

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT is made as of the 15th day of February, 2008 (the "Effective Date"), by and between Appalachian Educational Communication Corporation, a Tennessee not-for-profit corporation ("Seller") and Staley Creek Broadcasting, Inc., a Virginia corporation ("Buyer").

R E C I T A L S:

A. Seller is engaged in the business of radio broadcasting and presently owns certain assets used and useful in the operation of radio broadcast station WITM(AM) (FCC FRN: 19478), licensed to Marion, Virginia ("Station").

B. Seller wishes to sell to Buyer and Buyer wishes to purchase from Seller, substantially all of the assets, business, and rights of Seller related to the conduct of the Station, excluding the Real Property, and be assigned the Federal Communications Commission ("FCC") licenses for the Station, all on the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the Recitals and of the mutual covenants, conditions and agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed as follows:

ARTICLE I. DEFINITIONS

1.1. **Definitions.** Except as specified otherwise, when used in this Agreement, the following terms shall have the meanings specified:

"Accounts Receivable" shall mean (a) all trade accounts receivable and other rights to payments from customers of Seller, including all trade accounts receivable in respect of programming contracted for prior to Closing that will occur on or after the Closing Date and (b) any claim, remedy or other right related to any of the foregoing;

"Agreement" shall mean this Purchase and Sale Agreement, together with the Schedules attached hereto, as the same shall be amended from time to time in accordance with the terms hereof;

"Bill of Sale and Assignment and Assumption Agreement" shall mean an instrument by which Seller shall convey to Buyer, the Contracts, the Equipment, the Intangible Property, the Licenses, the Miscellaneous Assets and the Records;

"Buyer" shall mean Staley Creek Broadcasting, Inc.;

"Buyer's Closing Certificate" shall mean the certificate of Buyer certifying the closing of the transaction;

“Closing” shall mean the conference to be held at 10:00 a.m. (EST), and at such place as mutually agreed upon by Buyer and Seller on the Closing Date at which time the transactions contemplated by this Agreement shall be consummated;

“Closing Date” shall mean (a) the date designated by Buyer upon at least four (4) days prior written notice to Seller which is no later than five (5) business days after the date on which FCC Consent, as hereinafter defined, has become a Final Order, as hereinafter defined; or (b) such other date as Buyer and Seller may agree upon in writing. The Closing shall be deemed effective as of 12:01 a.m. on the first day subsequent to the Closing Date;

“Communications Act” means the Communications Act of 1934, as amended, together with the rules, regulations and policies of the FCC;

“Contracts” means the agreements, contracts, Leases, consensual obligations, promises or undertakings (whether written or oral and whether express or implied), whether or not legally binding, entered into by Seller in connection with the operation of the Station, including without limitation those listed on Schedule 1.1(a);

“Equipment” shall mean all machinery, equipment, furniture, fixtures, furnishings, and other items of tangible personal property owned or leased by Seller which are used or useable in the operation of the Station, including without limitation to those items listed on Schedule 1.1(b);

“Event of Loss” shall mean any material loss, taking, condemnation, damage or destruction of or to any of the Purchased Assets or the Station;

“FCC Consent” shall mean action by the FCC granting its consent to the assignment of all the Licenses of the Station, as hereinafter defined, from Seller to Buyer and such consent shall be deemed to have occurred, in the event that the FCC consents are not issued on the same date, on the date that the last of the FCC consents have been issued;

“Final Order” shall mean the FCC Consent with respect to which no action, request for stay, petition for rehearing or reconsideration, appeal or review by the FCC on its own motion is pending and as to which the time for filing or initiation of any such request, petition, appeal or review has expired;

“Improvements” means all buildings and structures located on the Real Property.

“Intangible Property” shall mean all of Seller’s rights in and to the call letters of the Station, computer programs, Internet addresses, and any other service or trade names, service marks or trademarks, telephone numbers, goodwill and e-mail addresses, including, without limitation, those items listed on Schedule 1.2;

“Leases” shall mean those leases of Equipment related to the Station as listed on Schedule 1.3;

“Licenses” shall mean all licenses, permits and authorizations issued by governmental agencies, including the FCC, to Seller for the operation of the Station and all auxiliary facilities licensed by the FCC for operation in connection with the Station, as listed on Schedule 1.4;

“Liability” shall mean any liability or obligation of any kind, character or description, whether known or unknown, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise.

“Lien” or “Liens” shall mean any mortgage, deed of trust, pledge, hypothecation, security interest, encumbrance, claim, lien, lease (including any capitalized lease), tax liens, or charge of any kind, whether voluntarily incurred or arising by operation of law or otherwise, with respect to any of the Purchased Assets or the Station, including any agreement to give or grant any of the foregoing, any conditional sale or other title retention agreement and the filing of or agreement to give any financing statement with respect to any of the Purchased Assets or the Station under the Uniform Commercial Code of the State of Tennessee or comparable law of any jurisdiction. To Seller’s knowledge, Schedule 1.5 lists the Liens in existence on the date hereof;

“Miscellaneous Assets” shall mean all tangible and intangible assets used or useable in the operation of the Station and not otherwise specifically referred to in this Agreement, including any warranties related to any of the Purchased Assets, any deposits and prepaid expenses, and any insurance benefits, excepting therefrom only the assets excluded pursuant to Section 2.6 hereof;

“Person” shall mean any natural person, general or limited partnership, corporation, limited liability company, or other entity;

“Program Rights” shall mean all rights of Seller presently existing or obtained prior to the Closing, in accordance with this Agreement, to broadcast programs as part of the Station’s programming and for which Seller is or will be obligated to compensate the vendor of such Program Rights, including all program barter agreements;

“Purchased Assets” shall mean the right, title and interest of Seller in and to all assets used or useable in the operation of the Station, including but not limited to (a) the Accounts Receivable; (b) the Contracts; (c) customer lists of station advertisers; (d) the Equipment; (e) the Improvements, (f) the Intangible Property; (g) the Leases; (h) the Licenses; (i) the Miscellaneous Assets; and (j) the Records (as hereinafter defined), but excluding the assets described in Section 2.6.

“Purchase Price” shall mean the sum of Eighty Thousand Dollars (\$82,000.00);

“Real Property” shall mean the Real Property owned by Seller and used in the operation of the Station and the Improvements located on the Real Property;

“Records” shall mean files and records, including technical information and engineering data, programming information, sales records, advertising records, FCC-mandated public

inspection and other files, and FCC logs, relating to the Station; provided, however, that Records shall not include the corporate financial records of the Seller or records of other businesses or activities of Seller;

“**Schedules**” shall mean those schedules referred to in this Agreement which have been delivered concurrently with the execution of this Agreement or are completed by agreement of the parties after the execution of this Agreement but prior to Closing;

“**Seller**” shall have the meaning set forth in the Recitals;

“**Seller’s Closing Certificate**” shall mean the certificate certifying the closing of the transaction;

“**Station**” shall have the meaning set forth in the Recitals; and

“**Tradeout Agreement**” shall mean any contract, agreement or commitment of Seller, oral or written, pursuant to which Seller has sold or traded commercial air time of the Station in consideration for any property or services in lieu of or in addition to cash, excluding program barter agreements.

1.2. Singular/Plural; Gender. Where the context so requires or permits, the use of the singular form includes the plural, and the use of the plural form includes the singular, and the use of any gender includes any and all genders. Except as specifically set forth herein, all Section and Article references are to Sections and Articles of this Agreement.

ARTICLE II. PURCHASE AND SALE

2.1. Purchase and Sale. At the Closing on the Closing Date, and upon all of the terms and subject to all of the conditions of this Agreement, Seller shall sell, assign, convey, transfer and deliver to Buyer, and Buyer shall purchase from Seller, all of Seller’s right, title and interest, legal and equitable, in and to the Purchased Assets. The Purchased Assets shall be free and clear of all liens and encumbrances.

2.2. Earnest Money Deposit. Concurrently with the execution of this Agreement, Buyer shall deliver to AECC as escrow agent the sum of One Thousand Dollars (\$ 1,000) to be held as an earnest money deposit (the “Earnest Money Deposit”). The Earnest Money Deposit shall be paid to Seller as partial payment of the cash Purchase Price due at Closing to Seller, or shall be paid to Seller as liquidated damages as Seller’s sole recourse hereunder in the event of a material breach of this Agreement by Buyer, but in all other events, the Earnest Money Deposit shall be released to Buyer in accordance with the provisions of this Agreement.

2.3. Payment on Closing. At the Closing on the Closing Date, Buyer shall disburse the Purchase Price as follows:

(a) Buyer shall deliver to Seller, by certified check or wire transfer of immediately available federal funds, an additional sum of One Thousand Dollars (\$ 1,000.00) and a promissory note in the principal amount of Eighty Thousand Dollars (\$ 80,000.00) payable

at 7% simple interest payable in thirty-six (36) monthly installments from closing. Said promissory note shall be secured by the Purchased Assets. Buyer shall maintain proper insurance to protect the assets from peril and shall provide appropriate notice of said insurance to the seller until the promissory note shall have been satisfied.

2.4. Closing Date Deliveries. At the Closing on the Closing Date:

(a) Seller shall deliver, or cause to be delivered, to Buyer, properly executed and dated as of the Closing Date: (i) the Bill of Sale and Assignment and Assumption Agreement; (ii) Seller's Closing Certificate; (iii) Assignment of FCC License; and (iv) such other documents as reasonably requested by Buyer.

(b) In addition to the payments described in Section 2.3(a), Buyer shall deliver, or cause to be delivered, to Seller, properly executed and dated as of the Closing Date: (i) Buyer's Closing Certificate; and (ii) such other documents as may reasonably be requested by Seller.

2.5. Adjustments to Purchase Price.

(a) Prorations. At the Closing, all income of the Station and all taxes and assessments, FCC regulatory fees, rent, water, sewer and other utility charges and lienable municipal services, if any, with respect to the Station's Assets to be acquired by Buyer shall be apportioned and allocated between Buyer and Seller on the basis of the period of time to which such income or liabilities apply. To the extent such items cannot be determined at Closing, a final settlement on such prorations shall be made within thirty (30) days after the Closing Date. If the tax rate is changed with respect to any period of time prior to the Closing Date, as defined herein, the post-Closing prorations shall include a corresponding adjustment in the final prorations made pursuant to this Section.

(b) Disputes. In the event of any dispute between the parties as to any adjustments under this Section, the amounts not in dispute shall be paid at the time provided herein and the dispute shall be resolved by an independent certified public accountant ("CPA"), having a principal office in Bristol, Tennessee, who shall be jointly selected by the parties within thirty (30) days after the Closing or after the final settlement on prorations, as the case may be. The decision of the CPA shall be binding on each of the parties and enforceable by a court of competent jurisdiction. The fees and expenses of the CPA shall be paid one-half by Seller and one-half by Buyer.

2.6. Risk of Loss. The risk of all Events of Loss prior to the Closing shall be upon Seller.

2.7 Excluded Assets. The following are specifically excluded from the Purchased Assets: corporate books and records, life insurance, and cash and cash equivalents.

2.8 Liabilities.

(a) **Assumed Liabilities.** Buyer shall assume and agree to discharge only the following Liabilities of Seller (the "Assumed Liabilities"):

(i) any trade account payable of the Station incurred for goods or services provided after the Closing Date;

(i) any Liability to Seller's customers incurred by Seller prior to Closing in the Ordinary Course of Business for services to be provided after Closing, provided any payments or rights to payments for such services are transferred to Buyer at Closing;

(b) **Retained Liabilities.** All Liabilities other than the Assumed Liabilities shall remain the sole responsibility of and shall be retained, paid, performed and discharged solely by Seller, including, but not limited to the following:

(i) any Liability under any Contract assumed by Buyer that arises out of or relates to any breach by Seller that occurred prior to Closing;

(ii) any Liability for taxes arising as a result of Seller's operation of the Station or ownership of the Purchased Assets and any taxes that arise as a result of the sale of the Purchased Assets pursuant to this Agreement;

(iii) any environmental, health or safety Liabilities arising out of or relating to Seller's operation of the Station or ownership of the Real Property or Improvements;

(iv) any Liability to any employee of Seller;

(v) any Liability arising out of or resulting from Seller's compliance or noncompliance with any legal requirement;

(vi) any Liability of Seller under this Agreement or any other document executed in connection with this Agreement;

(vii) any Liability of Seller arising in connection with its operation of the Station or ownership of the Purchases Assets, whether accruing or arising before or after Closing; and

(viii) any other Liability not specifically assumed by Buyer.

ARTICLE III. GOVERNMENTAL APPROVALS AND CONTROL OF STATION

3.1. FCC Consent. It is specifically understood and agreed by Buyer and Seller that the Closing shall be in all respects subject to, and conditioned upon, the receipt of prior FCC Consent. Buyer and Seller shall prepare and file with the FCC, as soon as practicable after full execution of this Agreement, but in no event later than five (5) business days after the full

execution of this Agreement and Buyer's receipt of a showing from its consulting engineer of its compliance with FCC multiple ownership requirements, all requisite applications and other necessary instruments and documents to request the FCC Consent. After the aforesaid application, instruments and documents have been filed with the FCC, Buyer and Seller shall prosecute such application with all reasonable diligence and take all steps reasonably necessary to obtain the requisite FCC Consent. Seller shall pay any FCC filing or transfer fees relating to the transactions contemplated hereby irrespective of whether the transactions contemplated by this Agreement are consummated and irrespective of whether such fees are assessed before or after the Closing. If FCC Consent is not granted, Seller shall return the Earnest Money Deposit to Buyer within five days after the parties are notified of such decision.

3.2. Control Prior to Closing. Between the date hereof and the Closing Date, Buyer shall not directly or indirectly control, supervise or direct, or attempt to control, supervise or direct, the operation of the Station. Such operation, including complete control and supervision of all programs, employees and policies, shall be the sole responsibility of Seller.

ARTICLE IV. REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants to Buyer (which representations and warranties shall survive the Closing for a period of two (2) years from the Closing Date) as follows:

4.1 Organization and Standing. Seller is a non-profit corporation duly formed, validly existing and in good standing under the laws of the State of Tennessee. Seller does not have any members. Seller has all necessary power and authority to own, lease and operate the Station and the Purchased Assets and to carry on the business of the Station as now being conducted and as proposed to be conducted by Seller between the date hereof and the Closing Date.

4.2 Authorization and Binding Obligation. Seller has all necessary power and authority to enter into and perform under this Agreement and the transactions contemplated hereby, and their execution, delivery and performance of this Agreement has been duly and validly authorized by its board of directors and all necessary action on its part. This Agreement has been duly executed and delivered by Seller and constitutes its valid and binding obligation, enforceable in accordance with its terms, except as limited by laws affecting the enforcement of creditors' rights or equitable principles generally.

4.3 Absence of Conflicting Agreements or Required Consents. Except as with respect to FCC and other governmental consents and/or as disclosed by Seller, the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby by Seller: (a) do not and will not require the consent of any third party; (b) do not and will not violate any provisions of its organizational documents; (c) do not and will not violate any applicable law, judgment, order, injunction, decree, rule, regulation or ruling of any governmental authority to which they are a party or by which it or the Purchased Assets are bound; (d) do not and will not, either alone or with the giving of notice or the passage of time, or both, conflict with, constitute grounds for termination of or result in a breach of the terms, conditions or provisions of, or constitute a default under any lease, contract, agreement,

instrument, license or permit to which either Seller or the Purchased Assets are now subject; (e) do not and will not result in the creation of any Lien on any of the Purchased Assets; and (f) do not and will not result in Seller or Buyer becoming subject to, or becoming liable for, the payment of any tax.

4.4 FCC Authorizations.

(a) Schedule 1.4 contains a true and complete list of the Licenses, including their expiration dates. Seller has delivered to Buyer true and complete copies of the Licenses. The Licenses and other licenses, permits and authorizations listed in Schedule 1.4 are validly held by Seller, and are in full force and effect, have been issued for the full terms customarily issued to radio broadcast stations in the State of Virginia, and none is subject to any restriction or condition which would limit in any respect the full operation of the Station as now operated. The Station will, prior to Closing, be operated in all material respects in accordance with the terms and conditions of the Licenses and the rules and regulations of the FCC. All ownership reports, renewal applications, certificates of compliance and material reports and documents required to be filed by Seller with the FCC with respect to the Station have been filed and all required regulatory fees due to the FCC have been paid.

(b) There are no applications, complaints or proceedings pending or, to the best of Seller's knowledge, threatened before the FCC relating to the operation of the Station, other than as described on Schedule 1.4 and proceedings affecting the broadcasting industry generally. In the event that Seller files any applications with the FCC, Seller shall promptly deliver copies of such applications to Buyer. As of the Closing, the Station will be operating in accordance with the Licenses. Seller is not subject to any outstanding judgment or order of the FCC relating to the Station.

(c) There are no facts which, under the Communications Act of 1934, as amended, or the existing rules and regulations of the FCC, would disqualify Seller as the assignor of the Licenses.

4.5 Title to and Condition of Equipment. Schedule 1.1(b) lists all material items of Equipment used or held for use in conducting the business and operations of the Station as now conducted. Seller has good and marketable title to all Equipment free and clear of all Liens. All of the items of tangible personal property and facilities included in the Equipment are in good operating condition and repair (reasonable wear and tear excepted) and are insurable at standard rates. Seller has no knowledge of any defect in the condition or operation of any item of the Equipment which is reasonably likely to have a material adverse effect on the operation of the Station.

4.6 Compliance With Laws and Standards. Seller has operated and is operating the Station in material compliance with all laws, regulations and governmental orders applicable to the operation of the Station, and its present use of the Purchased Assets does not violate any such laws, regulations or orders in any material respect. Seller is also in compliance with all relevant industry standards applicable to the operation of the Station and the present use of the Station's Purchased Assets including, but not limited to, the applicable standards set by ANSI, TIA, and the NRSC. Seller has not received any notice asserting any noncompliance with any

applicable statute, rule or regulation, in connection with the operation of the Station, and no investigation is pending or, to Seller's knowledge, threatened regarding any such matter.

4.7 Taxes. Seller has duly, timely and in the required manner filed all federal, state, local and foreign income, franchise, sales, use, property, excise, payroll and other tax returns and forms required to be filed, and has paid in full or discharged all taxes, assessments, excises, interest, penalties, deficiencies and losses required to be paid. As of the time of filing, such returns were true, complete and correct in all material respects. There are no governmental investigations or other legal, administrative, or tax proceedings pending, or to the best of Seller's knowledge, threatened pursuant to which Seller is or could be made liable for any taxes, penalties, interest, or other charges, the liability for which could extend to Buyer as transferee of the business of the Station, or could result in a Lien on any of the Purchased Assets, and no event has occurred that could impose on Buyer any transferee liability for any taxes, penalties, or interest due or to become due from Seller.

4.8 Absence of Litigation. There is no claim, litigation, proceeding or investigation pending or, to the best of Seller's knowledge, threatened against Seller which seeks to enjoin or prohibit, or which otherwise questions the validity of, any action taken or to be taken in connection with this Agreement, or which otherwise involves or affects the Purchased Assets. Seller does not know of any basis for any material claim to be asserted against them in connection with the Station or the Purchased Assets.

4.9 Bankruptcy. No insolvency proceedings of any character, including without limitation, bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary, affecting Seller or any of the Purchased Assets, are pending or, to the best of Seller's knowledge, threatened, and Seller has not made any assignment for the benefit of creditors or taken any action which would constitute the basis for the institution of such insolvency proceedings.

4.10 UCC Financing Statements. All of the Purchased Assets are and have been located in the State of Virginia since the Purchased Assets were acquired by Seller and no party has filed a deed of trust, mortgage or UCC financing statement to obtain a security interest with respect to the Purchased Assets.

4.11 Insurance. The business, properties (including the Purchased Assets) and employees of the Station are insured against loss, damage, or injury in amounts customary in the broadcast industry. All such policies will remain in full force and effect through the Closing, and are sufficient for compliance by Seller with all requirements of law and of all agreements to which it is a party.

4.12 Undisclosed Obligations. Seller does not have any material obligation or Liability relating to the Station or the Purchased Assets that will be included in any obligations assumed by Buyer that has not been disclosed to Buyer. No representation or warranty set forth in this Article IV or in any schedule referred to herein, contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements contained herein or therein not misleading.

4.13 Intellectual Property. Seller has the right to use its name and all service or trade names and service or trademarks, copyrights, patents, and all other intellectual property necessary for operation of the Station or used in operation of the Station, free from any lien, claim, or encumbrance. Seller does not use or own any Intellectual Property in operation of the Station other than as described by mark, jurisdiction, expiration date, and registration number in Schedule 1.2. Seller has not received any written notice alleging that it has infringed on any other party's intellectual property rights in connection with operation of the Station.

4.14 Environmental Matters.

(a) For the purposes of this Agreement, the following terms shall have the following meanings:

"Environmental Claim" means any claim, action, cause of action, investigation, or notice (whether written or oral) by any person or entity alleging potential liability for investigatory costs, cleanup costs, governmental response costs, natural resources damages, property damages, personal injuries, or civil or criminal penalties arising out of or resulting from (i) the actual or alleged presence or release into the environment of any Substance of Concern (as the terms are hereinafter defined) at any location, whether or not owned or operated by Seller, used in connection with the operation of the Purchased Assets or (ii) circumstances forming the basis for any actual or alleged violation of any Environmental Law.

"Environmental Laws" means all federal, state, local, and foreign laws and regulations relating to pollution or protection of human health or the environment (including, without limitation, ambient air, surface water, ground water, wetlands, land surface, subsurface strata, and indoor and outdoor workplace), including (i) laws and regulations relating to emissions, discharges, releases or threatened releases of Substances of Concern or the importation, manufacture, processing, formulation, testing, distribution, use, treatment, storage, disposal, transport or handling of Substances of Concern, and (ii) common law principles of tort liability.

"Substances of Concern" means chemicals, pollutants, contaminants, wastes, toxic substances, hazardous substances, radioactive materials, genetically modified organisms, petroleum and petroleum products.

(b) With respect to the Purchased Assets, Seller is in full compliance with all applicable Environmental Laws, which compliance includes, but is not limited to, (i) Seller's possession of all permits and other governmental authorizations required under applicable Environmental Laws, and compliance with the terms and conditions thereof, (ii) compliance with notification, reporting and registration provisions of the Toxic Substances Control Act, Federal Insecticide, Fungicide and Rodenticide Act, and other applicable federal, state, local and foreign laws that may apply to Seller's manufacture, importation, processing, use, and other handling of chemical substances. With respect to the Purchased Assets, Seller has not received any communication (written or oral), whether from a governmental authority, citizens group, employee or otherwise, that alleges that Seller is not in full compliance with the Environmental Laws, and, to its best knowledge after due inquiry, there are no circumstances that may prevent

or interfere with such full compliance in the future.

(c) With respect to the Purchased Assets, there is no Environmental Claim pending or, to the best of Seller's knowledge, threatened against it.

(d) With respect to the Purchased Assets, to the best of Seller's knowledge, there are no past or present actions or activities, circumstances, conditions, events or incidents (including, without limitation, the release, emission, discharge, presence or disposal of any Substance of Concern) that could form the basis of any Environmental Claim against Seller or the Purchased Assets.

4.15 Brokers. Neither this Agreement nor the sale and purchase of the Purchased Assets or any other transaction contemplated by this Agreement was induced or produced through any Person acting on behalf of or representing Seller as broker, finder, investment banker, financial advisor or in any similar capacity.

4.16 Disclosure. Neither this Agreement nor any written instrument, list, exhibit or certificate furnished or to be furnished to Buyer pursuant hereto contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary in order to make the statements not misleading. There are no facts or circumstances known to Seller and not disclosed to Buyer that should be disclosed to Buyer (i) in order to make any of the warranties and representations contained herein not false or misleading or (ii) which may have a material adverse effect on the Purchased Assets.

4.17 Sufficiency of Assets. The Purchased Assets (a) constitute all of the assets, tangible and intangible, of any nature whatsoever, necessary to operate the Station in the manner presently operated by Seller and (b) include all of the operating assets of Seller used in connection with the operation of the Station.

ARTICLE V. REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer, individually and not jointly, represent and warrant to Seller (which representations and warranties shall survive the Closing for a period of two (2) years) as follows:

5.1. Organization. Buyer is Corporation chartered in the State of Virginia.

5.2. Qualifications. Buyer is financially and otherwise qualified to be an FCC licensee of the Station under all requirements, rules, and regulations of the FCC. Further, Buyer has no reason to believe that an FCC application for assignment of the Licenses to Buyer would not be approved.

5.3. Representations and Warranties. Buyer's representations and warranties set forth in this Agreement shall be true and correct on and as of the Closing Date, as though such representations and warranties were made on and as of such time, except for representations and

warranties made as of a specified date, which need only be true as of such date or as otherwise provided in this Agreement.

5.4 Brokers. Neither this Agreement nor any other transaction contemplated by this Agreement was induced or produced through any Person acting on behalf of or representing Buyer as broker, finder, investment banker, financial advisor or in any similar capacity.

ARTICLE VI. CERTAIN MATTERS PENDING THE CLOSING

From and after the date of this Agreement and until the Closing (unless otherwise provided herein):

6.1. Cooperation. Buyer and Seller will cooperate in all respects in connection with: (a) securing any non-governmental approvals, consents and waivers required of third parties; and (b) giving notices to any governmental authority, or securing the permission, approval, determination, consent or waiver of any governmental authority, required by law in connection with the transfer of the Purchased Assets from Seller to Buyer.

6.2. Public Announcement. Seller shall publish and broadcast a public notice concerning the filing of the application for assignment of the Licenses in accordance with the requirements of the FCC's Rules. As to any other announcements, no party hereto shall issue any press release or public announcement without prior approval of the other parties hereto which shall not be unreasonably withheld except as and to the extent that such party shall be obligated by law, rule or regulation, in which case the other party shall be so advised and the parties shall use their best efforts to cause a mutually agreeable release or announcement to be issued.

ARTICLE VII. CONDITIONS PRECEDENT TO THE OBLIGATIONS OF BUYER

Each and every obligation of Buyer to be performed on the Closing Date shall be subject to the satisfaction prior to or at the Closing of the following express conditions precedent:

7.1. Compliance with Agreement. Seller shall have performed and complied in all material respects with all of its obligations under this Agreement which are to be performed or complied with by it prior to or at the Closing.

7.2. Representations and Warranties. The representations and warranties made by Seller in this Agreement shall be true and correct to the best of its knowledge as of the Closing Date with the same force and effect as though such representations and warranties had been made on the Closing Date, except for changes permitted or contemplated by this Agreement.

7.3. Deliveries at Closing. Seller shall have delivered or caused to be delivered to Buyer the documents, each properly executed and dated as of the Closing Date as required pursuant to Section 2.4(a) and (b).

7.4. Governmental Consents. The FCC Consent shall have been issued, and shall, at Closing, be a Final Order and in full force and effect and shall contain no provision materially adverse to Buyer. All other authorizations, consents and approvals of any and all governmental regulatory authorities necessary in connection with the consummation of the transactions contemplated by this Agreement shall have been obtained and be in full force and effect.

7.5. Absence of Investigations and Proceedings. Except for governmental investigations relating to the broadcast industry generally, there shall be no decree, judgment, order, or litigation at law or in equity, no arbitration proceedings, and no proceeding before or by any commission, agency or other administrative or regulatory body or authority pending to which Buyer or Seller is a party or to which the Station or the Purchased Assets are subject, including any with respect to condemnation, zoning, use or occupancy, which would materially adversely affect the ability of Buyer to operate the Station or of Buyer to use or acquire the Purchased Assets after Closing in the same manner as operated and used by Seller. Without limiting the generality of the foregoing, no action or proceeding shall be pending before the FCC or any governmental authority to revoke, modify in any material respect or refuse to renew any of the Licenses. No suit, action or other proceeding shall be pending before any court or governmental authority in which it is sought to restrain or prohibit, or obtain damages or other relief in connection with, this Agreement or the consummation of the transactions contemplated hereby.

If any of the conditions set forth in this Article VII have not been satisfied, Buyer may in its sole discretion nevertheless elect to proceed with the consummation of the transactions contemplated hereby.

7.6 Sale of Real Property. Seller shall simultaneously with the Closing of the transactions hereunder sell, transfer and convey to Staley Creek Broadcasting, Inc., the Real Property as listed in Schedule 1.1(c).

ARTICLE VIII. CONDITIONS PRECEDENT TO THE OBLIGATIONS OF SELLER

Each and every obligation of Seller to be performed on the Closing Date shall be subject to the satisfaction prior to or at the Closing of the following express conditions precedent;

8.1. Compliance with Agreement. Buyer shall have performed and complied in all material respects with all of its obligations under this Agreement which are to be performed or complied with by it prior to or at the Closing.

8.3. Representations and Warranties. The representations and warranties made by Buyer shall be true and correct in all material respects as of the Closing Date with the same force and effect as though such representations and warranties had been made on the Closing Date.

8.4. Deliveries at Closing. Buyer shall have delivered or caused to be delivered to Seller the documents, each properly executed and dated as of the Closing Date required pursuant to Section 2.4(c). Buyer shall also have made the payments described in Section 2.3.

8.5. Governmental Consents. The FCC Consent shall have been issued, and shall, at Closing be a Final Order and in full force and effect and shall contain no provision adverse to Seller. All other material authorizations, consents or approvals of any and all governmental regulatory authorities necessary in connection with the consummation of the transactions contemplated by this Agreement shall have been obtained and be in full force and effect.

If any of the conditions set forth in this Article VIII have not been satisfied, Seller may nevertheless elect to proceed with the consummation of the transactions contemplated hereby.

ARTICLE IX. INDEMNIFICATION

9.1. Indemnification by Seller.

(a) Seller shall indemnify and hold Buyer harmless from and against, and agrees promptly to defend the Buyer from and reimburse the Buyer for, any and all losses, damages, costs, expenses, liabilities, obligations and claims of any kind (including, without limitation, reasonable attorneys' fees and other legal costs and expenses) which the Buyer may within the time limits set forth herein suffer or incur, or become subject to, as a result of or in connection with:

(i) Any breach or inaccuracy of any of the representations and warranties made by Seller in or pursuant to this Agreement, or in any instrument, certificate or affidavit delivered by Seller at the Closing in accordance with the provisions of any Section hereof;

(ii) Any failure by Seller to carry out, perform, satisfy and discharge any of its covenants, agreements, undertakings, liabilities or obligations under this Agreement or under any of the documents and materials delivered by Seller pursuant to this Agreement;

(iii) The operation or ownership of the Station or the Purchased Assets prior to the Closing; or

(iv) Any suit, action or other proceeding brought by any governmental authority or Person arising out of any of the matters referred to in Sections 9.1(a)(i), 9.1(a)(ii) or 9.1(a)(iii).

(b) The amounts for which Seller shall be liable under Section 9.1 of this Agreement shall be credited for any insurance proceeds paid to the Buyer Indemnified Parties in connection with the facts giving rise to the right of indemnification. Moreover, notwithstanding any other provisions herein, the aggregate amount of Seller's liability for indemnification to the Buyer Indemnified Parties under this Agreement shall not exceed the Purchase Price paid by Buyer.

(c) Notwithstanding any other provision to the contrary, Seller shall not be required to indemnify and hold harmless Buyer Indemnified Parties unless: (1) Buyer has asserted a claim with respect to such matters within one (1) year after the Closing; and (2) such

claims in the aggregate meet a minimum threshold amount of at least Five Thousand Dollars (\$5,000.00).

(d) Nothing contained in this Section 9.1, or elsewhere herein, shall provide the Buyer Indemnified Parties with rights of indemnification or remedies against Seller in amounts greater than as set forth in Section 11.2(b) if the transactions contemplated by this Agreement fail to close.

9.2. Indemnification by Buyer.

(a) Buyer shall indemnify and hold Seller and Seller's employees, agents, members or managers (collectively, "Seller Indemnified Parties") harmless from and against, and agrees to promptly defend the Seller Indemnified Parties from and reimburse the Seller Indemnified Parties for, any and all losses, damages, costs, expenses, liabilities, obligations and claims of any kind (including, without limitation, reasonable attorneys' fees and other legal costs and expenses) which the Seller Indemnified Parties may at any time suffer or incur, or become subject to, as a result of or in connection with:

(i) Any breach or inaccuracy of any representations and warranties made by Buyer in or pursuant to this Agreement, or in any certificate or affidavit delivered by Buyer at the Closing in accordance with the provisions of any Section hereof;

(ii) Any failure by Buyer to carry out, perform, satisfy and discharge any of its covenants, agreements, undertakings, liabilities or obligations under this Agreement or under any of the documents and materials delivered by Buyer pursuant to this Agreement;

(iii) The operation and ownership of the Station and the Purchased Assets by Buyer from and after the Closing Date; or

(iv) Any suit, action or other proceeding brought by any governmental authority or person arising out of any of the matters referred to in Sections 9.2(a)(i), 9.2(a)(ii) or 9.2(a)(iii).

(b) The amounts for which Buyer shall be liable under Section 9.2(a) of this Agreement shall be credited for any insurance proceeds payable to Seller Indemnified Parties from insurance policies in connection with the facts giving rise to the right of indemnification. Moreover, notwithstanding any other provisions herein, the aggregate amount of Buyer's liability for indemnification to Seller Indemnified Parties under this Agreement shall not exceed the Purchase Price paid by Buyer;

(c) Notwithstanding any other provision to the contrary, Buyer shall not be required to indemnify and hold harmless Seller Indemnified Parties unless: (1) Seller has asserted a claim with respect to such matters within twelve (12) months after the Closing; and (2) such claims in the aggregate meet a minimum threshold amount of at least Five Thousand Dollars (\$5,000.00).

(d) Nothing contained in this Section 9.2, or elsewhere herein, shall provide Seller Indemnified Parties with rights of indemnification or remedies against Buyer in amounts greater than as set forth in Section 11.3 if the transactions contemplated by this Agreement fail to close.

9.3. Notification of Claims.

(a) A party entitled to be indemnified pursuant to Section 9.1 or 9.2 (the "Indemnified Party") shall notify the party liable for such indemnification (the "Indemnifying Party") in writing of any claim or demand which the Indemnified Party has determined has given or could give rise to a right of indemnification under this Agreement. Subject to the Indemnifying Party's right to defend in good faith third party claims as hereinafter provided, the Indemnifying Party shall satisfy its obligations under this Article IX within thirty (30) days after the receipt of written notice thereof from the Indemnified Party.

(b) If the Indemnified Party shall notify the Indemnifying Party of any claim or demand pursuant to Section 9.3(a), and if such claim or demand relates to a claim or demand asserted by a third party against the Indemnified Party which the Indemnifying Party acknowledges is a claim or demand for which it must indemnify or hold harmless the Indemnified Party under Section 9.1 or 9.2, the Indemnifying Party shall have the right to employ counsel acceptable to the Indemnified Party to defend any such claim or demand asserted against the Indemnified Party. The Indemnified Party shall have the right to participate in the defense of any such claim or demand at its own expense. The Indemnifying Party shall notify the Indemnified Party in writing, as promptly as possible (but in any case before the due date for the answer or response to a claim) after the date of the notice of claim given by the Indemnified Party to the Indemnifying Party under Section 9.3(a) of its election to defend in good faith any such third party claim or demand. So long as the Indemnifying Party is defending in good faith any such claim or demand asserted by a third party against the Indemnified Party, the Indemnified Party shall not settle or compromise such claim or demand. The Indemnified Party shall make available to the Indemnifying Party or its agents all records and other materials in the Indemnified Party's possession reasonably required by it for its use in contesting any third party claim or demand. Whether or not the Indemnifying Party elects to defend any such claim or demand, the Indemnified Party shall have no obligation to do so.

ARTICLE X. FURTHER AGREEMENTS

10.1. Airing of Broadcast. Buyer agrees to air one thirty-minute educational program from Seller each week at a day and time mutually agreeable to Buyer and Seller from closing until full payment of the promissory note.

**ARTICLE XI.
TERMINATION; MISCELLANEOUS**

11.1. Termination. This Agreement may be terminated by the mutual written consent of Buyer and Seller, or, if the terminating party is not then in material breach of its obligations hereunder, upon written notice as follows:

(a) By Buyer if Seller is in material breach of its obligations hereunder, such that the conditions would not be satisfied as of the Closing, and such breach has not been cured by Seller within ten (10) business days of written notice of such breach; provided, that Seller shall not be entitled to such ten (10) business day cure period with respect to any breach of Seller's obligation to execute and deliver on the Closing Date, the agreements, certificates and documents required to be delivered at that time;

(b) By Seller if Buyer is in material breach of its obligations hereunder, such that the conditions would not be satisfied as of the Closing, and such breach has not been cured by Buyer or within fifteen (15) business days of written notice of such breach; provided, that Buyer shall have no right to such fifteen (15) business day cure period with respect to any breach of Buyer's obligation to pay the Purchase Price on the Closing Date;

(c) By Seller or Buyer if the FCC designates the FCC Assignment Application for a hearing;

(d) By Buyer if the Closing has not occurred on or before the date which is one year after the date hereof (the "Outside Date"); provided, however, that the failure of the Closing to have occurred on or before the Outside Date shall not be attributable to the breach of this Agreement by the party seeking termination pursuant to this Section 11.1.

(e) By Buyer upon the termination by Seller or by Buyer of the Local Management Time Brokerage Agreement between Buyer and Seller of the same date hereof.

11.2. Rights on Termination; Return of Deposit.

(a) If this Agreement is terminated pursuant to the agreement of the parties or pursuant to Sections 11.1(c) or (d), all further obligations of the parties under or pursuant to this Agreement shall immediately terminate without further liability of any party to the other and Buyer shall be entitled to the immediate return by the Escrow Agent of the Earnest Money Deposit.

(b) If this Agreement is terminated pursuant to Section 11.1(b), then Seller shall be entitled to the Earnest Money Deposit as its sole and exclusive remedy. The parties agree that the liquidated damages provided in this Section 11.2(b) is intended to limit the claims that Seller may have against Buyer in the circumstances described herein. The parties acknowledge and agree that the liquidated damages provided in this Section 11.2(b) bear a reasonable relationship to the anticipated harm that would be caused by Buyer's breach of the Agreement and is not a penalty. The parties further acknowledge and agree that the amount of actual loss caused by Buyer's breach of this Agreement is incapable and difficult of precise

estimation and that Seller would not have a convenient and adequate alternative to liquidated damages hereunder. If so requested by Buyer, Seller shall release Buyer in writing from any and all liabilities and obligations arising under this Agreement, effective upon confirmation by Buyer to Seller that Seller is entitled to retain the Deposit as liquidated damages.

(c) If this Agreement is terminated pursuant to Section 11.1(a), Buyer shall be entitled to the immediate return by Seller of the Deposit.

11.4. Schedules. Any disclosure with respect to a Section of this Agreement requires a specific reference in the Schedules to such Section of the Agreement to which any such disclosure applies, and no disclosure shall be deemed to apply with respect to any Section to which it does not expressly apply.

11.5. Survival. The obligations to indemnify contained in Article IX hereof, the agreements contained herein and, as limited by the introductory paragraphs of Articles IV and V and provisions of Article IX hereof, the representations and warranties made in this Agreement or made pursuant hereto shall survive the Closing and the consummation of the transactions contemplated by this Agreement, and shall survive any dissolution, merger or consolidation of Buyer or Seller and shall bind, assigns and successors of Buyer and Seller.

11.6. Entire Agreement; Amendment; and Waivers. This Agreement and the documents required to be delivered pursuant hereto constitute the entire agreement between the parties pertaining to the subject matter hereof, and supersede all prior and contemporaneous agreements, understandings, negotiations and discussions of the parties, whether oral or written, and there are no warranties, representations or other agreements between the parties in connection with the subject matter hereof, except as specifically set forth herein. No amendment, supplement, modification, waiver or termination of this Agreement shall be binding unless executed in writing by the party to be bound thereby. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision of this Agreement, whether or not similar, unless otherwise expressly provided.

11.7. Expenses. Except as otherwise specifically provided herein, whether or not the transactions contemplated by this Agreement are consummated, each of the parties shall pay the fees and expenses of its respective counsel, accountants and other experts incident to the negotiation, drafting and execution of this Agreement and consummation of the transactions contemplated hereby.

11.8. Benefit; Assignment. This Agreement shall be binding upon and inure to the benefit of and shall be enforceable by Buyer and Seller and their respective proper successors and assigns. This Agreement (and any rights, obligations or liabilities hereunder) may not be assigned or delegated in whole or in part by any party without the prior written consent of the other party; provided, however, either party may assign this Agreement to an entity wholly- or commonly-owned by such party, provided such party continues to be fully obliged hereunder.

11.9. Confidentiality.

(a) Buyer and Seller agree that prior to Closing, Buyer and Seller and their respective agents and representatives shall not use for their own benefit (except when required by law, rule or regulation and except for use in connection with Buyer's financing of the transaction and Buyer's investigation of the Station and the Purchased Assets in connection with this Agreement), and shall hold in strict confidence and not disclose, (i) any data or information relating to Seller, its affiliates, or the Station obtained from Seller or any of its employees, agents or representatives in connection with this Agreement, or (ii) any data and information relating to the business, customers, financial statements, conditions or operations of the Station which is confidential in nature and not generally known to the public (clauses (i) and (ii) together, "Seller's Information"). If the transactions contemplated in this Agreement are not consummated for any reason, Buyer shall return to Seller all data, information and any other written material obtained by Buyer from Seller in connection with this transaction and any copies, summaries or extracts thereof, and shall refrain from disclosing any of Seller's Information to any third party or using any of Seller's Information for its own benefit or that of any other person.

(b) Seller agrees that Seller and its agents and representatives shall not use for its or their own benefit (except when required by law, rule or regulation and except for use in connection with their investigations and review of Buyer in connection with this Agreement), and shall hold in strict confidence and not disclose, (i) any data or information, relating to Buyer or LP or their affiliates obtained from Buyer, or from any of its officers, employees, agents or representatives, in connection with this Agreement, or (ii) any data and information relating to the business, customers, financial statements, conditions or operations of Buyer which is confidential in nature and not generally known to the public (clauses (i) and (ii) together "Buyer's Information"). If the transactions contemplated in this Agreement are not consummated for any reason, Seller shall return to Buyer all data, information and any other written material obtained by Seller from Buyer in connection with this transaction and any copies, summaries or extracts, thereof and shall refrain from disclosing any of Buyer's Information to any third party or using any of Buyer's Information for its own benefit or that of any other person.

(c) Notwithstanding any other provision to the contrary herein, the provisions of this Section 11.9 shall survive the termination of this Agreement.

11.10. Notices. All communications or notices required or permitted by this Agreement shall be in writing and shall be deemed to have been given when sent by certified U.S. mail or by reputable same-day or overnight courier, postage prepaid or otherwise accounted for by sender, and addressed as follows:

If to Buyer: Staley Creek Broadcasting, Inc.
Justin M. Plaster, President
2065 Highway Sixteen
Marion, Virginia 24354

If to Seller: Appalachian Educational Communications Corporation
Kenneth C. Hill, President
340 Martin Luther King, Jr. Boulevard, Suite 100

11.11. Counterparts; Headings. This Agreement may be executed in several counterparts, each of which shall be deemed an original, but such counterparts shall together constitute but one and the same Agreement. This Agreement may be executed and delivered in counterpart signature pages executed and delivered via facsimile transmission, and any such counterpart executed and delivered via facsimile transmission shall be deemed an original for all intents and purposes. The Article and Section headings in this Agreement are inserted for convenience of reference only and shall not constitute a part hereof.

11.12. No Reliance. Except for any assignees permitted by Section 11.8 of this Agreement:

(a) no third party is entitled to rely on any of the representations, warranties or agreements of Buyer or Seller contained in this Agreement; and

(b) Buyer and Seller assume no liability to any third party because of any reliance on the representations, warranties or agreements of Buyer and Seller contained in this Agreement.

11.13. Judicial Interpretation. Should any provision of this Agreement require judicial interpretation, the parties hereto agree that the court interpreting or construing the same shall not apply a presumption that the terms hereof shall be more strictly construed against one party by reason of the rule of construction that a document is to be construed more strictly against the party which itself or through its agent prepared the same, it being agreed that the agents of each party have participated in the preparation hereof.

11.14. Saturdays, Sundays and Legal Holidays. If the time period by which any acts or payments required hereunder must be performed or paid expires on a Saturday, Sunday or legal holiday, then such time period shall be automatically extended to the close of business on the next regularly scheduled business day.

11.15. Governing Law. This Agreement shall be construed and interpreted according to the laws of the State of Tennessee, without regard to the conflict of law principles thereof. Venue shall be the courts of the State of Tennessee.

11.16. Attorneys' Fees. In the event of a dispute relating to this Agreement resulting in litigation brought by either party, the prevailing party in such litigation shall be entitled to reasonable attorneys' fees and costs.

—SIGNATURE PAGE FOLLOWS—

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

"BUYER"

STALEY CREEK BROADCASTING, INC.

By: Justin M. Plaster
Justin M. Plaster, President

"SELLER"

**APPALACHIAN EDUCATIONAL
COMMUNICATION CORPORATION**

By: Kenneth C. Hill
Kenneth C. Hill, President

Schedules:

Schedule 1.1(a)	Contracts
Schedule 1.1(b)	Equipment
Schedule 1.1(c)	Real Property
Schedule 1.2	Intangible Property
Schedule 1.3	Leases of Equipment
Schedule 1.4	Licenses
Schedule 1.5	Liens
Schedule 2.8	Allocation of Purchase Price

Schedule 1.1(a)

Contracts

NONE

“BUYER”

STALEY CREEK BROADCASTING, INC.

By: Justin M. Plaster
Justin M. Plaster, President

“SELLER”

**APPALACHIAN EDUCATIONAL
COMMUNICATION CORPORATION**

By: Kenneth C. Hill
Kenneth C. Hill, President

Schedule 1.1(b)
Equipment

1 ea Continental 315R4 Transmitter 5KW s/n328
1 ea 5KW ATU (no Id Tag attached)
100' approx Amphenol RG228 Coaxial Cable
1 ea Belar Modulation Monitor Model AMM2A s/n 132024
1 ea Antenna changeover switch
1 ea Sage Endec EAS Encoder/Decoder Model 1822 s/n D12-330
1 ea Belar RF Amplifier RFA1 s/n 401492
1 ea Pioneer PD-TM3 CD Changer s/n OK3622372-3
1 ea Cinder Block/Brick Building approx 400 sq ft
1 ea 10' Fiberglass Satellite Dish (incomplete)
1/4 acre Land
Miscellaneous furnishings, desks, chairs, racks, spare parts, air conditioners, heaters

"BUYER"

STALEY CREEK BROADCASTING, INC.

By: Justin M. Plaster
Justin M. Plaster, President

"SELLER"

**APPALACHIAN EDUCATIONAL
COMMUNICATION CORPORATION**

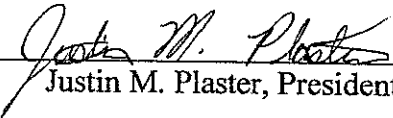
By: Kenneth C. Hill
Kenneth C. Hill, President

Schedule 1.1(b)
Real Property

Legally described as Smyth County, Virginia, Parcel: 58-A-53 069817 and further described as Beginning at a stake on the Northeastern side of State Highway No. 16; N69 degrees 30 E 100 feet to a stake; thence, North 20 degrees 30 W 75 feet to a stake; thence, S 69 degrees 30 W 110.12 feet to State Highway No. 16; thence with State Highway No. 16 75.68 feet, S 28 degrees 11 E to a state and point of Beginning.

“BUYER”

STALEY CREEK BROADCASTING, INC.

By: 
Justin M. Plaster, President

“SELLER”

**APPALACHIAN EDUCATIONAL
COMMUNICATION CORPORATION**

By: 
Kenneth C. Hill, President

Schedule 1.2

Intangible Property

Call sign WITM

“BUYER”

STALEY CREEK BROADCASTING, INC.

By: Justin M. Plaster
Justin M. Plaster, President

“SELLER”

**APPALACHIAN EDUCATIONAL
COMMUNICATION CORPORATION**

By: Kenneth C. Hill
Kenneth C. Hill, President

Schedule 1.3

Equipment Leases

NONE

“BUYER”

STALEY CREEK BROADCASTING, INC.

By: Justin M. Plaster
Justin M. Plaster, President

“SELLER”

**APPALACHIAN EDUCATIONAL
COMMUNICATION CORPORATION**

By: Kenneth C. Hill
Kenneth C. Hill, President

Schedule 1.4

Licenses

FCC license renewal certificate

“BUYER”

STALEY CREEK BROADCASTING, INC.

By: Justin M. Plaster
Justin M. Plaster, President

“SELLER”

**APPALACHIAN EDUCATIONAL
COMMUNICATION CORPORATION**

By: Kenneth C. Hill
Kenneth C. Hill, President

Schedule 1.5

Liens

NONE

“BUYER”

STALEY CREEK BROADCASTING, INC.

By: Justin M. Plaster
Justin M. Plaster, President

“SELLER”

**APPALACHIAN EDUCATIONAL
COMMUNICATION CORPORATION**

By: Kenneth C. Hill
Kenneth C. Hill, President