Seller's operation of the station.
- I. This agreement does not include any false and misleading statement or representation by Seller of a material fact or figure concerning the stations.
- J. Between the date hereof and Closing, the station shall be operated in the ordinary course of business.
- K. Between the date of execution of this agreement and closing, Seller will not use the fixed and tangible assets used in the operation of the stations and to be assigned hereunder, and any replacements thereof and additions thereto, other than in the usual and ordinary course of business.
- L. At closing, Seller will own and possess and shall convey to Buyer good, clear and marketable title to all the fixed and tangible assets, free and clear of all liens, debts, mortgages or encumbrances of any kind whatsoever except as otherwise noted herein.
- M. As of this date, there is to Seller's knowledge no undisclosed litigation, proceeding or investigation pending against seller by any governmental or regulatory agency, or any other person or entity, which might in any way adversely affect the assets or operations of the stations, or Seller's right to dispose of same. Seller is not in default of any judgment, order, writ, injunction, decree, rule or regulation which could have a material adverse effect on the operations of assets of the station.
- N. Seller agrees that between the date hereof and closing, it will not, except with Buyer's prior written approval:
  - 1. Dispose of or contract to dispose of any of the assets to be assigned hereunder; provided however, Seller shall be free to replace personal property assigned hereunder with personal property of equal kind and quality; or
  - 2. Enter into any purchase or lease agreement of the assets to be assigned hereunder.
- O. Seller agrees that if it becomes aware of any violation of the rules and regulations of the Commission prior to the closing date, it will notify Buyer immediately and remove in an expeditious manner any continuing violations or be responsible for the cost of removing such, including the payment of any fines that may be assessed for any such violation.

#### **Article 5. Buyer's Warranties and Representations.**

Buyer hereby makes the following warranties and representations, each of which shall be deemed a separate covenant to Seller and shall survive the closing and payment of the purchase price:

- A. Buyer will be at closing a corporation in good standing and duly organized under the laws of the State of South Carolina.
- B. Buyer will furnish Seller at closing a copy of the duly adopted resolution of the Board of Directors of Buyer authorizing and directing its officers to execute this agreement and to comply with all of the provisions contained herein.
- C. Buyer will assume at closing and will therefore perform all obligations of the Seller pertaining to the station's ASCAP and BMI music licensing agreements.

- D. Buyer knows of no reason why it should not be approved by the Commission as the licensee of the Stations. Buyer is legally, financially, and otherwise qualified to serve as a broadcast licensee.
- E. Buyer warrants that it knows of no brokerage fees due or asserted to be due as a result of the sale to the Buyer.
- F. The entry into this agreement and the consummation of the transactions contemplated by this agreement will not conflict with any of the provisions of the Articles of Incorporation or Bylaws of the Buyer or any contract, agreement, document, order, judgment or instrument to which Buyer is a party.
- G. Compliance with FCC ownership rules and policies. Neither Buyer nor its officers, directors, stockholders, or employees presently have nor shall they subsequently acquire an interest in any medium of mass communication which would cause the acquisition of the station to be prohibited under the FCC's multiple ownership rules or policies, as explained to Buyer by its counsel.
- H. Buyer is currently seeking the funds necessary to consummate this transaction and will inform Seller in a timely manner when sources are committed.
- I. Buyer represents to Seller that it acknowledges that no warranties of merchantability or fitness for any particular purpose are to be implied in this transaction.

**Article 6. Documents to be delivered by Seller at Closing.**

At closing, Seller shall deliver to buyer the following:

- A. A duly executed Bill of Sale and Assignment, with general covenants of warranty, transferring good and clear title to Buyer of all assets agreed to be conveyed or assigned herein by Seller to Buyer.
- B. The original or copies of all Seller's legally assignable contracts, leases, subleases, and other agreements which are being assigned hereunder and such written consents and assignments as shall be required to legally transfer or assign all such documents to the buyer.
- C. The stations public file required to be maintained by the Commission.
- D. Relevant business and government records relating to the operation of the station by Seller.
- E. Resolution of Seller's stockholders and Board of Directors as referred to in Article 4 of this document.
- F. Certificate of the Secretary of State of South Carolina that Seller is a South Carolina Corporation in good standing, or that it is licensed and registered to do business in South Carolina. Any and all other papers, documents, assurances or instruments in writing as may be necessary in order to effectuate the provisions of this Agreement or any exhibit attached hereto.

**Article 7. Documents to be delivered by Buyer at Closing.**

At closing, Buyer will deliver to Seller the following:

- A. A check in the amount of \$250,000 or Two hundred fifty thousand dollars as payment in full on the station.
- B. A copy of the resolution of Buyer's Board of Directors referred to in Article 5 of this document.
- E. Certificate of the Secretary of State of South Carolina that Buyer is a South Carolina Corporation in good standing.
- F. Any and all other papers, documents, assurances or instruments in writing as may be necessary in order to effectuate the provisions of this agreement or any exhibit attached hereto.

**Article 8. Commission Approval.**

- A. This sale and purchase is conditioned upon and subject to the prior approval of the Commission, and shall become effective only if, as and when such approval is obtained by appropriate certificate or other notices to that effect issued by the Commission. Seller and Buyer shall diligently join in submitting an application to the Commission requesting such approval. Each party will furnish the Commission with all information, amendments and documents required or appropriate in order to obtain favorable action on the application by the Commission. Each party shall bear its own expense in connection with the preparation of the applicable sections of the application. Buyer and Seller agree to each pay one half (1/2) of the Commission filing fees for the transfer applications.
- B. If the Commission shall disapprove of this sale, the agreement between Buyer and Seller shall become null and void without further obligation of or claim by either party hereto against the other unless the disapproval shall be attributable failure of the Buyer or Seller to prosecute diligently the assignment application which shall be considered a default. In the event the Commission shall not give its approval to the assignment within six (6) months of the filing date of the application, this agreement may be terminated by either party upon written notice to the other party.

#### **Article 9. Conditions to Buyer's Performance.**

The obligation of the Buyer to consummate this agreement is subject to the satisfaction on or prior to Closing of each of the following conditions:

- A. At closing Seller shall deliver or cause to be delivered to Buyer all documents referred to in Article 6 hereof.
- B. All of the terms, covenants and conditions to be complied with or performed by Seller hereunder on or before Closing shall have been duly complied with and performed.
- C. At closing, Seller will be the owner and holder of the licenses covering the Stations to the extent that such licenses can be owned or held by the stations under the Communications Act of 1934.
- D. The consent and approval of the Commission to this agreement and the transfer and assignment called for hereunder shall have been obtained pursuant to Article 8.

#### **Article 10. Conditions to Seller's Performance.**

The obligation of the Seller to consummate this agreement is subject to the satisfaction on or prior to closing of each of the following conditions:

- A. At closing Buyer shall deliver or cause to be delivered to Seller all sums called for herein to be paid at the time of closing.
- B. All the terms, covenants and conditions to be complied with or performed by Buyer hereunder on or before closing, shall have been duly complied with and performed. The buyer has executed all of the reasonably requested documents and assumption of contracts required by this agreement and necessary to obtain the consent of the other contracting party.
- C. The warranties and representations of Buyer set forth in Article 5 of this agreement shall be true and correct in all material respects as of the closing date with the same force and effect as if made at that time.
- D. The consent and approval of the Commission to this agreement and the transfer and assignment called for hereunder shall have been obtained pursuant to Article 8 hereof.

#### **Article 11. Indemnity by Seller.**

Seller hereby agrees to indemnify and hold Buyer harmless from and against any and all liabilities, loss, expense, claim or demand arising, resulting, sustained or incurred or which may arise, result from or be sustained by Buyer in connection with any violation or breach of Seller's warranties, covenants and representations set forth in Article 4 hereof in which the objection or complaint cannot be remedied by the seller. Such indemnification shall include reasonable attorney fees, suit costs, and other expenses that Buyer incurs in defending or prosecuting any suit, action, or other proceeding brought as a result of Seller's failure or refusal to compromise or defend any claim incident to the foregoing provisions. In the event that any claim is asserted against Buyer or against the stations, which if established, would constitute a breach of any of the Seller's covenants, warranties and representations contained herein, Buyer shall promptly give Seller written notice of such claim and Seller shall, within twenty (20) days after mailing of the said written notice, notify buyer, in writing, of Seller's decision whether or not to defend against such a claim. Either party may assist the other party in defending against such claim and provide legal counsel to the other at their own expense. In the event Seller elects not to defend or does not notify buyer within the time provided above that Seller intends to defend, then Buyer may so defend.

Seller agrees that Buyer may withdraw from this agreement if Buyer so chooses should any other party or interest file against Commission approval of this agreement to the extent which seller is unable to remedy said objection or complaint. Buyer may affect such withdrawal by written notice to Seller.

#### **Article 12. Indemnity by Buyer.**

Buyer hereby agrees to indemnify and hold Seller harmless from and against any and all liabilities, loss, expense, claim or demand arising, resulting, sustained or incurred or which may arise, result from or be sustained by Seller in connection with any violation or breach of Buyer's warranties, covenants and representations set forth in Article 5 hereof. Such indemnification shall include reasonable attorney fees, suit costs, and other expenses that Seller incurs in defending or prosecuting any suit, action or other proceeding brought as a result of Buyer's failure or refusal to compromise or defend any claim incident to the foregoing provisions. In the event that any claim is asserted against Seller or against the stations, which if established, would constitute a breach of any of the Buyer's covenants, warranties and representations contained herein, Seller shall promptly give Buyer written notice of such claim and Buyer shall within twenty (20) days after mailing of the said written notice, notify seller, in writing, of Buyer's decision whether or not to defend against such claim. Either party may assist the other party in defending against such claim and provide legal counsel to the other at their own expense. In the event Buyer elects not to defend or does not notify Seller within the time provided above that Buyer intends to defend, then Seller may so defend.

Buyer agrees that Seller may withdraw from this agreement if Seller so chooses should any other party or interest file against Commission approval of this agreement. Seller may affect such withdrawal by written notice to Buyer.

#### **Article 13. Risk of Loss**

If the property and equipment to be assigned hereunder should be destroyed beyond repair by fire or other casualty prior to the closing date, Seller shall have the right to replace the equipment.

#### **Article 14. Access and Information.**

Following the execution of this Agreement and prior to closing, Seller will give to Buyer and Buyer's engineers, accountants, consultants, and prospective employees reasonable access

during normal business hours throughout the period prior to closing and to all the station's properties, equipment, books, contracts, commitments and records, and will furnish to Buyer information concerning the Station's operations. Buyer may exercise no control whatsoever concerning station operations prior to closing except that which would be the normal course of business, and Buyer may observe and gather information pertaining to all station operations.

**Article 15. Prorations and adjustments to Purchase Price.**

At closing all real and personal property taxes and assessments, rents, insurance premiums for policies assumed by the Buyer, employment taxes, BMI, ASCAP and other music license fees, and all other operating expenses of the stations, and any other prepaid items, shall be prorated between Buyer and Seller (other than expenses arising from the preparation of the assignment application contemplated by this agreement).

**Article 16. Closing.**

The closing shall be held on the first day of the first calendar month after the Commission has given its consent to the assignment of the licenses for the stations to the Buyer unless otherwise agreed to in writing by both Buyer and Seller. However, in no event shall the closing be held later than forty five (45) days after the Commission has given its approval to the transfer. The closing shall be held in North Myrtle Beach, South Carolina, unless otherwise mutually agreed upon by the parties.

**Article 17. Control of Station.**

Until closing, Buyer and its agents shall not directly or indirectly control, supervise or direct, or attempt to control, supervise or direct, the operations of the stations except that which is in the normal course of business, but such operations shall be the sole responsibility of Seller. Seller shall be free to initiate, defend, or participate in any Commission proceeding or legal proceeding in which the Seller's discretion appears necessary.

**Article 18. Buyer's Shareholders.**

Buyer hereby warrants the following persons constitute all of its shareholders and each of these shareholders will own good and clear title to shares of stock to be issued. The shareholders of Norman Communications NMB, Inc. are William Dale Norman, Jr. and Linda Susanne Norman.

**Article 19. Notice.**

All necessary notices, demands and requests shall be deemed to have been duly given when deposited in the United States mail, registered mail with postage prepaid, addressed as follows:

If to Seller:       Mr. William Norman Jr., or Linda Susanne Norman  
                          429 Pine Avenue  
                          North Myrtle Beach, SC 29582

If to Buyer:        Mr. Jerome Bresson  
                          Bresson & Associates  
                          107 Forrest Avenue  
                          Narberth, Pa. 19072

**Article 20. Headings.**

The paragraph headings contained in this agreement are for convenience of reference only and do not form a part hereof or in any way modify, interpret or construe the meanings of the parties.

**Article 21. Modification.**

A modification or waiver of any of the provisions of this agreement shall be effective only if made in writing and executed by both Buyer and Seller.

**Article 22. Partial Invalidity.**

If any provisions of this agreement are held to be invalid or unenforceable, all other provisions shall nevertheless continue in full force and effect.

**Article 23. Situs.**

All matters affecting the interpretation of this agreement and the rights of the parties hereto in relation to this agreement shall be governed by the laws of South Carolina.

A prior draft of this agreement has been reviewed by all parties and their counsel.

**Article 24. Survival of Closing.**

It is agreed that all promises, agreements, covenants, warranties, and representations of both Seller and Buyer which are contained in this agreement shall survive and continue in full force and effect for a period of one (1) year after Closing (unless information forming the basis of a claim with respect thereto is unavailable during such period as a result of an intentional act or omission of the party which against whom the claim is made) and will not be deemed to merge into any document or instrument delivered at closing. It is further agreed that every provision of this Agreement shall be binding upon each of the parties and their respective heirs, executors, administrators, successors and assigns.

**Article 25. Entire Agreement.**

This agreement contains the entire understanding of the parties, and there are no representations, warranties, covenants or undertakings other than those expressly set forth in this agreement.

**Article 26. 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.

**Article 27. Exhibits.**

All exhibits attached to this Agreement or referred to in this agreement will be deemed to be a part of this Agreement.

**Article 28. Assignability.**

This agreement may not be assigned or conveyed by Buyer to any other person or entity without the prior written consent of the Seller. This agreement will be binding upon and will inure to the benefit of the parties hereto, their heirs, personal representatives, successors and permitted assigns.

IN WITNESS WHEREOF, the parties hereto have duly executed this agreement under seal on the day and year first above written.

**PURCHASER:**

**NORMAN COMMUNICATIONS NMB, INC.**

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

*William Norman Jr*  
\_\_\_\_\_  
WILLIAM NORMAN, JR.

*Linda Susanne Norman*  
\_\_\_\_\_  
LINDA SUSANNE NORMAN

**SELLER:**

**FIDELITY BROADCASTING, INC.**

By: *Jerome Bresson*  
\_\_\_\_\_  
JEROME BRESSON, PRESIDENT

## Radio Station WNMB

Equipment Inventory 4/25/04

(items to be conveyed in sale from Fidelity Broadcasting to Norman Communications)

quantity	Item/ description	serial #
1	Harris SX1 AM Broadcast transmitter	82-2871-022
1	Harris AM Directional Phase Unit	82-8755-001
1	Sine Systems RFC 1B Remote Control unit	9676
1	Potomac Instruments Antenna monitor	1946
2	AM Broadcast towers & Ground systems	
	tower a: FCC registration	1046198
	tower b: FCC registration	1046199
2	AM Antenna tuning units (ATU) located at the towers	
1	Sencore SCB1 o scope	
1	CRL pre-emphasis filter for AM audio processing	
1	CRL modulator controller for AM audio processing	
1	CRL spectral energy processor for AM audio processing	
1	CRL pre-audio (prep) processor	
1	York heating/AC system	ems077606
1	Broadcast Electronics (Spotmaster) 4 channel audio console	

Time Brokerage Agreement

Time Brokerage Agreement dated as of 3/11/2001, by and between Fidelity Broadcasting Corporation, the licensee of Radio Station WGSN, <sup>WMB</sup> / or WNMB, licensed to North Myrtle Beach, South Carolina (the station), and Norman Communications NMB Inc., a South Carolina Corporation (Broker), <sup>WMB</sup> to be in place <sup>WMB</sup> prior to closing. <sup>WMB</sup>

Whereas, Licensee has available broadcasting time and is engaged in the business of radio broadcasting on the Station;

Whereas, Broker desires to avail itself of Station's broadcast time for the presentation of programming service, including the sale of advertising time; and

Now, therefore, for and in consideration of the mutual covenants herein contained, the parties hereto have agreed and do agree as follows:

1. Facilities. Licensee agrees to make broadcasting transmission on its main channel available to Broker to broadcast on the station, or cause to be broadcast, for up to twenty four hours per day, seven days per week provided, however, that Licensee reserves the right to retain two (2) hours per broadcast week during the hours of 6 a.m. to 8 a.m. Sunday for broadcast of its own public affairs programs.

2. Payments. Broker hereby agrees to pay Licensee for the broadcast of the programs hereunder the amounts specified in Attachment 1 on or prior to the dates specified in the said attachment. The failure of the licensee to demand or insist upon prompt payment in accordance herewith shall not constitute a waiver of its right to do so. Broker shall receive a payment credit for any time period preempted by Licensee, such credit to be determined by multiplying the monthly payment by the ratio of the amount of time preempted or not accepted to the total number of broadcast hours produced by the Broker each month.

3. Term. The term of this agreement shall begin <sup>60 DAYS AFTER THE</sup> on SIMULTANEOUS CLOSING OF THE REAL ESTATE CONTRACT OF SALE AND TBA, or on 3/11/2001. <sup>WMB</sup>

4. Programs. Broker shall furnish or cause to be furnished the artistic personnel and material for the programs as provided by this agreement and all programs shall be in good taste and in accordance with Federal Communications Commission (the FCC) requirements. All advertising material and promotional material shall comply with all

applicable Federal, State, and Local regulations and policies and shall be produced in accordance with quality standards established by the Broker.

5. Licensee Operational Responsibility. Licensee shall be responsible for the Stations' compliance with all applicable provisions of the Communications Act of 1934, as amended, the rules, regulations, and policies of the FCC, and all other applicable laws. Licensee shall maintain all licenses, permits, and other authorizations as are necessary for the operation of the Station, in full force and effect during the term of this agreement unimpaired by any acts or omissions of Licensee.

5.1 Interruption of Normal Operations. If the Station suffers loss or damage of any nature to its transmission facilities which results in the interruption of service or the inability of the Station to operate with its maximum authorized facilities, Licensee shall immediately notify Broker, and shall undertake such repairs as necessary to restore the full time operation of the Station with its maximum authorized facilities within seven days from the occurrence of such loss or damage.

6. Handling of Mail. Except as required to comply with Commission rules and policies, including those regarding the maintenance of the public inspection file (which shall at all times remain the responsibility of Licensee), Licensee shall not be required to receive or handle mail, cables, telegraph or telephone calls in connection with programs broadcast hereunder unless Licensee at the request of the Broker has agreed in writing to do so. Broker shall promptly forward to Licensee any mail which it may receive from any government agency.

7. Programming and Operations Standards. Brokers agrees to abide by the standards set forth in this agreement. Broker further agrees that if, in the sole judgement of Licensee, Broker does not comply with said standards, Licensee may cancel or suspend any program not in compliance without reductions or offset in payments due Licensee under this agreement.

8. Responsibility for Employees and Expenses. Broker shall employ and be responsible for the salaries, taxes, insurance and related costs for all personnel used in the production of programs supplied to the Station and all other cost incurred by Broker in the production of these programs (including salespeople, traffic personnel, board operators and programming staff). Broker shall be responsible for all expense incurred in the origination and/or delivery of its programming from any location to the Station's

transmitter sites and for any publicity or promotional expenses incurred by the Broker. Broker shall pay for all telephone calls associated with program production and listener responses, for all fees to ASCAP, BMI and SESAC, and or any copyright fees attributable to its programming broadcast on the station.

9. Assignment of Contracts. On the effective date, Licensee shall assign to broker all contracts for the sale of time on the station.

10. Accounts Receivable. On the effective date, Licensee will deliver to broker a list of the station's accounts receivable, if any, from the operation of the station prior to the effective date. All amounts collected on account of tthe Accounts Receivable shall belong to and be retained by the Licensee. Licensee will allow the Broker a commission of twenty-five percent (25%) for the collection of said accounts.

11. Operation of Station. Notwithstanding anything to the contrary in this Agreement, Licensee shall have full authority and power over the operation of the Station during the period of this agreement in compliance with FCC rules and regulations. Licensee shall at all times be solely responsible for meeting all FCC requirements. Broker shall, upon request by the Licensee, provide Licensee with information with respect to such Broker's programs which are responsive to the public needs and interest so as to assist the Licensee in the preparation of required programming reports and other required records, reports and logs.

12. License to Use Station's Facilities. Effective as of the Effective date, Licensee grants Broker an exclusive right to use all of the studio and office (the Station Facilities) used exclusively by the Station. Broker shall not remove from the Station Facilities or modify any Station Equipment in the station facilities owned by or leased or licensed to the Licensee without Licensee's prior written consent. Broker shall indemnify Licensee for any damage, other than normal wear and tear, to Licensee's property caused by the Broker or any Broker's agent.

13. License of Intellectual Property. Effective as of the effective date, Licensee licenses to Broker the exclusive right to use all intellectual property owned by or Licensed to Licensee and used in the operation of the station; including, but not limited to call signs and goodwill.

14. Special Events. In the event of the necessity for the Licensee to preempt any programs or program material of the Broker, Licensee will use its best efforts to give Broker reasonable notice of its intention to preempt such broadcast or broadcasts. In the event of such preemption, Broker shall receive a payment credit for the broadcasts so omitted.

15. Force Majeure. Any failure or impairment of the station facilities or any delay or interruption in broadcasting programs, or the failure at any time to furnish facilities, in whole or in part, for broadcasting, due to acts of God, strikes or threats thereof, Force Majeure, or to causes beyond the control of the Licensee, shall not constitute a breach of this Agreement.

16. Payola. Broker agrees that it will not accept any compensation or any kind of gift or gratuity of any kind whatsoever unless the payer is identified in the program as having paid for or furnished such consideration in accordance with FCC requirements.

17. Indemnification; Warranty. Broker will indemnify and hold harmless Licensee against all liability for libel, slander, illegal compensation or trade practice, infringement of trademarks, trade names, or program titles, violation rights of privacy and infringement of copyrights and proprietary rights resulting from the broadcast of programming furnished by the Broker. Insurance in a minimum amount of one million dollars (\$1,000,000.00) naming the Licensee as additional insured to cover these contingencies.

18. Licensee's Indemnification; Warranty. Licensee shall indemnify, defend and hold harmless, Broker from and against any and all claims, losses, costs, liabilities, damages, FCC forfeitures and expenses, including reasonable counsel fees, of every kind, nature and description arising out of (i) Licensee's broadcasts under this Agreement, or obligation of Licensee contained in this Agreement.

19. Procedure for Indemnification. The following procedure shall apply. Whenever a claim for indemnification shall arise under Section 17 or 18 hereof, the party entitled to indemnification shall promptly and in no event later than fifteen (15) days after receipt of such a claim, give written notice for the party from whom the indemnification is sought setting forth in reasonable detail, to the extent available, the facts concerning the nature of such claim and the basis upon which the indemnified party believes that it is entitled to indemnification hereunder.

20. Regulatory Change. In the event of a material change or clarification in FCC rules, policies or precedent that would cause this Agreement to be in violation thereof, the parties will use their respective best efforts and negotiate in good faith to modify this Agreement to comply with the change, so as to be able to continue this Agreement in substantially the same form without material economic detriment to either party.

21. Termination. In addition to other provisions contained in this agreement, this agreement may be terminated as set forth below by either Licensee or Broker by written notice to the other party if the party seeking to terminate is not then in material default or breach hereto, upon the occurrence of any of the following:

(a) This agreement is declared invalid or illegal in whole or substantial part by a ruling, order or decree of an administrative agency or court of competent jurisdiction and such ruling, order or decree has become final and no longer subject to further administrative or judicial review and the parties cannot, after using their best efforts and negotiating in good faith for a period of sixty (60) days, modify this agreement to make the invalid or illegal portions comply with such ruling, order, or decree;

(b) if Section 20 becomes applicable and the parties are unable to agree on a mutually-acceptable modification of this Agreement within sixty (60) days thereafter;

(c) the other party is in material breach of its obligations hereunder and has failed to cure such breach with forty-eight (48) hours after receiving written notice of any violation of any FCC rule or regulation, or ten days after receiving written notice from the non-breaching party of any other breach (except for Broker's monetary obligations under Section 2, which must be cured within seventy-two (72) hours; provided, however, if such breach is one that with reasonable diligence cannot be cured within ten (10) days, but could be cured within an additional thirty (30) days, and the breaching party diligently attempts to cure the breach, then the non-breaching party shall not be able to terminate for that breach until such additional thirty (30) day period has elapsed without a cure (it being understood that this proviso shall not apply to breaches of Broker's monetary obligations under Section 2.

(d) the mutual consent of both parties, or

22. Broker's Right to Cure. In addition to any other rights or remedies available to Broker, whether pursuant to this agreement or otherwise, in the event Licensee fails properly to maintain the Station's transmission facilities or otherwise fails to perform its obligations hereunder, Broker shall be entitled, but not required, following reasonable notice to Licensee, to perform such maintenance and repairs and take such other actions as are necessary for Broker's use of the Station's facilities as contemplated herein.

### 23. Representations and Warranties.

23.1 Mutual Representations and Warranties. Each of Licensee and Broker represents to the other that it is legally qualified, empowered, and able to enter into this agreement, and that the execution, delivery and performance hereof shall constitute a breach or violation of any agreement, contract or other obligation to which it is subject or by which it is bound.

23.2 Licensee's Representations, Warranties and Covenants. Licensee makes the following further representations, warranties and covenants:

23.2.1. Authorizations. Licensee owns and holds all licenses and other permits and authorizations necessary for the operation of the station as presently contemplated (including licenses, permits, and authorizations issued by the Commission), unimpaired by any acts or omissions of Licensee, its principals, employees or agents. There is not now pending or, to Licensee's best knowledge, threatened, any action by the Commission or other party to revoke,

cancel, suspend, refuse to renew, or modify adversely any of such licenses, permits or authorizations, and, to Licensee's best knowledge, no event has occurred that allows or, after notice or lapse of time or both, would allow, the revocation or termination of such licenses, permits or authorizations or the imposition of any restriction thereon of such a nature that may limit the operation of the station as presently conducted. Licensee has no reason to believe that any such license, permit or authorization will not be renewed during the term of this agreement in its ordinary course. To the best of its knowledge Licensee is not in violation of any Statute, ordinance, rule, regulation, order or decree of any Federal, State, Local, or Foreign governmental agency, court or authority having jurisdiction over it or any part of its operations or assets, which default or violation would have an adverse effect on Licensee or its assets or on its ability to perform this agreement.

23.2.2. Filings. All reports and applications required to be filed with the FCC (including ownership reports and renewal applications) or any other governmental agency, department or body in respect of the station have been, and in the future will be true and complete and accurately present the information contained therein. All such reports and documents, to the extent required to be kept in the public inspection files of the station, are and will be kept in such files. Upon request by Licensee, Broker shall provide in a timely manner any such information in its possession which will enable Licensee to prepare, file, or maintain records and reports required by the FCC.

23.2.3 Facilities. The Station's facilities will be maintained at the expense of the Licensee and will comply and be operated, in all material respects, in accordance with the maximum facilities permitted by the FCC authorizations for the station and with good engineering standards necessary to deliver a high quality technical signal to the area served by the Station, and with all applicable laws and regulations, policies and procedures of the FCC promulgated thereunder. All capital expenditures reasonably required to maintain the station's signal shall be made promptly at the expense of the Licensee.

23.2.4. Title to Properties. Licensee will have good and marketable title to all of its assets and properties used in the operation of the Station, free and clear of any liens, claims or security interests. Licensee will not dispose of, transfer, assign or pledge any such asset, except with the prior written consent of Broker, if such action would affect adversely Licensee's performance hereunder or the business and operations of Broker permitted hereby.

23.2.5 Payment of Obligations. Licensee has no debts, obligations or liabilities which would adversely affect Licensee's performance hereunder or the business and operations of the Broker permitted hereby. Broker shall pay in a timely fashion all of its debts, assessments and obligations, including without limitation tax liabilities and payments attributable to the operations of the Station, as they come due from and after the Effective date of this Agreement.

23.2.6 Insurance. Licensee will maintain in full force and effect throughout the term of this agreement insurance with responsible and reputable insurance companies or associations covering such risks (including fire and other risks insured against by extended coverage, public liability insurance, insurance for claims against personal injury or death or property damage and such other insurance as may be required by law) and in such amounts and

24. Modification and Waiver. No modification or waiver of any provision of this agreement shall in any event be effected unless the same shall be in writing and signed by the party adversely affected by the waiver or modification, and then such waiver and consent shall be effective only in the specific instance and for the purpose for which given.

25. No Waiver; Remedies Cumulative. No failure or delay on the part of the Licensee or Broker in exercising any right or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of Licensee and Broker herein provided are cumulative and are not exclusive of any right or remedies which it may otherwise have.

TYPED  
copy

26. Construction. This Agreement shall be construed in the accordance with the laws of the state of South Carolina, and the obligations of the parties hereto are subject to all Federal, State, or Municipal laws or regulations now or hereafter in force and to the regulations of the Commission and all other governmental bodies or authorities presently or hereafter to be constituted.

27. Headings. The headings contained in this Agreement are included for convenience only and no such heading shall in any way alter the meaning of any provision.

28. Successors and Assigns. This agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns, including, without limitation, any assignee of the Commission license for the Station. Except in the case of an assignment to an affiliate of a party to this Agreement.

29. Counterpart Signatures. This Agreement may be signed in one or more counterparts, each of which shall be deemed a duplicate original, binding on the parties hereto notwithstanding that the parties are not signatory to the original or same counterpart. This Agreement shall be binding as of the date on which the executed counterparts are exchanged by the parties.

30. Notices. Any notice required hereunder shall be in writing and any, notice or communications shall be deemed given when delivered personally, or mailed by certified mail or Federal Express, postage prepaid, with return receipt requested, or when sent by facsimile and addressed as follows:

If to Broker, to:

Norman Communications NMB, Inc.  
429 Pine Avenue  
North Myrtle Beach, S. C. 29582  
att: William Norman, Jr.  
Fax: tba

If to Licensee, to:  
Coastline Communications  
(street address or p. o. box)  
(city)  
attn: designated individual  
Fax: \_\_\_\_\_

32. Entire Agreement. This agreement embodies the entire agreement between the parties and there are no other agreements, representations, warranties, or understandings, oral or written, between them with respect to the subject matter hereof. No alterations, modifications or changes of this Agreement shall be valid unless by like written instrument.

33. Severability. The event that any of the provisions contained in this agreement is held to be invalid, illegal, or unenforceable shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provisions had not been contained herein.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

Norman Communications NMB, Inc.

\* To be formed prior to closing

By: William Norman Jr  
Title: President

Fidelity Broadcasting Corporation

By: Jerome Bucceron  
Title: President

**TIME BROKERAGE AGREEMENT  
ATTACHMENT 1**

**Monthly Payment Schedule and Expenses**

1. Broker shall pay to Licensee, pursuant to the terms of Section 2, the following amounts:

1<sup>st</sup> month of term through 12<sup>th</sup> month of term (per month) \$1,000.00

13<sup>th</sup> month of term through 24<sup>th</sup> month of term (per month) \$2,000.000

2. Broke shall also reimburse Licensee for all its ordinary and customary expenses incurred after the effective date (excluding only any capital expense at the transmitter site and Licensee's Federal, State and Local income and property taxes) incurred in operating the station (the "Operating Expenses"), including but not limited to, routine and customary engineering costs, routine and customary maintenance of the Licensee's equipment used in the station operation, routine and customary maintenance of the tower(s) and transmitter facilities.

3. For any month in which this Agreement is not in force during the entire month, Broker's reimbursement obligation shall be prorated accordingly.

4. Notwithstanding any provision in the Agreement to the contrary, Broker's responsibility for the costs associated with any repair or replacement of the Station's transmitter, towers or the components thereof shall be limited to One Thousand dollars (\$1,000.00) in the aggregate. The foregoing limitation shall not apply to damages caused by the gross negligence or willful misconduct of the Broker.

5. At the conclusion of this Agreement, or any time in advance of the conclusion of this Agreement, Licensee agrees that Broker may purchase the assets of the AM station including, but not limited to, its land, buildings and equipment located at AM transmitter site consisting of 10 acres made up of lots 10 and 11 in Dogwood Neck Township and the right of assignment of its FCC license(s), subject to approval of the FCC for an amount of Seven Hundred Fifty Thousand dollars (\$750,000.00).



7 January 2003

By signatures affixed below; Fidelity Broadcasting Inc. and Norman Communications NMB Inc. agree to renew and continue the Time Brokerage Agreement existing between them that was commenced on 1 March 2001. The terms and conditions of the contract are to be the same as the original agreement for the period 1 March 2003 through 31 August 2003.

Beginning 1 September 2003; the agreement will remain in place with the Norman Communications NMB Inc. option to purchase at a stated price clause being removed. Following 1 September 2003; either party may terminate or seek to modify said agreement upon sixth month written notice.\* JB

for Norman Communications NMB Inc. by: William D. Norman, Jr.  
William D. Norman, Jr.

witness: Suzanne W. Norman

for Fidelity Broadcasting Inc. by: Jerome Bresson  
Jerome Bresson, President

witness: John Thomas

Mark J.B.  
SIGNATURE VIA PHONE  
AND MAIL -

\* In the event Fidelity sells WNMB-AM the six<sup>month</sup> notice is waived after Sept 1, 2003 Jerome Bresson



429 Pine Avenue  
North Myrtle Beach, S. C. 29582  
Phone/Fax 843-249-6662 \* e-mail: wnmb@prodigy.net

WHEN COMPLETED AND SIGNED BY BOTH PARTIES, THIS IS A LEGALLY BINDING CONTRACT. IF THIS CONTRACT IS NOT FULLY UNDERSTOOD, THE SERVICES OF A COMPETENT PROFESSIONAL SHOULD BE SOUGHT.

Seller, FIDELITI BROADCASTING hereby agrees to sell to Buyer, WILLIAM & JUSI NORMAN or Buyer's nominee, the real property set forth below and all improvements thereon (herein referred to as the Property), and Buyer agrees to purchase said Property from the Seller on the terms and conditions set forth in this contract.

DESCRIPTION: The Property is located in HORRY County, (city/state) WAMPEE, S.C. and is commonly known as (address) LOTS 10 + 11 WATER TOWER has approximate lot dimensions of 10 ACRES, and is legally described as follows: MBP 142-00-01-068 Hwy 90 (If the legal description is not included at the time of execution, it may be attached to and incorporated herein afterward.)

**1. PURCHASE PRICE:** The total purchase price to be paid for the Property by the Buyer is payable as follows:

(a) Initial deposit .....	\$ <u>10,000.00</u>
(b) Sum due within _____ days after acceptance of this Contract .....	\$ <u>-</u>
(c) Additional sum due at closing (not including prorations) .....	\$ <u>440,000.00</u>
(d) Proceeds of new note and mortgage to be given by Buyer or any lender other than the Seller .....	\$ <u>-</u>
(e) Existing mortgage on the Property which shall remain on the Property but which shall not • subject Buyer to any penalty or fee or increase in the original interest rate of said mortgage .....	\$ <u>-</u>
(f) Balance due Seller by promissory note of the Buyer subject to the requirements set forth in this contract .....	\$ <u>-</u>
(g) Balance due Seller by Articles of Agreement for warranty deed .....	\$ <u>-</u>
<b>TOTAL PURCHASE PRICE</b> .....	\$ <u>450,000.00</u>

**2. APPORTIONMENT OF PURCHASE PRICE AND DEED:** Land \$ 100% Building \$ \_\_\_\_\_ Personal Property \$ \_\_\_\_\_. It is agreed that the Property will be conveyed by recordable \_\_\_\_\_ warranty deed, with release of dower and homestead rights, subject to general real estate taxes for the current year, covenants, conditions, restrictions of record, and easements of record, all of which must be acceptable to Buyer.

3. Buyer will pay for recordation of deed and prorated share of prepaid insurance, taxes, and interest, if any.

4. The Seller will pay for:  Revenue stamps (State, county, and local);  Title commitment in the amount of the purchase price from \_\_\_\_\_ or any title insurance company duly licensed to underwrite title insurance in the state of \_\_\_\_\_;  Survey;  Attorney's fees;  Appraisal fee;  Real estate commission;  Title abstract;  Title opinion letter;  F.H.A./V.A. mortgage discount;  Photographs;  Satisfaction of mortgage and recording fee;  Lead paint inspection;  Home inspection;  Repairs or replacements required by the F.H.A. or V.A. not to exceed \$ \_\_\_\_\_.  Any other inspections required by law.

**5. PRORATED ITEMS:** All rents, water taxes or charges, taxes, assessments, monthly mortgage insurance premiums, fuel, prepaid service contracts, and interest on existing mortgages shall be prorated as of the date of closing. If Buyer is to accept the Property, subject to an existing mortgage requiring an escrow deposit for taxes, insurance, and/or other items, all escrow payments required to be made up to the time of closing shall be made to the escrow holder at Seller's expense and said escrow balance shall be assigned to the Buyer without compensation to the Seller; it being expressly understood that said escrow balance is included in the Total Purchase Price. All mortgage payments required of Seller to be made shall be current as of the time of closing. If the exact amount of real estate taxes cannot be ascertained at the time of closing, Seller agrees to prorate said taxes on the basis of 110% of the last ascertainable amount.

**6. TITLE AND TITLE INSURANCE:** Within \_\_\_\_\_ days  after the date of acceptance of this contract  after the date of approval of Buyer's mortgage loan (if any), the Seller will provide and deliver to Buyer or Buyer's Attorney:  A title commitment for an owner's title insurance policy in the amount of the purchase price (to be issued by a title insurance company duly licensed by the state of \_\_\_\_\_, to underwrite title insurance);  A title insurance commitment for a mortgage policy in the amount of \$ \_\_\_\_\_;  A continuation of abstract.

**7. SURVEY:** Within \_\_\_\_\_ days  after the date of acceptance of this contract  after the date of approval of Buyer's mortgage loan (if any), the Seller will provide and deliver to Buyer or Buyer's Attorney:  A new spotted certified survey having all corners staked and showing all improvements upon the Property.  No survey is required.

**8. EXAMINATION OF TITLE AND TIME OF CLOSING:** If the title evidence and survey as specified above disclose that Seller is vested with fee simple title to the Property (subject only to the permitted exceptions set forth above acceptable to Buyer), this sale shall be closed and Buyer shall perform the agreements made in this contract, at the office of Buyer's Attorney, on or before  \_\_\_\_\_ days after the mortgage loan approval  \_\_\_\_\_ days after acceptance of this contract. If title evidence or survey reveal any defect or condition which is not acceptable to Buyer, the Buyer shall, within fifteen (15) days, notify the Seller of such title defects and Seller agrees to use reasonable efforts to remedy such defects and shall have thirty (30) days to do so, in which case this sale shall be closed within ten (10) days after delivery of acceptable evidence to Buyer and Buyer's Attorney that such defects have been cured. Seller agrees to pay for and clear all delinquent taxes, liens, and other encumbrances, unless the parties otherwise agree. If Seller is unable to convey to Buyer a good and insurable title to the Property, the Buyer shall have the right to demand all sums deposited by Buyer and held by or for the Seller. At the same time, Buyer shall return to Seller all items, if any, received from Seller, whereupon all rights and liabilities of the parties to this contract shall cease. However, the Buyer shall have the right to accept such title as Seller may be able to convey and to close this sale upon the other terms as set forth in this contract.

**9. DEFAULT BY BUYER:** If Buyer fails to perform the agreements of this contract within the time set forth herein, Seller may retain, as liquidated damages and not as a penalty, all of the initial deposit specified in paragraph 1(a) above, it being agreed that this is Seller's exclusive remedy.

**10. DEFAULT BY SELLER:** If Seller fails to perform any of the agreements of this contract, all deposits made by Buyer shall be returned to Buyer on demand, or the buyer may bring suit against Seller for damages resulting from the breach of contract, or the Buyer may bring an action for specific performance. Buyer's remedies are cumulative and not exclusive of one another, and all other remedies shall be available in either law or equity to Buyer for Seller's breach hereof.

**11. CONDOMINIUM PROVISION:** (a) If the subject property is a condominium unit, this contract is subject to the condition that Seller be able to obtain release or waiver of any right of first refusal or other preemptive rights of purchase created by the Declaration of Condominium within the time established by said Declaration. If, after making every reasonable effort, Seller is unable to obtain such release or waiver within the time provided and so notifies Buyer within that time, this contract shall become null and void and all of Buyer's deposits shall be returned to the Buyer, provided that if said option or preemptive right is not exercised within the time specified by the Declaration of Condominium, this contract shall remain in full force and effect for that period of time which the Declaration of Condominium provides for completion of the sale, should the option or preemptive right not be exercised. If the Declaration of Condominium contains no such option or preemptive right, this paragraph shall be null and void and not part of this contract. (b) Seller represents and warrants that there are no condominium assessments currently due and owing. Seller agrees to pay any assessments, including special assessments, that have been or will be levied at any time prior to the date of closing.

**12. ATTORNEY FEES AND COSTS:** If any litigation is instituted with respect to enforcement of the terms of this contract, the prevailing party shall be entitled to recover all costs incurred, including, but not limited to, reasonable attorney's fees and court costs.

**13. RISK OF LOSS OR DAMAGE:** Risk of loss or damage to the Property by any cause is retained by the seller until closing.

**14. CONDITION OF THE PROPERTY:** Seller agrees to deliver the Property to Buyer in its present condition, ordinary wear and tear excepted, and further certifies and represents that seller knows of no latent defect in the Property. All heating, cooling, plumbing, electrical, sanitary systems, and appliances shall be in good working order at the time of closing. Seller represents and warrants that the personal property conveyed with the premises shall be the same property inspected by Buyer and that no substitutions will be made without the Buyer's written consent. Buyer may also inspect or cause to be inspected the foundation, roof supports, or structural member of all improvements located upon the Property. If any such system, appliance, roof, foundation, or structural member shall be found defective, Buyer shall notify Seller at or before closing and Seller shall thereupon remedy the defect forthwith at his/her sole expense (in which case the time for closing shall be reasonably extended as necessary). If the costs of such repairs shall exceed 5% of the total purchase price, Seller may elect not to make such repairs and the Buyer may elect to take the Property in such defective condition and deduct 5% from the purchase price or Buyer may, at his/her option, elect to terminate this contract and receive the full refund of all deposits and other sums tendered hereunder. In addition, seller agrees to remove all debris from the Property by date of possession.

**15. OCCUPANCY:** Seller shall deliver possession to Buyer no later than the closing date unless otherwise stated herein. Seller represents that there are no persons occupying the Property except the following tenants of the Seller:

Seller agrees to deliver exclusive occupancy of the Property to Buyer at the time of closing unless otherwise specifically stated herein. Seller agrees to provide true and accurate copies of all written leases to Buyer within five (5) days after the date of acceptance of this contract. Said leases are subject to Buyer's approval. Seller shall provide such letters notifying tenants to pay rent to the buyer after closing as Buyer may reasonably request. Seller warrants that any rent rolls and other income and expense data provided to Buyer are complete and accurate, all of which must be acceptable to Buyer.

in this contract within \_\_\_\_\_ days from the date of acceptance of this contract, the Seller or Buyer shall have the right to terminate this contract and, at that time, all sums deposited by Buyer shall be returned to Buyer and Buyer shall return any surveys and copies of leases received from Seller. Notwithstanding the aforesaid provisions, if Buyer so requests and if Seller agrees, Seller shall have \_\_\_\_\_ days to offer Buyer a purchase money mortgage on said property at terms acceptable to and approved by Buyer, and this contract shall remain in full force and effect. Said purchase money mortgage shall be fully subject to the terms and conditions of the paragraph relating to Seller Financing below.

N/A

17. [ ] **SELLER FINANCING:** According to paragraph 1(f) above, it is understood that the Buyer will execute and deliver at the closing, a Promissory Note to Seller which shall provide for full or partial prepayment without penalty [ ] and shall bear interest at the rate of \_\_\_\_\_ % per annum beginning on \_\_\_\_\_ in the amount of \$ \_\_\_\_\_ per [ ] such that the amount of such payments shall amortize the debt due in \_\_\_\_\_ years with all unpaid principal and interest due whole or in part, subject to the mortgage and to substitute for the Property other collateral of equivalent equity value; the exculpation of the mortgagor from personal liability; thirty (30) days prior written notice to the mortgagor of the mortgagee's intention to commence foreclosure proceedings and the right of the mortgagor to cure; the subordination of mortgagee's lien to an existing or future senior encumbrance; the right of first refusal in the mortgagor if the mortgagee shall at any time sell its interest at a discount; future advances at the option of the mortgagee; the release or portions of the Property from the lien of the mortgage upon partial principal payments by mortgagor, which said portion shall be released in the same proportion that the amount of the partial payment bears to the then outstanding principal balance.

18. [ ] **ARTICLES OF AGREEMENT FOR WARRANTY DEED:** If this sale is made by Articles of Agreement for warranty deed pursuant to paragraph 1(g) above, then the terms of paragraph 17 relating to Seller Financing shall be incorporated in said Articles of Agreement and shall become a part thereof, and the terms relating to a Promissory Note and mortgage shall be construed and relate to the Articles of Agreement for warranty deed in lieu of any reference to Promissory Note and mortgage.

19. **F.H.A. FINANCING:** It is expressly agreed that, notwithstanding any other provisions of this contract, Buyer shall not be obligated to complete the purchase of the Property described herein or to incur any penalty by forfeiture of any money deposit or otherwise unless the Seller has delivered to the Buyer a written statement issued by the Federal Housing Commissioner setting forth the appraised value of the Property (excluding closing costs) of not less than \$ \_\_\_\_\_ which statement Seller agrees to deliver to the Buyer promptly after such appraised value statement is made available to Seller. The Buyer shall, however, have the privilege and option of proceeding with the consummation of this contract without regard to the amount of the appraised valuation made by the Federal Housing Commissioner.

20. **V.A. FINANCING:** It is expressly agreed that, notwithstanding any other provisions of this contract, the Buyer shall not incur any penalty by forfeiture of earnest money or otherwise be obligated to complete the purchase of the Property described in this contract if the Total Purchase Price exceeds the reasonable value of the Property established by the Veterans Administration. The buyer shall, however, have the privilege and option of completing this transaction without regard to the amount of reasonable value established by the Veterans Administration.

21. [ ] **TERMITE INSPECTION:** Seller agrees to furnish to Buyer, at Seller's expense, an inspection report showing all buildings on the Property to be free and clear from visible infestation and free from visible dry or wet rot damage by termites and other wood-destroying organisms. This inspection report is to be furnished by a licensed pest control firm. If a report shows such visible infestation or damage, Seller shall pay all costs of treatment of such infestation and all costs of repair of such damage. If the costs of treatment and repair shall exceed 3% of the total sale price, Seller may elect not to make such treatment and repairs and Buyer may elect to take the Property in its then condition and deduct 3% from the total purchase price and complete the transaction or Buyer may terminate this contract and receive a full refund of all deposits made by Buyer hereunder.

22. [ ] **ZONING:** Unless the property is properly zoned for \_\_\_\_\_ use and there are no deed restrictions against such use at the time of closing, the Buyer shall have the right to terminate this contract and receive a full refund of all deposits made by Buyer hereunder. *Trans. Building on!*

23. **LEGAL USE:** Seller represents and warrants to Buyer that the entire property conforms to all building codes and restrictions that may be imposed by any governmental agency either national, state, or local. Seller also warrants that there are no building code violations on the Property and that Seller has received no notice of any building code violations for the past ten years that have not been fully corrected.

24. **LOCAL ORDINANCES:** Seller shall procure for Buyer, at Seller's expense, all certificates of inspection, certificates of occupancy, or the like required under the terms of any local ordinances.

25. **PERSONAL PROPERTY INCLUDED IN THE PURCHASE PRICE:** (Strike items not applicable): storm and screen doors and windows; awnings; outdoor television antenna; wall-to-wall, hallway, and stair carpeting; window shades and draperies and supporting fixtures; venetian blinds; window treatments; electric plumbing and other fixtures as installed; water softener; attached shelving; hardware; trees and shrubs; refrigerator(s); stove(s); air conditioner(s) and such other items as is listed below or on a rider attached hereto, all of which personal property is unencumbered and owned by Seller. All such items shall be conveyed from Seller to Buyer by a Bill of Sale. *JE*

26. [ ] This offer shall terminate if not accepted before (mo./day) \_\_\_\_\_, (yr.) \_\_\_\_\_.

27. **R.E.S.P.A. COMPLIANCE:** Seller and Buyer agree to make all disclosures and do all things necessary to comply with the provisions of the Real Estate Settlement Procedures Act of 1974 if it is applicable to this transaction.

28. **ADDITIONAL TERMS AND CONDITIONS:**
- (a) Where the context requires, the terms that Seller and Buyer shall include are in the masculine as well as the feminine and the singular as well as the plural.
  - (b) There are no agreements, promises, or understandings between the parties except as specifically set forth in this contract. No alterations or changes shall be made to this contract unless the same are in writing and signed or initialed by the parties hereto.
  - (c) The provisions of this contract shall survive the closing and shall not merge in any deed of conveyance herein.
  - (d) This agreement shall be construed under the laws of the State of SC.
  - (e) Other:

*Transaction to be paid in full at closing. Closing to be held at same date and time <sup>AND PLACE</sup> as the parties broadcast transaction of station WTRB. Closing costs as to recording fees, doc stamps, etc. to be performed as in standard S.C. real estate contracts.*

29. **REAL ESTATE SALES COMMISSION:** The Seller agrees to pay all real estate sales commission due on this transaction. *n/a*

30. **NOTICES:** Any notices required to be given herein shall be sent to the parties listed below at their respective addresses either by personal delivery or by certified mail - return receipt requested. Such notice shall be effective upon delivery or mailing.

**TIME IS OF THE ESSENCE OF THIS AGREEMENT.**

In witness whereof, the parties signed their names on the dates in the year set forth below.

Buyer(s): William D. Norman Jr.  
Jinda Suzanne Norman

Buyer's Date of Offer: (mo./day) April 7, (yr.) 2004  
Address: 429 Pine Ave.  
North Myrtle Beach, S.C. 29582

Seller(s): Jerome Bresson Pres.  
Fidelity Corp.

Seller's Date of Acceptance: (mo./day) \_\_\_\_\_, (yr.) \_\_\_\_\_  
Address: \_\_\_\_\_  
Address: \_\_\_\_\_