

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (the "Agreement") dated this 16th day of July, 2007, is by and between Roy William Mayhugh ("Seller"), and Robert D. Adelman ("Buyer").
PREMISES:

A. Seller is the licensee of and operates low power television station K61AJ, Facility ID No. 28583, Palmdale, California (the "Station") pursuant to a "secondary" broadcast license issued by the Federal Communications Commission (the "FCC") to operate on the frequency of Television Channel 61 (752 MHz).

B. Seller and Buyer desire to enter into an agreement pursuant to which Buyer will acquire certain assets of Seller and will be assigned the FCC license of the Station.

C. Seller desires to sell, and Buyer desires to acquire, concurrently with and as part of the Closing under this Agreement, the FCC license and all other assets used or useful in the operation of the Station and the Station's broadcast business made possible thereby, excluding those assets listed in Section 2.2 herein, in return for consideration as described herein.

NOW, THEREFORE, in consideration of the above premises and the mutual promises, undertakings, covenants and agreements contained herein, the parties hereto agree as follows:

SECTION 1 - DEFINED TERMS

The following terms shall have the following meanings in this Agreement:

1.1 "Assets" means all the right, title and interest in the tangible and intangible and personal property used or useful in connection with the conduct of the business or operation of the Station, including all FCC licenses, which assets are being sold, assigned, transferred, delivered or otherwise conveyed to Buyer. The Assets are more specifically described on Exhibit "A" attached hereto.

1.2 "Closing" means the consummation of the transaction contemplated by this Agreement in accordance with the provisions of Section 8.

1.3 "Closing Date" means the date of the Closing specified in Section 8.

1.4 "Consents" means all of the consents, permits or approvals of government authorities and other third-parties necessary to transfer the Assets or any portion thereof to Buyer or otherwise to consummate the transaction contemplated hereby.

1.5 "FCC Consent" means action by the FCC granting its consent to the assignment of the FCC Licenses to Buyer as contemplated by this Agreement.

1.6 "FCC License" means the secondary license issued by the FCC to the Seller in connection with the operations of the Station.

1.7 "Final Order" means a written action or order issued by the FCC setting forth the FCC Consent and (a) which has not been reversed, stayed, enjoined, set aside, annulled, or suspended, and (b) with respect to which (i) no requests have been filed for administrative or judicial review, reconsideration, appeal or stay, and the time for filing any such requests and for the FCC to set aside the action on its own motion has expired, or (ii) in the event of review, reconsideration or appeal, the time for further review, reconsideration or appeal has expired.

1.8 "Licenses" means the licenses, permits and other authorizations, including the licenses issued by the FCC, the Federal Aviation Administration ("FAA"), and any other Federal, state or local governmental authorities to the Seller in connection with the conduct of the business or operations of the Station exclusive of licenses, such as city or county business licenses, which are personal to the Seller.

1.9 "Person" means any individual, partnership, corporation, trust or other entity.

1.10 "Personal Property" means the machinery, equipment, tools, vehicles, furniture, leasehold improvements, office equipment, plant, inventory, spare parts, and other tangible property, and intangible property, such as goodwill, call signs, trademarks, trade names, service marks, logos, which are owned or leased by the Seller and used or useful as of the date hereof in the conduct of the business or operations of the Station, plus such additions thereto and deletions there from arising in the ordinary course of business between the date hereof and the Closing Date.

SECTION 2 - SALE OF ASSETS

2.1 Agreement to Sell. Subject to the terms and conditions set forth in this Agreement, Seller hereby agrees to sell, transfer and deliver to Buyer on the Closing Date, and Buyer agrees to acquire for the consideration hereinafter specified in Section 2.3, all of the Assets of the Station including the FCC license.

2.2 Excluded Assets. Notwithstanding the foregoing, the Assets to be conveyed to Buyer hereunder shall not include any books and records which Seller is required by law to retain.

2.3 Purchase Price. The Buyer shall pay as consideration for the Assets of the Station TWO HUNDRED FIFTY THOUSAND DOLLARS (US\$250,000.00) ("Purchase Price"). This shall consist of a payment of FIFTEEN THOUSAND DOLLARS (\$15,000.00) Dollars as earnest money to be paid by Buyer to Seller upon execution of this Agreement and the balance to be paid as follows: SIXTY THOUSAND DOLLARS (\$60,000.00) shall be paid in immediately available funds by wire transfer by Buyer to Seller on the Closing Date. On the Closing Date, Buyer shall execute and deliver to Seller a promissory note ("Note") in the principal amount of ONE HUNDRED SEVENTY FIVE THOUSAND DOLLARS (\$175,000.00) in the form attached hereto as "Exhibit B." The first installment on the Note shall be TWENTY FIVE THOUSAND DOLLARS (\$25,000.00) which shall be paid within 90 days following the Closing Date. The balance of the Note of ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000) shall be paid in 59 consecutive monthly payments of \$1,162.95 each with the first such installment beginning 120 days following the Closing Date and each installment due by the 20th of each successive month. There shall be a balloon payment of ONE HUNDRED TWENTY NINE THOUSAND SEVEN HUNDRED NINETY AND SEVENTY-SEVEN CENTS (\$129,790.77) paid by the 20th day of the 60th month. Buyer shall pay Seller an additional fee of 2% per installment on any installment that is paid more than 10 days after the due date. Buyer shall obtain and present to Seller at Closing a copy of a policy of insurance on Buyer's life naming Seller as beneficiary, said policy to be in the amount of at least \$175,000.00. The cost of this policy shall be split equally between Buyer and Seller. The Note shall be due upon closing of a sale of Station to any third party. The Note shall be secured by a first lien security interest in the Station's Assets in the form of Exhibit C. Buyer shall not assume any other obligations or liabilities of Seller not assumed in writing.

SECTION 3 - REPRESENTATIONS AND WARRANTIES OF SELLER

The Assets will be transferred to Buyer "as is-where is" without any warranties for any purpose, except as Seller represents and warrants to Buyer as follows:

3.1 Authorization and Binding Obligation. This Agreement has been duly executed and delivered by Seller and constitutes the legal, valid, and binding obligation of Seller, enforceable against Seller in accordance with its terms except as the enforceability hereof may be affected by bankruptcy, insolvency, or similar laws affecting creditors' rights generally, or by court-applied equitable remedies.

3.2 Title to Equipment. Seller warrants and represents that he has good and marketable title to all of the Assets of the Station to be assigned or conveyed or assigned to Buyer, except as disclosed to and agreed upon by Buyer in writing prior to execution of this Agreement.

3.3 Liens and Liabilities. Seller warrants and represents that at the time of Closing, all Assets to be assigned or conveyed to Buyer are free and clear of all liens, liabilities, mortgages, or debts, except as disclosed to and agreed upon by Buyer.

3.4 FCC License. Seller is the holder of a valid FCC license for the Station, which has been renewed for a full license term expiring December 1, 2014. At the Closing, the FCC license shall be assigned to Buyer. Seller warrants only that the License is for a secondary authorization and advises Buyer that the Station might be required to reduce power, change operating parameters, or terminate operations upon a complaint of interference from a full-power station or other FCC licensee or for other reasons as may be stated by the FCC. The Station is currently operating pursuant to Special Temporary Authority (File No. BSTA-20070413AFK) and said authority expires November 1, 2007. There is pending before the FCC a digital flash cut application (File No. BDFCDTV - 20061213ACZ) to change the Station's operating channel to Digital 6.

3.5 Brokers. Seller has not, directly or indirectly, retained or engaged any Person to act as a broker or finder or in any similar capacity in connection with the consummation of the Contemplated Transaction.

SECTION 4 - REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller as follows:

4.1 Authorization and Binding Obligation. This Agreement has been duly executed by Buyer and constitutes the legal, valid, and binding obligation of Buyer, enforceable against Buyer in accordance with its terms except as the enforceability hereof may be affected by bankruptcy, insolvency, or similar laws affecting creditors' rights generally.

4.2 Brokers. Buyer represents and warrants that no finder, broker, agent or other intermediary has acted for or in behalf of Buyer in connection with the negotiation or consummation of the transaction contemplated hereby.

4.3 FCC Qualifications. Buyer is legally and financially qualified to become licensee of the Station under the Communications Act of 1934, as amended, the rules and regulations of the FCC and Section 5301 of the Anti-Drug Act of 1988, as amended. There is no fact that would, under present law (including the Communications Act of 1934, as amended) and the present rules and regulations of the FCC, disqualify Buyer from being the assignee of the Station or that would delay FCC approval of the assignment application. Should Buyer become aware of any such fact, it will so inform Seller and will use its best efforts to remove any such disqualification. Buyer will not take any action that Buyer knows, or has reason to believe, would result in such disqualification.

SECTION 5 - COVENANTS OF SELLER AND BUYER

5.1 Pre-Closing Covenants. Except as contemplated by this Agreement or with the prior written consent of Buyer, between the date hereof and the Closing Date, Seller shall operate in a manner consistent with its obligations under this Agreement and abide by the following negative and affirmative covenants--

(a) Negative Covenants. Seller shall not do any of the following:

1. Rights. Waive any material right relating to the Station or the Assets;
2. No Inconsistent Action. Take any action which is inconsistent with its obligations hereunder or which could hinder or delay the consummation of the transaction contemplated by this Agreement; or
3. Representations, Warranties and Covenants Under Agreement. Take any action which would void or mitigate any of the representations, warranties and covenants of this Agreement related to the business of the Station and the Assets to be transferred.

(b) Affirmative Covenants. Seller shall do the following:

1. Access to Information. To the extent it can do so, allow Buyer and its authorized representatives reasonable access at Buyer's expense during normal business hours to the Assets and to all other properties, equipment, books, records, contracts and documents relating to the Station; and
2. Agreement. Comply with its obligations under this Agreement.

SECTION 6 - SPECIAL COVENANTS AND AGREEMENTS

6.1 FCC Consent. The assignment of the FCC License as contemplated by this Agreement, is subject to the prior consent and approval of the FCC.

(a) Within 5 days of execution of this Agreement Buyer and Seller shall upload to the FCC's internet website and file with the FCC Form 345 for Consent to assignment of the Station's License to Buyer (the "Assignment Application"). The parties shall prosecute the Assignment Application with all reasonable diligence and otherwise use their best efforts to obtain the grant of the Assignment Application as expeditiously as practicable. If the FCC Consent imposes any condition on any party hereto, such party shall use its best efforts to comply with such condition unless compliance would be unduly burdensome or would have a material adverse effect upon it (but nothing herein shall be construed to limit any party's right to terminate this Agreement pursuant to Section 9 of this Agreement).

(b) The assignment of the Assets hereunder is expressly conditioned upon (i) the grant of the FCC Consent on terms not materially adverse to Seller or Buyer, (ii) compliance by the parties hereto with the conditions (if any) imposed in the FCC Consent, and (iii) the FCC Consent, through the passage of time or otherwise, becoming a Final Order, provided, though, that after grant of the FCC Consent the condition that the FCC Consent shall have become a Final Order may be waived by the Buyer, in its sole discretion. Provided, however, that, in any event, the Closing shall be held no later than Sixty (60) days after the INITIAL grant of FCC consent to assignment.

6.2 Taxes, Fees and Expenses. Buyer and Seller shall split the cost of the FCC filing fee. Buyer and Seller shall pay their own expenses of preparing and filing the Assignment Application and related matters.

6.3 Confidentiality. Except as necessary for the consummation of the transaction contemplated hereby, including Buyer's financing related hereto, each party will keep confidential any information which is obtained from the other party in connection with the transaction contemplated hereby and which is not

readily available to members of the general public. In the event this Agreement is terminated and the purchase and sale contemplated hereby abandoned, each party shall return to the other party all documents, work papers and other written material obtained by it in connection with the transaction contemplated hereby, without retaining copies of any kind.

6.4 Risk of Loss. The risk of any loss, damage, impairment, confiscation, or condemnation of any of the Assets from any cause whatsoever shall be borne by Seller at all times prior to the Closing.

6.5 Control of the Station. Prior to Closing, Buyer shall not, directly or indirectly control, or attempt to control the Station in violation of FCC rules and policies.

6.6 Secondary Authorization. Buyer acknowledges that the License is for a secondary authorization only and that the Station might be required to reduce power, change operating parameters, or terminate operations upon a complaint of interference from a full-power station or other FCC licensee or for other reasons as stated by the FCC. Buyer therefore accepts all risk that it might be required to terminate operations of Station; in which case, Buyer shall not be entitled to any refund or repayment of the Purchase Price.

SECTION 7 - CONDITIONS TO OBLIGATIONS OF BUYER OR SELLER

7.1 Conditions to Obligations of Buyer. All obligations of Buyer at Closing hereunder are subject to the fulfillment prior to and at the Closing Date of each of the following conditions:

(a) Representations and Warranties. All representations and warranties of Seller in this Agreement shall be true in all material respects at and as of the Closing Date as though such representations and warranties were made at and as of such time.

(b) Covenants and Conditions. Seller shall have in all material respects performed and complied with all covenants, agreements, and conditions required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

(c) Deliveries. Seller shall have made or stand willing and able to make all the deliveries to Buyer as set forth in Section 8.2.

7.2 Conditions to Obligations of Seller. All obligations of Seller at the Closing hereunder are subject to the fulfillment prior to and at the Closing Date of each of the following conditions:

(a) Representations and Warranties. All representations and warranties of Buyer contained in this Agreement shall be true and complete in all material respects at and as of the Closing Date as though such representations and warranties were made at and as of such time.

(b) Covenants and Conditions. Buyer shall have in all material respects performed and complied with all covenants, agreements, and conditions required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

(c) Deliveries. Buyer shall have made or stand willing and able to make all the deliveries as set forth in Section 8.3.

(d) Purchase Price. Buyer shall have paid Seller the Purchase Price.

SECTION 8 - CLOSING AND CLOSING DELIVERIES

8.1 If agreed to by Buyer, the Closing may take place after FCC staff approval of the sale (non-final delegated staff action), but before such approval becomes a Final Order or action and is to be at a location determined by Seller.

8.2 Deliveries by Seller. Prior to or on the Closing Date, the Seller shall deliver to the Buyer the following, in form and substance reasonably satisfactory to the Buyer and his counsel: Transfer Documents. Duly executed bills of sale, assignments and other transfer documents which shall be sufficient to vest title to the Assets in the name of the Buyer;

8.3 Deliveries by Buyer. Prior to or on the Closing Date, the Buyer shall deliver to the Seller the following, in form and substance reasonably satisfactory to the Seller and its counsel:

- (a) Purchase Price. The cash component of the Purchase Price as provided in Section 2.3;
- (b) The executed Note;
- (c) The executed Security Agreement; and
- (d) A copy of the life insurance policy referred to in Section 2.3 hereof.

SECTION 9 - RIGHTS OF BUYER, SELLER ON TERMINATION OR BREACH

9.1 Termination Rights. This Agreement may be terminated by either Buyer or Seller, if the terminating party is not then in breach of any material provision of this Agreement, upon written notice to the other party, upon the occurrence of any of the following:

(a) If on the Closing Date (i) any of the contingencies or conditions precedent to the obligations of the terminating party set forth in this Agreement shall not have been materially satisfied, and (ii) satisfaction of such conditions shall not have been waived by the terminating party;

(b) If there shall be in effect on the Closing Date any judgment, decree or order that would prevent or make unlawful the Closing of this Agreement; or

(c) If the Closing is not consummated within twelve (12) months from the date of this Agreement and is not due to the fault of either Buyer or Seller.

Upon termination: (i) if neither party hereto is in breach of any material provision of this Agreement, the parties hereto shall not have further liability to each other and moreover the amount held in escrow, plus accrued interest, shall be returned to Buyer; or (ii) if Seller or Buyer shall be in substantial breach of any material provision of this Agreement, the parties shall have only the rights and remedies at law or in Sections 9.2 and 9.3.

9.2 Specific Performance. The parties recognize that in the event Seller should refuse to perform under the provisions of this Agreement, Buyer shall be entitled to seek specific performance of the terms of this Agreement. In the event or any action to enforce specific performance, Seller hereby waives the defense that there is an adequate remedy at law. In the event of a default by Seller which results in the filing of an action for specific performance, or other remedy, the prevailing party shall be entitled to reimbursement of reasonable legal fees and expenses incurred.

9.3 Default by Buyer. In the event of default by Buyer, Seller shall be entitled to liquidated damages in the amount of FIFTEEN THOUSAND (\$15,000.00) Dollars which Seller is holding as the earnest money deposit.

9.3 Default by Seller. In the event of default by Seller, Buyer shall be entitled to a refund of the FIFTEEN THOUSAND (\$15,000.00) earnest money.

SECTION 10 - SURVIVAL OF REPRESENTATIONS AND WARRANTIES

10.1 Representations and Warranties. All representations, warranties and covenants contained in this Agreement shall be deemed continuing representations, warranties and covenants, and shall survive the Closing for one year.

SECTION 11 - MISCELLANEOUS

11.1 Notices. All notices, demands, and requests required or permitted to be given under the provisions of this Agreement shall be (i) in writing, (ii) delivered by personal delivery, or sent by commercial delivery service or registered or certified mail, return receipt requested, (iii) deemed to have been given by the date of personal delivery or the date set forth in the records of the delivery service or on the return receipt, and (iv) addressed as follows:

If to Buyer: Robert D. Adelman
854 Shaner Rd.
Palmdale, CA 93551

With copy to: John C. Trent, Esq.
Putbrese Hunsaker & Trent, PC
200 South Church Street
Woodstock, VA 22664

If to Seller: Roy William Mayhugh
701 Perdew Avenue
Ridgecrest, CA 93555

With copy to: Gary S. Smithwick, Esq.
Smithwick & Belendiuk, P.C.
5028 Wisconsin Ave N.W.
Suite 301
Washington, D.C. 20016

or to any such other or additional persons and addresses as the parties may time to time designate in a writing delivered in accordance with this Section 11.2

11.3 Benefit and Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

11.4 Governing Law. This Agreement shall be governed, construed, and enforced in accordance with the laws of the State of California and in its courts.

11.5 Entire Agreement. This Agreement, all attachments, exhibits, and schedules hereto, and all documents and certificates to be delivered by the parties pursuant hereto collectively represent the entire

understanding and agreement between Buyer and Seller with respect to the subject matter hereof. All exhibits and schedules attached to this Agreement and all documents referenced in the Agreement as previously delivered to either party shall be deemed part of this Agreement and incorporated herein, where applicable, as if fully set forth herein. This Agreement supersedes all prior negotiations between Buyer and Seller, and all matters of intent and other writings, relating to such negotiations, and cannot be amended, supplemented or modified except by an agreement in writing which makes specific reference to this Agreement or an agreement delivered pursuant thereto.

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

11.7 Execution, This Agreement may be executed and signed in counterparts.

[The next page is the signature page]

IN WITNESS WHEREOF, this Agreement has been executed by Buyer and Seller as of the date first written above.

SELLER: **Roy William Mayhugh**

By: 
Roy William Mayhugh

BUYER: **Robert D. Adelman**

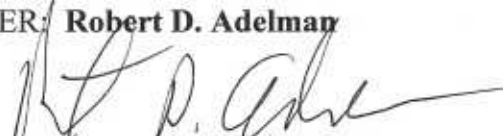
By: 
Robert D. Adelman

EXHIBIT A

Assets being transferred

- 1 DB Elettronica MTI-500 Channel 6 TV Transmitter
- 2 Scientific Atlanta channel 6 transmit antennas

EXHIBIT B

Form of Promissory Note

EXHIBIT B

PROMISSORY NOTE

US\$175,000.00

_____, 2007

FOR VALUE RECEIVED, the undersigned, Robert D. Adelman (the "Maker"), hereby promises to pay to the order of Roy William Mayhugh (the "Holder"), at 701 Perdew Avenue, Ridgecrest, CA 93555, or at such other address specified by the Holder to the Maker, in lawful money of the United States of America and in immediately available funds, the principal amount of ONE HUNDRED SEVENTY FIVE THOUSAND DOLLARS (\$175,000), together with interest accrued thereon in like money, in installments, as follows:

The first installment shall be TWENTY FIVE THOUSAND DOLLARS (\$25,000.00) which shall be paid within 90 days following the date of this Note. The balance of ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000) shall bear interest at the rate of 7% per annum and shall be paid in 59 consecutive monthly payments of principal and interest each in the amount of \$1,162.95 each with the first such installment beginning 120 days following the date hereof and each installment due by the 20th of each successive month. There shall be a balloon payment of ONE HUNDRED TWENTY NINE THOUSAND SEVEN HUNDRED NINETY AND SEVENTY-SEVEN CENTS (\$129,790.77) paid by the 20th day of the 60th month following the date of this Note. Maker shall pay Holder an additional fee of TWO PERCENT (2%) per installment on any installment that is paid more than 10 days after the due date. This Note shall accelerate and be due and payable in full upon closing of a sale of K61AJ, Palmdale, California (or any station with different a different call sign or community of license bearing FCC Facility Identification Number 28583) to any third party. This Note is secured by a first lien security interest in the assets of K61AJ.

This Note is issued pursuant to an Asset Purchase Agreement, dated as of July 16, 2007, between the Maker and the Holder (the "Purchase Agreement") relating to the Maker's purchase from Holder of substantially all of the assets and licenses of Station K61AJ, and is issued on the closing date of the transaction contemplated by the Purchase Agreement.

If any payment date shall be a day that is not a regular business day, then payment shall be due on the next regular business day thereafter.

In case this Note is collected by law, or through an attorney at law, all costs of collection, including a maximum of fifteen percent (15%) of the principal as attorney's fees, shall be paid by the Maker hereof.

In case of default in the payment of this Note, and in case the holder of this Note should elect, on account of such default, to declare the unpaid balance of the principal sum due and payable, said principal sum, or so much thereof as may remain unpaid at the

time of such default, shall bear interest at the rate of eight percent (8%) per annum from the date of such default.

Interest shall be calculated on the basis of a year of 365 days for the actual number of days elapsed, including any time extended by reason of payments falling due on Saturdays, Sundays or legal holidays. Maker may prepay all or any portion of the principal of the Note provided that such prepayment shall not occur prior to the date which is 48 months after the first payment date under the Note.

If any of the following events or conditions (each, an “*Event of Default*”) shall occur:

(a) Default by the Maker in the payment of any installment of principal or interest on this Note when the same becomes due and payable, which default continues uncured for a period of thirty (30) business days after written notice of such default has been given by the Holder to the Maker;

(b) The Maker shall make an assignment for the benefit of creditors, or shall file a voluntary petition in bankruptcy, or shall file any petition or answer seeking for itself any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any present or future statute, law, or regulation;

(c) There shall be filed against the Maker any petition or application for relief under any bankruptcy or similar law which is not discharged or dismissed within sixty (60) days after the filing of such petition or application; or

(d) Default by the Maker under that certain Security Agreement of even date herewith executed by Maker in favor of the Holder, which default continues uncured within the applicable cure period set forth therein;

(e) The transfer or assignment of the license issued by the Federal Communications Commission for the operation of station K61AJ in which event all principal and interest due hereunder shall be due on the Closing Date of such transaction;

then, and in any such event, the Holder may at any time, by written notice to the Maker, declare the entire amount of all principal and interest remaining unpaid on this Note due and payable, whereupon the same shall forthwith become due and payable.

All notices and other communications provided for under this Note shall be in writing and shall be deemed effectively given or delivered upon personal delivery (or refusal thereof), or twenty-four (24) hours after facsimile transmission or delivery to a courier service which guarantees overnight delivery, or five (5) days after deposit with the U.S. Post Office, by registered or certified mail, postage prepaid, and, in the case of courier or mail delivery, addressed as follows (or at such other address for a party as shall be specified by like notice):

If to the Holder, to:

Roy William Mayhugh
701 Perdew Avenue
Ridgecrest, CA 93555

With copy to: Gary S. Smithwick, Esq.
Smithwick & Belendiuk, P.C.
5028 Wisconsin Ave N.W.
Suite 301
Washington, D.C. 20016

If to Maker: Robert D. Adelman
854 Shaner Rd.
Palmdale, CA 93551

With copy to: John C. Trent, Esq.
Putbrese Hunsaker & Trent, PC
200 South Church Street
Woodstock, VA 22664

This Note is secured by that certain Security Agreement of even date herewith executed by Maker in favor of the Holder, and by a first priority security interest in the collateral as defined therein (the "Collateral"), and upon the occurrence of an Event of Default the Holder may exercise all rights and remedies set forth in such Security Agreement.

This Note may not be changed orally, but only by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification, or discharge is sought. This Note shall be governed by the laws of the State of California. The Maker hereby waives presentment, demand for payment, notice of dishonor, and any and all other notices or demands in connection with the delivery, acceptance, performance, default, or enforcement of this Note.

IN WITNESS WHEREOF, the undersigned has executed this Note as of the date first above written.

ROBERT D. ADELMAN

By: _____
Robert D. Adelman

EXHIBIT C

Form of Security Agreement

SECURITY AGREEMENT

THIS SECURITY AGREEMENT, dated as of _____, 2007, is by and between ROBERT D. ADELMAN ("Debtor"), and ROY WILLIAM MAYHUGH ("Secured Party").

Concurrently herewith, and in accordance with that certain Asset Purchase Agreement, dated as of July 16, 2007, (the "Purchase Agreement"), entered into by and between Debtor and Secured Party pursuant to which Debtor agreed to purchase from Secured Party substantially all of the assets and licenses used in the operation of broadcast station K61AJ, Palmdale, California (the "Station"), Secured Party is lending an aggregate principal amount of One Hundred Seventy Five Thousand Dollars (\$175,000) to the Debtor thereon, which is evidenced by a certain Promissory Note of even date herewith in favor of the Secured Party (the "Note") executed in connection with the Purchase Agreement and delivered to Secured Party.

All capitalized terms, unless otherwise defined herein, shall have the meanings set forth in the Note.

SECTION 1. Security.

(a) As security for the payment of the \$175,000 principal indebtedness under the Note referenced above, and any interest that may accrue thereon (collectively, the "Obligations"), Debtor hereby grants to Secured Party a continuing security interest in the Collateral set forth in Schedule 1 hereto.

(b) Debtor irrevocably appoints Secured Party as its lawful attorney-in-fact and agent to execute, on its behalf, financing statements and any assignment documents and to file on its behalf appropriate financing statements.

(c) Debtor hereby represents and warrants to Secured Party that: (i) except for the lien granted by the Debtor in favor of the Secured Party pursuant to this Security Agreement, Debtor is, or to the extent that certain of the Collateral is to be acquired after the date hereof, will be, the owner of the Collateral free from any adverse lien, security interest or encumbrance; and (ii) to the best of Debtor's knowledge, no financing statement covering the Collateral is on file in any public office, other than the financing statements filed pursuant to this Security Agreement.

SECTION 2. Covenants of Debtor.

Debtor hereby covenants that:

(a) Debtor will defend the Collateral against any claims and demands of all other persons at any time claiming the same or an interest therein which would conflict with any claim or interest of Secured Party. Debtor will maintain the tangible property included within the Collateral in good operating condition and repair, and use it only in connection with the operation of the Station unless disposed of in the ordinary course of business and replaced with equipment of substantially equivalent value. Debtor will not encumber, sell, transfer, assign, abandon or otherwise dispose of the Collateral except for: (i) sale or transfer of Inventory, and cancellation of Insurance (subject to Section 2(b) hereof) in the ordinary course of business, (ii) liens arising from taxes, assessments, charges, levies or claims that are not yet due or that remain payable without penalty or which are being contested in good faith by appropriate proceedings, (iii) liens arising from legal proceedings, so long as such proceedings are being contested in good faith by appropriate proceedings diligently conducted and so long as execution is stayed on all judgments resulting from any such proceedings, (iv) liens created by this Security Agreement, (v) dispositions of items of Equipment no longer useful to Debtor in the ordinary course of business, and (vi) trade-ins, replacements or exchanges of items of Equipment for other items of Equipment having an equal or greater value (in excess of any purchase money liens on such items) and useful in Debtor's business.

(b) Debtor will have and maintain insurance with financially sound and reputable insurance companies or associations in such amounts and covering such risks as are usually carried by companies engaged in the same or a similar business and similarly situated, including without limitation, property and casualty insurance and public liability insurance.

(c) Upon reasonable advance notice to Debtor, Secured Party may examine and inspect the Collateral owned by Debtor at any reasonable time and at any reasonable place, wherever located.

(d) Debtor will pay promptly when due all taxes and assessments upon the Collateral owned by Debtor or upon its use or sale unless such taxes or assessments are being contested in good faith by Debtor. At its option, Secured Party may discharge taxes, liens or other encumbrances at any time levied against or placed on the Collateral which have not been stayed as to execution and contested with due diligence in appropriate legal proceedings, and Secured Party may pay for insurance on the Collateral if Debtor has failed to comply with such obligation and may pay for maintenance and preservation of the Collateral if Debtor fails to do so. Debtor shall reimburse Secured Party on demand for any such expense incurred by Secured Party pursuant to the foregoing authorization.

(e) Debtor will from time to time upon demand furnish to Secured Party such further information and will execute and deliver to Secured Party such financing statements and assignments and other papers and will do all such acts and things as may be necessary or appropriate to establish, perfect and maintain a valid security interest in the Collateral as security for the Obligations, and Debtor hereby authorizes Secured Party to execute and file at any time and from time to time one or

more financing statements or copies thereof or of this Security Agreement with respect to the Collateral signed only by Secured Party.

(f) In the event that Debtor removes any of the Equipment referred to in Schedule 1 hereto, Secured Party shall maintain its continuing security interest in the Equipment regardless of such Equipment's location.

SECTION 3. Events of Default.

(a) Debtor shall be in default under this Agreement upon the occurrence of any of following events or conditions (each, an "Event of Default"):

(i) an "Event of Default" shall occur under the Note and Secured Party's acceleration of such Note; or

(ii) any representation or warranty made by Debtor in this Security Agreement shall prove to have been incorrect in any material respect on or as of the date made or deemed made, and such inaccuracy is not cured to the satisfaction of Secured Party within thirty (30) days after the date on which Secured Party gives Debtor written notice of such failure; or

(iii) Debtor shall fail to perform or observe any material term, covenant, or agreement contained in this Security Agreement, and such failure is not cured to the satisfaction of Secured Party within thirty (30) days after the date on which Secured Party gives Debtor written notice of such failure.

(b) Upon the occurrence of an Event of Default, Secured Party shall have all of the rights, powers and remedies set forth in the Note and this Agreement, together with the rights and remedies of a secured party under the applicable Uniform Commercial Code, including without limitation the right to sell, lease or otherwise dispose of any or all of the Collateral and to take possession of the Collateral. Secured Party may require Debtor to assemble its Collateral and make it available to Secured Party at a place to be designated by Secured Party that is reasonably convenient to both parties. Debtor hereby agrees that its address and the place or places of location of the Collateral are places reasonably convenient to it to assemble the Collateral. Unless the Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, Secured Party will send to Debtor reasonable advance notice of the time and place of any public sale or reasonable advance notice of the time after which any private sale or any other disposition thereof is to be made. The requirement of sending reasonable advance notice shall be met if such notice is mailed, postage prepaid, to Debtor at least ten (10) days before the time of the sale or disposition. After deducting all expenses incurred by Secured Party in protecting or enforcing its rights in the Collateral, the residue of any proceeds of collection or sale of the Collateral shall be applied to the payment of principal, first, and then interest of Debtor's Obligations, and Debtor shall remain, liable for any deficiency.

(c) Upon the occurrence and continuing existence of an Event of Default, Secured Party shall have the right to require that Debtor join with the successful bidder or other purchaser at a foreclosure sale regarding the Collateral in seeking from the FCC all applicable prior approvals of the assignment of the Station's FCC Licenses to such bidder or other purchaser. In that regard, Debtor agrees to execute and deliver all applications, certificates, instruments, assignments and other documents and papers that may be required to obtain any necessary FCC consent, approval or authorization. It is expressly understood that such sale shall be subject to all applicable consents and prior approvals of the FCC.

SECTION 4. Collection.

Upon the occurrence of an Event of Default pursuant to Section 3(a) hereof, Secured Party shall have the following rights and powers in addition to those specified in Section 3 above:

(a) Secured Party shall have the right to notify the contract obligors obligated on any or all of Debtor's Insurance to make payment thereof directly to Secured Party, and Secured Party may take control of all proceeds of any of the Insurance or General Intangibles.

(b) Debtor hereby irrevocably appoints Secured Party to be Debtor's true and lawful attorney-in-fact, with full power of substitution, in Secured Party's name or Debtor's name or otherwise for Secured Party's sole use and benefit, but at Debtor's cost and expense, to exercise at any time after the occurrence and continuing existence of an Event of Default pursuant to Section 3(a), but subject to the provisions of Section 8 hereof, the power to sell, transfer, assign or otherwise deal in or with the same or the proceeds thereof and to apply for and obtain any required consents of any governmental authority for any such sale or other disposition, as full and effectually as if Secured Party were the absolute owner thereof.

SECTION 5. Limitations.

With respect both to Obligations and Collateral, Debtor assents to any extension or postponement of the time of payment or any other indulgence, to any substitution, exchange or release of Collateral, to the addition or release of any party or person primarily or secondarily liable, to the acceptance of partial payments thereon and the settlement, compromising or adjusting of any thereof, all in such time or times as Secured Party may deem advisable. Secured Party shall have no duty as to the collection or protection of Collateral not in Secured Party's possession, and Secured Party's duty with reference to Collateral in its possession shall be to use reasonable care in the custody and preservation of such Collateral, but such duty shall not require Secured Party to engage in:

(i) the collection of income thereon;

- (ii) the collection of debt;
- (iii) the taking of steps necessary to preserve rights against prior parties, although Secured Party is authorized to reasonably undertake any such action if deemed appropriate by Secured Party.

SECTION 6. Successors and Assigns.

The covenants, representations, warranties and agreements herein set forth shall be binding upon Debtor, its legal representatives, successors and assigns, as joint and several obligations, and shall inure to the benefit of Secured Party, its successors and assigns.

SECTION 7. Miscellaneous.

(a) No delay or omission by Secured Party in exercising any of its rights hereunder shall be deemed to constitute a waiver thereof. All rights and remedies of Secured Party hereunder shall be cumulative and may be exercised singularly or concurrently.

(b) This Agreement shall be governed by and construed under the laws of the State of California, without regard to its principles of conflict of laws. None of the terms or provisions of this Agreement may be waived, altered, modified, or amended except by an agreement in writing signed by Secured Party and Debtor.

(c) All notices, statements, requests and demands herein provided for shall be in writing and shall be deemed effectively given or delivered upon personal delivery (or refusal thereof), or twenty-four (24) hours after delivery to a courier service which guarantees overnight delivery, or five (5) days after deposit with the U.S. Post Office, by registered or certified mail, postage prepaid, and, in the case of courier or mail delivery, addressed as follows (or at such other address for a party as shall be specified by like notice):

If to Secured Party, to:

Roy William Mayhugh
701 Perdew Avenue
Ridgecrest, CA 93555

With copy to: Gary S. Smithwick, Esq.
Smithwick & Belendiuk, P.C.
5028 Wisconsin Ave N.W.
Suite 301
Washington, D.C. 20016

If to the Debtor:

Robert D. Adelman
854 Shaner Rd.
Palmdale, CA 93551

With copy to: John C. Trent, Esq.
Putbrese Hunsaker & Trent, PC
200 South Church Street
Woodstock, VA 22664

SECTION 8. **FCC Approval.**

(a) Notwithstanding anything to the contrary contained herein, any foreclosure on, sale, transfer or other disposition of any Collateral or any other action taken or proposed to be taken hereunder that would affect the operational, voting, or other control of Debtor or affect the ownership of the FCC Licenses, shall be pursuant to Section 310(d) of the Communications Act of 1934, as amended (the “Communications Act”), and to the applicable rules and regulations of the FCC and, if and to the extent required thereby, subject to the prior consent to the FCC and any other applicable governmental authority. Notwithstanding anything to the contrary contained herein, Secured Party will not take any action pursuant hereto that would constitute or result in any assignment of the FCC Licenses if such assignment of license would require under then existing law (including the Communications Act), the prior approval of the FCC, without first obtaining such approval of the FCC and notifying the FCC of the consummation of such assignment (to the extent required to do so).

[THE NEXT PAGE IS THE SIGNATURE PAGE]

IN WITNESS WHEREOF, the parties hereto have caused this Security Agreement to be executed by their duly authorized officers as of the date and year first above written.

ROBERT D. ADELMAN

By: _____

ROY WILLIAM MAYHUGH

By: _____

SCHEDULE 1

The following Equipment, Inventory, General Intangibles and Insurance are collectively referred to as the “Collateral”:

(a) All personal property of Debtor located within the K61AJ (the “Station”) coverage area and used in connection with the operation of the Station as well as any replacements for such property and the proceeds or products from the sale of such property (the “Equipment”);

(b) All of the Debtor's inventory, merchandise and goods in all forms, used solely in connection with the operation of the Station, whether now existing or hereafter acquired, and the proceeds and products thereof (but excluding any inventory, merchandise and goods which are also used in connection with Debtor's ownership and operation of its other broadcast stations and facilities) (the “Inventory”);

(c) All of Debtor's presently existing and hereafter acquired or arising general intangibles and other intangible personal property used solely in the operation of the Station, including without limitation rights under all contract rights and all present and future authorizations, permits, licenses, franchises, government authorizations, including Debtor's rights under present and future authorizations, permits and licenses issued or granted to Debtor by the Federal Communications Commission (each, an “FCC License”) for the ownership and operation of the Station, and all rights incident or appurtenant to such authorizations, permits and licenses (but only to the extent it currently is, or hereafter may become, lawful to grant a security interest in such FCC License), together with the rights to receive all proceeds derived from or in connection with the sale, assignment or transfer of any FCC License used for ownership or operations of the Station (the “General Intangibles”); and

(d) All insurance policies held by the Debtor or naming the Debtor as loss payee (or naming Debtor as an additional insured as its interest may appear) relating to the operation of the Station, including without limitation, casualty insurance and property insurance, and the proceeds thereof (the “Insurance”).