

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement ("Agreement") is made as of the ____ day of November, 2003, (the "Effective Date"), by and between Styles Media Group, LLC ("Buyer"), and Styles Broadcasting of Dothan, Inc. ("Seller")(collectively, the "Parties").

WHEREAS, Seller is the licensee of and owns the assets used and usable with radio stations WTVY(FM), Dothan, Alabama and WJRL(FM) and WQLS(AM), Ozark, Alabama (the "Stations"); and

WHEREAS, Buyer and Seller are parties to that certain Local Marketing Agreement, dated as of October 1, 2003 (the "LMA"), pursuant to which Seller granted to Buyer certain programming rights in connection with the Stations; and

WHEREAS, Buyer has agreed to purchase and Seller has agreed to sell all of the assets of the Stations under the terms specified below.

NOW, THEREFORE, for in consideration of the mutual promises and covenants herein contained, the parties intending to be legally bound agree as follows:

1. Sale and Purchase. On the Closing Date (as defined in Section 4 below), Seller shall sell and assign to Buyer, and Buyer shall purchase and accept from Seller, all assets used in the operation of the Stations (collectively, the "Assets"), free and clear of all debts, liens and encumbrances including:

(a) the FCC licenses or authorizations pertaining to the Stations listed in Schedule 1(a) hereto (collectively, the "FCC Licenses");

(b) the parcel of improved real estate described on Schedule 1(b) upon which the studio and the transmitter tower of WQLS-AM are located (the "Owned Real Property").

(c) leases for the Stations' transmitter site/tower and studios pertaining to the Stations described on Schedule 1(c) hereto (the "Leased Real Property");

(d) the tangible personal property pertaining to the Stations listed in Schedule 1(d) hereto;

(e) the call letters and other intangible assets pertaining to the Stations listed in Schedule 1(e) hereto.

Seller shall convey good and marketable title to the Assets and all parts thereof to Buyer free and clear of all agreements, liabilities, claims, security interests, liens, restrictions and encumbrances, including those certain liens and encumbrances securing indebtedness of Seller to Textron Financial Corporation and Donald G. McCoy, which indebtedness shall be satisfied in full from Seller's proceeds at Closing.

2. Excluded Assets. The Assets shall not include cash on hand or, except as otherwise provided in the LMA (set forth in Schedule 2), accounts receivables pertaining to the Stations.

3. Purchase Price. The purchase price shall be \$3,321,000, less an adjustment in the sum of all payments by Buyer to Seller under the LMA that exceed \$16,000 per month (the "Purchase Price").

4. Closing. The closing of the transactions contemplated hereby (the "Closing") shall take place on a date (the "Closing Date") specified by Buyer within ten (10) business days after the FCC has granted its consent to the assignment of the FCC Licenses from Seller to Buyer and such consent has become "final," i.e., no longer subject to rescission, review, appeal, or reconsideration by the FCC or any state, local, or federal court, provided, that Seller and Buyer may waive the requirement that the FCC consent shall have become final.

5. FCC Application. Not later than the fifth business day after the execution of this Agreement, Buyer and Seller shall file with the FCC an application requesting consent to the assignment of the FCC Licenses from Seller to Buyer, with Buyer and paying the cost of the FCC filing fee, and each party bearing its own legal, accounting and other costs. Seller and Buyer shall use their best, diligent efforts to prosecute such application to a successful conclusion.

6. Covenants, Representations and Warranties of Seller. Seller covenants, represents and warrants to Buyer, as follows:

(a) Organization and Standing. Seller is a corporation, duly organized; validly existing and in good standing under the laws of the State of Alabama, and has full power and authority to own and operate the Stations, its properties, to carry on its business as now conducted, to execute and deliver this Agreement and to perform its obligations under, and to consummate the transactions contemplated by, this Agreement. This Agreement has been duly executed and delivered by Seller and constitutes the valid and binding obligation of Seller, enforceable against it in accordance with its terms.

(b) Absence of Conflicting Agreements or Required Consents. Except as set forth in Paragraph 5 with respect to the FCC, neither the execution, delivery and performance of this Agreement by Seller, nor the consummation by Seller of the transactions contemplated hereby: (a) does or will require the consent of any third party; (b) does or will violate any provisions of Seller's Articles of Incorporation or bylaws; (c) does or will violate any applicable law, judgment, order, injunction, decree, rule, regulation or ruling of any state, local, or federal court or governmental entity to which Seller is a party or by which Seller is bound; and (d) does or will, 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 contract, agreement or other instrument to which Seller is a party or by which it is bound.

(c) Litigation. Except as specified in Schedule 6(c), there is no decree, judgment, order, investigation, claim, litigation or proceeding pending or, to Seller's knowledge, threatened before or by any commission, agency or other administrative or regulatory body, court, or other judicial authority to which Seller is a party or otherwise related to the Stations, its assets, or 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. All litigation specified in Schedule 6(c) shall be and remain the liability of Seller, and Buyer shall not assume or otherwise incur any liability for such litigation.

(d) Condition of Assets. All of the tangible personal assets including, without limitation, the Stations' transmitting and studio equipment are in operating condition, ordinary wear and tear excepted, and are now and will, on the Closing Date, be operating in material compliance with all applicable rules and regulations of the FCC and of all other governmental authorities.

(e) FCC Licenses. Seller has not filed, and from the date hereof to the Closing date, Seller shall not file any petitions to modify, amend, or in any other way impair any of the FCC Licenses, other than to renew such FCC Licenses in the ordinary court (if required). Further, Seller has filed all necessary reports and other filings with the FCC. The FCC Licenses are in good standing before the FCC, and the FCC Licenses are validly issued, unimpaired and in full effect.

(f) Leased Real Property; Owned Real Property. Schedule 1(b) contains a true and complete description of all real property to be conveyed to Buyer by the Seller. The Owned Real Property and the Leased Real Property comprise all of the real estate used or necessary for the lawful operation of the Stations as presently operated. None of the Owned Real Property and the Leased Real Property lies in an area which is or will be subject to zoning, use or building code restrictions which would prohibit the continued effective use of such property in the radio broadcasting business. The Seller enjoys peaceful and materially undisturbed possession of the real property included in the Leased Real Property. None of the buildings, structures or improvements that comprise or are located on the Owned Real Property and the Leased Real Property (including, without limitation, all guy wires and guy anchors) encroaches upon adjoining real estate; and all such buildings, structures and improvements are constructed in conformity with all applicable building or safety codes and zoning ordinances. There are no pending, or to Seller's knowledge threatened, condemnation or eminent domain proceedings that may have a material adverse effect on the Buyer's use of any of the Owned Real Property and the Leased Real Property. On the Closing Date, the Seller will convey the Owned Real Property to Buyer free and clear of all liens, charges, pledges, and encumbrances. On the Closing Date, the Buyer will have a valid and enforceable leasehold interest to all the Leased Real Property, free and clear of all liens, charges, pledges, restrictions and encumbrances.

(g) Compliance with Law. The Seller is not in material violation of any statute, regulation or order of any state, local or federal governmental court, commission, agency or other authority relating to the tangible personal assets or the business or operations of the Stations and there is no outstanding complaint, citation, or noncompliance by the Seller in connection with the business or operations of the Stations, with any such statute, regulation or order. The present operation of the Stations complies in all material respects with all applicable federal, state, and local environmental laws of any type including, without limitation, those relating to electrical transformers and human exposure to radio frequency radiation.

(h) Notification. Seller shall promptly notify Buyer of (i) any material adverse change in any information contained in the representations and warranties of Seller made in this Agreement or (ii) any litigation, court, arbitration or administrative proceeding pending or, to Seller's knowledge, threatened against Seller which challenges the transactions contemplated hereby, including any challenges to the FCC application, and shall use its reasonable best efforts to take such steps as may be necessary to remove any such impediment to the transactions contemplated by this Agreement.

(i) No Inconsistent Action. Seller shall not take any action (i) inconsistent with its obligations or representations and warranties under this Agreement or (ii) that would hinder or delay the consummation of the transactions contemplated by this Agreement.

(j) Title to Assets. The Seller has good and marketable title to all of the Assets. Following the Closing, none of such properties and assets will be subject to any mortgage, pledge, lien, charge, security interest, encumbrance, restriction, lease, license, liability or adverse claim of any nature whatsoever, direct or indirect, whether accrued, absolute, contingent or otherwise.

7. Covenants, Representations and Warranties of Buyer. Buyer covenants, represents and warrants to Seller as follows:

(a) Organization and Standing. Buyer is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Florida.

(b) Authorization and Binding Obligation. Buyer has the full power and authority to own and operate its properties, to carry on its business as now conducted, to execute and deliver this Agreement and to perform its obligations under and to consummate the transactions contemplated by this Agreement. The execution, delivery and performance by Buyer of this Agreement have been duly and validly authorized by all necessary limited liability company action of Buyer. This Agreement has been duly executed and delivered by Buyer and constitutes the valid and binding obligation of Buyer, enforceable against it in accordance with its terms, except as limited by law.

(c) FCC Qualifications. Buyer is qualified under the rules and regulations of the FCC to be the holder of an FCC license and to own the Stations.

(d) Litigation. As of the Effective Date, there is no claim, litigation or proceeding pending before any court, commission, or agency or, to Buyer's knowledge, threatened against Buyer 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.

(e) Notification. Buyer shall promptly notify Seller of (i) any material adverse change in any information contained in the representations and warranties of Buyer made in this Agreement or (ii) any litigation, arbitration or administrative proceeding pending or, to Buyer's knowledge, threatened against Buyer which challenges the transactions contemplated hereby, including any challenges to the FCC application, and shall use its reasonable best efforts to take such steps as may be necessary to remove any such impediment to the transactions contemplated by this Agreement.

8. Risk of Loss. The risk of loss or damage to the Stations' assets to be sold Buyer under this Agreement shall be upon Seller at all times prior to Closing. In the event of material loss or damage, Seller shall promptly notify Buyer thereof and use its best efforts to repair, replace or restore the lost or damaged property to its former condition as soon as possible; provided, however, that any replacement property need only be of the same kind, quality, and utility as the lost or damaged property, and Seller shall have no obligation to replace used property with new property.

9. Conditions to Closing of Seller. The obligation of Seller to consummate this transaction is subject to the following conditions:

- (a) Delivery to Seller by Buyer of the Purchase Price as provided in Section 3 herein;
- (b) The representations and warranties of Buyer shall be true and correct in all material respects as of Closing with the same force and effect as if made on and as of the Closing;
- (c) Buyer shall have performed in all material respects all its covenants and undertakings set forth herein;
- (d) FCC consent to assignment of the FCC Licenses to Buyer shall have been granted, without any condition materially adverse to Seller such consent shall have become effective under FCC rules and regulations; and such consent shall have become "final," as defined in Section 4 above provided, that the requirement of finality may be waived by Buyer; and
- (e) Any instruments, documents and certificates as reasonably may be requested by Seller to consummate the transaction contemplated by this Agreement shall have been executed and delivered to Seller.

10. Conditions to Closing of Buyer. The obligation of Buyer to consummate this transaction is subject to the following conditions:

- (a) The representations and warranties of Seller shall be true and correct in all material respects as of Closing with the same force and effect as if made on and as of the Closing;
- (b) Seller shall have performed in all material respects all its covenants and undertakings set forth herein;
- (c) FCC consent to assignment of the FCC Licenses to Buyer shall have been granted, without any condition materially adverse to Buyer; such consent shall have become effective under FCC rules and regulations; and such consent shall have become "final," as defined in Section 4 above, provided that the requirement of finality may be waived by Buyer in writing;
- (d) As of the Closing, no action, suit or proceeding concerning the Stations or Seller's assets or seeking to enjoin, restrain, or prohibit the consummation of this transaction shall be pending before any state, local or federal court, the FCC, or any other governmental agency or authority;
- (e) At Closing or prior to Closing, Buyer shall have the right at Buyer's expense to obtain lien searches and the report of a title company establishing to Buyer's reasonable satisfaction that the Company's representatives as to the status and condition of the Stations' FCC Licenses, Seller's title to the Owned Real Property and to the Stations' tangible personal assets to be sold to Buyer and of the landowner's title to the Leased Real Property and the compliance of the Leased Real Property to zoning and building codes and regulations is as set forth in this Agreement;

(f) Seller shall deliver to Buyer all of the Closing documents specified in Schedule 10(f) hereto, or elsewhere in this Agreement, all of which documents shall be dated as of the Closing Date, duly executed, and in a form customarily used in Houston County, Alabama, and reasonably acceptable to Buyer.

(g) The terms of the leases for the Leased Real Property described in Schedule 1.1(b) are acceptable to Buyer, and the Seller has delivered copies of the same to Buyer; and

(h) Any instruments, documents and certificates as reasonably may be requested by Buyer to consummate the transaction contemplated by this Agreement shall have been executed and delivered to Buyer.

11. Arbitration. Each and every dispute, controversy or claim arising under this Agreement shall be resolved by arbitration. Arbitration shall be held in accordance with the Commercial Arbitration Rules of the American Arbitration Association before an impartial panel of arbitrators selected as provided in this Agreement. Any dispute as to whether an issue is to be resolved by arbitration shall likewise be submitted as part of the arbitration proceeding.

(i) Arbitration shall take place in Bay County, Florida at a place to be specified by the arbitrators.

(ii) All arbitration proceedings shall be conducted by a panel of three (3) arbitrators. The party requesting arbitration shall have the right to select one (1) arbitrator and the person or persons on the other side of the controversy shall select a second arbitrator. The two arbitrators so chosen shall select the third arbitrator.

(iii) As part of the arbitration award, legal fees, costs, attorney fees, and the fees of expert witnesses may be assessed and such assessment and determination shall be made by the arbitrators. The expense of the arbitrators shall be borne by each party paying for the arbitrator selected by that party and by the parties each paying one-half of the expenses of the third arbitrator; and

(iv) The arbitration award may be entered as a final judgment in Houston County, Alabama and the parties specifically consent to jurisdiction in the State of Alabama.

12. Indemnification. Seller shall indemnify and hold harmless Buyer from any loss, liability, damage or expense (including, without limitation, legal fees and other expenses incident thereto) arising from or pertaining to (i) third party claims arising from Seller's ownership or operation of the Stations prior to the Closing, including, without limitation, the litigation specified in Schedule 2(c); and (ii) breach of any covenants, representations or warranties in this Agreement by Seller.

Buyer shall indemnify and hold harmless Seller from any loss, liability, damage or expense (including, without limitation, legal fees and other expenses incident thereto) arising from or pertaining to (i) third party claims arising from Buyer's ownership or operation of the Stations after the Closing; and (ii) breach of any covenants, representations or warranties in this Agreement by Buyer.

13. Survival of Representations and Warranties. The representations and warranties in this Agreement shall survive the Closing.

14. Specific Performance. Seller's obligations under this Agreement are unique. If Seller should default in its obligations under this Agreement, Seller acknowledges that it would be extremely impracticable to measure the resulting damages to Buyer; accordingly, Buyer, in addition to any other available rights and remedies, set forth herein or available at law or in equity, may sue in equity for specific performance or injunctive relief, and Seller expressly waives the defense that a remedy in damages will be adequate.

15. Termination. This Agreement may be terminated by Buyer if Seller is in material default or refuses to close, and by Seller if Buyer is in material default or refuses to close; provided that (i) such default has not been cured within thirty (30) days of the receipt of written notice of such default and (ii) the terminating party is not in default. Further, if Closing has not occurred within twelve (12) months of the Effective Date, either party, provided that such party is not in default, may terminate this Agreement upon twenty (20) days' written notice to the other party.

16. Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the respective successors and assigns of the parties. Seller also agrees that Buyer may assign this Agreement to other individuals or entities provided such assignee fully adopts and agrees to perform the terms of this Agreement.

17. Construction. This Agreement shall be construed under the laws of the State of Alabama.

18. Notices. Any notice or other communication under this Agreement shall be in writing and addressed as follows:

(a) To Seller:

Styles Broadcasting of Dothan, Inc.
7100 Laird Street, Suite #102
Panama City Beach, FL 32408

With a copy to:

J. Vincent Edge, Esq.
Farmer, Price, Hornsby & Weatherford, L.L.P.
Post Office Drawer 2228
Dothan, AL 36302

(b) To Buyer:

Styles Media Group, LLC
7100 Laird Street, Suite #102
Panama City Beach, FL 32408

With a copy to:

Stephen A. Bodzin, Esq.
Bodzin & Golub, P. C.
Suite 329
1156 15th Street, N. W.
Washington, D. C. 20005

Notice shall be deemed to have been given on the date of receipt at the foregoing addresses by registered or certified mail, by express mail or use of overnight/same day delivery service, on the date the fax is transmitted.

19. Agreement Complete; Amend in Writing. This Agreement contains all the terms agreed upon by the parties with respect to the subject matter of this Agreement,. This Agreement may not be amended except in writing signed by all parties.

20. Counterparts. This Agreement may be executed in counterparts.

21. Headings. Underlined headings are provided for convenient reference only, and do not modify the text of the paragraphs to which they relate.

[Signature Page to Follow]

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

BUYER:

STYLES MEDIA GROUP, LLC
By: Styles Management Co., LLC
Its: Manager

By: _____
Thomas A. DiBacco
Its: Manager

By: _____
Donald G. McCoy
Its: Manager

SELLER:

STYLES BROADCASTING OF DOTHAN, INC.

By: _____
Thomas A. DiBacco
Its: President

Schedule 1(a)

FCC Licenses

<u>Call Sign</u>	<u>Frequency Expiration</u>	<u>Facility ID</u>	<u>Community</u>	<u>License No.</u>
WTVY-FM	95.5 MHz	73639	Dothan, AL	BRH-19981130UY
WJRL-FM	103.9 MHz	63945	Ozark, AL	BRH-19951129YC
WQLS	1200 KHz	63946	Ozark, AL	BL-19970325AD

Auxiliary Licenses

Call Sign
WHA876
KQ4220
KB96758
WLG812

Schedule 1(b)

Owned Real Property

A lot or parcel of land in Dale County, Alabama, being more particularly described as follows: To arrive at the point of beginning, commence at the SW corner of the NW $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 19, T6N, R24E, thence North along the west line of § 19 for a distance of 1260.0 feet to a point on the South right-of-way line of County Highway No. 36 (SACP 7660-A); thence Southeasterly along said South right-of-way line a distance of 1195.0 feet to a point; thence South a distance of 219.3 feet to the POINT OF BEGINNING; thence continuing South a distance of 420.0 feet; thence West a distance of 420.0 feet; thence North a distance of 420.0 feet; thence East a distance of 420.0 feet to the POINT OF BEGINNING. Said parcel of land lying and being a portion of the NW $\frac{1}{4}$, Section 19, T6N, R24E, and contains 4.00 acres, more or less which has the address of Ozark, Alabama 36360.

Schedule 1(c)

Leased Real Property

(1) Transmitter Site/Tower Lease.

Existing antenna space at 1206 ft. level for the existing WTVY-FM 12 bay radio antenna (or later replacement antenna, if any) and STL antenna on the radio Tower located in Webb, AL (coordinates N31-15-16; W85 15 39) as well as space in the transmitter building located at the tower for WTVY-FM's main and backup transmitter and associated broadcast equipment and activities in connection with operation of WTVY-FM.

(2) Transmitter Site Ground Lease.

Lease dated January 19, 1997, by and between Lucille Beasley and Styles Broadcasting of Dothan, Inc., successor in interest to Woods Communications Group, Inc.

(3) Studio Office Space/Roof Top.

The 8th floor as well as roof space in the Charles Woods Building at 285 North Foster Street, Dothan, AL 36303 for operation of Stations WTVY-FM and WJRL-FM. The roof space will be adequate for at least two satellite dishes, an STL, and RPU antennas.

Schedule 1(d)

Tangible Personal Property

All broadcast, other equipment, and tangible personal property of every type and description used or usable in the operation of Stations WTVY-FM, WJRL-FM and WQLS-AM.

Schedule 1(e)

Call Letters and Intangible Assets

Intangibles:

Slogan: 95.5 WTVY Today's Best Country and the Legends

Slogan: Classic Rock Thunder 1039

www.955wtvy.com Web Address

www.thunder1039.com Web Address

Schedule 2

Local Marketing Agreement

See Attached.

Schedule 6(c)

Litigation.

Gulf South Communications, Inc. v. Tim G. Barber and Styles Broadcasting of Dothan, Inc., Civil Action No. 03-5104-L in the Circuit Court of Houston County, Alabama, Equity Division. This civil action arises from the employment by Seller of Tim Barber, a former on-air personality of plaintiff. The plaintiff asserts a claim against Seller for intentional interference with the agreement not to compete by and between plaintiff and Barber.

Schedule 10(f)

Closing Documents

Deliveries By Seller

Seller's Certificate regarding Representations and Warranties
Buyer's Certificate regarding Representations and Warranties
Bill of Sale for Tangible Personal Property
Deed to the Owned Real Property
Assignment and Assumption Agreement regarding the Leased Real Property
Assignment of Licenses and Authorizations
Third-Party Consents to Assignment of Contracts and Leases
Estoppel Certificates relating to each real property lease