

Exhibit A

ASSET PURCHASE AGREEMENT

(KTEK(AM), Alvin, Texas)

This AGREEMENT (“Agreement”) is dated as of October 17, 2011 by and among **BusinessRadio Houston LLC** (“BizRadio Houston”), **BusinessRadio Houston Licensee LLC** (“Licensee”) and **Thomas L. Taylor, III**, in his capacity as court-appointed receiver for BizRadio Houston and Licensee (“Receiver,” and collectively with BizRadio Houston and Licensee, “Seller”) and _____ (“Buyer”).

RECITALS:

WHEREAS, the business assets of BizRadio Houston and Licensee are under the control of Receiver pursuant to the December 2, 2009 Agreed Order Appointing Receiver (Doc. 7), as modified by the June 17, 2010 Order Modifying Order Appointing Receiver (Doc. 34) (together the “Order Appointing Receiver”) entered in the matter styled: *Securities & Exchange Commission v. Albert Fase Kaleta and Kaleta Capital Management, Inc., Defendants and Business Radio Network L.P. d/b/a BizRadio, et al., Relief Defendants*; C.A. No. 4:09-cv-02674 (“Receivership Action”), in the United States District Court for the Southern District of Texas, Houston Division (“District Court”), pursuant to which Receiver is, among other things, authorized to execute this Agreement and, subject to entry of the Confirmation Order (as defined below) by the District Court, consummate the transactions contemplated hereby on behalf of BizRadio Houston and Licensee;

WHEREAS, Seller owns radio station KTEK(AM), FCC Facility No. 10827, licensed to Alvin, Texas (“Station”), and holds the licenses and authorizations issued by the FCC for the operation of the Station;

WHEREAS, pursuant to that certain Time Brokerage Agreement (“TBA”) between Seller and South Texas Broadcasting, Inc. (“STB”), STB operates the Station;

WHEREAS, Buyer desires to acquire certain assets of the Station, and Seller is willing to convey such assets to Buyer;

WHEREAS, the acquisition of the Station is subject to prior approval of the FCC; and

WHEREAS, Buyer submits this Agreement pursuant to the September ____, 2011 District Court Order (Doc. ____) (“Procedures Order”) as a condition to the submission of a Topping Bid (as defined in the Procedures Order) and as a condition to become a Qualified Competing Bidder (as defined in the Procedures Order) and participate in an auction to purchase the Station held by Receiver between all such Qualified Competing Bidders.

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and agreements contained herein, Seller and Buyer hereby agree as follows:

ARTICLE I

TERMINOLOGY

- 1.1 **Act.** The Communications Act of 1934, as amended.
- 1.2 [Intentionally omitted].
- 1.3 [Intentionally omitted].
- 1.4 **Assumed Obligations.** Such term shall have the meaning defined in Section 2.3.
- 1.5 **Business Day.** Any calendar day, excluding Saturdays and Sundays, on which federally chartered banks are regularly open for business.
- 1.6 **Buyer's Threshold Limitation.** As provided in Section 9.3(b), the threshold dollar amount for the aggregate of claims, liabilities, damages, losses, costs and expenses that must be incurred by Buyer before Seller shall be obligated to indemnify Buyer. The Buyer's Threshold Limitation shall be equal to Ten Thousand Dollars (\$10,000).
- 1.7 **Closing.** The closing with respect to the transactions contemplated by this Agreement.
- 1.8 **Closing Date.** The date determined as the Closing Date as provided in Section 8.1.
- 1.9 **Documents.** This Agreement and all Exhibits and Schedules hereto and each other agreement, certificate, or instrument delivered pursuant to or in connection with this Agreement, including amendments thereto that are expressly permitted under the terms of this Agreement.
- 1.10 **Confirmation Order.** A final, non-appealable order of the District Court, in form and substance satisfactory to Buyer and Seller, confirming, approving and authorizing the sale of the Sale Assets by Seller to Buyer as provided in this Agreement pursuant to, *inter alia*, Sections 2001 (a) and (b) of Title 28 and other applicable law. The Confirmation Order shall provide that: (a) this Agreement and the transactions contemplated hereby, including, without limitation, the transfer of the Sale Assets by Seller to Buyer as provided in this Agreement are approved and authorized in all respects; (b) as of the date the Confirmation Order is entered, Seller had good and indefeasible title to the Sale Assets being transferred to Buyer; (c) the transfer of the Sale Assets by Seller to Buyer pursuant to this Agreement is or will be a legal, valid and effective transfer of the Sale Assets, notwithstanding any requirement for approval or consent by any entity (other than the FCC approval of the assignment of the FCC Licenses); (d) the transfer of the Sale Assets by Seller to Buyer pursuant to this Agreement shall vest the Buyer with good and indefeasible title to the Sale Assets free and clear of all Liens (including, without

limitation, Liens (i) that purport to give to any entity a right or option to effect any forfeiture, modification, right of approval, right of first refusal, repurchase or termination of Seller's or the Buyer's interest in the Sale Assets or any similar rights or (ii) in respect of taxes, any such liens or claims which existed prior to the Closing shall attach to the Purchase Price paid to Seller; provided, however, the Buyer shall pay the outstanding ad valorem real estate taxes as a component of the Purchase Price); (e) the transfer of the Sale Assets is in exchange for consideration being paid by Buyer that constitutes reasonably equivalent value and fair consideration under applicable law; (f) the transfer of the Sale Assets does not and will not subject Buyer to any liability by reason of such transfer under the laws of the United States, any state, territory or possession thereof based, in whole or in part, directly or indirectly, on any theory of law, including, without limitation, any theory of successor or transferee liability. The Confirmation Order shall further provide that (g) the District Court retains jurisdiction to enforce the provisions of this Agreement in all respects, including, without limitation, retaining jurisdiction to protect Buyer against any liability not assumed; (h) the provisions of the Confirmation Order are non-severable and mutually dependent; (i) the transactions contemplated by this Agreement are undertaken by Buyer in good faith, and Buyer is entitled to the rights and protection of a good faith purchaser; (j) all of the requirements of 28 U.S.C. §§ 2001 and 2004 and other applicable law have been met; and (k) the order is not stayed under any applicable law. The Confirmation Order shall not impose any obligations on the Buyer or Seller not contemplated in this Agreement.

1.11 **Environmental Laws.** The Comprehensive Environmental Response Compensation and Liability Act, the Resource Conservation and Recovery Act, the Clean Water Act, the Clean Air Act and the Toxic Substances Control Act, the Federal Insecticide, Fungicide and Rodenticide Act, the Emergency Planning and Community Right-to-Know Act, the Safe Drinking Water Act, each as amended, and any other applicable federal, state and local laws, statutes, rules or regulations concerning or relating to the treating, producing, handling, storing, releasing, spilling, leaking, pumping, pouring, emitting or dumping of Hazardous Materials, or the pollution or protection of human health or the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata).

1.12 **Excluded Assets.** Such term shall have the meaning defined in Section 2.2.

1.13 [Intentionally omitted].

1.14 [Intentionally omitted].

1.15 **FCC.** Federal Communications Commission.

1.16 **FCC Licenses.** The licenses, permits and authorizations (and any renewals, extensions, amendments or modifications thereof) of the FCC for the operation of the Station as listed on Schedule 3.7, including without limitation, all pending Licenses, permits, and authorizations of the FCC to the extent they pertain to the operation of the Station.

1.17 **FCC Order.** An action, order or decision of the FCC, granting its consent to the assignment of the FCC Licenses to Buyer.

1.18 **Final Action.** An action of the FCC that has not been reversed, stayed, enjoined, set aside, annulled or suspended; with respect to which no timely petition for reconsideration or administrative or judicial appeal or sua sponte action of the FCC with comparable effect is pending and as to which the time for filing any such petition or appeal (administrative or judicial) or for the taking of any such sua sponte action of the FCC has expired.

1.19 **Hazardous Materials.** Toxic materials, hazardous wastes, hazardous substances, pollutants or contaminants, asbestos or asbestos-related products, polychlorinated biphenyls ("PCBs"), petroleum, crude oil or any fraction or distillate thereof in excess of legally-defined permissible limits (as such terms are defined in any applicable federal, state or local laws, ordinances, rules and regulations, and including any other terms which are or may be used in any applicable Environmental Laws to define prohibited or regulated substances).

1.20 **Indemnified Party.** Any party described in Section 9.3 or Section 9.4 against which any claim or liability may be asserted by a third party which would give rise to a claim for indemnification under the provisions of this Agreement by such party.

1.21 **Indemnifying Party.** The party to the Agreement (not the Indemnified Party) that, in the event of a claim or liability asserted by a third party against the Indemnified Party which would give rise to a claim for indemnification under the provisions of this Agreement, is obligated to indemnify and hold harmless the Indemnified Party to the extent expressly provided in this Agreement.

1.22 **Lien.** Any mortgage, deed of trust, pledge, hypothecation, security interest, encumbrance, lien, lease or charge of any kind, whether voluntarily incurred or arising by operation of law or otherwise, affecting any Sale Assets or property, including any written or oral agreement to give or grant any of the foregoing, any conditional sale or other title retention agreement, and the filing of or agreement to give any financing statement with respect to any assets or property under the Uniform Commercial Code or .comparable law of any jurisdiction; provided, however, that for purposes of this Agreement the term "Lien" shall not mean or refer to the Promissory Note, the Security Agreement, the Purchase Note Liens or any such related document signed by Buyer.

1.23 **Material Adverse Condition.** A condition, event or circumstance which would materially restrict, limit, increase the cost or burden of or otherwise materially adversely affect or materially impair the right of Buyer to the ownership, use, control, enjoyment or operation of the Station or the proceeds therefrom; provided, however, that any condition which requires that the Station be operated in accordance with a condition similar to those contained in the present FCC licenses issued for operation of the Station shall not be deemed a Material Adverse Condition.

1.24 **OSHA Laws.** The Occupational Safety and Health Act of 1970, as amended, and all other federal, state or local laws or ordinances, including orders, rules and regulations thereunder, regulating or otherwise affecting health and safety of the workplace.

1.25 [Intentionally omitted].

1.26 **Person.** Any individual, corporation, limited liability company, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivisions thereof.

1.27 **Purchase Price.** The consideration to be paid by Buyer to Seller for purchase of the Sale Assets in immediately available funds equal to _____ (\$_____).

1.28 **Rules and Regulations.** The rules of the FCC as set forth in Volume 47 of the Code of Federal Regulations, as well as such other policies of the FCC, whether contained in the Code of Federal Regulations, or not, that apply to the Station.

1.29 **Sale Assets.** All of the tangible and intangible assets to be transferred by Seller to Buyer as set forth in Section 2.1.

1.30 **Seller's Threshold Limitation.** As provided in Section 9.4(b), the threshold dollar amount for the aggregate of claims, liabilities, damages, losses, costs and expenses that must be incurred by Seller before Buyer shall be obligated to indemnify Seller. The Seller's Threshold Limitation shall be equal to Ten Thousand Dollars (\$10,000).

1.31 **Station Agreements.** All those agreements described in Section 2.1(b) hereof.

1.32 **Tangible Personal Property.** The personal property described in Section 2.1(a) hereof.

1.33 **Tower Coordinates.** Such term shall have the meaning defined in Section 3.12 hereof.

ARTICLE II

PURCHASE AND SALE

2.1 **Sale Assets.** On the Closing Date, Seller will sell, transfer, assign and convey to Buyer, and Buyer will purchase from Seller, free and clear of all Liens, all of Seller's right, title and interest, legal and equitable, in and to the tangible and intangible, real, personal and mixed assets (except Excluded Assets) set forth below:

(a) **Tangible Personal Property.** All equipment, towers, parts, supplies and other tangible personal property described on Schedule 3.5, together with such modifications, replacements, and improvements, made thereto between the date hereof and the Closing Date; and

(b) **Station Agreements.** All agreements which are listed on Schedule 3.6; any renewals, extensions, amendments or modifications of those agreements being assumed

which are made in the ordinary course of Seller's operation of the Station and in accordance with the terms and provisions of this Agreement; and

(c) **Licenses and Permits.** The FCC Licenses and all other assignable or transferable governmental permits, licenses and authorizations (and any renewals, extensions, amendments or modifications thereof) now held by Seller or hereafter obtained by Seller between the date hereof and the Closing Date, to the extent such other permits, licenses and authorizations pertain to or are used exclusively in the operation of the Station; and

(d) **Records.** True and complete copies of all the engineering records, public inspection files, reports of engineers and other consultants or independent contractors relating to the engineering of the Station, other than corporate records or documents which may be legally privileged.

(e) **Call Sign.** The Station call sign, KTEK(AM).

2.2 **Excluded Assets.** Notwithstanding any provision of this Agreement to the contrary, Seller shall not transfer, convey or assign to Buyer, but shall retain all of its right, title and interest in and to, the following assets owned or held by it on the Closing Date ("Excluded Assets"):

(a) Any and all cash, cash equivalents, cash deposits to secure contract obligations, all inter-company receivables from any affiliate of Seller and all other accounts receivable, bank deposits and securities held by Seller in respect of the Station at the Closing Date.

(b) Any and all claims of Seller with respect to transactions prior to the Closing including, without limitation, claims for tax refunds and refunds of fees paid to the FCC.

(c) All prepaid expenses (except to the extent Seller receives a credit therefore under Section 2.7, in which event the prepaid expense shall be included as part of the Sale Assets).

(d) All contracts of insurance and claims against insurers.

(e) All employee benefit plans and the assets thereof and all employment contracts.

(f) All contracts that are terminated in accordance with the terms and provisions of this Agreement or have expired prior to the Closing Date in the ordinary course of business; and all loans and loan agreements.

(g) All tangible personal property disposed of or consumed between the date hereof and the Closing Date in accordance with the terms and provisions of this Agreement and in the ordinary course of business.

(h) Seller's corporate records except to the extent such records pertain to or are used in the operation of the Station, in which case Seller shall deliver materially accurate copies thereof to Buyer.

(i) All commitments, contracts and agreements not assumed by Buyer pursuant to Section 2.1(b) above.

(j) All of Seller's Intellectual Property used in the operation of the Station and the Sale Assets of the Station.

(k) The equipment, parts, supplies, furniture, fixtures and other tangible personal property in the possession of Seller and previously used in the operation of Seller's studio (the "Studio").

2.3 **Assumption of Liabilities.**

(a) At the Closing, Buyer shall assume and agree to perform, without duplication of Seller's performance, the following liabilities and obligations of Seller (the "Assumed Obligations"):

(i) Liabilities and obligations arising under the Station Agreements assumed by and transferred to Buyer in accordance with this Agreement, if any, but only to the extent such liabilities and obligations relate to the Sale Assets and are attributable to the period of time after the Closing; and

(ii) The obligations under the unexpired leases and executory contracts related to the operation of the Station.

(iii) The obligations, if any, specifically listed in Schedule 2.3.

(b) Except for the Assumed Obligations, Buyer shall not assume or in any manner be liable for any debts, liens, charges, claims, encumbrances, duties, responsibilities, obligations or liabilities of Seller of any kind or nature, whether express or implied, known or unknown, contingent or absolute, including, without limitation, any liabilities to or in connection with (i) Seller's employees whether arising in connection with the transaction contemplated hereunder or otherwise, or (ii) any actions, suits, claims, investigations or administrative, arbitration or other proceedings pending or threatened against Seller or any existing or pending orders, judgments or decrees of any court or governmental agency affecting Seller, the Station or any of the Sale Assets.

2.4 [Intentionally omitted].

2.5 **Payments Of Purchase Price.** At the Closing, Buyer shall pay to Seller the Purchase Price, less any deposit paid by Buyer to Seller in connection with Buyer's submission of a Topping Bid to become a Qualified Competing Bidder in accordance with the Procedures Order, by wire transfer of immediately available funds.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF SELLER

Seller hereby represents and warrants to Buyer as follows:

3.1 **Organization and Good Standing.** BizRadio Houston and Licensee are currently under the control of Receiver pursuant to the Order Appointing Receiver. BizRadio Houston is a limited liability company duly organized and validly existing in the State of Delaware and is authorized to conduct business in the State of Texas and each and every jurisdiction where BizRadio Houston conducts business. Licensee is a limited liability company duly organized and validly existing in the State of Delaware and authorized to conduct business in the State of Texas and each and every jurisdiction where Licensee conducts business. Seller has all requisite power to own, operate and lease its properties and carry on its business as it is now being conducted and as the same will be conducted until the Closing.

3.2 **Authorization and Binding Effect of Documents.** Seller's execution and delivery of, and the performance of its obligations under, this Agreement and each of the other Documents, and the consummation by Seller of the transactions contemplated hereby and thereby, have been duly authorized and approved by all necessary action on the part of Seller, and no other proceedings on the part of the Seller are necessary to authorize and approve this Agreement (other than the entry of a Confirmation Order by the District Court). As of the date hereof, the Receiver has determined that the transaction contemplated by this Agreement is advisable and in the best interest of Seller. Seller has the power and authority to execute, deliver and perform its obligations under this Agreement and each of the other Documents and to consummate the transactions hereby and thereby contemplated. This Agreement and each of the other Documents have been, or at or prior to the Closing will be, duly executed by Seller. The Documents, when executed and delivered by the parties hereto, will constitute legal and valid obligations of Seller enforceable against it in accordance with their terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium and similar laws affecting the enforcement of creditors' rights or remedies generally, and except as may be limited by general principles of equity.

3.3 **Absence of Conflicts.** The execution and delivery of, and the performance of its obligations under, this Agreement and each of the other Documents by Seller, and the consummation of the transactions contemplated hereby and thereby:

(a) do not in any material respect (with or without the giving of notice or the passage of time or both) violate, or result in the creation of, any Lien on any of the Sale Assets under any provision of law, rule or regulation or any order, judgment, injunction, decree or ruling applicable to Seller;

(b) do not (with or without the giving of notice or the passage of time or both) conflict with or result in a breach or termination of, or constitute a default or give rise to a right

of termination or acceleration under the articles of formation or incorporation or bylaws of Seller or pursuant to any lease, agreement, commitment or other instrument which Seller is a party to, or bound by, or by which any of the Sale Assets may be bound, or result in the creation of any Lien, upon any of the Sale Assets.

3.4 **Governmental Consents and Consents of Third Parties.** Except for such consents as are required by the FCC and as are disclosed on Schedule 3.4, and except for the required entry of a Confirmation Order by the District Court to consummate the transactions contemplated by this Agreement, the execution and delivery of, and the performance of Seller's obligations under, this Agreement and each of the other Documents by Seller, and the consummation by Seller of the transactions contemplated hereby and thereby, do not require the consent, waiver, approval, permit, license, clearance or authorization of, or any declaration of filing with, any court or public agency or governmental body or other authority, or the consent of any Person under any agreement, arrangement or commitment of a nature to which Seller is a party or by which it is bound or by which the Sale Assets are bound or to which they are subject to, the failure of which to obtain would constitute a Material Adverse Condition on the Sale Assets or the operation of the Station.

3.5 **Tangible Personal Property.** Except for supplies and other incidental items which in the aggregate are not of material value, the list of Tangible Personal Property (described on Schedule 3.5) includes all of the items of tangible personal property used to a material extent in the operation of the Station transmitter/antenna facilities in the manner in which such facilities are now operated. In addition, except to the extent that any defect would not constitute a Material Adverse Condition on the Station or Sale Assets:

(a) Seller has, or will have as of the Closing Date, good, marketable and valid title to all of the items of Tangible Personal Property, free and clear of all Liens, and including the right to transfer same.

(b) Subject to the TBA between Seller and STB, the Tangible Personal Property used by STB to a material extent in the operation of the Station in the manner in which it is now operated, including each of the towers included among the Sale Assets, has been maintained in accordance with industry practices and is in good operating condition subject only to ordinary wear and tear, does not require any repairs other than routine maintenance, and is available for immediate use in the operation of the Station.

(c) The Tangible Personal Property, including each of the towers included among the Sale Assets, complies with applicable rules and regulations of the FCC and, to the Seller's actual knowledge, the FAA and the terms of the FCC License.

(d) All permanent certificates of approval and other consents and approvals required from governmental authorities and associations and boards with jurisdiction over each tower included among the Sale Assets have been issued and are in full force and effect without the presence or existence of any unsatisfied conditions or requirements with respect thereto. Each such tower complies with all applicable zoning, building and other land use laws, statutes, ordinances, regulations, and any applicable order, writ, injunction or device of any court,

commission, board, agency or other instrumentality. None of such towers is a non-conforming use under applicable zoning or other land use laws and regulations.

3.6 **Station Agreements.** Except as set forth in the Schedules, to Seller's knowledge, (i) all Station Agreements are legal, valid and enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights generally, and subject, as to enforceability, to general principles of equity; (ii) neither Seller, nor to Seller's knowledge any other party thereto is in material breach of or in material default under any Station Agreements; (iii) there has not occurred any event which, after the giving of notice or the lapse of time or both, would constitute a material default under, or result in the material breach of, any Station Agreements which are, individually or in the aggregate, material to the operation of the Station; and (iv) Seller holds the right to enforce and receive the benefits under all of the Station Agreements, free and clear of all Liens but subject to the terms and provision of each such agreement; and (v) no consent or approval by another party to the Station Agreements being assumed by Buyer is required thereunder for the confirmation of the transactions contemplated hereby.

3.7 **FCC Licenses.** Seller is the holder of the licenses, permits and authorizations listed on Schedule 3.7, and except as set forth on such Schedule, (i) the FCC Licenses are valid, in good standing and in full force and effect, unimpaired by any act or omission of Seller, and constitute all of the licenses, permits and authorizations required by the Act, the Rules and Regulations or the FCC for, or used in, the operation of the Station in all material respects as now operated, (ii) the licenses, permits and authorizations listed on Schedule 3.7 constitute all the current licenses, permits and authorizations issued by the FCC to Seller or pending before the FCC for or in connection with the Station; (iii) there is no condition imposed by the FCC as part of any FCC License which is neither set forth on the face thereof as issued by the FCC nor contained in the Rules and Regulations applicable generally to stations of the type, nature, class or location of the Station; (iv) the Station is being operated at full authorized power in accordance with the terms and conditions of the FCC Licenses applicable to it and in accordance with the Rules and Regulations, except to the extent a failure to so comply would not constitute a Material Adverse Condition; (v) no application, action or proceeding is pending, or, to Seller's actual knowledge is threatened, which may result in the revocation, modification, non-renewal or suspension of any of the FCC Licenses, the denial of any pending applications, the issuance of any cease and desist order or the imposition of any fines, forfeitures or other administrative actions by the FCC with respect to the Station or its operation, other than proceedings affecting the radio broadcasting industry in general; (vi) to Seller's knowledge, there is not before the FCC any material investigation, proceeding, notice of violation or order of forfeiture relating to the Station; (vii) Seller has complied in all material respects with all requirements to file reports, applications and other documents with the FCC with respect to the Station, and all such reports, applications and documents are complete and correct in all material respects; (viii) to Seller's knowledge, there are no matters, other than as set forth on Schedule 3.8 (A) which could reasonably be expected to result in the suspension, revocation, cancellation, modification of or the refusal to renew any of the FCC Licenses or the imposition of any fines or forfeitures by the FCC, or (B) against Seller which could reasonably be expected to result in the FCC's refusal to grant approval of the assignment to Buyer of the FCC Licenses or the imposition of any Material Adverse Condition in connection with approval of such assignment; (ix) there are not any

unsatisfied or otherwise outstanding citations issued by the FCC with respect to the Station or its operation; and (x) the "Public Inspection File" of the Station is in material compliance with Section 73.3526 of the Rules and Regulations.

3.8 **Litigation.** Except as set forth on Schedule 3.8 (A) there are no actions, suits, claims, investigations or administrative, arbitration or other proceedings pending or threatened against Seller or any affiliate of Seller which would, individually or in the aggregate if adversely determined, be a Material Adverse Condition on the Sale Assets or the operation of the Station, or which would give any third party the right to enjoin the transactions contemplated by this Agreement; and (B) there is no basis for any such claim, investigation, action, suit or proceeding which would, individually or in the aggregate if adversely determined, be a Material Adverse Condition on the Sale Assets or operation of the Station. There are no existing or pending orders, judgments or decrees of any court or governmental agency affecting Seller, the Station or any of the Sale Assets which would materially adversely affect the Station's operations or the Sale Assets.

3.9 **Labor Matters.**

(a) Seller is not a party to any collective bargaining agreement, and there is no collective bargaining agreement that determines the terms and conditions of employment of any employees of Seller.

(b) With respect to the Station, there is no labor strike, dispute, slow-down or stoppage pending or, to the actual knowledge of Seller, threatened against the Station, there are neither pending nor threatened, any suits, actions, administrative proceedings, union organizing activities, arbitrations, grievances, complaints, charges, claims or other proceedings between Seller and any employees of the Station or any union representing such employees; and there are no existing labor or employment or other controversies or grievances involving employees of the Station which have had or are reasonably likely to constitute a Material Adverse Condition on the operation of the Station.

(c) Seller is in compliance in all material respects with all laws, rules and regulations relating to the employment of labor and all employment contractual obligations, including those relating to wages, hours, collective bargaining, affirmative action, discrimination, sexual harassment, wrongful discharge and the withholding and payment of taxes and contributions except for such non-compliance which individually or in the aggregate would not constitute a Material Adverse Condition on the business or financial condition of the Station.

(d) Seller is not liable to any present or former employees or any governmental authority for damages, arrears of wages or any tax or penalty for failure to comply with the foregoing labor matters set forth in this Section 3.9 except for such liability which individually or in the aggregate would not constitute a Material Adverse Condition on the business or financial condition of the Station.

3.10 **Employee Benefit Plans.** Buyer's consummation of the transactions contemplated by this Agreement in accordance with the terms hereof shall not, as a result of or in

connection with the transactions contemplated hereby, impose upon Buyer any obligation under any benefit plan, contract or arrangement (regardless of whether they are written or unwritten and funded or unfunded) covering employees or former employees of Seller in connection with their employment by Seller. For purposes of the Agreement, "benefit plans" shall include without limitation employee benefit plans within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended, vacation benefits, employment and severance contracts, stock option plans, bonus programs and plans of deferred compensation. Seller acknowledges that Buyer has no obligation hereunder to offer employment to any employee of Seller.

3.11 **Compliance with Law.** Except as set forth on Schedule 3.8, Seller's business operations, and, to Seller's knowledge, the broadcasting operation of the Station complies in all material respects with the applicable rules and regulations of the FCC, the Securities and Exchange Commission, and all other federal, state, local or other laws, statutes, ordinances, regulations, and any applicable order, writ, injunction or decree of any court, commission, board, agency or other instrumentality.

3.12 **Tower Coordinates.** Except as set forth on Schedule 3.7, the current vertical elevation and geographical coordinates of the Station's towers ("the Tower Coordinates") are properly registered with the FCC and Federal Aviation Administration ("FAA"); and to Seller's knowledge the Tower Coordinates comply with and correspond to the current vertical elevation and geographical coordinates authorized by the FAA, FCC and any other governmental authority, including any federal, state or local authority having jurisdiction over the Station or said towers.

3.13 **Filing of Tax Returns.** Seller has filed all federal, state and local tax returns which are required to be filed, and has paid all taxes and all assessments to the extent that such taxes and assessments have become due, other than such returns, taxes and assessments, the failure to file or pay would not, individually or in the aggregate, constitute a Material Adverse Condition.

3.14 [Intentionally omitted].

3.15 **Broker's or Finder's Fees.** No agent, broker, investment banker or other Person or firm acting on behalf of or under the authority of Seller or any affiliate of Seller is or will be entitled to any broker's or finder's fee or any other commission or similar fee, directly or indirectly, in connection with the transactions contemplated by this Agreement.

3.16 **Insurance.** There is now, and through the Closing Date there shall be, in full force and effect with reputable insurance companies, fire and extended coverage insurance with respect to all material tangible Sale Assets and public liability insurance, all in commercially reasonable amounts, and the Sale Assets shall be insured to cover the full amount of any loss.

3.17 **Compliance with Patriot Act.** Seller is not nor will it become (i) a person whose property or interests in property are blocked pursuant to Section 1 of Executive Order 13224 of September 23, 2001 Blocking Property and Prohibiting Transactions With Persons Who

Commit, Threaten to Commit, or Support Terrorism (66 Fed. Reg. 49079 (2001)) or (ii) a person or entity that knowingly engages in any dealings or transactions, or be otherwise knowingly associated, with any such person. Seller is not in violation of the Uniting And Strengthening America By Providing Appropriate Tools Required To Intercept And Obstruct Terrorism (USA Patriot Act) Act of 2001.

3.18 **Transmitter Site.** To Seller's knowledge, (i) the real property on which the transmitter towers of the Station are located (the "Leased Premises") is owned in fee simple by the Lessor named in the form of Lease Agreement attached hereto as **Exhibit A**; (ii) there are no violations of any federal, state, county or municipal law, ordinance, order, regulation or requirement with respect to the Leased Premises, including Environmental Laws; (iii) there is no action, suit or proceeding pending or threatened against or affecting the Leased Premises; and (iv) Seller has not transmitted, stored, handled or dumped Hazardous Materials anywhere at or around the Leased Premises.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller as follows:

4.1 **Organization and Good Standing.** Buyer is a _____, validly existing and in good standing under the laws of the State of _____. Buyer has all requisite corporate power to own, operate and lease its properties and carry on its business as it is now being conducted and as the same will be conducted following the Closing.

4.2 **Authorization and Binding Effect of Documents.** Buyer's execution and delivery of, and the performance of its obligations under, this Agreement and each of the other Documents, and the consummation by Buyer of the transactions contemplated hereby and thereby, have been duly authorized and approved by all necessary corporate action on the part of Buyer. Buyer has the power and authority to execute, deliver and perform its obligations under this Agreement and each of the other Documents and to consummate the transactions hereby and thereby contemplated. This Agreement and each of the other Documents have been, or at or prior to the Closing will be, duly executed by Buyer. The Documents, when executed and delivered by the parties hereto, will constitute the valid and legally binding agreement of Buyer, enforceable against Buyer in accordance with their terms, except as may be limited by bankruptcy, insolvency, or other similar laws affecting the enforcement of creditors' rights or remedies generally, and except as may be limited by general principles of equity.

4.3 **Absence of Conflicts.** Buyer's execution and delivery of, and the performance of its obligations under, this Agreement and each of the other Documents and the consummation by Buyer of the transaction contemplated hereby and thereby:

(a) do not in any material respect (with or without the giving of notice or the passage of time or both) violate or result in the creation of any claim, lien, charge or

encumbrance on any of the assets or properties of Buyer under any provision of law, rule or regulation or any order, judgment, injunction, decree or ruling applicable to Buyer in any manner which would have a material adverse effect on the assets, business, operation or financial condition or results of operations of Buyer;

(b) do not (with or without the giving of notice or the passage of time or both) conflict with or result in a breach or termination of, or constitute a default or give rise to a right of termination or acceleration under, the articles of formation or bylaws of Buyer or any lease, agreement, commitment, or other instrument which Buyer is a party to, bound by, or by which any of its assets or properties may be bound, the results of which would be a Material Adverse Condition.

4.4 **Governmental Consents and Consents of Third Parties.** Except for the required consent of the FCC, and except for the required entry of a Confirmation Order by the District Court to consummate the transactions contemplated by this Agreement, Buyer's execution and delivery of, and the performance of its obligations under, this Agreement and each of the other Documents and the consummation by Buyer of the transaction contemplated hereby and thereby, do not require the consent, waiver, approval, permit, license, clearance or authorization of, or any declaration or filing with, any court or public agency or other authority, or the consent of any Person under any agreement, arrangement or commitment of any nature to which Buyer is a party or by which it is bound, the failure of which to obtain would have a material adverse effect on the assets, business, operation or financial condition or results of operations of Buyer.

4.5 **Qualification.**

(a) Buyer has no knowledge after due inquiry of any facts concerning Buyer or any other Person with an attributable interest in Buyer (as such term is defined under the Rules and Regulations) which, under present law (including the Act) and the Rules and Regulations, would (i) disqualify Buyer from being the holder of the FCC Licenses or the owner of the Sale Assets or the operator of the Station upon consummation of the transactions contemplated by this Agreement, or (ii) raise a substantial and material question of fact (within the meaning of Section 309(e) of the Act) respecting Buyer's qualifications.

(b) Without limiting the foregoing Subsection (a) Buyer shall make the affirmative certifications provided in Section III of FCC Form 314, or as may be required on any form required by the FCC to obtain its consent to this transaction, at the time of filing of such form with the FCC as contemplated by Section 5.2.

4.6 **Financing.** As of the Closing Date, Buyer will have sufficient cash, available lines of credit or other sources of immediately available funds to enable it to make payment of the Purchase Price and any other amounts to be paid by it in accordance with the terms of this Agreement and the Documents.

4.7 **Broker's or Finder's Fees.** No agent, broker, investment banker, or other Person or firm acting on behalf of or under the authority of Buyer or any affiliate of Buyer is or will be

entitled to any broker's or finder's fee or any other commission or similar fee, directly or indirectly, from Seller in connection with transactions contemplated by this Agreement.

4.8 **Litigation.** There are no legal, administrative, arbitration or other proceedings or governmental investigations pending or, to the knowledge of Buyer, threatened against Buyer that would give any third party the right to enjoin the transactions contemplated by this Agreement.

4.9 **Compliance with Patriot Act.** Buyer is not nor will it become (i) a person whose property or interests in property are blocked pursuant to Section 1 of Executive Order 13224 of September 23, 2001 Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism (66 Fed. Reg. 49079 (2001)) or (ii) a person or entity that knowingly engages in any dealings or transactions, or be otherwise knowingly associated, with any such person. Buyer is not in violation of the Uniting And Strengthening America By Providing Appropriate Tools Required To Intercept And Obstruct Terrorism (USA Patriot Act) Act of 2001.

ARTICLE V

TRANSACTIONS PRIOR TO THE CLOSING DATE

5.1 **Conduct of the Station's Business Prior to the Closing Date.** Subject to the TBA between Seller and STB, Seller covenants and agrees with Buyer that between the date hereof and the Closing Date, but in any case within 120 days of the date hereof, unless the Buyer otherwise agrees in writing (which agreement shall not be unreasonably withheld or delayed), Seller shall:

(a) Use reasonable commercial efforts to maintain insurance upon all of the Sale Assets in such amounts and of such kind as is consistent with Seller's other radio stations and with insurers of substantially the same or better financial condition;

(b) Operate the Station and otherwise conduct its business in all material respects in accordance with the terms or conditions of its FCC Licenses, the Rules and Regulations, the Act and all other rules and regulations, statutes, ordinances and orders of all governmental authorities having jurisdiction over any aspect of the operation of the Station, except where the failure to so operate would not constitute a Material Adverse Condition on the Sale Assets or the operation of the Station or on the ability of Seller to consummate the transactions contemplated hereby;

(c) Not mortgage, pledge or subject any of the Sale Assets to any Lien;

(d) Not sell, lease or otherwise dispose of, nor agree to sell, lease or otherwise dispose of, any of the Sale Assets; and

(e) Not introduce any material change with respect to the operation of the Station (other than with respect to the programming of the Station) including, without limitation,

any material changes in the broadcast hours of the Station, any changes to the Station's call letters without Buyer's consent (which consent will not be unreasonably withheld) or any other material change in the Station's programming policies, except such changes as in the sole discretion of Seller, exercised in good faith after consultation with Buyer, are required by the public interest.

(f) Notify Buyer of any complaints, investigations, hearing or any material litigation pending or threatened against Station or any material damage to or destruction of any assets included or to be included in the Sale Assets;

(g) Not take any action to modify any FCC License without the prior written consent of Buyer, which consent will not be unreasonably withheld, conditioned or delayed; provided, however, Buyer may withhold such consent if it reasonably believes such modifications would constitute a Material Adverse Condition; and

(h) Comply in all material respects with all Station Agreements, promptly notify Buyer of any default by, or claim of default against, any party under any Station Agreement and any event or condition which, with notice or lapse of time or both, would constitute any event of default under any Station Agreement, except where such failure to comply, default or event of default could not reasonably be expected to delay timely Closing or to lead to a Material Adverse Condition.

5.2 **Governmental Consents.** Seller and Buyer shall file with the FCC, within five (5) business days after entry by the District Court of a Confirmation Order, such applications and other documents in the name of Seller or Buyer, as appropriate, as may be necessary or advisable to obtain the FCC Order. Seller and Buyer shall take all commercially reasonable steps necessary to prosecute such filings with diligence and shall diligently oppose any objections to, appeals from or petitions to reconsider such approval of the FCC, to the end that the FCC Order and a Final Action with respect thereto may be obtained as soon as practicable; provided, however, that in the event the application for assignment of the FCC Licenses has been designated for hearing, either Buyer or Seller may elect to terminate this Agreement pursuant to Section 10.1(c). Buyer shall not knowingly take, and Seller covenants that Seller shall not knowingly take, any action that such party knows or has reason to know would materially and adversely affect or materially delay issuance of the FCC Order or materially and adversely affect or materially delay its becoming a Final Action without a Material Adverse Condition, unless such action is requested or required by the FCC, its staff or the Rules and Regulations. Should Buyer or Seller become aware of any facts which could reasonably be expected to materially and adversely affect or materially delay issuance of the FCC Order without a Material Adverse Condition (including but not limited to, in the case of Buyer, any facts which would reasonably be expected to disqualify Buyer from controlling the Station), such party shall promptly notify the other party thereof in writing and both parties shall cooperate to take all steps necessary or desirable to resolve the matter expeditiously and to obtain the FCC's approval of matters pending before it. Subject to the terms and conditions herein provided, Buyer and Seller shall promptly determine whether any filings are required to be made with, or consents, permits, authorizations or approvals are required to be obtained from, any other governmental agency or regulatory body of the federal, state and local jurisdictions in connection with the execution and delivery of this

Agreement and the consummation of the transactions contemplated hereby, and take all reasonable actions necessary to obtain any required permits, authorizations or appraisals.

5.3 **Tax Returns and Payments.** All taxes pertaining to ownership of the Sale Assets or operation of the Station prior to the Closing Date will be timely paid; provided that Seller shall not be required to pay any such tax so long as the validity thereof shall be contested in good faith by appropriate proceedings and Seller shall have set aside adequate reserves with respect to any such tax to the reasonable satisfaction of Buyer.

5.4 **Access Prior to the Closing Date.** Prior to the Closing and subject to the TBA between Seller and STB, Buyer and its representatives may make such reasonable investigation of the assets and business of the Station and the Sale Assets as it may desire; and Seller shall give to Buyer, its engineers, counsel, accountants and other representatives reasonable access during normal business hours throughout the period prior to the Closing to personnel and all of the assets, books, records and files of or pertaining to the Station and the Sale Assets, provided that (i) Buyer shall give Seller reasonable advance notice of each date on which Buyer or any such other Person or entity desires such access, (ii) each Person (other than an officer of Buyer) shall, if requested by Seller, be accompanied by an officer or their representative of Buyer approved by Seller, which approval shall not be unreasonably withheld, (iii) the investigations at the offices of Seller shall be reasonable in number and frequency and, (iv) all investigations shall be conducted in such a manner as not to physically damage any property or constitute a disruption of the operation of the Station or Seller. Subject to the TBA between Seller and STB, Seller shall furnish to Buyer during such period all documents and copies of documents and information concerning the business and affairs of Seller and the Station as Buyer may reasonably request. No investigation or information furnished pursuant to this Section 5.4 shall affect any representations or warranties made by the Seller herein.

5.5 **Confidentiality; Press Release.**

(a) All information, data and materials furnished or to be furnished to either party with respect to the other party in connection with this transaction or pursuant to this Agreement are confidential. Each party agrees that prior to Closing (a) it shall not disclose or otherwise make available, at any time, any such information, data or material to any Person who does not have a confidential relationship with such party; (b) it shall protect such information, data and material with a high degree of care to prevent the disclosure thereof; and (c) if, for any reason, this transaction is not consummated, all information, data or material concerning the other party obtained by such party, and all copies thereof, will be returned to the other party. After Closing, neither party will disclose or otherwise make available to any Person any of such information, data or material concerning the other party, except as may be necessary or appropriate in connection with the operation of the Station by Buyer. Each party shall use its reasonable efforts to prevent the violation of any of the foregoing confidentiality provisions by its respective representatives. Notwithstanding the foregoing, nothing contained herein shall prohibit Buyer or Seller from:

(i) using such information, data and materials in connection with any action or proceeding brought or any claim asserted by Buyer or Seller in respect of any breach by the other of any representation, warranty or covenant made in or pursuant to this Agreement; or

(ii) supplying or filing such information, data or materials to or with the FCC or SEC or any other valid governmental or court authority to the extent required by law or reasonably necessary to obtain any consent, waiver, amendment, modification, approval, authorization, permit or license which may be necessary to effectuate this Agreement, and to consummate the transaction contemplated herein.

(b) Notwithstanding anything herein to the contrary, unless and until such filing with the FCC as described in Section 5.2 is made, no public announcement shall be made about this transaction and Buyer shall take all reasonable steps to ensure that Seller's employees, customers, clients and others are not made aware of the existence of this agreement or the transaction contemplated hereby.

(c) In the event that either party determines in good faith that a press release or other public announcement is desirable under any circumstances, the parties shall consult with each other to determine the appropriate timing, form and content of such release or announcement.

5.6 **Reasonable Best Efforts.** Subject to the terms and conditions of this Agreement, each of the parties hereto will use its reasonable best efforts to take all action and to do all things necessary, proper or advisable to satisfy any condition to the parties' obligations hereunder in its power to satisfy and to consummate and make effective as soon as practicable the transactions contemplated by this Agreement. Seller shall use its reasonable best efforts to obtain the consent or waivers to the transactions contemplated by this Agreement required under any assumed Station Agreements, provided that Seller shall not be required to pay or grant any material consideration in order to obtain any such consent or waiver.

5.7 **FCC Reports.** Seller shall continue to file, on a current basis until the Closing Date, all reports and documents required to be filed with the FCC with respect to the Station. Seller shall provide Buyer with copies of all such filings within five business days of the filing with the FCC.

5.8 **Conveyance Free and Clear of Liens.** At or prior to the Closing, Seller shall obtain executed releases, in suitable form for filing and otherwise in form and substance reasonably satisfactory to Buyer, of any security interests granted in the Sale Assets and properties as security for payment of loans and other obligations or judgments and of any other Liens on the Sale Assets. At the closing, Seller shall transfer and convey to Buyer all of the Sale Assets free and clear of all Liens.

5.9 **Environmental Assessments.** Not later than sixty (60) days after execution of this Agreement, Buyer may obtain a Phase I ("the Phase I") environmental assessment of the land on which the Station's towers are located by an environmental engineer selected by Buyer. Within fourteen (14) days after Buyer's receipt of the Phase I, if the Phase I indicates

environmental conditions may exist on, under or affect such property that may constitute a violation of any Environmental Laws or cause the condition contained in Section 6.7 to not be satisfied, then Buyer shall be entitled to obtain a Phase II ("the Phase II") environmental assessment of the such property, or any portion thereof. (The Phase I and the Phase II, if obtained, shall be referred to herein as the "Environmental Assessment"). Buyer shall commission and pay the cost of such Environmental Assessment and shall provide a copy to Seller. The Environmental Assessment shall be subject to the confidentiality provisions of Section 5.5. If after appropriate inquiry into the previous practice, the engineer reasonably concludes in the Phase II that environmental conditions exist on, under or affecting such properties that would cause the condition contained in Section 6.7 to not be satisfied, then Seller, upon written notice to Buyer within ten (10) business days of written demand from Buyer enclosing a copy of the Phase II and specifically referencing this section, may undertake to remedy such condition, and Closing shall be delayed until such remediation has been completed, provided, however, if Seller does not undertake to remedy such condition within sixty (60) days, then Buyer may (i) elect to proceed with Closing, or (ii) terminate the Agreement at the sole option of Buyer. Seller shall cause the owner of such property to permit Buyer and its employees and consultants to inspect such property and to conduct such activities as are appropriate in connection with the Environmental Assessment.

5.10 **Disclosure Schedules.** Notwithstanding anything to the contrary in this Agreement, during the period after the date of this Agreement but prior to the Closing, subject to the reasonable approval of Buyer, Seller shall be entitled to update, amend or supplement the Schedules to this Agreement to the extent information contained therein is discovered to be untrue, incomplete or inaccurate after the date of this Agreement by delivering such update, amendment or supplement to Buyer (each such update, amendment or supplement reasonably approved by the Buyer, an "[date] Updated Schedule"). Buyer shall not be obligated to approve any change or changes to the schedules which would have, or which would reasonably be expected to have, in the aggregate, a Material Adverse Condition or to create an Assumed Obligation. If Seller delivers to the Buyer one or more Updated Schedule that are approved in writing by Buyer (which approval may not be unreasonably withheld, conditioned or delayed), all references in this Agreement to any such schedule shall thereafter mean the schedule as updated by each such Updated Schedule.

5.11 **No Inconsistent Activities.** Seller agrees that it shall not, nor shall it authorize or permit any officer, director, employee, investment banker, attorney, advisor or agent, to directly or indirectly, solicit, initiate or encourage the submission of, or participate in any discussions or negotiations regarding, or take any other action to facilitate the making of any proposal by any party to acquire the Station.

5.12 **District Court Confirmation.** The parties agree that the consummation of the transactions contemplated by this Agreement is subject to the entry of a Confirmation Order by the District Court. In connection with such Confirmation Order, the parties agree that within five (5) business days of the District Court's entry of the Confirmation Order approving the sale of the Sale Assets to Buyer, Buyer must prepare and submit to the Receiver and FCC a completed assignee's section of FCC Form 314. Buyer, in conjunction with the Receiver, shall diligently prosecute the FCC Form 314, shall diligently oppose any objections to, appeals from or petitions

to reconsider the approval of the FCC, and shall close the purchase of the Sale Assets within five (5) business days after the FCC order granting the Form 314 to Buyer has become a Final Action, provided, however, that Buyer may waive, in its sole discretion, the closing condition that the grant of the Form 314 have become a Final Action.

ARTICLE VI

CONDITIONS PRECEDENT TO THE OBLIGATIONS OF BUYER TO CLOSE

Buyer's obligation to close the transaction contemplated by this Agreement is subject to the satisfaction, on or prior to the Closing Date, of each of the following conditions, unless waived by Buyer in writing:

6.1 Accuracy of Representations and Warranties; Closing Certificate.

(a) The representations and warranties of Seller contained in this Agreement or in any other Document shall be complete and correct in all material respects on the date hereof and at the Closing Date with the same effect as though made at such time; except for changes that do not constitute a Material Adverse Condition on Buyer, the Station or the Sale Assets taken as a whole.

(b) Seller shall have delivered to Buyer on the Closing Date a certificate that (i) the condition specified in Section 6.1(a) is satisfied as of the Closing Date, and (ii) except as set forth in such certificate (none of which exceptions shall materially affect Seller's ability to consummate the transaction contemplated hereby), the condition specified in Section 6.2 is satisfied as of the Closing Date.

6.2 Performance of Agreements. Seller shall have performed in all material respects all of its covenants, agreements and obligations required by this Agreement and each of the other Documents to be performed or complied with by it prior to or upon the Closing Date.

6.3 FCC and Other Consents.

(a) The FCC Order shall have been issued by the FCC and shall have become a Final Action without any Material Adverse Condition or any condition materially adverse to Buyer.

(b) Seller shall have satisfied all material conditions which the FCC Order or any order, ruling or decree of any judicial or administrative body relating thereto or in connection therewith specifies and requires to be satisfied by Seller prior to transfer of the FCC Licenses to Buyer.

(c) All other material authorizations, consents, approvals and clearances of federal, state or local governmental agencies required to permit the consummation by Buyer of the transactions contemplated by this Agreement including, without limitation, the assignment of

any FCC Licenses requested by Buyer, shall have been obtained; all material statutory and regulatory requirements for such consummation shall have been fulfilled; and no such authorizations, consents, approvals or clearances shall contain any conditions that individually or in the aggregate would constitute a Material Adverse Condition.

6.4 **Adverse Proceedings.** Neither Buyer nor any affiliate of Buyer shall be subject to any ruling, decree, order or injunction restraining, imposing material limitations on or prohibiting (i) the consummation of the transactions contemplated hereby or (ii) its participation in the operation, management, ownership or control of the Station; and no litigation, proceeding or other action seeking to obtain any such ruling, decree, order or injunction shall be pending. No governmental authority having jurisdiction shall have notified any party to this Agreement that consummation of the transaction contemplated hereby would constitute a violation of the laws of the United States or of any state or political subdivision or that it intends to commence proceedings to restrain such consummation or to force divestiture, unless such governmental authority shall have withdrawn such notice. No governmental authority having jurisdiction shall have commenced any such proceeding.

6.5 **Delivery of Closing Documents.** Seller shall have delivered or caused to be delivered to Buyer on the Closing Date each of the Documents required to be delivered pursuant to Section 8.2.

6.6 **Opinion of Seller's FCC Counsel.** Buyer shall have received from Seller's FCC counsel an opinion, dated the Closing Date, in form and substance reasonably satisfactory to Buyer's FCC counsel, to the effect that, except as otherwise set forth on Schedule 3.7:

(a) The FCC Licenses listed on Schedule 3.7 are validly held by Seller, are in full force and effect, and are all material licenses, permits and authorizations which are necessary under the Rules and Regulations for Seller to operate the Station to serve Alvin, TX, transmitting on 1110 kHz.

(b) To counsel's knowledge, no condition has been imposed by the FCC as part of any FCC License which is not set forth on the face thereof as issued by the FCC or contained in the Rules and Regulations applicable generally to stations of the type, nature, class or location of the Station.

(c) No proceedings are pending or, to counsel's knowledge, are threatened which may result in the revocation, modification, non-renewal of, suspension of, or the imposition of a Material Adverse Condition upon, any of the FCC Licenses, the denial of any pending applications, the issuance of any cease and desist order or the imposition of any fines, forfeitures or other administrative actions by the FCC which would constitute a Material Adverse Condition on the continued operation of the Station, other than proceedings affecting the radio broadcasting industry in general, including proceedings which may affect only or primarily AM radio broadcasting in general.

(d) In rendering such opinion, counsel shall be entitled to rely upon Seller's representations and warranties in this Agreement and to limit its inquiry to its files and such FCC

files and records as are available to it as of 10:00 a.m. Eastern time the third business day immediately preceding the Closing Date. Counsel may state that, as to any factual matters embodied in, or forming a basis for any legal opinion expressed in such opinion, counsel's knowledge is based solely on such inquiry.

6.7 **Environmental Conditions.** The Environmental Assessment obtained by Buyer pursuant to Section 5.9 hereof shall not have disclosed any material violation of any Environmental Law which would reasonably be expected to constitute a Materially Adverse Condition which is not removed or cured by Seller prior to Closing.

6.8 **Title Insurance Commitment.** Title to Buyer's leasehold interest in the real property to be leased by Buyer pursuant to the Lease Agreement attached hereto as **Exhibit A** shall be a valid and legal leasehold interest insurable at regular rates by a title insurance company of national standing, selected by Buyer, licensed in the State of Texas pursuant to the standard stipulations and conditions of the ALTA Leaseholder's policy of title insurance prescribed by the applicable regulatory authorities for the State of Texas, free and clear of all Liens, Buyer shall pay all costs associated with obtaining a standard ALTA Leaseholder's policy of title insurance, with coverage in an amount to be reasonably determined by Buyer, including the cost of any endorsements to such policy.

6.9 [Intentionally omitted.]

6.10 **No Material Casualty Loss.** If any casualty loss, damage or destruction material to the operation of the Sale Assets shall have occurred prior to the Closing Date, either (a) the lost, damaged or destroyed property shall have been repaired or replaced such that the Station is broadcasting in accordance with the terms of the FCC Licenses as of the Closing Date or (b) Buyer shall have elected option (b) as provided in the second sentence of Article XI.

6.11 **Confirmation Order.** Seller shall have complied with the provisions of Section 5.12 hereof and delivered to Buyer the Confirmation Order in form and substance satisfactory to Buyer.

ARTICLE VII

CONDITIONS PRECEDENT OF THE OBLIGATION OF SELLER TO CLOSE

The obligation of Seller to close the transaction contemplated by this Agreement is subject to the satisfaction, on or prior to the Closing Date, of each of the following conditions, unless waived by Seller in writing:

7.1 **Accuracy of Representations and Warranties.**

(a) The representations and warranties of Buyer contained in this Agreement shall be complete and correct in all material respects on the date hereof and at the Closing Date with the same effect as though made at such time except for changes that are not materially adverse to Seller.

(b) Buyer shall have delivered to Seller on the Closing Date a certificate that (i) the condition specified in Section 7.1(a) is satisfied as of the Closing Date, and (ii) except as set forth in such certificate (none of which exceptions shall be a material adverse effect on Buyer's ability to consummate the transaction contemplated hereby), the conditions specified in Section 7.2 are satisfied as of the Closing Date.

7.2 **Performance of Agreements.** Buyer shall have performed in all material respects all of its covenants, agreements and obligations required by this Agreement and each of the other Documents to be performed or complied with by it prior to or upon the Closing Date.

7.3 **FCC and Other Consents.**

(a) The FCC Order shall have been issued by the FCC and shall have become effective without any Material Adverse Condition.

(b) Conditions which the FCC Order or any order, ruling or decree of any judicial or administrative body relating thereto or in connection therewith specifies and requires to be satisfied by Buyer prior to transfer of the FCC Licenses to Buyer shall have been satisfied by Buyer.

(c) All other authorizations, consents, approvals and clearances of all federal, state and local governmental agencies required to permit the consummation by Seller of the transactions contemplated by this Agreement shall have been obtained; all statutory and regulatory requirements for such consummation shall have been fulfilled; and no such authorizations, consents, approvals or clearances shall contain any conditions that individually or in the aggregate would have any material adverse effect on Seller.

7.4 **Adverse Proceedings.** Seller shall not be subject to any ruling, decree, order or injunction restraining, imposing material limitations on or prohibiting the consummation of the transactions contemplated hereby. No governmental authority having jurisdiction shall have notified any party to this Agreement that consummation of the transactions contemplated hereby would constitute a violation of the laws of the United States or of any state or political subdivision or that it intends to commence proceedings to restrain such consummation or to force divestiture, unless such governmental authority shall have withdrawn such notice. No governmental authority having jurisdiction shall have commenced any such proceeding.

7.5 **Delivery of Closing Documents and Purchase Price.** Buyer shall have delivered or caused to be delivered to Seller on the Closing Date each of the Documents required to be delivered pursuant to Section 8.3, and Buyer shall be ready, willing and able to deliver the Purchase Price in the form of payment set forth in Section 2.5.

ARTICLE VIII

CLOSING

8.1 **Time and Place.** Unless otherwise agreed to in advance by the parties, Closing shall take place virtually via facsimile or electronic documentation transfer, and overnight delivery of original closing documents, effective as of 12:01 a.m., local time in the time zone in which the Station is located on the date (the "Closing Date") that is the later of (i) the fifth Business Day after the Applicable Date, or (ii) the date as soon as practicable following satisfaction or waiver of the conditions precedent to Closing hereunder. The "Applicable Date" shall be the date on which issuance of the FCC Order without any Material Adverse Condition or condition materially adverse to Seller has become effective under the rules of the FCC. Notwithstanding the foregoing, the parties will endeavor in good faith to effect the Closing simultaneously in different locations to avoid the travel and additional expense of requiring all parties to be located in the same place and in connection therewith the parties will deliver at least one Business Day prior to the Closing Date, in escrow, to opposing counsel and other appropriate parties, all agreements, instructions, documents, releases, certificates, wire transfer instructions, pay-off instructions, UCC-3's and other matters and things necessary to effect Closing in such manner.

8.2 **Documents to be Delivered to Buyer by Seller.** At the Closing, Seller shall deliver or cause to be delivered to Buyer the following:

(a) Certified resolutions of Seller's members approving the execution and delivery of this Agreement and each of the other Documents and authorizing the consummation of the transactions contemplated hereby and thereby.

(b) The certificate required by Section 6.1(b).

(c) A bill of sale and other instruments of transfer and conveyance transferring to Seller the Sale Assets other than the FCC Licenses.

(d) Executed releases, in suitable form for filing and otherwise in form and substance reasonably satisfactory to Buyer, of any security interests granted in the Sale Assets as security for payment of loans and other obligations and of any other Liens.

(e) An instrument assigning to Buyer all right, title and interest of Seller in the FCC Licenses, and all other assignable or transferable governmental permits, licenses and authorizations (and any renewals, extensions, amendments or modifications thereof).

(f) Such additional information and materials as Buyer shall have reasonably requested, including without limitation, evidence that all consents and approvals required as a condition to Buyer's obligation to close hereunder have been obtained.

(g) The opinion of Seller's FCC counsel, dated the Closing Date, to the effect set forth in Section 6.6.

(h) True and correct copies of the records described in Section 2.1(d).

(i) A Certificate of Good Standing and Certificate of No Tax Liability (or similar document confirming Seller has no current tax liability issued no more than thirty (30) days prior to Closing by (i) Seller's state of incorporation and (ii) the state where the Sale Assets are located.

(j) An Assignment of Lease Agreement for the transmitter site of the Station (executed by the owner of such site and by Seller) which assigns Seller's interest in the Lease Agreement attached hereto as **Exhibit A** to Buyer, and such other agreements, certificates and instruments executed by such landowner and/or Seller as may be reasonably requested by Buyer.

8.3 **Documents to be Delivered to Seller by Buyer.** At the Closing, Buyer shall deliver or cause to be delivered to Seller the following:

(a) Certified resolutions of Buyer's management or controlling authority approving the execution and delivery of this Agreement and each of the other Documents and authorizing the consummation of the transaction contemplated hereby and thereby.

(b) The Purchase Price as set forth in Section 2.5.

(c) The certificate required under Section 7.1(b).

(d) Such additional information and materials as Seller shall have reasonably requested.

(e) The agreement of Buyer assuming the obligations under any Station Agreements being assumed by Buyer, if any.

ARTICLE IX

SURVIVAL OF REPRESENTATIONS AND WARRANTIES; INDEMNIFICATION

9.1 **Survival of Representation and Warranties.** All representations, warranties, covenants and agreements contained in this Agreement or in any other Document shall survive the Closing for the Survival Period and the Closing shall not be deemed a waiver by either party of the representations, warranties, covenants or agreements of the other party contained herein or in any other Document. No claim may be brought under this Agreement or any other Document unless written notice describing in reasonable detail the nature and basis of such claim is given on or prior to the last day of the Survival Period. In the event such a notice is so given, the right to indemnification with respect thereto under this Article shall survive the Survival Period until such claim is finally resolved and any obligations with respect thereto are fully satisfied. For purposes of this agreement the "Survival Period" shall be twelve (12) months after the Closing Date, except that any representation or warranty of Buyer or Seller as to (i) such party's

qualification and authority to consummate the transactions contemplated hereby, (ii) title of the parties to the Station or Sale Assets, (iii) any tax obligation of Seller, (iv) the Station and Sale Assets being free and clear of any liens, or (v) Section 3.8, the Survival Period shall be indefinite.

9.2 **Indemnification in General.** Buyer and Seller agree that the rights to indemnification and to be held harmless set forth in this Agreement shall, as between the parties hereto and their respective successors and assigns, be exclusive of all rights to indemnification and to be held harmless that such party (or its successors or assigns) would otherwise have by statute, common law or otherwise. Except with respect to claims based on actual fraud or intentional misrepresentation or as provided in Article X, each party's rights under this Article IX shall be the sole and exclusive remedies with respect to claims resulting from or relating to any misrepresentation, breach of warranty or failure to perform any covenant or agreement contained in this Agreement or otherwise relating to the transactions that are the subject of this Agreement. Without limiting the generality of the foregoing, in no event shall either party or any Person claiming through, by or on behalf of either party, be entitled to claim or seek rescission of the transactions consummated under this Agreement.

9.3 **Indemnification by Seller.**

(a) Subject to the provisions of Section 9.3(b) below and Section 10.2 below, Seller shall indemnify and hold harmless Buyer and any officer, director, agent, employee and affiliate thereof with respect to any and all demands, claims, actions, suits, proceedings, assessments, judgments, costs, losses, damages, liabilities and expenses (including reasonable attorneys' fees), relating to or arising out of:

(i) Any breach or non-performance by Seller of any of its representations, warranties, covenants or agreements set forth in this Agreement or any other Documents; or

(ii) The ownership or operation by Seller of the Station and the Sale Assets on or prior to the Closing Date, other than the Assumed Obligations; or

(iii) All other liabilities and obligations of Seller other than the Assumed Obligations.

(iv) Noncompliance by Seller with the provisions of the Bulk Sales Act, if applicable, in connection with the transactions contemplated hereby.

(v) Buyer being named as a party in any matter listed on Schedule 3.8, or Buyer being named as a party (other than as plaintiff) by any party (other than Seller) to any of the matters listed on Schedule 3.8 in an action relating to or arising out of this Agreement or the transactions contemplated hereby.

(b) Except for any amounts owed by Seller to Buyer under Section 9.3(a)(iv), and Section 2.7, if Closing occurs, Seller shall not be obligated until the amount of such claims,

liabilities, damages, losses, costs and expenses exceeds Buyer's Threshold Limitation, in which case Buyer shall then be entitled to indemnification of the entire amount.

9.4 **Indemnification by Buyer.**

(a) Subject to the provisions of Section 9.4(b) below and Section 10.2 below, Buyer shall indemnify and hold harmless Seller and any officer, director, agent, employee and affiliate thereof with respect to any and all demands, claims, actions, suits, proceedings, assessments, judgments, costs, losses, damages, liabilities and expenses (including reasonable attorneys' fees) relating to or arising out of:

(i) Any breach or non-performance by Buyer of any of its representations, warranties, covenants or agreements set forth in this Agreement or any other Document; or

(ii) The ownership or operation of the Station after the Closing Date;
or

(iii) All other liabilities or obligations of Buyer pursuant to the terms of this Agreement, including, without limitation, the Assumed Obligations.

(b) Except for any amounts owed by Buyer to Seller under Section 2.7, if Closing occurs, Buyer shall not be obligated until the amount of such claims, liabilities, damages, losses, costs and expenses exceeds Seller's Threshold Limitation, in which case Seller shall then be entitled to indemnification of the entire amount.

9.5 **Indemnification Procedures.** In the event that an Indemnified Party may be entitled to indemnification hereunder with respect to any asserted claim of, or obligation or liability to, any third party, such party shall notify the Indemnifying Party thereof, describing the matters involved in reasonable detail, and the Indemnifying Party shall be entitled to assume the defense thereof upon written notice to the Indemnified Party with counsel reasonably satisfactory to the Indemnified Party; provided, that once the defense thereof is assumed by the Indemnifying Party, the Indemnifying Party shall keep the Indemnified Party advised of all developments in the defense thereof and any related litigation, and the Indemnified Party shall be entitled at all times to participate in the defense thereof at its own expense. If the Indemnifying Party fails to notify the Indemnified Party of its election to defend, or contests its obligation to indemnify under this Article IX, the Indemnified Party may pay, compromise, or defend such a claim without prejudice to any right it may have hereunder.

ARTICLE X

TERMINATION; LIQUIDATED DAMAGES

10.1 **Termination.** If Closing shall not have previously occurred, this Agreement shall terminate upon the earliest of:

(a) the giving of written notice from Seller to Buyer, or from Buyer to Seller, if:

(i) Seller gives such termination notice and is not at such time in material default hereunder, or Buyer gives such termination notice and Buyer is not at such time in material default hereunder; and

(ii) Either:

(A) Any of the representations or warranties contained herein of Buyer (if such termination notice is given by Seller), or of Seller (if such termination notice is given by Buyer), are inaccurate in any material respect and materially adverse to the party giving such termination notice unless the inaccuracy has been induced by or is the result of actions or omissions of the party giving such termination notice; or

(B) Any material obligation to be performed by Buyer (if such termination notice is given by Seller) or by Seller (if such termination notice is given by Buyer) is not timely performed in any material respect unless the lack of timely performance has been induced by or is the result of actions or omissions of the party giving such termination notice; or

(C) Any condition (other than those referred to in Section 10.1(a)(ii)(A) or Section 10.1(a)(ii)(B)) to the obligation to close the transaction contemplated herein of the party giving such termination notice has not been timely satisfied, and

(iii) any such inaccuracy, failure to perform or non-satisfaction of a material condition neither has been cured nor satisfied within twenty (20) days after written notice thereof from the party giving such termination notice nor waived in writing by the party giving such termination notice; provided however that such opportunity to cure shall not apply to the failure of a party to perform its obligations set forth in Article VIII herein.

(b) Written notice from Seller to Buyer, or from Buyer to Seller, at any time after eighteen (18) months from the date this Agreement is executed; provided that termination shall not occur upon the giving of such termination notice by Seller if Seller is at such time in material default hereunder or upon the giving of such termination notice by Buyer if Buyer is at such time in material default hereunder.

(c) Written notice from Seller to Buyer, or from Buyer to Seller, at any time following a determination by the FCC that the application for consent to assignment of the FCC Licenses has been designated for hearing; provided that the party which is the subject of the hearing (or whose alleged actions or omissions resulted in the designation for hearing) may not elect to terminate under this Section 10.1(c).

(d) The written election by Buyer under Section 5.10 or Article XI.

(e) The written election by Seller if Seller terminates the TBA in accordance with Section 7.1 of the TBA, or the written election by Buyer if Buyer terminates the TBA in accordance with Section 7.1 or Section 7.2 of the TBA.

10.2 **Obligations Upon Termination.**

(a) In the event this Agreement is terminated pursuant to Section 10.1(a)(ii)(A), Section 10.1(a)(ii)(B), or Section 10.1(e), the aggregate liability of Buyer for breach hereunder shall be limited as provided in Section 10.2(c) below, and the aggregate liability for Seller for breach hereunder shall be limited as provided in Section 10.2(d). In the event this Agreement is terminated for any other reason, neither party shall have any liability hereunder. Notwithstanding anything herein to the contrary, neither party shall, under any circumstances, be entitled to special, exemplary, punitive, incidental or consequential damages from the other party.

(b) [Intentionally omitted].

(c) If this Agreement is terminated by Seller's giving of valid written notice to Buyer pursuant to Section 10.1(a)(ii)(A), Section 10.1(a)(ii)(B), or Section 10.1(e) Buyer agrees that Seller shall be entitled to receive and retain, as liquidated damages and not as a penalty, the amount of such deposit as was paid to Seller as a condition to the submission of a Topping Bid (as defined in the Procedures Order) and as a condition to become a Qualified Competing Bidder (as defined in the Procedures Order) ("Liquidated Damages Amount"). THE DELIVERY OF THE LIQUIDATED DAMAGES AMOUNT TO SELLER SHALL BE CONSIDERED LIQUIDATED DAMAGES AND NOT A PENALTY, AND SHALL BE SELLER'S SOLE REMEDY AT LAW OR IN EQUITY FOR A BREACH HEREUNDER IF CLOSING DOES NOT OCCUR. BUYER AND SELLER EACH ACKNOWLEDGE AND AGREE THAT THIS LIQUIDATED DAMAGE AMOUNT IS REASONABLE IN LIGHT OF THE ANTICIPATED HARM WHICH WILL BE CAUSED BY A BREACH OF THIS AGREEMENT, THE DIFFICULTY OF PROOF OF LOSS, THE INCONVENIENCE AND NON-FEASIBILITY OF OTHERWISE OBTAINING AN ADEQUATE REMEDY, AND THE VALUE OF THE TRANSACTION TO BE CONSUMMATED HEREUNDER.

(d) Notwithstanding any provision of this Agreement to the contrary, if the Agreement is terminated by Buyer's giving of written notice to Seller pursuant to Section 10.1(a)(ii)(A), Section 10.1(a)(ii)(B), or Section 10.1(e), Buyer shall be entitled to seek its actual damages. In lieu of such termination and claim for actual damages, Buyer may seek specific performance or other injunctive relief requiring Seller to fulfill its obligations under this Agreement. Seller acknowledges that the Station and the Sale Assets are of a special, unique, and extraordinary character, and that any breach of this Agreement by Seller may not be compensated for by damages. In any action by Buyer to equitably enforce the provisions of this Agreement, Seller shall waive the defense that there is an adequate remedy at law or equity and agrees that Buyer shall have the right to obtain specific performance of the terms of this Agreement without being required to prove actual damages, post bond or furnish other security.

ARTICLE XI

CASUALTY

Upon the occurrence of any casualty loss, damage or destruction material to the operation of the Sale Assets prior to the Closing, Seller shall promptly give Buyer written notice setting forth in detail the extent of such loss, damage or destruction and the cause thereof if known. Seller shall use its reasonable efforts to promptly commence and thereafter to diligently proceed to repair or replace any such lost, damaged or destroyed property. In the event that such repair or replacement is not fully completed prior to the Closing Date, Buyer may elect, at its sole option, to (a) postpone Closing for a reasonable period of time to permit Seller to complete its repairs; or (b) cause Seller to assign to Buyer the portion of the insurance proceeds (less all reasonable costs and expenses, including without limitation attorney's fees, expenses and court costs incurred by Seller to collect such amounts), if any, not previously expended by Seller to repair or replace the damaged or destroyed property and Buyer shall accept the damaged Sale Assets in their damaged condition provided that Seller has satisfied its insurance obligations in Section 5.1(a) hereof. In the event Seller has failed to materially complete such repairs prior to Closing (as postponed by operation of this in Article XI), Buyer shall have the option to terminate this Agreement. Notwithstanding anything herein to the contrary, in the event Buyer commences programming pursuant to the TBA, Buyer shall be deemed to have waived any right to terminate this Agreement pursuant to this Article XI in Section 10.1(d).

ARTICLE XII

CONTROL OF STATION

Between the date of this Agreement and the Closing Date, Buyer shall not control, manage or supervise the operation of the Station or conduct of its business, all of which shall remain the sole responsibility and under the control of Seller, subject to Seller's compliance with this Agreement.

ARTICLE XIII

1031 EXCHANGE

Seller agrees to cooperate with Buyer as reasonably requested by Buyer to assist Buyer in consummating a tax deferred exchange under Section 1031 of the *Internal Revenue Code* of 1986, and the comparable provisions of applicable state law, provided Seller shall incur no additional liabilities, expenses or costs as a result of or connected with such exchange.

ARTICLE XIV

MISCELLANEOUS

14.1 **Further Actions.** From time to time before, at and after the Closing, each party, at its expense and without further consideration, will execute and deliver such documents to the

other party as the other party may reasonably request in order more effectively to consummate the transactions contemplated hereby.

14.2 **Access After the Closing Date.** After the Closing and for a period of twelve (12) months, Buyer shall provide Seller, Seller's counsel, accountants and other representatives with reasonable access during normal business hours to the books, records, property, personnel, contracts, commitments and documents of the Station pertaining to transactions occurring prior to the Closing Date, that are the responsibility and obligation of the Seller, when requested by Seller, and Buyer shall retain such books and records for the normal document retention period of Buyer. At the request and expense of Seller, Buyer shall deliver copies of any such books and records to Seller.

14.3 **Payment of Expenses.**

(a) Any fees assessed by the FCC in connection with the filings contemplated by Section 5.2 or consummation of the transactions contemplated hereby shall be shared equally between Seller and Buyer.

(b) All state or local sales or use, stamp or transfer, grant and other similar taxes payable in connection with consummation of the transactions contemplated hereby shall be shared equally between Seller and Buyer.

(c) Except as otherwise expressly provided in this Agreement, each of the parties shall bear its own expenses, including the fees of any attorneys and accountants engaged by such party, in connection with this Agreement and the consummation of the transactions contemplated herein.

14.4 **Notices.** All notices, demands or other communications given hereunder shall be in writing and shall be sufficiently given if delivered by courier or sent by registered or certified mail, first class, postage prepaid, or by facsimile machine or similar written means of communication, addressed as follows:

(a) If to Seller, to:

The Taylor Law Offices, P.C.
4550 Post Oak Place
Suite 241
Houston, TX 77027
Attention: Thomas L. Taylor, III
Receiver
Telephone: (713) 626-5300
Facsimile: (713) 402-6154

With a copy to:

Drinker Biddle & Reath LLP
1500 K Street, N.W. Suite 1100
Washington, DC 20005
Attention: Mark B. Denbo, Esq.
Telephone: (202) 230-5180
Facsimile: (202) 842-8465

(b) If to Buyer, to:

Attention: _____

Title: _____

Telephone: _____

Facsimile: _____

or such other address with respect to any party hereto as such party may from time to time notify (as provided above) to the other party hereto. Any such notice, demand, or communication shall be deemed to have been given (i) if so mailed, as of the close of the third (3rd) business day following the date mailed, and (ii) if personally delivered or otherwise sent as provided above, on the date received.

14.5 **Entire Agreement.** This Agreement, the Schedules and Exhibits hereto, and the other Documents constitute the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersede any prior negotiations, agreements, understandings or arrangements between the parties with respect to the subject matter hereof.

14.6 **Binding Effect; Benefits.** Except as otherwise provided herein, this Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors or assigns. Except to the extent specified herein, nothing in this Agreement, express or implied, shall confer on any Person other than the parties hereto and their respective successors or assigns any rights, remedies, obligations or liabilities under or by reason of this Agreement.

14.7 **Assignment.** This Agreement and any rights hereunder shall not be assignable by either party hereto without the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, Buyer may in its

sole and absolute discretion, assign all of its right, title, interest and obligation under this Agreement to any entity controlled by, or under common control with Buyer; provided, however, that each such assignor and assignee shall be jointly and severally liable for Buyer's obligations hereunder.

14.8 **Governing Law.** This Agreement shall in all respects be governed by and construed in accordance with the laws of the State of Texas, including all matters of construction, validity and performance.

14.9 **Bulk Sales.** Buyer hereby waives compliance by Seller with the provisions of the Bulk Sales Act and similar laws of any state or jurisdiction, if applicable. Seller shall, in accordance with Article IX, indemnify and hold Buyer harmless from and against any and all claims made against Buyer by reason of such non-compliance.

14.10 **Amendments and Waivers.** No term or provision of this Agreement may be amended, waived, discharged or terminated orally but only by an instrument in writing signed by the party against whom the enforcement of such amendment, waiver, discharge or termination is sought. Any waiver shall be effective only in accordance with its express terms and conditions.

14.11 **Severability.** If any provision of this Agreement, or the application thereof to any Person or entity or any circumstance, is invalid or unenforceable in any jurisdiction, (i) a suitable and equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the extent and purpose of such invalid and unenforceable provision, and (ii) the remainder of this Agreement and the application of such provision to other Persons, entities or circumstances shall not be affected by such invalidity or unenforceability, nor shall such invalidity or unenforceability affect the validity or enforceability of such provision, or the application thereof, in any other jurisdiction.

14.12 **Headings.** Except as provided in Article I, the captions in this Agreement are for convenience of reference only and shall not define or limit any of the terms or provisions hereof.

14.13 **Counterparts.** This Agreement may be executed in any number of counterparts, and by either party on separate counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Fax signatures shall be deemed the same as original signatures. This Agreement is not binding until executed by both parties hereto.

14.14 **References.** All references in this Agreement to Articles and Sections are to Articles and Sections contained in this Agreement unless a different document is expressly specified.

14.15 **Schedules and Exhibits.** Unless otherwise specified herein, each Schedule and Exhibit referred to in this Agreement is attached hereto, and each such Schedule and Exhibit is hereby incorporated by reference and made a part hereof as if fully set forth herein.

14.16 **Attorneys' Fees.** If any action at law or equity is brought, whether in a judicial proceeding or arbitration, to enforce or interpret any provision of this Agreement, the prevailing

party shall be entitled to recover reasonable attorneys' fees and expenses from the other party, which fees and expenses shall be in addition to any other relief, which may be awarded.

14.17 **Knowledge.** All references to the knowledge or awareness of Seller or Buyer shall refer to the Seller's or Buyer's respective actual knowledge, assuming a reasonable degree of investigation by such party.

Signatures appear on following page.

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

“SELLER”

“BUYER”

BusinessRadio Houston LLC
BusinessRadio Houston Licensee LLC

By: _____

By: _____

Thomas L. Taylor, III in his capacity as
Court-appointed Receiver for BusinessRadio
Houston LLC and BusinessRadio Houston
Licensee LLC, et al.

Name: _____

Title: _____

LIST OF EXHIBITS

Exhibit A

Lease Agreement

Exhibit A

Lease Agreement

LEASE AGREEMENT

This Agreement ("Agreement") is made as of this 31st day of March, 2008, by and between EDWARD G. ATSINGER III, not individually but as sole Trustee of the ATSINGER FAMILY TRUST /u/a dated April 8, 2002, and STUART W. EPPERSON, not individually but solely as the general partner of THE EPPERSON FAMILY LIMITED PARTNERSHIP, collectively referred to herein as "Lessor", and BusinessRadio Houston LLC ("Lessee"), a Delaware limited liability company.

WHEREAS, Lessor owns certain land which shall include all rights, easements, fixtures, buildings and appurtenances pertaining to such property (the "Land") and as of the date hereof Lessee has acquired certain improvements thereon including six (6) radio transmitting towers (the "Improvements"), which Land and Improvements together comprise certain real property located in the County of Brazoria, State of Texas, more particularly described as set forth in Exhibit "A", which is attached hereto and made a part hereof (the "Real Property"); and,

WHEREAS, Lessee desires to use said Real Property in its radio station operations; and,

WHEREAS, the parties are desirous of making a mutually suitable and satisfactory agreement whereby Lessor will lease to Lessee the Land (constituting the "Leased Premises") on the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the following covenants, agreements, conditions and representations, the parties hereto agree as follows:

SECTION 1

USE OF THE LEASED PREMISES

- (a) Lessor, in consideration of the rents to be paid and covenants herein contained, hereby leases to Lessee the Leased Premises.
- (b) Lessee may use the Leased Premises for its radio operations, and, in connection therewith, for the installation, repair, maintenance, operation, housing and removal of its Improvements and other related broadcasting equipment (together comprising the "Installations"). Based on Lessee's inspection of the Land and its environmental assessments and title work conducted prior to the date hereof, Lessee is fully familiar with the physical condition of the Land and has received the same in good order and condition, and agrees that the Land complies in all respects with all requirements of this Agreement. Lessee shall use the Land exclusively for purposes associated with the operation of a single radio station.
- (c) Lessee shall have the right from time to time to substitute and/or add Installations of similar kind and character for those hereinabove specified, including without limitation, the rebuilding and reconfiguring of the towers on the Leased Premises, provided such changes shall be approved in advance by Lessor, and Lessor shall not unreasonably delay, condition or withhold its approval. In the event Lessee submits any such changes for Lessor's approval and

Lessor does not respond within thirty (30) days after Lessor's receipt thereof, then such changes shall be deemed approved by Lessor, so long as such changes otherwise comply with this Agreement, five (5) days after Lessor's receipt of notice that it has not responded.

(d) Lessee shall have access to the Leased Premises twenty-four (24) hours per day, seven (7) days per week, for the purpose of installing, maintaining and repairing its Installations, provided that the contractors performing such work are reputable and properly insured consistent with the requirements in this Agreement.

(e) Lessor shall not be responsible for repairs or maintenance to the Installations, except for repairs occasioned by the negligence or intentional acts or omissions of Lessor, its agents, employees or contractors.

(f) Lessee shall not use or permit the Leased Premises to be used by any dangerous, toxic, noxious or offensive trade or business, or for any unlawful purpose.

(g) Lessee shall not directly or indirectly create or permit to be created or to remain, and will discharge any mortgage, lien, security interest, encumbrance or charge on, pledge of or conditional sale or other title retention agreement with respect to the Real Property or any part thereof or Lessee's interest therein ("Liens") other than (i) this Agreement, (ii) any Lien, including a mortgage on the leasehold interest of Lessee, arising in connection with Lessee's financing of its acquisition of the Improvements and any renewals and replacements thereof, provided the form of such leasehold mortgage or other Lien was approved by Lessor prior to its creation, (iii) any other Lien which may be approved by Lessor in writing, which approval shall not be unreasonably withheld, conditioned or delayed, (iv) liens for impositions not yet payable, or payable without the addition of any fine, penalty, interest or cost for non-payment, or being contested as permitted by Paragraph 3(d), below, and (v) liens of mechanics, materialmen, suppliers or vendors, or rights thereto, incurred in the ordinary course of business for sums which under the terms of the related contracts are not at the time due, provided that adequate provision for the payment thereof shall have been made. Lessor agrees to cooperate with Lessee's lender in connection with the approval of the Liens described in clause (ii) above and to execute and deliver to such lender such acknowledgements and agreements, estoppel certificates, recordable memoranda of lease, and other documents as may be reasonably requested by such lender.

SECTION 2

TERM AND RENT

(a) The term of this Lease (the "Term") shall commence on the date hereof (the "Commencement Date"), and shall expire on December 31, 2037 (the "Expiration Date").

(b) Lessee agrees to pay rent to Lessor from the Commencement Date through the Expiration Date, or such earlier date as this Agreement is terminated as provided herein, at 855 Aviation Drive, Suite 200, Camarillo, CA 93010, or to such other person or place as Lessor may designate from time to time by notice to Lessee, in the following amounts and in the following manner:

(i) Beginning with the Commencement Date and ending on the last day of December, 2008, Lessee shall pay Twenty-Four Thousand Dollars and No Cents (\$24,000.00) per annum, in equal monthly installments of Two Thousand Dollars and No Cents (\$2,000.00) in advance on the first day of each month (prorated for the first partial month of such period). From January 1, 2009 through December 31, 2009, Lessee shall pay Thirty Thousand Dollars and No Cents (\$30,000.00) per annum, in equal monthly installments of Two Thousand Five Hundred Dollars and No Cents (\$2,500.00) in advance on the first day of each month. From January 1, 2010 through December 31, 2010, Lessee shall pay Thirty-Six Thousand Dollars and No Cents (\$36,000.00) per annum, in equal monthly installments of Three Thousand Dollars and No Cents (\$3,000.00) (the "Base Rent") in advance on the first day of each month. Thereafter, the monthly rent shall be computed according to subparagraph (ii) below.

(ii) The term "Adjustment Date" shall mean January 1, 2011. Beginning with the Adjustment Date and every year thereafter on the anniversary of the Adjustment Date, the monthly rent payable by Lessee during such year shall reflect an adjustment, as herein provided, in an amount equal to the greater of: (x) five percent (5%) of the Base Rent for the previous year; and (y) the increase, if any, in the Consumer Price Index for All Urban Consumers, All Items, U.S. Cities Average [Base Year 1982/84=100] ("CPI") published by the United States Department of Labor, Bureau of Labor Statistics, as measured in November of the previous year; i.e., beginning with the Adjustment Date, if such increase in the CPI is greater than five percent (5%), the monthly rent shall be the product obtained by multiplying the Base Rent times a fraction, the numerator of which shall be the CPI for November of the previous year and the denominator of which shall be the CPI for November 2009. For example, if such increase in the CPI is greater than five percent (5%), the first rent adjustment on the Adjustment Date shall be computed by multiplying the Base Rent times the CPI for November 2010 divided by the CPI for November 2009. In the event that the Bureau of Labor Statistics shall change the base period for the CPI, the new index number shall be substituted for the old index numbers in making the above computation. In the event the Bureau of Labor Statistics ceases publishing the CPI, or materially changes the method of its computation, Lessor and Lessee shall accept comparable statistics on the purchasing power of the consumer dollar as published at the time of said discontinuation or change by a responsible financial periodical of recognized authority to be then chosen by Lessor subject to reasonable consent of Lessee.

(c) Rent and all other sums payable to Lessor hereunder shall be paid without notice, demand, counterclaim, set-off, deduction or defense and without abatement, suspension, deferment, diminution or reduction. Except as expressly provided herein, Lessee waives all rights now or hereafter conferred by statute or otherwise to quit, terminate or surrender this Agreement or the Real Property or any part thereof, or to any abatement, suspension, deferment, diminution or reduction of rent or any other sum payable by Lessee hereunder.

SECTION 3

CHARGES AND UTILITIES

(a) Lessee, at its sole expense, shall keep the Real Property including roadways on the property in good and clean order and condition and will promptly make all necessary or appropriate repairs, replacements, and renewals thereof, whether interior or exterior, structural or

MEMORANDUM OF LEASE

This Memorandum Of Lease (this "Memorandum") is made and entered into as of the 4th day of June, 2008 by and between Edward G. Atsinger III, not individually but as sole Trustee of the Atsinger Family Trust /u/a dated April 8, 2002, and Stuart W. Epperson, not individually but solely as the general partner of The Epperson Family Limited Partnership, (collectively referred to herein as "Lessor"), and BusinessRadio Houston LLC (the "Lessee"), with reference to the following facts:

WHEREAS, the parties hereto entered into a written Lease Agreement dated March 31, 2008 (the "Lease") for certain land owned by Lessor, including all rights, easements, fixtures, buildings and appurtenances pertaining to such property (the "Land") and, on which certain improvements owned by Lessee are located, including six (6) radio transmitting towers (the "Improvements"), which Land and Improvements together comprise certain real property located in the County of Brazoria, State of Texas, more particularly described as set forth in Exhibit "A", which is attached hereto and made a part hereof (the "Real Property").

NOW, THEREFORE, in consideration of the foregoing recitals and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto give notice of the following:

- 1) The foregoing recitals are hereby incorporated into this Memorandum as if fully restated and set forth in this first Paragraph.
- 2) The term of the Lease commenced on March 31, 2008 and shall expire on December 31, 2037 (the "Term"). Upon the expiration of the Term, Lessee shall surrender to Lessor the Real Property, and, at Lessor's option, all interest of the Lessee in and to the Improvements.
- 3) Lessee may use the Leased Premises for its radio operations and, in connection therewith, for the installation, repair, maintenance, operation, housing and removal of its Improvements and other related broadcasting equipment.
- 4) Lessor granted to Lessee a right of first negotiation and a right of first refusal with respect to any sale of the Land during the Term in accordance with the terms of the Lease.
- 5) In the event of any sale of a portion of the Land by Lessor, Lessor shall cause the purchaser to agree in writing that such purchaser's use or occupancy of such portion of the Land will not interfere with or adversely affect Lessee's technical operations in any way. This covenant is a covenant that runs with the Land.
- 6) This Memorandum is solely for recording and notice purposes, and does not alter, modify, limit, amend or supplement the Lease in any respect.
- 7) This Memorandum is not a summary of the Lease. Reference should be made to the Lease for its terms, provisions and conditions thereof.


VPS

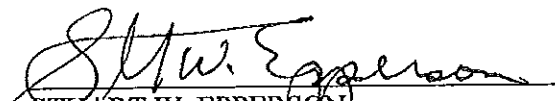
IN WITNESS WHEREOF, the parties have executed this Memorandum as of the date first set forth above.

LESSOR:

ATSINGER FAMILY TRUST

EPPERSON FAMILY LIMITED PARTNERSHIP


EDWARD G. ATSINGER, III
Trustee

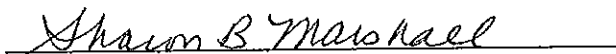

STUART W. EPPERSON
General Partner

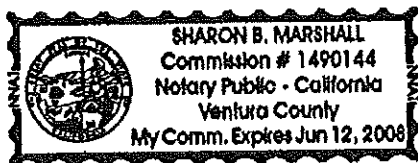
STATE OF CALIFORNIA
COUNTY OF VENTURA

On ^{June} ~~May~~ 4, 2008, before me, Sharon B. Marshall, Notary Public, personally appeared Edward G. Atsinger III, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity and that, by his signature on the instrument, the person or the entity upon behalf of which the person acted executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



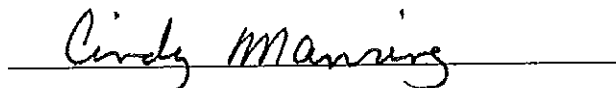


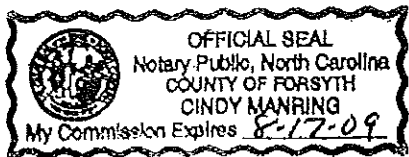
My commission expires on 6-12-08

STATE OF NORTH CAROLINA
COUNTY OF FORSYTH

I, Cindy Manring, a Notary Public for said County and State, do hereby certify that Stuart W. Epperson personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and official seal,
this the 28 day of May 2008.





My commission expires: 8-17-09

LESSEE:

BUSINESSRADIO HOUSTON LLC

By: _____

Name

Title

John Lunsford
VP & Secretary

STATE OF TEXAS
COUNTY OF HARRIS

The foregoing instrument was acknowledged before me this 14th day of May, 2008, by John Lunsford, as SECRETARY of BusinessRadio Houston LLC on behalf of such company.

My commission expires: _____

Nancy V. Gollan

Notary Public

Typed or Printed Name of Notary Public

[SEAL]

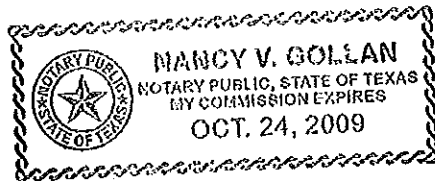


EXHIBIT "A"

12.0 acres of land, being all of Tract 37 and a part of Tract 38 of the Subdivision of Section 16, Hooper and Wade Survey, Abstract 480, Brazoria County, Texas, according to the Plat recorded in Volume 9, Page 7, Deed Records, Brazoria County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at an iron rod found marking the most Southerly corner of Tract 37, also the most Westerly corner of Tract 36 from which the lower Southwest corner of Abstract 480 bears S 28 deg. 22 min. 05 sec. E - 2782.55 feet;

THENCE, N 28 deg. 22 min. 05 sec. W along and with the Westerly line of Tract 37 and Tract 38, a distance of 560.74 feet to an 1 inch iron pipe for the most Westerly corner of the herein described tract;

THENCE N 61 deg. 38 min. 12 sec. E at 905.58 feet pass a 1 inch iron pipe set for reference point in the Westerly Right-of-Way line of County Road 833 and continue for a total distance of 932.38 feet to a 1 inch iron pipe set for the most Northerly corner of the herein described tract in the Easterly line of Tract 38;

THENCE S 28 deg. 21 min. 00 sec. E along and with the Easterly line of Tract 38 and 37, a distance of 560.74 feet to an iron rod found for the most East corner of Tract 37;

THENCE S 61 deg. 38 min. 12 sec. W along and with the Southerly line of Tract 37, a distance of 932.2 feet to the PLACE OF BEGINNING and containing 12.0 acres of land, more or less.

12.991 acres of land, out of a 24.75 acre tract of land, being all of Lots 37 and 38 and a portion of Lot 39 of the Subdivision of Section 16, Hooper and Wade Survey, Abstract 480, Brazoria County, Texas according to the Plat as recorded in Volume 9, Page 7, Deed Records, Brazoria County, Texas, said 24.75 acre tract of land being recorded in Volume 1513, Page 251, Deed Records, Brazoria County, Texas, said 12.991 acres being more particularly described by metes and bounds as follows:

BEGINNING at an iron pipe set for the East corner of the herein described tract in County Road 833, and being the Northeast line of Lot 38 and the Northeast line of the aforesaid 24.75 acre tract, also being the North corner of a 12.00 acre tract and being located North 28 deg. 21 min. West - 560.74 feet from the East corner of Lot 37 and the East corner of said 24.75 acre tract;

THENCE South 61 deg. 38 min. 12 sec. West along and with the Northwest line of a 12.0 acre tract, at 28.50 feet pass a 1 inch pipe set for reference point in the Westerly right of way of County Road 833 and continue for a total distance of 932.38 feet to a 1 inch iron pipe set for the South corner of the herein described tract in the Southwest line of Lot 38 and the Southwest line of the aforesaid 24.75 acre tract;

~~THENCE North 28 deg. 22 min. 05 sec. West along and with the southwest line of said Lot 38 and Lot 39 and the Southwest line of said Lot 38 and Lot 39 and the Southwest line of said 24.75 acre tract, a distance of 606.66 feet to an iron rod found the West corner of the herein described tract and the West corner of the aforesaid 24.75 acre tract;~~

THENCE, North 61 deg. 37 min. 05 sec. East along and with the Northwest line of said 24.75 acre tract, at 905.71 feet pass an iron rod found for reference point in the Westerly right of way line of County Road 833 and continue for a total distance of 932.57 feet to an iron pipe set for the North corner of the herein described tract and the North corner of the aforesaid 24.75 acre tract in County Road 833 and in the Northeast line of Lot 39;

THENCE South 28. deg 21 min. East along and with the Northeast line of Lots 39 and 38, a distance of 606.97 feet to the PLACE OF BEGINNING and containing 12.991 acres of land.

Mary Smith
✓ 3050 Post Oak Blvd. Ste. 11680
✓ Houston, TX 77056

Doc# 2008033227
Pages 5
07/01/2008 11:32AM
Official Public Records of
BRAZORIA COUNTY
JOYCE HUDMAN
COUNTY CLERK
Fees \$32.00

Clifford Hedman

RECORDER'S MEMORANDUM:

At the time of recordation, this instrument was found to be inadequate for the best photographic reproduction because of illegibility, carbon, or photo-copy, discolored paper, etc. All blockouts, additions and changes were present at the time the instrument was filed and recorded.

Exhibit A - Page 2

DA983000.063

LIST OF SCHEDULES

Schedule 2.3	List of liabilities assumed by Buyer
Schedule 3.4	Consents
Schedule 3.5	List of Tangible Personal Property
Schedule 3.6	List of Station Agreements
Schedule 3.7	List of FCC licenses, permits & authorizations
Schedule 3.8	Litigation

These Schedules are not intended to constitute, and shall not be construed as constituting, any representation or warranty of Seller except as and to the extent expressly provided in the Agreement. The fact that any item of information is contained herein shall not, in and of itself, be construed to mean that such information is required to be disclosed in or by the Agreement or that such item of information is "material" as such term is used in the Agreement.

Seller has not undertaken to describe the contents of documents referred to in these Schedules. Instead, references to such documents are qualified in their entirety by the text of such documents. Furthermore, the reference to any document is deemed to include any and all exhibits, schedules, annexes and other attachments to such document.

Any matter disclosed in one Schedule hereof in such a way as to make its relevance to information called for by another Schedule readily apparent shall be deemed to be disclosed in such other Schedules, notwithstanding the omission of an appropriate cross-reference. The headings in these Schedules are for convenience of reference only and shall not be deemed to alter or affect the express description of the sections of these Schedules as set forth in the Agreement.

Schedule 2.3

Liabilities Assumed by Buyer

None

Schedule 3.4

Consents

None

Schedule 3.5

Tangible Personal Property

Antenna/Tower

(2)246' 24" Face Insulated AM Radiator
(4)246' 18" Face Insulated AM Radiator
2000' 7/8" Transmission Line
2000' 112" Phase Sampling Line
(6) Phase Sampling Loop

Transmitter

4)LED Beacons w/ 4)LED Controllers
5KW Dummy Load
DAX 3 AM Transmitter
DS21S 225Amp Series Type Surge Suppressor
Burk910-085-200RC Syst;BurkWebBsd Intrfc
2)PWA PA Module (T)
2)PWA PA Torpoid
Orban 9200W/ Analog & Dig
Optimode AM Processor
Potomac Instr AM 19 Antenna Monitor
(6) 2.5kw Antenna Tning Unit
6 Tower Phasor Unit
10' Metal Dish Antenna Harris SX 2.5 Transmitter Harris MW1A Transmitter
2)Harris Intraplex point-to-point STL with the following cards: MA 215, MA 508, MA 509 (2)
andMA427/
72" Equipment Rack
Parabolic Receiving Ant;150' 7/8" XmsnLn

Antenna Structure Registrations 1054385, 1054386, 1054387, 1054388, 1054389 and 1054390

Schedule 3.6

Station Agreements

Lease Agreement dated March 28, 2008, by and between Edward G. Atsinger III as sole Trustee of the Atsinger Family Trust /u/a dated April 8, 2002 and Stuart W. Epperson as the general partner of The Epperson Family Limited Partnership (collectively as Lessor) and BusinessRadio Houston LLC (as Lessee), for the KTEK transmitter site premises.

Schedule 3.7**FCC Licenses***Main Station FCC Licenses:*

Call Sign	Facility ID#	City/Lic	FCC File No.	License Expiration Date
KTEK(AM)	10827	Alvin, TX	BZ990412DD	8/1/2013

*Auxiliary (Back-up) FCC Licenses: None**Part74 Licenses (all STLs):*

Call Sign	Type	License Expiration Date
KPG223	RPU	8/1/2013
WLF360	STL	8/1/2013

Pending FCC Applications: None

** There may be a discrepancy between the geographic coordinates reported on the FCC antenna structure registrations for the towers included among the Tangible Personal Property and the FCC licenses for the Station. Buyer is aware of the discrepancy and will take the Sale Assets subject to such discrepancy.

Schedule 3.8

Litigation

1. *Asia Vision, Inc. v. Business Radio Network, L.P. d/b/a BizRadio Texas, LLC d/b/a Biz Radio Network; Business Radio Inc.; BizRadio Colorado LLC and Daniel Shalom Frishberg*; Cause No. 2010- 07095; 152nd Judicial District Court of Harris County, Texas (the "Petition").

On February 2, 2010, Asia Vision, Inc. filed an Original Petition, Application for Temporary Restraining Order and Application for Injunctive relief against various BusinessRadio entities.

The District Court in the Receivership Proceeding has approved settlement of the case, pursuant to the Procedures Order, subject to Closing of the transactions contemplated by this Agreement.

2. *Techcess Group, L.P. vs. Wallace Bajjali Development Partners, L.P.*; Cause No. 2009-13525; 133rd Judicial District Court of Harris County, Texas.

Techcess filed suit alleging nonpayment in the amount of \$36,830.00 related to a contract for computer and IT services to BusinessRadio. BusinessRadio asserted counterclaims related to the repair of alleged defects and for refunds of sums paid for such allegedly defective work and allegedly excessive charges.

This litigation is currently stayed pursuant to the Order Appointing Receiver, Doc. 7, ¶7(a).