

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (the "Agreement") is made this 31 day of May, 2006, by and between Marquette Broadcasting, Inc. ("Buyer") and P&P Cable Holdings, LLC ("Seller").

WITNESSETH:

WHEREAS, Seller is the holder of a license (the "License") issued by the Federal Communications Commission (the "FCC") for commercial low power television station WUHQ-LP operating on Channel 29, Grand Rapids, Michigan, Facility ID 41248, (the "Station"); and

WHEREAS, in accordance with applicable FCC requirements, Seller wishes to sell and assign the License and the specific assets listed in this Agreement (the "Station Assets") to Buyer and Buyer wishes to buy and acquire the Station Assets from Seller;

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

1. **Purchase and Sale of Assets.** Subject to the terms and conditions set forth below, Seller agrees to assign, sell and transfer to Buyer, and Buyer agrees to purchase from Seller, the Station Assets listed in Schedule 1(a) attached hereto (collectively the "Station Assets"). Seller agrees that to its actual knowledge, without investigation or due diligence, the Station Assets are now free from liens, claims, petitions, charges and encumbrances, except as set forth in Schedule 1(b), and prior to the Closing Date (as defined) Seller shall take no action to encumber the Station Assets with additional liens, claims, petitions, charges and encumbrances of any nature whatsoever ("Liens"). Notwithstanding the foregoing, Buyer has conducted its own due diligence and has satisfied itself with the condition of the Station Assets. Notwithstanding anything to the contrary in this Agreement, Seller hereby expressly accepts the condition of the Station Assets "AS IS" with no representations or warranties from Seller. Station Assets include:

(a) the License and any and all other FCC authorizations pertaining to the Station, as more fully described on Schedule 1(c) hereto; and

(b) the specific assets set forth on Schedule 1(a)

As noted all such assets shall be referred to as the "Station Assets." In connection with the purchase of Station Assets, Buyer shall assume all liabilities arising from the Station Assets, provided, however that the Liens set forth on Schedule 1(b) shall be released at the Closing.

2. Purchase Price and Payment.

(a) The purchase price for the Station Assets shall be Three Hundred and Fifty Thousand Dollars (\$350,000) (the "Purchase Price") to be paid at Closing, subject to the adjustments set forth herein. Upon execution of this agreement, within ten (10) days, Buyer and

Seller shall file the FCC Application (as defined in Section 6 herein). Buyer has delivered to Hadden and Associates ("Escrow Agent") Twenty Five Thousand Dollars (\$25,000) ("Escrow Deposit"). The Escrow Deposit shall be credited towards the Purchase Price, and shall be governed by the terms of an escrow agreement.

(b) Seller and Buyer each represent and warrant to the other that other than the engagement of Hadden & Associates and SynCom Media Group ("Brokers"), neither Buyer nor Seller has engaged any other broker, finder or agent in connection with the transactions contemplated by this Agreement. The Parties further agree that the amount due Brokers as a result of this agreement, is \$35,000 to Hadden & Associates and \$17,500 to SynCom Media Group ("Brokerage Fee"). Buyer agrees to pay \$7,500 towards the Brokerage Fee to SynCom Media Group, which shall be paid at Closing. Seller shall pay the remainder of the Brokerage Fee to Hadden & Associates and SynCom Media Group, which shall be paid at Closing.

(c) Seller and Buyer agree that upon the execution of this Agreement, Buyer and Seller may elect, but are not obligated, to enter into a Local Marketing Agreement, with customary terms and conditions to be set forth on a separate document herein, whereby Buyer shall have the ability to program the Station prior to the Transfer. Any fees paid to Seller by Buyer pursuant to the Local Marketing Agreement shall be in separate and in addition to the Purchase Price

3. **Representation and Warranties of Seller.** Seller hereby represents and warrants to Buyer as follows:

3.1 **Organization, Standing and Qualification.** Seller is a limited liability company and has all requisite power and authority to enter into this Agreement and the other documents and instruments to be executed and delivered by Seller and to carry out the transactions contemplated hereby and thereby.

3.2 **Authorization and Binding Obligation.** The execution, delivery and performance of this Agreement and the other Transaction Documents (as defined in Section 7(d)) by Seller have been and will be duly and validly authorized by all necessary action on the part of Seller. This Agreement has been duly signed and delivered by Seller and constitutes the legal, valid and binding obligations of Seller, enforceable in accordance with its terms, except as the enforceability may be affected by bankruptcy, insolvency or other similar laws affecting creditors' rights generally, and by judicial discretion in the enforcement of equitable remedies.

3.3 **Liabilities.** As used in this Agreement, the term "Liability" means and includes any indebtedness, guaranty, endorsement, claim, cause of action, loss, damage, deficiency, cost, expense, obligation or responsibility, fixed or unfixed, known or unknown, asserted or unasserted, liquidated or unliquidated, secured or unsecured. Except for the liens as set forth in Schedule 1(b) hereto, the Buyer accepts sole responsibility for all Liability relating to the License and Station Assets, which are sold "AS IS" with no representations or warranties.

3.4 **Disclosure.** No information furnished or to be furnished by Seller pursuant to this Agreement or in connection with the transactions contemplated hereby, contains or shall contain any knowingly fraudulent statement of material fact or knowingly and fraudulently omits or shall omit a material fact necessary to make the statements contained therein not misleading. Seller makes no representations or warranties with respect to the License or Station Assets.

4. **Representations and Warranties of Buyer.** Buyer represents and warrants to Seller as follows:

4.1 **Organization and Standing.** Buyer has all requisite corporate power and authority to enter into this Agreement and the other documents and instruments to be executed and delivered by Buyer and to carry out the transactions contemplated hereby and thereby.

4.2 **Authorization and Binding Obligation.** The execution, delivery and performance of this Agreement by Buyer have been duly and validly authorized by all necessary action on the part of Buyer and its Board of Directors. This Agreement has been duly signed and delivered by Buyer and constitutes the legal, valid and binding obligations of Buyer, enforceable against it in accordance with its terms, except as the enforceability may be affected by bankruptcy, insolvency or other similar laws affecting creditors' rights generally, and by judicial discretion in the enforcement of equitable remedies.

4.3 **Disclosure.** No information furnished or to be furnished by Buyer pursuant to this Agreement or in connection with the transactions contemplated hereby, contains or shall contain any knowingly fraudulent statement of material fact or knowingly and fraudulently omits or shall omit a material fact necessary to make the statements contained therein not misleading.

5. **Covenants of Seller.** Between the date hereof and the Transfer Date, except as contemplated by this Agreement or with the prior written consent of Buyer, which shall not be unreasonably withheld, Seller hereby covenants and agrees:

(a) to perform all acts reasonably necessary to carry out the transactions contemplated by this Agreement and not to its knowledge to: (i) sell, transfer or encumber any of the Station Assets; on (ii) perform any acts within its control that are inconsistent with this agreement;

(b) to notify Buyer promptly, upon the actual knowledge of Seller, of the commencement or threat of any claim, suit, action, arbitration, legal, administrative or other proceeding, governmental investigation or tax audit against (i) Seller or (ii) any other party that relates in any way to, or that could reasonably be expected to affect the License or any of the Station Assets;

(c) to cooperate fully with Buyer in taking any and all actions reasonably necessary or desirable for the consummation of the transactions contemplated by this Agreement; and

(d) Seller shall give Buyer and its employees and other authorized representatives, during normal business hours and with reasonable prior notice, access to the

Station Assets for the purpose of inspection, and will furnish or cause to be furnished to Buyer or its authorized representatives, upon reasonable notice, all information with respect to the Station Assets that Buyer may reasonably request.

6. Joint Covenants.

6.1 Cooperation. Buyer and Seller shall cooperate fully with each other and their respective counsel in connection with any actions required to be taken as part of their obligations under this Agreement, including (i) the filing of an assignment application (the "FCC Application") with the FCC, and (ii) the defense against any petition to deny or informal objection filed against the FCC Application. The parties will use their reasonable best efforts to consummate the transactions contemplated hereby and to fulfill their obligations hereunder. No party shall take any action that is inconsistent with its obligations hereunder, that would render any of its representations or warranties herein untrue or incomplete or that could hinder or delay the foregoing. Each party shall prepare its portion of the FCC Application, which as noted shall be filed with the FCC within ten (10) business days after the execution of this agreement. Buyer shall be solely responsible for the payment of FCC filing fees associated with the FCC Application and any other associated fees or costs.

7. Seller's Deliveries at Transfer. At Transfer, Seller shall deliver or cause to be delivered to Buyer the following:

(a) An original copy of the License, together with a copy of the FCC's consent to assignment of the License to Buyer or its allowed assignee;

(b) Written evidence reasonably satisfactory to Buyer of the transfer of title to the License and the other Station Assets;

(c) A Bill of Sale, and other such documents or instruments as Buyer may reasonably request to carry out the transaction contemplated by this Agreement. For purposes of this Agreement, all such documents are defined as the "Transaction Documents"; and,

(d) Instructions submitted jointly with Buyer to the Escrow Agent to disburse the Escrow Amount to Seller.

8. Buyer's Deliveries at Transfer. At Transfer, Buyer shall deliver or cause to be delivered to Buyer the following:

(a) A Certificate, dated as of the Transfer Date and signed by an executive officer of Buyer, to the effect that (i) all representations and warranties of the Buyer contained in this Agreement, or in any exhibit, schedule, certificate or other document delivered pursuant hereto, shall be true and correct in all material respects on and as of the Transfer Date with the same force and effect as if made on and as of that date, and (ii) all of the terms, covenants and conditions to be complied with and performed by Buyer on or prior to the Transfer Date shall have been complied with or performed in all material respects;

(b) The purchase price as provided in Section 2 hereof by wire transfer of immediately available funds; and

(c) Instructions, submitted jointly with Seller, to the Escrow Agent, to disburse the Escrow Amount to Seller.

9. Transfer.

9.1 Time and Place. The Transfer of the Station Assets by Buyer from Seller ("Transfer") will take place at a location the parties may mutually specify and may be on the first day of the month following ten (10) days after the date on which the FCC Consent becomes a Final Order, or at such other time and place as the parties may mutually agree (such date, the "Transfer Date"). As used herein a Final Order means a written action or order issued by the FCC setting forth the grant or FCC consent (a) which has not been reversed, stayed, enjoined, annulled or set aside, and (b) with respect to which 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 or suspend the action on its own motion has expired.

10. Termination.

10.1 Termination by Buyer. Buyer may terminate this Agreement and receive a full refund of the Escrow Deposit, if not then in material default, upon written notice to Seller upon the occurrence of any of the following:

(a) If FCC approval is denied or approval has not been received within six months from the date the FCC Application is filed; or

(b) If the Seller defaults in the observance or in the due and timely performance of any of its material covenants or agreements contained herein and such default has not been cured within ten (10) days after written notice by the Buyer.

In the event of FCC denial or delay beyond six months or in the event of an uncured material default by Seller, Buyer's sole remedy shall be to have the Escrow Deposit refunded in full.

10.3 Termination by Seller. Seller may terminate this Agreement, if not then in material default, upon written notice to Buyer, if the Buyer defaults in the observance or in the due and timely performance of any of its material covenants or agreements contained herein, and such default has not been cured within ten (10) days after written notice by the Seller. In the event of an uncured material default by Buyer, Seller's sole remedy shall be to keep the Escrow Deposit.

11. Indemnification.

11.1 Seller's Indemnification. Seller shall indemnify, defend and hold Buyer

and its officers, directors, employees or agents harmless from and against any and all loss, cost, liability, damage and expense (including legal and other expenses incident thereto) of every kind, nature or description arising out of the material and fraudulent breach of any of the covenants or agreements by Seller contained in or arising out of this Agreement or the transactions contemplated hereby. Notwithstanding the above, in no event shall Seller be liable for any indirect, consequential or special damages.

11.2 **Buyer's Indemnification.** Buyer shall indemnify, defend and hold Seller and its officers, directors, employees or agents harmless from and against any and all loss, cost, liability, damage and expense (including legal and other expenses incident thereto) of every kind, nature or description arising out of the material and fraudulent breach of any of the covenants or agreements by Buyer contained in or arising out of this Agreement or the transactions contemplated hereby. Notwithstanding the above, in no event shall Buyer be liable for any indirect, consequential or special damages.

11.3 **Indemnification Procedure.** In the event of any claim for indemnification, the claiming party will promptly notify the indemnifying party in writing of the basis for the amount of the claim, including the name of any third party involved. The indemnifying party will have the right, to be exercised within thirty (30) days of notice, if liability to a third party is involved, to defend or compromise such matter at the sole cost and expenses of the indemnifying party, and the indemnified party must cooperate fully in such defense. The indemnified party will not settle or compromise any claim by a third party for which it is entitled to indemnification without the prior consent of the indemnifying party, unless suit has been instituted and the indemnifying party has not assumed control of the suit.

12. **Assignability.** Each Party agrees that the entirety of the other Party's unperformed rights, duties, benefits and obligations under this Agreement are assignable to a commonly owned affiliate, provided that Party agrees to accept such assignment and assume all such obligations hereunder and such Party is consented to by the other Party, whose consent shall not be unreasonably withheld.

13. **Taxes.** Seller shall be solely responsible for any sales, use or transfer tax due as a result of this transaction.

14. **Other Provisions.**

14.1 **Attorney Fees.** Should any party default in the performance of any of the terms or conditions of this Agreement, which default results in the filing of a lawsuit for damages, specific performance, or other permitted remedy, the prevailing party in such lawsuit shall be entitled to its reasonable legal fees and expenses, including such fees and expenses at the appellate level.

14.2 **Benefit and Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective consented to successors, heirs and assigns.

14.3 **Governing Law.** This Agreement shall be governed, construed and enforced in accordance with the laws of the State of Michigan, without regard to the choice of law provisions thereof. Any litigation arising from the Agreement shall be subject to the exclusive jurisdiction of the Michigan State Courts or Federal Courts located in Kent County, Michigan.

14.4 **Construction.** The parties acknowledge and agree that this Agreement has been fully negotiated between them and shall not be interpreted or construed against the drafting party.

14.5 **Notices.** All notices, demands, requests or other communication required or permitted hereunder shall be in writing and sent by certified, express or registered mail, return receipt requested, postage prepaid, overnight air courier service, personal delivery, or via facsimile (with proof of transmission) to the address specified below (or to such other address which a party shall specify to the other party in accordance herewith):

If to Buyer: Marquette Broadcasting, Inc.
#1 Shackleford Drive, Suite 400
Little Rock, AR 72211
Attn: Lori E. Withrow, Corporate Secretary

With a copy to: Jason S. Roberts, Esq.
#1 Shackleford Drive, Suite 400
Little Rock, AR 72211

If to Seller: P&P Cable Holdings, LLC
13850 Thompson Drive
Lowell, MI 49331

With a copy to: Robert A. Naismith
P.O. Box 97
Charlevoix, MI 49720

Notice shall be deemed to have been given on the date of personal delivery, the date set forth in the records of the delivery service, or on the return receipt.

14.6 **Multiple Counterparts and Facsimile Signatures** This Agreement may be signed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement. Counterpart signatures to the Agreement delivered and received by facsimile shall be acceptable and binding to both parties.

14.7 **Entire Agreement.** This Agreement, the Schedules and Exhibits hereto, and all documents 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. This Agreement supersedes all prior memoranda and agreements between the parties hereto, and may not be modified, supplemented or amended, except by a written instrument signed by each of the parties hereto designating specifically the terms and provisions so modified, supplemented or amended.

14.8 **Captions.** The section captions and headings in this Agreement are for convenience and reference purposes only and should not affect in any way the meaning or interpretation of this Agreement.

14.9 **No Waiver.** Unless otherwise specifically agreed in writing to the contrary: (i) the failure of any party at any time to require performance by the other of any provision of this Agreement shall not affect such party's right thereafter to enforce the same; (ii) no waiver by any party of any default by another shall be taken or held to be a waiver by such party of any other preceding or subsequent default; and (iii) no extension of time granted by any party for the performance of any obligation or act by any other party shall be deemed to be an extension of time for the performance of any other obligation or act hereunder.

14.10 **Further Assurances.** Upon the signing of this Agreement, Seller will use its reasonable efforts, and Buyer will reasonably cooperate with Seller, to secure FCC authorization for the transfer of the License and the other Station Assets. The parties acknowledge that FCC consent is required to transfer of the License, and agree not to effect such transfer before such consent has been obtained. At and after the Transfer, Buyer and Seller will, without further consideration, execute and deliver such further instruments and documents and do such other acts and things that the other party may reasonably request in order to effect or confirm the transactions contemplated by this Agreement.

Schedule 1(a)
Station Assets

PSI 16 Bay Antenna
Various Insulated Tower Hangers
400' of 1 5/8" foam line
ITS 234A 2 kW Transmitter
Gorman-Redlich EAS with CG
Two Used FM tuners (EAS)
Hotronics TBC
Beringer Audio Limiter
Eurorack Audio Mixer
13" RCA TV/Monitor
Tall Broadcast Rack
Misc. Cables
10' Mesh Satellite Dish with Roof Top Mount
Station License

Schedule 1(b)

Liens

The following Equipment has a UCC1 lien held by James Lebrato, which will be released at Closing.

- *PSI 16 Bay Antenna
- *ITS 234A 2 kW Transmitter
- *Gorman-Redlich EAS with CG
- *Various Insulated Tower Hangers
- *Hotronics TBC
- *Beringer Audio Limiter

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

MARQUETTE BROADCASTING, INC.

By: _____

Name: _____

Title: _____

P&P CABLE HOLDINGS, LLC

By: _____

Name: _____

Title: _____

With respect to the indemnification provisions herein:

MEDIA ADVENTURES, INC.

By: _____

Name: _____

Title: _____

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

MARQUETTE BROADCASTING, INC.

By: _____

Name: _____

Title: _____

P&P CABLE HOLDINGS, LLC

By: _____

Name: _____

Title: _____

With respect to the indemnification provisions herein:

MEDIA ADVENTURES, INC.

By: _____

Name: _____

Title: _____

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

MARQUETTE BROADCASTING, INC.

By: 

Name: JAMES HERRENSBEACON

Title: Vice President

P&P CABLE HOLDINGS, LLC

By: 

Name: Daniel Pearce

Title: Managing Member

With respect to the indemnification provisions herein:

MEDIA ADVENTURES, INC.

By: _____

Name: _____

Title: _____

* NOTE: In process of review notice some FCC fees needed to be paid, these are being paid over the next several days... not an issue, just want full disclosure. D.P. Pearce 6/1/06 DP