

Each party further agrees to expeditiously prepare and file with the FCC any amendments or any other filings required by the FCC in connection with the Ocean Assignment Application, whenever such amendments or filings are required by the FCC or its rules. For purposes of this Agreement, each party shall be deemed to be using its commercially reasonable efforts with respect to obtaining the Ocean Initial Order, and to advancing such Ocean Initial Order into becoming a Final Order, and to otherwise be complying with the foregoing provisions of this Section 3.2(a)(ii), so long as such party truthfully provides information necessary in completing the application process, provides its comments on any filing materials, and uses its commercially reasonable efforts to oppose attempts by third parties to resist, modify, or overturn the grant of the Ocean Assignment Application, without prejudice to the parties' termination rights under this Agreement, it being further understood that neither Sea-Comm nor Ocean shall be required to expend any funds or efforts contemplated under this Article III unless the other party is concurrently and likewise complying with its obligations under this Article III.

(b) Except as otherwise provided herein, each party will be solely responsible for the expenses incurred by it in the preparation, filing, and prosecution of its respective portion of the Sea-Comm Assignment Application and the Ocean Assignment Application. All filing fees and grant fees imposed by the FCC shall be paid one-half (½) by Sea-Comm and one-half (½) by Ocean.

(c) Ocean and Sea-Comm, each at its own respective expense, shall use its commercially reasonable efforts to oppose any efforts by third parties to cause the FCC to dismiss, deny, or designate for hearing the Sea-Comm Assignment Application or the Ocean Assignment Application, or any requests by third parties for reconsideration or judicial review of the grant by the FCC of the Sea-Comm Initial Order or the Ocean Initial Order.

3.3 Notice of Applications. Sea-Comm shall, at its expense, give due notice of the filing of the Sea-Comm Assignment Application by such means as may be required by the rules and regulations of the FCC. Ocean shall, at its expense, give due notice of the filing of the Ocean Assignment Application by such means as may be required by the rules and regulations of the FCC.

3.4 Absence of FCC Consent. This Agreement, prior to Closing, may be terminated by Sea-Comm, on the one hand, or by Ocean, on the other hand, upon written notice to the other party, if either the Sea-Comm Initial Order or the Ocean Initial Order shall not have been issued by a date that is twenty-four (24) months after the date hereof; provided, however, that neither Sea-Comm nor Ocean, as the case may be, may terminate this Agreement if Sea-Comm or Ocean, as the case may be, is in material default of, or in material breach under, this Agreement, or if a delay in any decision or determination by the FCC respecting either the Sea-Comm Assignment Application or the Ocean Assignment Application shall have been caused or materially contributed to (i) by any failure on the part of Sea-Comm or of Ocean, as the case may be, to furnish, file, or make available to the FCC information within such party's control; (ii) by the willful furnishing by Sea-Comm or by Ocean, as the case may be, of incorrect, inaccurate, or incomplete

information to the FCC; or (iii) by any other action taken by Sea-Comm or by Ocean, as the case may be, or by any failure to act on the part of Sea-Comm or on the part of Ocean, as the case may be, that has the purpose of delaying the FCC's decision or determination respecting either the Sea-Comm Assignment Application or the Ocean Assignment Application.

ARTICLE IV REPRESENTATIONS AND WARRANTIES OF SEA-COMM

Sea-Comm represents and warrants to Ocean that:

4.1 Organization, Standing, and Qualification; No Subsidiaries.

(a) Sea-Comm is a corporation validly existing under the laws of the State of North Carolina and is qualified to do business and is in good standing in the State of North Carolina. Sea-Comm is not required to be qualified as a foreign corporation in order to do business in any jurisdiction other than the State of North Carolina in connection with the operation of the Sea-Comm Stations. Sea-Comm has all requisite corporate power and corporate authority to own, lease, and operate its properties and to carry on its business as such properties are now owned, leased, or operated and as and where such business is presently conducted. The copies of the Certificate of Incorporation and the By-laws of Sea-Comm, heretofore delivered by Sea-Comm to Ocean, are true, complete and correct in all material respects.

(b) Except as set forth on Schedule 4.1(b) hereto, Sea-Comm has no subsidiaries, nor has any interest, direct or indirect, nor has any commitment to purchase any interest, direct or indirect, in any corporation or in any partnership, joint venture, or other business enterprise or entity. The operations of the Sea-Comm Stations have not been conducted through any direct or indirect subsidiary, shareholder, or affiliate of Sea-Comm, and none of the Sea-Comm Exchanged Assets is held, owned, used, or conducted by any shareholder or affiliate of Sea-Comm.

4.2 Authority. Sea-Comm has all requisite corporate power and corporate authority to execute and to deliver, and to perform its obligations under, this Agreement and each other agreement, document, and instrument to be executed, delivered, or performed by Sea-Comm in connection with this Agreement (the "**Sea-Comm Documents**"), and to carry out the transactions contemplated hereby and thereby. This Agreement constitutes, and, when executed and delivered at the Closing, each other Sea-Comm Document will constitute, the legal, valid, and binding obligation of Sea-Comm, enforceable in accordance with its terms, except as enforceability may be limited by applicable equitable principles or by bankruptcy, insolvency, reorganization, moratorium, or similar laws in effect from time to time affecting the enforcement of creditors' rights generally. All board of director and shareholder proceedings, and any action required to be taken by Sea-Comm relating to Sea-Comm's execution and delivery of, and Sea-Comm's performance of its obligations under, this Agreement and the Sea-Comm

Documents, and the consummation by Sea-Comm of the transactions contemplated hereby and thereby, have been or will be duly and timely taken.

4.3 No Conflict; Consents. Except for the filing of the Sea-Comm Assignment Application, the granting of the Sea-Comm Initial Order, and the ripening of the Sea-Comm Initial Order into a Final Order, and except as indicated in Schedule 4.3 hereto, Sea-Comm's execution and delivery of, and Sea-Comm's performance of its obligations under, this Agreement and the Sea-Comm Documents, and Sea-Comm's consummation of the transactions contemplated hereby and thereby, will not (i) conflict with or violate any provision of the Certificate of Incorporation or the By-laws of Sea-Comm; (ii) with or without the giving of notice or the passage of time, or both, result in a breach of, or violate, or be in conflict with, or constitute a default under, or permit the termination of, or cause or permit any acceleration under, any Sea-Comm Contract, agreement, or instrument evidencing any debt or obligation to which Sea-Comm is a party or to or by which it or any of the Sea-Comm Exchanged Assets is subject or bound, or result in the loss or adverse modification of any of the Sea-Comm Commission Authorizations, the Sea-Comm Other Authorizations, or the Sea-Comm Intangibles; (iii) require the consent of any party to any Sea-Comm Contract; (iv) result in the creation or imposition of any Lien upon any of the Sea-Comm Exchanged Assets, other than Sea-Comm Permitted Liens or Liens in favor of Ocean, (v) violate any law, rule, or regulation in any material respect, or any order, judgment, decree, or award of any court, governmental authority, or arbitrator to or by which Sea-Comm or any of the Sea-Comm Exchanged Assets is subject or bound; or (vi) require that any consent, approval, or authorization of, or declaration, filing, or registration with, or notice to, any governmental or regulatory authority be obtained or made by Sea-Comm in connection with Sea-Comm's execution and delivery of, and Sea-Comm's performance of its obligations under, this Agreement or the Sea-Comm Documents or Sea-Comm's consummation of the transactions contemplated hereby and thereby, other than in respect of immaterial consents, permits, and licenses.

4.4 Financial Statements. Attached as Schedule 4.4(a) hereto is a copy of Sea-Comm's unaudited income statement and balance sheet with respect to the Sea-Comm Stations for the 12-month periods ended December 31, 2002 and December 31, 2003, and for the three-month period ended March 31, 2004, respectively (collectively, the "Sea-Comm Financial Statements"). Except as expressly noted in Schedule 4.4(a) hereto, the Sea-Comm Financial Statements have been prepared in accordance with generally accepted accounting principles (except for the absence of footnotes), and fairly present in all material respects the results of operations of the Sea-Comm Stations, taken together, for the periods covered thereby. The Sea-Comm Financial Statements do not contain any types of special or nonrecurring income, or any other income, not earned in the ordinary course of business, and reflect no operations or business other than those of the Sea-Comm Stations, except as expressly specified therein or as set forth in Schedule 4.4(a) hereto; provided, however, that Sea-Comm shall not be deemed to make any representation or warranty to Ocean in, or with respect to, the Sea-Comm Financial

Statements to the extent that any portion thereof shall relate to any radio station owned by Sea-Comm other than the Sea-Comm Stations.

4.5 Litigation. Except as disclosed in Schedule 4.5 hereto, there is no action, suit, proceeding, or arbitration pending, or to the Knowledge of Sea-Comm, threatened, or to the Knowledge of Sea-Comm any investigation pending or threatened, against or affecting Sea-Comm in respect of its operation of the Sea-Comm Stations or any of the Sea-Comm Exchanged Assets or the transactions contemplated by this Agreement. There is not outstanding any order, writ, injunction, award, or decree of any court or arbitrator, or of any federal, state, municipal, or other governmental department, commission, board, agency, or instrumentality to which any of the Sea-Comm Stations (or Sea-Comm, in connection with its operation of the Sea-Comm Stations) is subject, or that is otherwise applicable to the Sea-Comm Stations, the Sea-Comm Exchanged Assets or any employee of the Sea-Comm Stations (but with respect to such employees, only to the extent such order, writ, injunction, award, or decree relates to the business of the Sea-Comm Stations or their employment therewith), nor is Sea-Comm in default with respect to any such order, writ, injunction, award, or decree. Sea-Comm is obligated to amend Schedule 4.5 after the date hereof in order to reflect any litigation arising after the date hereof, up to and including the Closing Date (provided, however, that the condition in Section 7.1(b) hereof shall be interpreted without regard to any such amendment).

4.6 Compliance; Properties; Authorizations.

(a) Except as set forth in Schedule 4.6(a) hereto, Sea-Comm, in connection with its operation of the Sea-Comm Stations, has complied in all material respects with all laws, rules, regulations, ordinances, orders, judgments, and decrees applicable to Sea-Comm in respect of the Sea-Comm Stations, the employees thereof, and the Sea-Comm Stations' operations.

(b) Sea-Comm holds the Sea-Comm Commission Authorizations, all of which are identified in Schedule 4.6(b)(i) hereto, and all material Sea-Comm Other Authorizations, all of which are identified in Schedule 4.6(b)(ii) hereto. The Sea-Comm Commission Authorizations are validly existing authorizations for the operation of the facilities described therein under the Communications Act. The Sea-Comm Commission Authorizations identified in Schedule 4.6(b)(i) hereto constitute all of the licenses and authorizations (i) necessary to operate the Sea-Comm Stations as they are now operated and as they have been operated since December 31, 2003, and (ii) required under the Communications Act or the current rules, regulations, and policies of the FCC in connection with the operation of the Sea-Comm Stations as currently operated. The Sea-Comm Commission Authorizations are validly issued in the name of Sea-Comm, are in full force and effect, have not been revoked, suspended, canceled, rescinded, or terminated, have not expired, and are unimpaired by any act or omission of Sea-Comm or any shareholder, officers, directors, employees, or agents of Sea-Comm. To the Knowledge of Sea-Comm, there are no conditions imposed by the FCC as part of any Sea-Comm Commission Authorization that are neither set forth on the face thereof as issued by the FCC, nor contained in the rules and regulations of the FCC applicable

generally to stations of the type, nature, class, or location as the Sea-Comm Stations. All FCC regulatory fees for each of the Sea-Comm Stations have been paid, and all broadcast towers from which each Sea-Comm Station operates have been duly registered with the FCC, if and to the extent that such registration is required by the rules of the FCC. There is no action pending, nor, to the Knowledge of Sea-Comm, threatened by or before the FCC or other governmental body to revoke, refuse to renew, suspend, or modify any of the Sea-Comm Commission Authorizations, or any action which may result in the denial of any pending application, the issuance of any cease and desist order, or the imposition of any administrative sanction with respect to any of the Sea-Comm Stations or their operations. There is not pending, to the Knowledge of Sea-Comm, any investigation, by or before the FCC, or any order to show cause, notice of violation, notice of apparent liability, notice of forfeiture, or complaint by, before, or with the FCC against Sea-Comm or the officers, directors, stockholder, or affiliates of Sea-Comm, nor, to the Knowledge of Sea-Comm, is any of the foregoing threatened. The Sea-Comm Stations are, and for the time during which Sea-Comm has owned the Sea-Comm Stations and during which Sea-Comm has held the Sea-Comm Commission Authorizations for the Sea-Comm Stations, have been, operating in material compliance with the Sea-Comm Commission Authorizations, the Communications Act, and the rules, regulations, and policies of the FCC. Sea-Comm has timely filed all reports, forms, and statements required to be filed with the FCC. All applications for the Sea-Comm Commission Authorizations and the Sea-Comm Other Authorizations submitted by Sea-Comm were true and correct when made in all material respects. Sea-Comm has not received any notice with respect to any of the Sea-Comm Commission Authorizations or the Sea-Comm Stations' compliance with the Communications Act that might cause the FCC not to consent to the assignment by Sea-Comm of the Sea-Comm Commission Authorizations to Ocean as contemplated by this Agreement.

(c) Sea-Comm is qualified under the Communications Act and under the rules of the FCC as in effect on the date of this Agreement to become the licensee of the Ocean Station and to consummate the transactions contemplated by this Agreement. As of the date of this Agreement, except for any possible disqualification based upon FCC policies relating to the concentration of ownership or control of commercial radio broadcasting stations in the market in which the Ocean Station is located, there are no facts known to Sea-Comm which, under the Communications Act or any of the existing rules, regulations, policies, and procedures of the FCC, would (i) disqualify Sea-Comm from becoming the holder of the Ocean Commission Authorizations or an owner or operator of the Ocean Station; or (ii) disqualify or restrict Sea-Comm from consummating the transactions contemplated by this Agreement. Sea-Comm has not received any notice with respect to the Communications Act that, to the Knowledge of Sea-Comm, could reasonably be expected to cause the FCC not to consent to the assignment by Ocean of the Ocean Commission Authorizations to Sea-Comm, as contemplated by this Agreement.

4.7 Title to Assets. Except for the assets and properties leased to Sea-Comm pursuant to the leases identified in Schedule 4.8(b) hereto, and except for the Sea-Comm

Personal Property Leases (as hereinafter defined), Sea-Comm has good title to all of the Sea-Comm Exchanged Assets. Sea-Comm has a valid leasehold interest in the leased Sea-Comm Real Property. Except as set forth on Schedule 4.7 hereto, none of the Sea-Comm Exchanged Assets is subject to any Lien, except for the Sea-Comm Permitted Liens or Liens in favor of Ocean. At the Closing, the Sea-Comm Exchanged Assets will be conveyed to Ocean free and clear of all Liens other than Sea-Comm Permitted Liens. The Sea-Comm Exchanged Assets are, in all material respects, in good operating condition and repair, are suitable for the purposes used, and are adequate and sufficient to permit the Sea-Comm Stations to continue to operate as they are currently (and, since December 31, 2003, have been) operated by Sea-Comm and in accordance with the Sea-Comm Commission Authorizations and the rules and regulations of the FCC.

4.8 Properties.

(a) Schedule 4.8(a) hereto contains a list of all owned Sea-Comm Real Property. To the Knowledge of Sea-Comm, all improvements on the owned Sea-Comm Real Property comply in all material respects with all applicable laws, ordinances, regulations, and orders, including those applicable to zoning, land use, and building codes. To the Knowledge of Sea-Comm, no law, ordinance, regulation, order, restriction, or agreement, including any zoning law, restricts, in any material respect, the present use of any Sea-Comm Real Property or any planned expansion or alteration of or addition to the structures located on the Sea-Comm Real Property that has heretofore been disclosed to Ocean by Sea-Comm in writing. All improvements located on the Sea-Comm Real Property that are required to be registered with the FCC have been so registered, and such structures comply with the painting and lighting requirements promulgated by the Federal Aviation Administration in all material respects.

(b) Schedule 4.8(b) hereto contains a true, complete, and accurate list of all leases and subleases of Sea-Comm Real Property under which Sea-Comm holds any leasehold or other interest or right to the use thereof (the "**Sea-Comm Real Property Leases**"), or pursuant to which Sea-Comm has leased, assigned, sublet, or granted any rights therein or with respect thereto, including the WSFM Tower Lease to be entered into at Closing.

(c) Except as indicated therein, Schedule 4.8(c) hereto contains a true, complete, and accurate list of all items of machinery, equipment, vehicles, furniture, fixtures, transmitting towers, transmitters, antennae, office materials and supplies, spare parts, music libraries, and other Sea-Comm Tangible Personal Property owned, leased, or used by Sea-Comm in connection with the operation of the Sea-Comm Stations and included in the Sea-Comm Exchanged Assets, except for items having a value of less than One Thousand United States Dollars (\$1,000.00) each, and which do not, in the aggregate, have a total value of more than Twenty-Five Thousand United States Dollars (\$25,000.00). Schedule 4.8(c) hereto sets forth with respect to all such Sea-Comm Tangible Personal Property all leases relating thereto (the "**Sea-Comm Personal Property Leases**").

(d) The Sea-Comm Exchanged Assets and the Sea-Comm Excluded Assets comprise, in all material respects, all of the assets required to operate the business of the Sea-Comm Stations in the ordinary course as currently (and since December 31, 2003) conducted by Sea-Comm.

4.9 Contracts.

(a) Schedule 4.9(a) hereto lists all Sea-Comm Contracts as of the date hereof, excluding (i) purchase orders for supplies or services, made in the ordinary course of business (on customary terms and conditions and consistent with past practice) involving payments or receipts by Sea-Comm of less than Fifteen Thousand United States Dollars (\$15,000.00) in any single case or series of related orders, (ii) contracts entered into in the ordinary course of business on customary terms and conditions which are not binding upon, or which are stated to be not binding upon, any successor owner of the Sea-Comm Stations, or which are terminable by Sea-Comm on less than thirty (30) days' notice without any penalty or consideration and involving payments or receipts during the entire life of such contracts of less than (A) Five Thousand United States Dollars (\$5,000.00) in the case of any single contract, or (B) Twenty-Five Thousand United States Dollars (\$25,000.00) in the aggregate, and (iii) Sea-Comm Advertising Contracts.

(b) Schedule 4.9(b) lists all agency and representative agreements and all agreements providing for the services of an independent contractor relating to any of the Sea-Comm Stations, in each case as of the date hereof and to which Sea-Comm is a party or by which Sea-Comm is bound.

(c) Schedule 4.9(c) lists all licenses (other than licenses for shrink wrap software and other immaterial licenses), Internet or web-site agreements (including, without limitation, all interactive service, portal, web site management, hosting, server, content licensing, and link or hyperlink agreements), development agreements, royalty agreements, and all contracts, agreements, commitments, or licenses relating to patents, trademarks, trade names, copyrights, software, know how, trade secrets, proprietary information, and other Sea-Comm Intangibles, all guarantees, loan agreements, indentures, mortgages, and pledges, all conditional sale or title retention agreements, security agreements, equipment obligations, leases, or lease purchase agreements as to items of personal property, in each case as of the date hereof and to which Sea-Comm is a party and which relate to the Sea-Comm Stations, or by which Sea-Comm is bound for the benefit of the Sea-Comm Stations.

(d) True and complete copies of all Sea-Comm Contracts required to be disclosed in any Schedule to this Agreement pertaining to the Sea-Comm Stations (to the extent in writing, or, if not in writing, an accurate summary thereof), together with any and all amendments thereto, have been delivered to Ocean. All of the Sea-Comm Material Contracts (other than those which have been fully performed) are in full force and effect. There is not under any Sea-Comm Material Contract any existing default by Sea-Comm, or, to the Knowledge of Sea-Comm, any event which, after notice or lapse of

time, or both, would constitute a default or result in a right to accelerate or a loss of rights. Sea-Comm is not a party to any agreement, contract, or commitment outside the ordinary course of business which obligates Sea-Comm, or which could obligate Sea-Comm, to provide advertising time on any of the Sea-Comm Stations, on or after the date of the commencement of the term of the Sea-Comm Stations LMA, as a result of the failure of such Sea-Comm Station to satisfy or to have satisfied specified ratings or any other performance criteria, guarantee, or similar representation or warranty.

4.10 Insurance. Schedule 4.10 hereto lists all fire, theft, casualty, liability, and other insurance policies insuring Sea-Comm in respect of the Sea-Comm Stations, specifying with respect to each such policy the name of the insurer, the risk insured against, the limits of coverage, the deductible amount (if any), and the date through which coverage will continue by virtue of premiums already paid. The coverage under each such policy of insurance set forth in Schedule 4.10 hereto is in full force and effect, all premiums due and payable thereon have been paid, and no notice of cancellation or nonrenewal with respect to any such policy has been given to Sea-Comm. Except as set forth in Schedule 4.10, there are no pending claims against such insurance policies as to which the insurers have denied liability.

4.11 Absence of Changes or Events Since December 31, 2003. Except as set forth in Schedule 4.11 hereto, since December 31, 2003, Sea-Comm has conducted the business of the Sea-Comm Stations only in the ordinary course in a manner consistent with past practices. Without limiting the foregoing, since such date, Sea-Comm in respect of the Sea-Comm Stations, except as set forth on said Schedule 4.11, has not:

(i) incurred any obligation or liability, absolute, accrued, contingent or otherwise, whether due or to become due (except current liabilities for trade or business obligations incurred in the ordinary course of business and consistent with its prior practice), which obligation or liability, in any single case, or in the aggregate, materially and adversely affects the Sea-Comm Exchanged Assets;

(ii) sold, transferred, leased to others, or otherwise disposed of any of the assets relating to the operation of the Sea-Comm Stations, other than inoperable or obsolete items;

(iii) received any written notice of actual or threatened termination of any Sea-Comm Material Contract, or suffered any damage, destruction, or loss, which materially and adversely affects the Sea-Comm Exchanged Assets;

(iv) had any material change in its relations with its employees, agents, landlords, advertisers, customers, or suppliers, or any governmental regulatory authority;

(v) encountered any labor union organizing activity, had any actual or threatened employee strikes, disputes, work stoppages, slow downs, or lockouts involving the Sea-Comm Stations;

(vi) made any change or changes (in excess of 5% per annum) in the rate of compensation, commission, bonus, or other direct or indirect remuneration payable, conditionally or otherwise, and whether as bonus, extra compensation, pension, severance, or vacation pay, or otherwise, to any director, officer, employee, salesman, distributor, or agent relative to the Sea-Comm Stations;

(vii) instituted, settled, or agreed to settle any litigation, action, or proceeding before any court or governmental body involving the Sea-Comm Stations, other than immaterial actions or proceedings;

(viii) entered into any transaction, contract, or commitment involving the Sea-Comm Stations, other than in the ordinary course of business on customary terms and conditions, other than in immaterial respects;

(ix) changed its accounting practices, methods, or principles, other than as required by generally accepted accounting principles; or

(x) entered into any agreement or made any commitment to take any of the types of actions described in any of subsections (i) through (ix) above.

4.12 Intangibles. Except as set forth on Schedule 4.12 hereto, Sea-Comm owns or possesses rights necessary to use the call letters "WKXB (FM)" and "WSFM (FM)," together with all copyrights, trademarks, trade names, logos, slogans, jingles, service marks, and other proprietary rights and intangible rights or properties currently used by Sea-Comm in connection with, or necessary to the operation of, the Sea-Comm Stations as presently operated, including, without limitation, all Sea-Comm Intangibles, free and clear of any Liens other than Sea-Comm Permitted Liens or Liens in favor of Ocean. Sea-Comm has no Knowledge of any infringement or unlawful, unauthorized, or conflicting use of any of the foregoing, or of the use of any call letters, slogan, logo, or other intangible property rights by any broadcast station in the areas served by any of the Sea-Comm Stations which is confusingly similar to any of the call letters, slogans, logos, or other intangible property rights currently used by any of the Sea-Comm Stations. Sea-Comm, to its Knowledge, is not infringing upon or otherwise acting adversely, nor has Sea-Comm received notice that it is infringing upon or otherwise acting adversely, with respect to any copyrights, trademarks, trademark rights, service marks, service mark rights, trade names, service names, slogans, call letters, logos, jingles, licenses, or any other proprietary rights owned by any other person or entity. Schedule 4.12 hereto lists all registered trademarks and applications therefor, registered service marks and applications therefor, patents and patent applications, copyright registrations and applications therefor, domain names, any and all World Wide Web sites, wholly or partially owned, held, or used by Sea-Comm and related to the Sea-Comm Stations.

4.13 Environmental Matters.

(a) Except as set forth in Schedule 4.13 hereto, (i) no Hazardous Substance (as hereinafter defined) has been stored (in a manner requiring correction or

remediation action under or pursuant to environmental laws, rules, ordinances or regulations), treated, released, disposed of, or discharged on, onto, about, from, under, or affecting any of the Sea-Comm Real Property in any material respect, by Sea-Comm, or, to Sea-Comm's Knowledge, by any other party, (ii) there is not presently, and, to Sea-Comm's Knowledge, there has never been, an underground storage tank on any of the Sea-Comm Real Property, and (iii) to Sea-Comm's Knowledge, Sea-Comm has no liability which is based upon or related to the environmental conditions under or about any of the Sea-Comm Real Property, other than immaterial liabilities. Except as set forth in Schedule 4.13 hereto, Sea-Comm has all material permits required by environmental laws, rules, ordinances, and regulations necessary for the operation of the Sea-Comm Stations, and has complied in all material respects with all environmental, health, and safety laws applicable to the Sea-Comm Real Property, and there are no polychlorinated biphenyls (PCBs) located on any of the Sea-Comm Real Property. The term "**Hazardous Substance**," as used in this Agreement, shall include, without limitation, oil and other petroleum products, explosives, radioactive materials, chemicals, pollutants, contaminants, wastes, toxic substances, genetically modified organisms, and related and similar materials, and any other substance or material defined as a hazardous, toxic, or polluting substance or material by any federal, state, or local law, ordinance, rule, or regulation, including asbestos and asbestos-containing materials.

(b) Except as set forth in Schedule 4.13 hereto, Sea-Comm (i) has not given any written report or notice to any governmental agency or authority involving the use, management, handling, transport, treatment, generation, storage, spill, escape, seepage, leakage, spillage, emission, release, discharge, remediation, or clean-up of any Hazardous Substance on or about any of the Sea-Comm Real Property caused by Sea-Comm or any affiliate thereof; and (ii) has not received any, or to the Knowledge of Sea-Comm, is not threatened to receive any, Sea-Comm Environmental Complaint, and Sea-Comm is in compliance in all material respects with notification, reporting, and registration provisions of the Toxic Substance Control Act, the Federal Insecticide, Fungicide and Rodenticide Act, and other applicable federal and state law.

4.14 Employees. Schedule 4.14 hereto lists, as of the date hereof, the names and current annual salary rates and commission schedules of all persons (including independent commission agents) employed or engaged by Sea-Comm at or in connection with the operation of the Sea-Comm Stations, and showing separately for each such person the amounts paid or payable as salary, bonus payments, and direct and indirect compensation for the years ended December 31, 2002 and December 31, 2003, respectively. Schedule 4.14 also lists all written employment agreements that Sea-Comm has with any employees listed thereon.

4.15 Employee Benefits.

(a) Schedule 4.15(a) hereto lists any pension, retirement, profit-sharing, deferred compensation, stock option, employee stock ownership, severance pay, vacation, bonus, or other incentive plan; any medical, vision, dental, or other health plan; any life insurance plan, or any other employee benefit plan or fringe benefit plan, whether

funded or unfunded, including, without limitation, any "employee benefit plan," as that term is defined in Section 3(3) of ERISA that is currently maintained, sponsored in whole or in part, or contributed to by Sea-Comm for the benefit of, providing any remuneration or benefits to, or covering, any current or former employee of Sea-Comm at the Sea-Comm Stations (collectively, the "**Sea-Comm Station Benefit Plans**") in respect of Sea-Comm Station employees. Any of the Sea-Comm Station Benefit Plans that is an "employee pension benefit plan," as defined in Section 3(2) of ERISA, or an "employee welfare benefit plan," as defined in Section 3(1) of ERISA, is referred to herein as an "**ERISA Plan**." To the extent that any of the Sea-Comm Station Benefit Plans have been reduced to writing, copies thereof have been supplied or made available to Ocean.

(b) Sea-Comm has provided Ocean with a copy of Sea-Comm's policy for providing leaves of absence under the Family and Medical Leave Act ("FMLA"), and maintains records which have been made available to Ocean and which identify each employee at the Sea-Comm Stations who currently is on FMLA leave, his or her job title, and each employee at the Sea-Comm Stations who has requested FMLA leave to begin after the date of this Agreement.

(c) Sea-Comm has not contributed in the past five years to a multiemployer plan, within the meaning of Section 414(f) of the Code, for employees assigned to the Sea-Comm Stations. No Sea-Comm Station Benefit Plan is a multiple employer plan within the meaning of Section 413(c) of the Code. No employee welfare benefit plan for the Sea-Comm Stations is a multiple employer welfare arrangement, as defined in Section 3(40) of ERISA.

(d) None of the Sea-Comm Exchanged Assets is subject to any Lien for past due liability with respect to Sea-Comm Station employees or any Sea-Comm Station Benefit Plan or with respect to an employee benefit plan of an ERISA Affiliate, under Section 412(n) of the Code or Section 4068 of ERISA (other than inchoate Liens in respect of Sea-Comm Excluded Liabilities).

4.16 Labor Matters. Within the last three (3) years, Sea-Comm has not been the subject of any union activity or labor dispute, nor has there been any strike of any kind called or threatened to be called against Sea-Comm in respect of the Sea-Comm Stations. Sea-Comm has not materially violated any applicable federal or state law or regulation relating to labor or labor practices, including, without limitation, the provisions of Title VII of the Civil Rights Act of 1964 (race, color, religion, sex, and national origin discrimination), 42 U.S.C. § 1981 (discrimination), 41 U.S.C. § 621-634 (the Age Discrimination in Employment Act), 29 U.S.C. § 206 (equal pay), Executive Order 11246 (race, color, religion, sex, and national origin discrimination), Executive Order 11141 (age discrimination), § 503 of the Rehabilitation Act of 1973 (handicap discrimination), 42 U.S.C. §§ 12101-12213 (Americans with Disabilities Act), 29 U.S.C. §§ 2001-2654 (Family and Medical Leave Act), and 29 U.S.C. §§ 651-678 (occupational safety and health), to the extent, if any, that the operations of the Sea-Comm Stations may be subject to any such statutes or Executive Orders. There are no material employer loans or advances from Sea-Comm to any of the Sea-Comm Stations' employees. To the

Knowledge of Sea-Comm, Sea-Comm is in compliance, other than in immaterial respects, with all applicable requirements of the Immigration and Nationality Act of 1952, as amended by the Immigration Reform and Control Act of 1986, and the regulations promulgated thereunder in respect of the Sea-Comm Stations.

4.17 Taxes. All taxes, fees, assessments, and charges, including, without limitation, income, property, sales, use, franchise, added value, employees' income withholding, and social security taxes, imposed by the United States or by any foreign country or by any state, municipality, subdivision, or instrumentality of the United States or of any foreign country, or by any other taxing authority, which are due and payable by Sea-Comm, in respect of or in connection with the Sea-Comm Stations and the Sea-Comm Exchanged Assets, and all interest and penalties thereon (collectively, "Sea-Comm Taxes" or "Sea-Comm Tax"), have been paid in full, and all deposits required by law to be made by Sea-Comm with respect to employees of the Sea-Comm Stations and other withholdings of or for Sea-Comm Taxes have been duly made. Sea-Comm has provided Ocean with complete and correct copies of Sea-Comm's federal and state income tax returns for calendar years 2001, 2002, and 2003.

4.18 Records. The Sea-Comm FCC Logs are materially complete and correct, and there have been no transactions involving the Sea-Comm Stations which properly should have been set forth therein and which have not been accurately so set forth, except, in each case, in immaterial respects.

4.19 Brokerage or Finder's Fee. Except as indicated on Schedule 4.19 hereto, Sea-Comm represents and warrants to Ocean that no person or entity is entitled to any brokerage commissions or finder's fees in connection with the transactions contemplated by this Agreement as a result of any action taken by Sea-Comm or by any of its affiliates, shareholder, officers, directors, or employees.

4.20 No Misleading Statements. To the Knowledge of Sea-Comm, no statement made by Sea-Comm set forth in this Agreement, the Schedules hereto, or any other information or materials delivered by or on behalf of Sea-Comm and referenced in this Agreement on in the Schedules hereto contains or will contain any untrue statement of a material fact, or omits or will omit a material fact necessary to be included in order to make such statements or information, in light of the circumstances under which such statements or information is made or delivered, not misleading.

4.21 Related Party Transactions. None of the shareholder, managers, officers, directors, or employees of Sea-Comm (a) is an officer, director, employee, or consultant of or to, or owns or otherwise controls, any Person which is, or is engaged in business as, a competitor, customer, or supplier of or to Sea-Comm, (b) owns, supplies, or has supplied, directly or indirectly, in whole or in part, any tangible or intangible property which Sea-Comm is using in connection with the business or operation of the Sea-Comm Stations, or (c) to the Knowledge of Sea-Comm, has any cause of action or other claim whatsoever against, or owes any amount to, Sea-Comm, except for claims in the ordinary course of business, such as for accrued vacation pay, accrued benefits, and other similar

matters existing as of the date hereof, and all of which are reflected in the Sea-Comm Financial Statements.

ARTICLE V REPRESENTATIONS AND WARRANTIES OF OCEAN

Ocean represents and warrants to Sea-Comm that:

5.1 Organization, Standing, and Qualification; No Subsidiaries.

(a) Ocean is a limited liability company validly existing under the laws of the State of North Carolina and is qualified to do business in, and is in good standing as a limited liability company in, the State of North Carolina. Ocean is not required to be qualified as a foreign limited liability company in order to do business in any jurisdiction other than the State of North Carolina in connection with the operation of the Ocean Station. Ocean has all requisite limited liability company power and limited liability company authority to own, lease, and operate its properties and to carry on its business as such properties are now owned, leased, or operated and as and where such business is presently conducted. The copies of the Certificate of Organization and the Limited Liability Company Operating Agreement of Ocean, heretofore delivered by Ocean to Sea-Comm, are true, complete, and correct in all material respects.

(b) Except as set forth on Schedule 5.1(b) hereto, Ocean has no subsidiaries, nor has any interest, direct or indirect, nor has any commitment to purchase any interest, direct or indirect, in any corporation or in any partnership, joint venture, or other business enterprise or entity. The operations of the Ocean Station have not been conducted through any direct or indirect subsidiary, shareholder, or affiliate of Ocean, and none of the Ocean Exchanged Assets is held, owned, used, or conducted by any shareholder or affiliate of Ocean.

5.2 Authority. Ocean has all requisite limited liability company power and limited liability company authority to execute and to deliver, and to perform Ocean's obligations under, this Agreement and each other agreement, document, and instrument to be executed, delivered, or performed by Ocean in connection with this Agreement (the "Ocean Documents"), and to carry out the transactions contemplated hereby and thereby. This Agreement constitutes, and, when executed and delivered at the Closing, each other Ocean Document will constitute, the legal, valid, and binding obligation of Ocean, enforceable in accordance with its terms, except as enforceability may be limited by applicable equitable principles or by bankruptcy, insolvency, reorganization, moratorium, or similar laws in effect from time to time affecting the enforcement of creditors' rights generally. All limited liability company and member proceedings, and any action required to be taken by Ocean relating to Ocean's execution and delivery of, and Ocean's performance of its obligations under, this Agreement and the Ocean Documents, and the consummation by Ocean of the transactions contemplated hereby and thereby, have been or will be duly and timely taken.

5.3 No Conflict; Consents. Except for the filing of the Ocean Assignment Application, the granting of the Ocean Initial Order, and ripening of the Ocean Initial Order into a Final Order, and except as indicated in Schedule 5.3 hereto, Ocean's execution and delivery of, and Ocean's performance of its obligations under, this Agreement and the Ocean Documents, and Ocean's consummation of the transactions contemplated hereby and thereby, will not (i) conflict with or violate any provision of the Articles of Organization or the Operating Agreement of Ocean; (ii) with or without the giving of notice or the passage of time, or both, result in a breach of, or violate, or be in conflict with, or constitute a default under, or permit the termination of, or cause or permit any acceleration under, any Ocean Contract, agreement, or instrument evidencing any debt or obligation to which Ocean is a party or to or by which it or any of the Ocean Exchanged Assets is subject or bound, or result in the loss or adverse modification of any of the Ocean Commission Authorizations, the Ocean Other Authorizations, or the Ocean Intangibles; (iii) require the consent of any party to any Ocean Contract; (iv) result in the creation or imposition of any Lien upon any of the Ocean Exchanged Assets, other than Ocean Permitted Liens and Liens in favor of Sea-Comm; (v) violate any law, rule, or regulation in any material respect, or any order, judgment, decree, or award of any court, governmental authority, or arbitrator to or by which Ocean or any of the Ocean Exchanged Assets is subject or bound; or (vi) require that any consent, approval, or authorization of, or declaration, filing, or registration with, or notice to, any governmental or regulatory authority be obtained or made by Ocean in connection with Ocean's execution and delivery of, and Ocean's performance of its obligations under, this Agreement or the Ocean Documents, or Ocean's consummation of the transactions contemplated hereby and thereby, other than in respect of immaterial consents, permits, and licenses.

5.4 Financial Statements. Attached as Schedule 5.4(a) hereto is a copy of Ocean's unaudited income statement and balance sheet with respect to the Ocean Station for the 12-month periods ended December 31, 2002 and December 31, 2003, and for the three-month period ended March 31, 2004, respectively (collectively, the "Ocean Financial Statements"). Except as expressly noted in Schedule 5.4(a) hereto, the Ocean Financial Statements have been prepared in accordance with generally accepted accounting principles (except for the absence of footnotes), and fairly present in all material respects the results of operations of the Ocean Station for the periods covered thereby. The Ocean Financial Statements do not contain any types of special or nonrecurring income, or any other income, not earned in the ordinary course of business, and reflect no operations or business other than those of the Ocean Station, except as expressly specified therein or as set forth in Schedule 5.4(a) hereto; provided, however, that Ocean shall not be deemed to make any representation or warranty to Sea-Comm in, or with respect to, the Ocean Financial Statements to the extent that any portion thereof shall relate to any radio station owned by Ocean other than the Ocean Station.

5.5 Litigation. Except as disclosed in Schedule 5.5 hereto, there is no action, suit, proceeding, or arbitration pending, or to the Knowledge of Ocean, threatened, or to the Knowledge of Ocean any investigation pending or threatened, against or affecting

Ocean in respect of its operation of the Ocean Station or any of the Ocean Exchanged Assets or the transactions contemplated by this Agreement. There is not outstanding any order, writ, injunction, award, or decree of any court or arbitrator, or any federal, state, municipal, or other governmental department, commission, board, agency, or instrumentality to which the Ocean Station (or Ocean, in connection with its operation of the Ocean Station) is subject, or that is otherwise applicable to the Ocean Station, the Ocean Exchanged Assets or any employee of the Ocean Station (but with respect to such employees, only to the extent such order, writ, injunction, award, or decree relates to the business of the Ocean Station or their employment therewith), nor is Ocean in default with respect to any such order, writ, injunction, award, or decree. Ocean is obligated to amend Schedule 5.5 after the date hereof in order to reflect any litigation arising after the date hereof, up to and including the Closing Date (provided, however, that the condition in Section 7.2(b) hereof shall be interpreted without regard to any such amendment).

5.6 Compliance; Properties; Authorizations.

(a) Except as set forth in Schedule 5.6(a) hereto, Ocean, in connection with its operation of the Ocean Station, has **complied** in all material respects with all laws, rules, regulations, ordinances, orders, judgments, and decrees applicable to Ocean in respect of the Ocean Station, the employees thereof, and the Ocean Station's operations.

(b) Ocean holds the Ocean Commission Authorizations, all of which are identified in Schedule 5.6(b)(i) hereto, and all material Ocean Other Authorizations, all of which are identified in Schedule 5.6(b)(ii) hereto. The Ocean Commission Authorizations are validly existing authorizations for the operation of the facilities described therein under the Communications Act. The Ocean Commission Authorizations identified in Schedule 5.6(b)(i) hereto constitute all of the licenses and authorizations (i) necessary to operate the Ocean Station as it is now operated and as it has been operated since December 31, 2003, and (ii) required under the Communications Act or the current rules, regulations, and policies of the FCC in connection with the operation of the Ocean Station as currently operated. The Ocean Commission Authorizations are validly issued in the name of Ocean, are in full force and effect, have not been revoked, suspended, canceled, rescinded, or terminated, have not expired, and are unimpaired by any act or omission of Ocean or any members, officers, directors, employees, or agents of Ocean. To the Knowledge of Ocean, there are no conditions imposed by the FCC as part of any Ocean Commission Authorization that are neither set forth on the face thereof as issued by the FCC, nor contained in the rules and regulations of the FCC applicable generally to stations of the type, nature, class, or location as the Ocean Station. All FCC regulatory fees for the Ocean Station have been paid, and the broadcast tower from which the Ocean Station operates has been duly registered with the FCC, if and to the extent that such registration is required by the rules of the FCC. There is no action pending, nor, to the Knowledge of Ocean, threatened by or before the FCC or other governmental body to revoke, refuse to renew, suspend, or modify any of the Ocean Commission Authorizations, or any action which may result in the denial of any pending application, the issuance of any cease and desist order, or the imposition of any

administrative sanction with respect to the Ocean Station or its operation. There is not pending, to the Knowledge of Ocean, any investigation, by or before the FCC, or any order to show cause, notice of violation, notice of apparent liability, notice of forfeiture, or complaint by, before, or with the FCC against Ocean or the members, officers, directors, stockholders, or affiliates of Ocean, nor, to the Knowledge of Ocean, is any of the foregoing threatened. The Ocean Station is, and for the time during which Ocean has owned the Ocean Station and during which Ocean has held the Ocean Commission Authorizations for the Ocean Station, has been, operating in material compliance with the Ocean Commission Authorizations, the Communications Act, and the rules, regulations, and policies of the FCC. Ocean has timely filed all reports, forms, and statements required to be filed with the FCC. All applications for the Ocean Commission Authorizations and for the Ocean Other Authorizations submitted by Ocean were true and correct when made in all material respects. Ocean has not received any notice with respect to any of the Ocean Commission Authorizations or the Ocean Station's compliance with the Communications Act that might cause the FCC not to consent to the assignment by Ocean of the Ocean Commission Authorizations to Sea-Comm as contemplated by this Agreement.

(c) Ocean is qualified under the Communications Act and under the rules of the FCC as in effect on the date of this Agreement to become the licensee of the Sea-Comm Stations and to consummate the transactions contemplated by this Agreement. As of the date of this Agreement, except for any possible disqualification based upon FCC policies relating to the concentration of ownership or control of commercial radio broadcasting stations in the market in which the Sea-Comm Stations are located, there are no facts known to Ocean which, under the Communications Act or any of the existing rules, regulations, policies, and procedures of the FCC, would (i) disqualify Ocean from becoming the holder of the Sea-Comm Commission Authorizations or an owner or operator of the Sea-Comm Stations; or (ii) disqualify or restrict Ocean from consummating the transactions contemplated by this Agreement. Ocean has not received any notice with respect to the Communications Act that, to the Knowledge of Ocean, could reasonably be expected to cause the FCC not to consent to the assignment by Sea-Comm of the Sea-Comm Commission Authorizations to Ocean, as contemplated by this Agreement.

5.7 Title to Assets. Except for the assets and properties leased to Ocean pursuant to the leases identified in Schedule 5.8(b) hereto, and except for the Ocean Personal Property Leases (as hereinafter defined), Ocean has good title to all of the Ocean Exchanged Assets. Ocean has a valid leasehold interest in the leased Ocean Real Property. Except as set forth on Schedule 5.7 hereto, none of the Ocean Exchanged Assets is subject to any Lien, except for the Ocean Permitted Liens and Liens in favor of Sea-Comm. At the Closing, the Ocean Exchanged Assets will be conveyed to Sea-Comm free and clear of all Liens other than Ocean Permitted Liens or Liens that, individually or in the aggregate, do not materially detract from the usefulness or value of the Ocean Exchanged Assets. The Ocean Exchanged Assets are, in all material respects, in good operating condition and repair, are suitable for the purposes used, and are

adequate and sufficient to permit the Ocean Station to continue to operate as it is currently (and, since December 31, 2003, has been) operated by Ocean and in accordance with the Ocean Commission Authorizations and the rules and regulations of the FCC.

5.8 Properties.

(a) Schedule 5.8(a) hereto contains a list of all owned Ocean Real Property. To the Knowledge of Ocean, all improvements on the owned Ocean Real Property comply in all material respects with all applicable laws, ordinances, regulations, and orders, including those applicable to zoning, land use, and building codes. To the Knowledge of Ocean, no law, ordinance, regulation, order, restriction, or agreement, including any zoning law, restricts, in any material respect, the present use of any Ocean Real Property or any planned expansion or alteration of or addition to the structures located on the Ocean Real Property that has heretofore been disclosed to Sea-Comm by Ocean in writing. All improvements located on the Ocean Real Property that are required to be registered with the FCC have been so registered, and such structures comply with the painting and lighting requirements promulgated by the Federal Aviation Administration in all material respects.

(b) Schedule 5.8(b) hereto contains a true, complete, and accurate list of all leases and subleases of Ocean Real Property under which Ocean holds any leasehold or other interest or right to the use thereof (the "Ocean Real Property Leases"), or pursuant to which Ocean has leased, assigned, sublet, or granted any rights therein or with respect thereto.

(c) Except as indicated therein, Schedule 5.8(c) hereto contains a true, complete, and accurate list of all items of machinery, equipment, vehicles, furniture, fixtures, transmitting towers, transmitters, antennae, office materials and supplies, spare parts, music libraries, and other Ocean Tangible Personal Property owned, leased, or used by Ocean in connection with the operation of the Ocean Station and included in the Ocean Exchanged Assets, except for items having a value of less than One Thousand United States Dollars (\$1,000.00) each, and which do not, in the aggregate, have a total value of more than Twenty-Five Thousand United States Dollars (\$25,000.00). Schedule 5.8(c) hereto sets forth with respect to all such Ocean Tangible Personal Property all leases relating thereto (the "Ocean Personal Property Leases").

(d) The Ocean Exchanged Assets and the Ocean Excluded Assets, in all material respects, comprise all of the assets required to operate the business of the Ocean Station in the ordinary course as currently (and since December 31, 2003) conducted by Ocean.

5.9 Contracts.

(a) Schedule 5.9(a) hereto lists all Ocean Contracts as of the date hereof, excluding (i) purchase orders for supplies or services, made in the ordinary course of business (on customary terms and conditions and consistent with past practice)

involving payments or receipts by Ocean of less than Fifteen Thousand United States Dollars (\$15,000.00) in any single case or series of related orders, (ii) contracts entered into in the ordinary course of business on customary terms and conditions which are not binding upon, or which are stated to be not binding upon, any successor owner of the Ocean Station, or which are terminable by Ocean on less than thirty (30) days' notice without any penalty or consideration and involving payments or receipts during the entire life of such contracts of less than (A) Five Thousand United States Dollars (\$5,000.00) in the case of any single contract, or (B) Twenty-Five Thousand United States Dollars (\$25,000.00) in the aggregate, and (iii) Ocean Advertising Contracts.

(b) Schedule 5.9(b) hereto lists all agency and representative agreements and all agreements providing for the services of an independent contractor relating to the Ocean Station, in each case as of the date hereof and to which Ocean is a party or by which Ocean is bound.

(c) Schedule 5.9(c) hereto lists all licenses (other than licenses for shrink wrap software and other immaterial licenses), Internet or web-site agreements (including, without limitation, all interactive service, portal, web site management, hosting, server, content licensing, and link or hyperlink agreements), development agreements, royalty agreements, and all contracts, agreements, commitments, or licenses relating to patents, trademarks, trade names, copyrights, software, know how, trade secrets, proprietary information, and other Ocean Intangibles, all guarantees, loan agreements, indentures, mortgages, and pledges, all conditional sale or title retention agreements, security agreements, equipment obligations, leases, or lease purchase agreements as to items of personal property, in each case as of the date hereof and to which Ocean is a party and which relate to the Ocean Station or by which Ocean is bound for the benefit of the Ocean Station.

(d) True and complete copies of all Ocean Contracts required to be disclosed in any Schedule to this Agreement pertaining to the Ocean Station (to the extent in writing, or, if not in writing, an accurate summary thereof), together with any and all amendments thereto, have been delivered to Sea-Comm. All of the Ocean Material Contracts (other than those which have been fully performed) are in full force and effect. There is not under any Ocean Material Contract any existing default by Ocean, or, to the Knowledge of Ocean, any event which, after notice or lapse of time, or both, would constitute a default or result in a right to accelerate or a loss of rights. Ocean is not a party to any agreement, contract, or commitment outside the ordinary course of business which obligates Ocean, or which could obligate Ocean, to provide advertising time on the Ocean Station, on or after the date of the commencement of the term of the Ocean Station LMA, as a result of the failure of the Ocean Station to satisfy or to have satisfied specified ratings or any other performance criteria, guarantee, or similar representation or warranty.

5.10 Insurance. Schedule 5.10 hereto lists all fire, theft, casualty, liability, and other insurance policies insuring Ocean in respect of the Ocean Station, specifying with respect to each such policy the name of the insurer, the risk insured against, the limits of

coverage, the deductible amount (if any), and the date through which coverage will continue by virtue of premiums already paid. The coverage under each such policy of insurance set forth in Schedule 5.10 hereto is in full force and effect, all premiums due and payable thereon have been paid, and no notice of cancellation or nonrenewal with respect to any such policy has been given to Ocean. Except as set forth in Schedule 5.10, there are no pending claims against such insurance policies as to which the insurers have denied liability.

5.11 Absence of Changes or Events Since December 31, 2003. Except as set forth in Schedule 5.11 hereto, since December 31, 2003, Ocean has conducted the business of the Ocean Station only in the ordinary course in a manner consistent with past practices. Without limiting the foregoing, since such date, Ocean in respect of the Ocean Station, except as set forth on said Schedule 5.11, has not:

- (i) incurred any obligation or liability, absolute, accrued, contingent or otherwise, whether due or to become due (except current liabilities for trade or business obligations incurred in the ordinary course of business and consistent with its prior practice), which obligation or liability, in any single case, or in the aggregate, materially and adversely affects the Ocean Exchanged Assets;
- (ii) sold, transferred, leased to others, or otherwise disposed of any of the assets relating to the operation of the Ocean Station, other than inoperable or obsolete items;
- (iii) received any written notice of actual or threatened termination of any Ocean Material Contract, or suffered any damage, destruction, or loss, which materially and adversely affects the Ocean Exchanged Assets;
- (iv) had any material change in its relations with its employees, agents, landlords, advertisers, customers, or suppliers, or any governmental regulatory authority;
- (v) encountered any labor union organizing activity, had any actual or threatened employee strikes, disputes, work stoppages, slow downs, or lockouts involving the Ocean Station;
- (vi) made any change or changes (in excess of 5% per annum) in the rate of compensation, commission, bonus, or other direct or indirect remuneration payable, conditionally or otherwise, and whether as bonus, extra compensation, pension, severance, or vacation pay, or otherwise, to any director, officer, employee, salesman, distributor, or agent relative to the Ocean Station;
- (vii) instituted, settled, or agreed to settle any litigation, action, or proceeding before any court or governmental body involving the Ocean Station, other than immaterial actions or proceedings;

(viii) entered into any transaction, contract, or commitment involving the Ocean Station, other than in the ordinary course of business on customary terms and conditions, other than in immaterial respects;

(ix) changed its accounting practices, methods, or principles, other than as required by generally accepted accounting principles; or

(x) entered into any agreement or made any commitment to take any of the types of actions described in any of subsections (i) through (ix) above.

5.12 Intangibles. Except as set forth on Schedule 5.12 hereto, Ocean owns or possesses rights necessary to use the call letters "WUIN (FM)," together with all copyrights, trademarks, trade names, logos, slogans, jingles, service marks, and other proprietary rights and intangible rights and properties currently used by Ocean in connection with, or necessary to the operation of, the Ocean Station as presently operated, including, without limitation, all Ocean Intangibles, free and clear of any Liens other than Ocean Permitted Liens or Liens in favor of Sea-Comm. Ocean has no Knowledge of any infringement or unlawful, unauthorized, or conflicting use of any of the foregoing, or of the use of any call letters, slogan, logo, or other intangible property rights by any broadcast station in the area served by the Ocean Station which is confusingly similar to any of the call letters, slogans, logos, or other intangible property rights currently used by the Ocean Station. Ocean, to its Knowledge, is not infringing upon or otherwise acting adversely, nor has Ocean received notice that it is infringing upon or otherwise acting adversely, with respect to any copyrights, trademarks, trademark rights, service marks, service mark rights, trade names, service names, slogans, call letters, logos, jingles, licenses, or any other proprietary rights owned by any other person or entity. Schedule 5.12 hereto lists all registered trademarks and applications therefor, registered service marks and applications therefor, patents and patent applications, copyright registrations and applications therefor, domain names, any and all World Wide Web sites, wholly or partially owned, held, or used by Ocean and related to the Ocean Station.

5.13 Environmental Matters.

(a) Except as set forth in Schedule 5.13 hereto, (i) no Hazardous Substance has been stored (in a manner requiring correction or remediation action under or pursuant to environmental laws, rules, ordinances, or regulations), treated, released, disposed of, or discharged on, onto, about, from, under, or affecting any of the Ocean Real Property in any material respect, by Ocean, or, to Ocean's Knowledge, by any other party, (ii) there is not presently, and, to Ocean's Knowledge, there has never been, an underground storage tank on any of the Ocean Real Property, and (iii) to Ocean's Knowledge, Ocean has no liability which is based upon or related to the environmental conditions under or about any of the Ocean Real Property, other than immaterial liabilities. Except as set forth in Schedule 5.13 hereto, Ocean has all material permits required by environmental laws, rules, ordinances, and regulations necessary for the operation of the Ocean Station and has complied in all material respects with all

environmental, health, and safety laws applicable to the Ocean Real Property, and there are no PCBs located on any of the Ocean Real Property.

(b) Except as set forth in Schedule 5.13 hereto, Ocean (i) has not given any written report or notice to any governmental agency or authority involving the use, management, handling, transport, treatment, generation, storage, spill, escape, seepage, leakage, spillage, emission, release, discharge, remediation, or clean-up of any Hazardous Substance on or about any of the Ocean Real Property caused by Ocean or any affiliate thereof; (ii) has not received any, or to the Knowledge of Ocean, is not threatened to receive any, Ocean Environmental Complaint, and Ocean is in compliance in all material respects with notification, reporting, and registration provisions of the Toxic Substance Control Act, the Federal Insecticide, Fungicide and Rodenticide Act, and other applicable federal and state law.

5.14 Employees. Schedule 5.14 hereto lists, as of the date hereof, the names and current annual salary rates and commission schedules of all persons (including independent commission agents) employed or engaged by Ocean at or in connection with the operation of the Ocean Station, and showing separately for each such person the amounts paid or payable as salary, bonus payments, and direct and indirect compensation for the years ended December 31, 2002 and December 31, 2003, respectively. Schedule 5.14 also lists all written employment agreements that Ocean has with any employees listed thereon.

5.15 Employee Benefits.

(a) Schedule 5.15(a) hereto lists any pension, retirement, profit-sharing, deferred compensation, stock option, employee stock ownership, severance pay, vacation, bonus, or other incentive plan; any medical, vision, dental, or other health plan; any life insurance plan, or any other employee benefit plan or fringe benefit plan, whether funded or unfunded, including, without limitation, any "employee benefit plan," as that term is defined in Section 3(3) of ERISA that is currently maintained, sponsored in whole or in part, or contributed to by Ocean for the benefit of, providing any remuneration or benefits to, or covering, any current or former employee of Ocean at the Ocean Station (collectively, the "**Ocean Station Benefit Plans**") in respect of Ocean Station employees. Any of the Ocean Station Benefit Plans that is an "employee pension benefit plan," as defined in Section 3(2) of ERISA, or an "employee welfare benefit plan," as defined in Section 3(1) of ERISA, is referred to herein as an "ERISA Plan." To the extent that any of the Ocean Station Benefit Plans have been reduced to writing, copies thereof have been supplied or made available to Sea-Comm.

(b) Ocean has provided Sea-Comm with a copy of Ocean's policy for providing leaves of absence under the FMLA, and maintains records which have been made available to Sea-Comm and which identify each employee at the Ocean Station who currently is on FMLA leave, his or her job title, and each employee at the Ocean Station who has requested FMLA leave to begin after the date of this Agreement.

(c) Ocean has not contributed in the past five years to a multiemployer plan, within the meaning of Section 414(f) of the Code, for employees assigned to the Ocean Station. No Ocean Station Benefit Plan is a multiple employer plan within the meaning of Section 413(c) of the Code. No employee welfare benefit plan for the Ocean Station is a multiple employer welfare arrangement, as defined in Section 3(40) of ERISA.

(d) None of the Ocean Exchanged Assets is subject to any Lien for past due liability with respect to Ocean Station employees or any Ocean Station Benefit Plan or with respect to an employee benefit plan of an ERISA Affiliate, under Section 412(n) of the Code or Section 4068 of ERISA (other than inchoate Liens in respect of Ocean Excluded Liabilities).

5.16 Labor Matters. Within the last three (3) years, Ocean has not been the subject of any union activity or labor dispute, nor has there been any strike of any kind called or threatened to be called against Ocean in respect of the Ocean Station. Ocean has not materially violated any applicable federal or state law or regulation relating to labor or labor practices, including, without limitation, the provisions of Title VII of the Civil Rights Act of 1964 (race, color, religion, sex, and national origin discrimination), 42 U.S.C. § 1981 (discrimination), 41 U.S.C. § 621-634 (the Age Discrimination in Employment Act), 29 U.S.C. § 206 (equal pay), Executive Order 11246 (race, color, religion, sex, and national origin discrimination), Executive Order 11141 (age discrimination), § 503 of the Rehabilitation Act of 1973 (handicap discrimination), 42 U.S.C. §§ 12101-12213 (Americans with Disabilities Act), 29 U.S.C. §§ 2001-2654 (Family and Medical Leave Act), and 29 U.S.C. §§ 651-678 (occupational safety and health), to the extent if any that the operations of the Ocean Station may be subject to any such statutes or Executive Orders. There are no material employer loans or advances from Ocean to the Ocean Station's employees. To the Knowledge of Ocean, Ocean is in compliance, other than in immaterial respects, with all applicable requirements of the Immigration and Nationality Act of 1952, as amended by the Immigration Reform and Control Act of 1986, and the regulations promulgated thereunder in respect of the Ocean Station.

5.17 Taxes. All taxes, fees, assessments, and charges, including, without limitation, income, property, sales, use, franchise, added value, employees' income withholding, and social security taxes, imposed by the United States or by any foreign country or by any state, municipality, subdivision, or instrumentality of the United States or of any foreign country, or by any other taxing authority, which are due and payable by Ocean, in respect of or in connection with the Ocean Station and the Ocean Exchanged Assets, and all interest and penalties thereon (collectively, "Ocean Taxes" or "Ocean Tax"), have been paid in full, and all deposits required by law to be made by Ocean with respect to employees of the Ocean Station and other withholdings of or for Ocean Taxes have been duly made. Ocean has provided Sea-Comm with complete and correct copies of Ocean's federal and state income tax returns for calendar years 2001, 2002, and 2003.

5.18 Records. The Ocean FCC Logs are materially complete and correct, and there have been no transactions involving the Ocean Station which properly should have been set forth therein and which have not been accurately so set forth, except, in each case, in immaterial respects.

5.19 Brokerage or Finder's Fee. Except as indicated on Schedule 5.19 hereto, Ocean represents and warrants to Sea-Comm that no person or entity is entitled to any brokerage commissions or finder's fees in connection with the transactions contemplated by this Agreement as a result of any action taken by Ocean or by any of its affiliates, members, officers, directors, or employees.

5.20 Financing. Ocean has, and as of the Closing Date will have, all funds necessary to consummate the transactions contemplated by this Agreement.

5.21 No Misleading Statements. To the Knowledge of Ocean, no statement made by Ocean set forth in this Agreement, the Schedules hereto, or any other information or materials delivered by or on behalf of Ocean and referenced in this Agreement on in the Schedules hereto contains or will contain any untrue statement of a material fact, or omits or will omit a material fact necessary to be included in order to make such statements or information, in light of the circumstances under which such statements or information is made or delivered, not misleading.

5.22 Related Party Transactions. None of the members, managers, officers, directors, or employees of Ocean (a) is an officer, director, employee, or consultant of or to, or owns or otherwise controls, any Person which is, or is engaged in business as, a competitor, customer, or supplier of or to Ocean, (b) owns, supplies, or has supplied, directly or indirectly, in whole or in part, any tangible or intangible property which Ocean is using in connection with the business or operation of the Ocean Station, or (c) to the Knowledge of Ocean, has any cause of action or other claim whatsoever against, or owes any amount to, Ocean, except for claims in the ordinary course of business, such as for accrued vacation pay, accrued benefits, and other similar matters existing as of the date hereof, and all of which are reflected in the Ocean Financial Statements.

ARTICLE VI CERTAIN COVENANTS

6.1 Conduct of Business. (i) During the period from the date of this Agreement to and including the Closing Date, and except as contemplated by the Sea-Comm Stations LMA, Sea-Comm shall cause the Sea-Comm Stations to be operated and their business to be conducted in all material respects in the ordinary and usual course of business and consistent with past practices. Without limiting the foregoing, prior to the Closing, Sea-Comm, without the prior written consent of Ocean, shall not (with respect to the Sea-Comm Stations), and shall not permit any of the Sea-Comm Stations to:

(a) by any act or omission, surrender, modify adversely, forfeit, or fail to renew under regular terms any of the Sea-Comm Commission Authorizations or the

Sea-Comm Other Authorizations, or give the FCC grounds to institute any proceeding for the revocation, suspension, or modification of any of the Sea-Comm Commission Authorizations, or fail to prosecute with due diligence any pending application with respect to any of the Sea-Comm Commission Authorizations;

(b) dissolve, liquidate, merge, or consolidate, or sell, transfer, lease, or otherwise dispose of, any of the Sea-Comm Exchanged Assets or the WSFM Ground Lease, or obligate itself to do so, other than inoperable or obsolete assets and supplies consumed in the ordinary and customary course of business (unless such assets or supplies become inoperable as a result of the acts, or failure to act, on the part of Ocean, its employees, agents, or representatives during the term of the Sea-Comm Stations LMA; provided, however, that such action or failure to act on the part of Ocean, its employees, agents, or representatives during the term of the Sea-Comm Stations LMA shall have been in derogation of a specific duty on the part of Ocean, or such employees, agents, or representatives, as expressly set forth in the Sea-Comm Stations LMA, or shall have constituted negligence or willful misconduct on the part of Ocean or such employees, agents, or representatives), provided, however, that Sea-Comm shall replace any assets having a material value and otherwise appearing on a Schedule hereto as constituting Sea-Comm Exchanged Assets that may become obsolete or inoperable other than as a result of the clause in the immediately-preceding parenthesis;

(c) amend, modify, change, alter, terminate, rescind, or waive any rights or benefits under any Sea-Comm Material Contract in any respect, or any other material Sea-Comm Assumed Contract in any material respect;

(d) fail to renew or replace any of the current insurance policies or any of the coverage thereunder maintained for the protection of any of the Sea-Comm Real Property, the Sea-Comm Stations, or the Sea-Comm Exchanged Assets; and

(e) perform, take any action, or incur or permit to exist any of the acts, transactions, events, or occurrences of the type described in clauses (i), (iv), (vi), (vii), (viii), (ix) or (x) of Section 4.11 hereof which would have been inconsistent with the representations and warranties set forth in Section 4.11 hereof had the same occurred after December 31, 2003 and prior to the date hereof.

(ii) During the period from the date of this Agreement to and including the Closing Date, and except as contemplated by the Ocean Station LMA, Ocean shall cause the Ocean Station to be operated and its business to be conducted in all material respects in the ordinary and usual course of business and consistent with past practices. Without limiting the foregoing, prior to the Closing, Ocean, without the prior written consent of Sea-Comm, shall not (with respect to the Ocean Station), and shall not permit the Ocean Station to:

(a) by any act or omission, surrender, modify adversely, forfeit, or fail to renew under regular terms any of the Ocean Commission Authorizations or the Ocean Other Authorizations, or give the FCC grounds to institute any proceeding

for the revocation, suspension, or modification of any of the Ocean Commission Authorizations, or fail to prosecute with due diligence any pending application with respect to any of the Ocean Commission Authorizations;

(b) dissolve, liquidate, merge, or consolidate, or sell, transfer, lease, or otherwise dispose of, any of the Ocean Exchanged Assets, or obligate itself to do so, other than inoperable or obsolete assets and supplies consumed in the ordinary and customary course of business (unless such assets or supplies become inoperable as a result of the acts, or failure to act, on the part of Sea-Comm, its employees, agents, or representatives during the term of the Ocean Station LMA; provided, however, that such action or failure to act on the part of Sea-Comm, its employees, agents, or representatives during the term of the Ocean Station LMA shall have been in derogation of a specific duty on the part of Sea-Comm, or such employees, agents, or representatives, as expressly set forth in the Ocean Station LMA, or shall have constituted negligence or willful misconduct on the part of Sea-Comm or such employees, agents, or representatives), provided, however, that Ocean shall replace any assets having a material value and otherwise appearing on a Schedule hereto as constituting Ocean Exchanged Assets that may become obsolete or inoperable other than as a result of the clause in the immediately-preceding parenthesis;

(c) amend, modify, change, alter, terminate, rescind, or waive any rights or benefits under any Ocean Material Contract in any respect, or any other material Ocean Assumed Contract in any material respect;

(d) fail to renew or replace any of the current insurance policies or any of the coverage thereunder maintained for the protection of any of the Ocean Real Property, the Ocean Station, or the Ocean Exchanged Assets; and

(e) perform, take any action, or incur or permit to exist any of the acts, transactions, events, or occurrences of the type described in clauses (i), (iv), (vii), (viii), (ix) or (x) of Section 5.11 hereof which would have been inconsistent with the representations and warranties set forth in Section 5.11 hereof had the same occurred after December 31, 2003 and prior to the date hereof.

6.2 Operations. (i) During the period from the date of this Agreement to the Closing Date, and subject to the terms of the Sea-Comm Stations LMA, Sea-Comm shall have sole responsibility for the Sea-Comm Stations and their operations, and during such period, Sea-Comm shall:

(a) operate the Sea-Comm Stations in accordance with the rules and regulations of the FCC and the Sea-Comm Commission Authorizations in all material respects, and file all ownership reports, employment reports, applications, responses, and other documents required to be filed during such period, and maintain and promptly deliver to Ocean true and complete copies of the Sea-Comm Stations' required filings;