

10/22/02

10-25-2002

Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002)

RE 1



102261200

J.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

Tab settings

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

WAHR, Inc.

- Individual(s), Association, General Partnership, Limited Partnership, Corporation-State of Alabama, Other

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance:

- Assignment, Merger, Security Agreement, Change of Name, Other Stock Purchase Agreement

Execution Date: 03/16/1999

2. Name and address of receiving party(ies)

Name: STG Acquisition Services, Inc.

Internal Address:

Street Address: 1900 South Memorial Parkway

City: Huntsville State: AL Zip: 35801

- Individual(s) citizenship, Association, General Partnership, Limited Partnership, Corporation-State of Alabama, Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No

4. Application number(s) or registration number(s):

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

1,475,333

Additional number(s) attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Frank M. Caprio, Esq.

Internal Address:

Lanier Ford Shaver & Payne P.C.

Street Address: P.O. Box 2087

City: Huntsville State: AL Zip: 35804

6. Total number of applications and registrations involved:

1

7. Total fee (37 CFR 3.41): \$ 40.00

- Enclosed, Authorized to be charged to deposit account

8. Deposit account number:

DO NOT USE THIS SPACE

9. Signature.

Frank M. Caprio Name of Person Signing

Signature

15 Oct 02 Date

Total number of pages including cover sheet, attachments, and document:

10/25/2002 LMUELLER 00000030 1475333

Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

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Additional conveying parties: Arnold Hornbuckle

FIRST AMENDMENT TO STOCK PURCHASE AGREEMENT

This **FIRST AMENDMENT TO STOCK PURCHASE AGREEMENT** (the "Amendment") is made and entered into this 1st day of July, 1999 by and between **ARNOLD HORNBUCKLE**, an individual who resides in Huntsville, Alabama (the "Seller"), and **STG ACQUISITION SERVICES, INC.** (the "Buyer"), (singularly a "Party" and collectively the "Parties") and **W.A.H.R., INC.**, an Alabama corporation (the "Company").

WHEREAS, the Parties entered into a Stock Purchase Agreement (the "Agreement") on March 16, 1999 whereby Seller agreed to sell his Shares in the Company to Buyer and Buyer agreed to purchase the Shares;

WHEREAS, on March 24, 1999, the Parties filed an application for transfer of control of the Company (File No. BTCH-990324GG) and on May 6, 1999, the Federal Communications Commission (the "FCC") granted the application; and

WHEREAS, for business reasons, the Parties desire to sell the assets of the Company to Seller instead of the Shares and FCC approval is required for the sale of the assets and on June 18, 1999, the Company and Buyer filed an application for the pro forma assignment of license with the FCC and on June 28, 1999 the FCC granted the application.

A G R E E M E N T S

NOW, THEREFORE, in consideration of the respective representations, warranties, agreements and conditions hereinafter set forth in the Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound, hereby agree to enter into this First Amendment (the "Amendment") to amend the Agreement to make such minor revisions as may be necessary to comply with the FCC grant of June 18, 1999 by substituting the Agreement attached as Exhibit A for the original Agreement.

[Remainder of Page Intentionally Left Blank]

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

ARNOLD HORNBUCKLE

By: Arnold Hornbuckle

W.A.H.R., INC.

By: Arnold Hornbuckle
Arnold Hornbuckle
President

STG ACQUISITION SERVICES, INC.

By: Steven J. Shelton
Name: Steven J. Shelton
Title: President

the undersigned enter into this agreement for the purpose of agreeing to paragraphs numbered 9(d) & 9(e) in the attached stock Purchase agreement on this the 1st day of July 1999.

Steven J. Shelton

[Signature]

STOCK PURCHASE AGREEMENT

BY AND BETWEEN

ARNOLD HORNBUCKLE

AND

STG ACQUISITION SERVICES, INC.

March 16, 1999

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SCHEDULES

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STOCK PURCHASE AGREEMENT

This Agreement ("Agreement") is entered into on and as of March 16, 1999, by and between **ARNOLD HORNBUCKLE**, an individual who resides in Huntsville, Alabama (the "*Seller*"), and **STG ACQUISITION SERVICES, INC.**, an Alabama corporation (the "*Buyer*"). The Seller and the Buyer are hereinafter individually referred to as a "*Party*" and collectively referred to as the "*Parties*."

WITNESSETH:

WHEREAS, W.A.H.R., Inc., an Alabama corporation (the "*Company*") owns, operates and is the licensee of FM Radio Broadcast Station WAHR, licensed to Huntsville, Alabama (the "*Station*"), and is the owner of certain personal and real property used or useful in connection with the ownership and operation of the Station;

WHEREAS, the total authorized, issued and outstanding equity securities of the Company consists of One Thousand (1,000) shares of common stock par value \$10 per share (the "*Company Shares*");

WHEREAS, the Seller owns One Thousand, (1,000) of the Company Shares (the "*Hornbuckle Shares*");

WHEREAS, the Company Shares and ownership control may not be transferred without the prior written consent of the Federal Communications Commission (the "*FCC*"); and

WHEREAS, Seller desires to sell, and Buyer desires to purchase, all of the Hornbuckle Shares pursuant to the terms and conditions set forth herein

NOW, THEREFORE, in consideration of the premises and the mutual promises herein made and the representations, warranties, and covenants herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, both Parties, intending to be legally bound, hereby agree as follows.

1. Purchase and Sale of Hornbuckle Shares.

(a) *Basic Transaction.* Subject to the terms and conditions of this Agreement, Buyer agrees to purchase from Seller, and Seller agrees to sell to Buyer, all of the assets of the Company as described in Schedules 4(f), 4(g), 4(i) and 4(j) of the Agreement (the "*Assets*") for the consideration specified below in this Section 1.

(b) *Purchase Price.* Buyer agrees to pay to Seller, as consideration for the Hornbuckle Shares, the amount of Eleven Million, Three Hundred and Fifty Thousand Dollars (\$ 11,350,000.00) (the "*Purchase Price*"). The Purchase Price shall be allocated as follows: (i) Eleven Million, Three Hundred Forty-Nine Thousand Nine Hundred and Ninety-Nine Dollars

(\$11,349,999.00) for this Agreement; and (ii) One Dollar for entering into a Non-Competition Agreement in the form attached hereto as Exhibit A.

(c) *Escrow Deposit.* Contemporaneously with the execution of this Agreement, Buyer shall deliver 500,000.00 Five Hundred Thousand Dollars (\$500,000.00) to Union Planter's Bank located in Huntsville, Alabama ("*Deposit Escrow Agent*") to be held, along with all accrued interest thereon, by Deposit Escrow Agent pursuant to the terms of the Escrow Agreement attached hereto as Exhibit B (the "*Deposit Escrow Agreement*").

(d) *Payment of Purchase Price.* On the Closing Date, Buyer shall pay the Purchase Price to Seller as follows:

(i) the sum of Ten Million, Eight Hundred and Fifty Thousand Dollars (\$10,8500,000) by cashier's check to an account or accounts designated in writing by Seller (the "*Closing Payment*"); and

(ii) the Escrow Deposit, plus all accrued interest thereon, shall be disbursed by the Deposit Escrow Agent to Seller by wire transfer of immediately available funds to an account or accounts designated in writing by Seller, pursuant to the Deposit Escrow Agreement.

(e) *The Closing.* The closing of the transactions contemplated by this Agreement (the "*Closing*") shall take place at a mutually agreeable location, commencing at 9:00 a.m. local time on July 1, 1999 by which date all other conditions to the obligations of the Parties to consummate the transactions contemplated hereby will have been satisfied or waived (the "*Closing Date*").

(f) *Spin-Off Assets Excluded.* The Parties hereby agree that the following assets, rights and interests (the "*Spin-Off Assets*") are not intended to be part of this transaction and that such Spin-Off Assets will be transferred from the company to Seller or Seller's designee prior to or as of the Closing Date, pursuant to Section 5(q) hereof:

(i) All cash (including cash deposits) of the Company existing up to and including the Closing Date; however, if, as of the Closing Date, the Company holds deposits from advertisers for commercials to be broadcast on the Station after the Closing Date, the Company shall convey all such deposits to Buyer, who in turn shall be responsible for broadcasting the commercials;

(ii) All accounts receivable and trade accounts of the Company arising out of the operation of the Station prior to the Closing Date ("*Seller's Accounts Receivable*"); and

(iii) Company's notes receivable, stocks, bonds, certificates of deposit and similar investments, and Company's operating bank account and all assets held therein;

(iv) Company's minute books and other books and records not related to the refunds of federal, state or local taxes or fees of any nature whatsoever which relate to times prior to the Closing Date;

(v) all insurance contracts and rights of Seller and/or Company to receive a payment of any kind which existed on or prior to the Closing Date and which relate to times prior to the Closing Date;

(vi) all deposits paid by Company;

(vii) all rights of Seller and/or Company associated with any classes in action;

(viii) all rights and interests of Company in the Real Property located in Owens Crossroads, Alabama;

(ix) the WAHR Employee Retirement Trust Fund; and

(x) all rights and interests of Company in the 1998 Lincoln Continental purchased by Company.

2. Representations and Warranties of the Seller. Seller hereby represents and warrants to Buyer as follows:

(a) *Authorization of Transaction.* Except as set forth on Schedule 2(d), Seller has full power and authority to execute and deliver this Agreement and to perform his obligations hereunder. This Agreement constitutes the valid and legally binding obligation of the Seller, enforceable in accordance with its terms and conditions.

(b) *Noncontravention.* Except as set forth in Schedule 2(d), neither the execution of this Agreement, nor the performance of Seller's obligations hereunder, will in any material respect (i) violate any statute, regulation, rule, judgment, order, decree, stipulation, injunction, charge, or other restriction of any government, governmental agency, or court to which the Seller is subject, or (ii) conflict with, or result in a breach of, constitute a default, or create any lien, charge or encumbrance upon the FCC Licenses, Company Shares or the Assets under any agreement or instrument to which the Seller is a party or by which the Seller or his assets are bound. Other than with respect to the Transfer Application and the filing(s) required by the HSR Act (if any), the Seller need not give any notice to, make any filing with, or obtain any authorization, consent, or approval of any government or governmental agency in order for the Parties to consummate the transactions contemplated by this Agreement.

(c) *Brokers' Fees.* Seller has no liability or obligation to pay any fees or commissions to any broker, finder, or agent with respect to the transactions contemplated by this Agreement for which Buyer could become liable or obligated.

(d) *Hornbuckle Shares.* The Seller holds of record and owns beneficially One Thousand (1,000) of the Company Shares (previously defined as the "Hornbuckle Shares") representing 100% of the issued and outstanding shares of the Company. The Hornbuckle Shares have been

duly authorized and validly issued and are fully paid and nonassessable. Except as set forth in Schedule 2(d), the Hornbuckle Shares are free and clear of any restrictions on transfer (other than any restrictions under the Securities Act and state securities laws), claims, taxes, security interests, options, warrants, rights, contracts, calls, commitments, equities and demands. Except as set forth in Schedule 2(d) hereto, Seller is not a party to (i) any option, warrant, right, contract, call, put, or other agreement or commitment providing for the disposition or acquisition of any capital stock of the Company (other than this Agreement); or (ii) any voting trust, proxy, or other agreement or understanding with respect to the voting of any capital stock of the Company. No legend or other reference to any purported encumbrances appears upon any certificate representing the Hornbuckle Shares. Other than this Agreement and except as set forth in Schedule 2(d) hereto, there are no contracts relating to the issuance, sale or transfer of the Hornbuckle Shares. The sale of the Hornbuckle Shares does not require any further regulatory approvals or notifications other than approval from the FCC.

3. Representations and Warranties of the Buyer. Buyer hereby represents and warrants to Seller as follows:

(a) *Organization of the Buyer.* Buyer is a corporation duly organized, validly existing, and in good standing under the laws of the State of Alabama. Buyer is duly authorized to conduct business and is in good standing under the laws of each jurisdiction in which the nature of its businesses or the ownership or leasing of its properties requires such qualification. Buyer has full corporate power and authority to carry on the businesses in which it is engaged and to own and use the properties owned and used by it. Buyer is not in default under or in violation of any provision of its charter or bylaws.

(b) *Authorization of Transaction.* Buyer has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder. This Agreement constitutes the valid and legally binding obligation of Buyer, enforceable in accordance with its terms and conditions.

(c) *Noncontravention.* Neither the execution of this Agreement, nor the performance of its obligations hereunder, will in any material respect (i) violate any statute, regulation, rule, judgment, order, decree, stipulation, injunction, charge, or other restriction of any government, governmental agency, or court to which the Buyer is subject or any provision of the charter or bylaws of the Buyer or (ii) conflict with, result in a breach of, or constitute a default under any agreement or instrument to which the Buyer is a party or by which it is bound or to which any of its assets are subject. Other than with respect to the Transfer Application and the filing(s) required by the HSR Act (if any), Buyer need not give any notice to, make any filing(s) with, or obtain any authorization, consent, or approval of any government or governmental agency in order for the Parties to consummate the transactions contemplated by this Agreement.

(d) *Brokers' Fees.* Buyer has no liability or obligation to pay any fees or commissions to any broker, finder, or agent with respect to the transactions contemplated by this Agreement for which Seller could become liable or obligated.

(e) *FCC Licensee.* Buyer is qualified to be an FCC licensee with respect to the Station and will continue to remain so through to Closing, and there are no facts that would disqualify Buyer from acquiring the Hornbuckle Shares under the Communications Act of 1934, as amended, or under any of the FCC's rules, regulations or policies.

(f) *Financial Ability.* Buyer currently is financially qualified to effectuate the transaction described in this Agreement with sufficient net liquid assets on hand or available from committed sources of funds to consummate the transaction. Exhibit C hereto contains the financial commitment pursuant to which the necessary funds will be made available to Buyer to consummate the transaction contemplated by this Agreement.

(g) *No Litigation.* There is not, and as of the Closing Date there will not be, any litigation, action, suit or proceeding pending or, to the Best of Buyer's Knowledge, threatened, which would prevent the transaction contemplated herein, nor does Buyer know of any basis for such action.

(h) *Title Commitment.* Buyer has obtained, with respect to the Real Property, an Owner's Commitment for Title Insurance on the ALTA Owner's Form approved by the Alabama Department of Insurance (the "*Title Commitment*") covering the Real Property in the amount of \$195,000.00, a copy of which is attached hereto as Exhibit D. The Title Commitment agrees to issue to Buyer upon the Closing of this transaction, an ALTA Owner's Title Insurance Policy insuring title to the Real Property in the Buyer as of the Closing, in an amount equal to the fair market value of such real property (including all improvements located thereon), subject to any title exceptions listed therein. Buyer has accepted and approved the Title Commitment, including all title exceptions listed therein, subject to any new title exceptions arising as a result of Seller's actions taken after the date of the Title Commitment and prior to the Closing Date.

(i) *Survey.* Buyer has obtained a survey of the Real Property, which has been prepared and certified by a licensed Alabama land surveyor and which conforms to current expanded ALTA Minimum Detail Requirements for Land Title Surveys, a copy of which is attached hereto as Exhibit E. The Survey discloses the location of all improvements, easements, party walls, sidewalks, roadways, utility lines, and other matters shown customarily on such surveys, and show access affirmatively to public streets and roads. The Survey has been accepted and approved by Buyer, including any defects or encroachments from or onto the Real Property reflected therein.

(j) *Environmental Site Assessment.* Buyer has obtained an environmental assessment of the Real Property ("*Environmental Site Assessment*"), which has been conducted by a qualified environmental consultant or engineer reasonably satisfactory to the Buyer, a copy of which is attached hereto as Exhibit F. Buyer has accepted and approved the Environmental Site Assessment, including all environmental conditions contained therein, subject to any new environmental conditions arising as a result of Seller's actions taken after date of the Environmental Site Assessment and prior to the Closing Date.

(k) *Proof of Performance Technical Inspection.* Buyer has inspected the transmitter and station equipment used in the operation of the Station (the "*Equipment Inspection*"). Buyer has accepted and approved the condition of such equipment, including any defects existing with respect thereto, subject to any new defects arising as a result of Seller's actions taken after the date of the Equipment Inspection and prior to the Closing Date.

4. *Representations and Warranties Concerning the Company.* Subject to Section 4(s) hereof, Seller hereby represents and warrants to Buyer with respect to the Company as follows:

(a) *Organization, Qualification, and Corporate Power.* The Company is a corporation duly organized, validly existing, and in good standing under the laws of the State of Alabama. The Company has full corporate power and authority under its Articles of Incorporation, By-Laws and all applicable laws to carry on its business in which it is engaged and to own and use the properties owned and used by it. The Company is not in default under or in violation of any provision of its charter or bylaws.

(b) *Tax Matters.* The Company has filed all Federal, State and local tax returns relating to the Station which are required to be filed, and has paid all taxes and all assessments relating to the Station to the extent that such taxes and assessments have become due. Seller will indemnify Buyer from all taxes and assessments relating to the Company prior to the Closing Date. Any such taxes and assessments due and owing but not paid by Company prior to the Closing Date, shall be paid in accordance with Section 11 hereof (Prorations).

(c) *Tangible Personal Property.* Schedule 4(f) hereto sets forth a listing of all transmitter and station equipment, vehicles and other tangible personal property used in conducting the operation and business of the Station ("*Tangible Personal Property*"). With respect to the Tangible Personal Property:

(i) except for the transmitter and the station equipment covered by the Equipment Inspection (the condition and use of which already has been approved and acknowledged by Buyer), all of the Tangible Personal Property is now, and as of the Closing Date will be, in reasonable operating condition and in reasonable state of repair, ordinary wear and tear excepted. The Company owns all tangible assets necessary for the conduct of the operation and business of the Station as presently conducted and as presently proposed to be conducted; and

(ii) except for the transmitter and the station equipment covered by the Equipment Inspection (the condition and use of which already has been approved and acknowledged by Buyer), the use and condition of the Tangible Personal Property is not now, and as of the Closing Date will not be, in material violation of any applicable statutes, regulations, or building fire or zoning laws or regulations.

(d) *Real Property.* The Company is the fee simple owner of approximately seventeen acres of real property located at Juniper Drive, Huntsville, Alabama, upon which the Station's FM Tower is situated, which is more particularly described in Schedule 4(g) hereto (the "*Real Property*"). With respect to the Real Property:

(i) except as set forth in Schedule 4(g) hereto, the use and condition of the Real Property is not now, and as of the Closing Date will not be, in material violation of any applicable statutes, regulations, or building, fire or zoning laws or regulations;

(ii) there are no liens, mortgages, charges, pledges, claims or encumbrances on the Real Property that have been imposed since the date of the Title Commitment; and

(iii) access to the Real Property is provide by public right-of-way sufficient for Buyer's continued operation of the Stations as it is now being operated.

(e) *Intangible Assets and Goodwill.* Seller has the intangible assets used in connection with the normal and routine operation of the Station, including (i) the call letters WAHR(FM); (ii) all of Company's right, title and interest (whether registered or at common law) in and to the name and mark "WAHR", including the domain name; and (iii) the goodwill of the Station.

(f) *Contracts.* Schedule 4(i) hereto lists all contracts, agreements, and other written arrangements to which the Company is a party (the "Contracts"). There are no other contracts, agreements, or other written arrangements to which the Company is a Party. Except as set forth in Schedule 4(i) hereto, each Contract so listed:

(i) is in full force and effect;

(ii) is unimpaired in any material respect by any acts or omissions of the Company;
and

(iii) will not be breached by the transfer of the Hornbuckle Shares to Buyer and the assumption by Buyer of all of Company's obligations under such Contract.

(g) *FCC Licenses and Compliance with FCC Requirements.* Schedule 4(j) hereto sets forth all licenses, permits, authorizations, franchises, certificates of compliance, and consents issued by the FCC for the ownership and operation of the Station and any related auxiliary facilities (the "FCC Licenses"). With respect to the FCC Licenses:

(i) the FCC Licenses and any renewal and extensions thereto, are in full force and effect and include all those material authorizations from the FCC necessary to operate the Station as it is currently operated;

(ii) The Station is being operated, in all material respects, in accordance with the terms and conditions of the FCC Licenses and the FCC's rules and policies;

(iii) The Company is an FCC licensee in good standing and there are no proceedings or material complaints pending at the FCC as of the date hereof (other than rulemaking proceedings or other proceedings of general applicability) relating to the business or operation of the Station;

(iv) the Company has duly and timely filed with the FCC all material reports, applications, documents, instruments, and other information required to be filed with respect to the Station ("*FCC Filings*") and, to the Best of Seller's Knowledge, such FCC Filings are true, correct and complete in all material respects; and

(v) except for the requirement that the FCC approve the Transfer Application, Seller knows of no facts which, under the Communications Act of 1934, as amended, or the FCC rules, which would prevent Seller from transferring the FCC Licenses and the Hornbuckle Shares to Buyer.

(h) *Insurance.* The Company has, and will continue to have until the Closing Date, insurance insuring the assets owned by the Company against loss or damage by fire or other risks for an amount and in a manner, which is consistent with the Company's past practices.

(i) *Litigation.* Except as disclosed in Schedule 4(l) hereto, to the Best of Seller's Knowledge, the Company: (i) is not subject to any unsatisfied judgment, order, decree, stipulation, injunction, or charge which would enjoin, prohibit or otherwise challenge the transactions contemplated hereby; and (ii) is not a party or threatened to be made a party to any pending judicial litigation, action, suit or proceeding involving the business or the Station and which might reasonably be expected to enjoin, prohibit or otherwise challenge the transactions contemplated hereby; and (iii) is in compliance in all material respects with all applicable statutes and regulations of all governmental authorities and agencies having jurisdiction over the Company and which relate to the Station. To the Best of Seller's Knowledge, there are no factors or circumstances which might reasonably be expected to be the basis of any judicial action, suit or proceeding involving the business or operation of the Station and which, if adversely determined, might reasonably be expected to enjoin prohibit or otherwise challenge the transactions contemplated hereby. To the Best of Seller's Knowledge, there is not, and as of the Closing Date there will not be, any litigation, action, suit or proceeding pending or, to the Best of Seller's Knowledge, threatened, which would prevent the transaction contemplated herein, nor does Seller know of any basis for such action.

(j) *Administrative Violations.* Seller is not aware of any material violations or pending investigation concerning violations of the rules and regulations of the Commission, or any other federal, state or local regulatory or administrative body, including any rules regarding the employment of labor or equal employment opportunity.

(k) *Employees.* The Company has no written employment agreement with any of its employees except as set forth in Schedule 4(n) hereto, and the employment of all employees, other than as set forth in Schedule 4(n) hereto, is terminable at will. Except as set forth in Schedule 4(n) hereto, Company has no retirement, pension, profit-sharing, bonus, severance, pay, disability, health (including paid sick leave as a benefit), vacation or other employee benefit plans, agreements or understandings which would result in any liability or obligation to Buyer in respect of any employee of the Company. Seller is and shall be in compliance in all materials respects with all applicable federal, state and local laws relating to the employment of labor. Seller is, and on

the Closing Date, shall be, liable for any arrearages of wages or penalties for failure to comply with such laws.

(l) Environmental Compliance. Except with respect to any environmental conditions contained in the Environmental Site Assessment,

(i) To the Best of Seller's Knowledge, (1) the Company has complied in all material respects with all Environmental Laws; and (2) the operation of the Station is in full compliance with all Environmental Laws.

(ii) To the Best of Seller's Knowledge, there are no Hazardous Materials at the Station's location, nor have any Hazardous Materials been stored or deposited at such location;

(iii) Neither Seller nor, to the Best of Seller's Knowledge, Company, has received nor to the best of Seller's Knowledge, threatened with, any complaint, notice or order from any person or agency of the federal, state, or local government, with regard to any violation by the Company or the Station of any Environmental Laws; and

(iv) The Company and Station have complied in all material respects with all federal, state and local environmental laws, rules and regulations, including, without limitation, the Commission's guidelines regarding radio frequency ("RF") radiation as they may be in effect as of the date of this Agreement, and also with the ANSI/IEEE C95.1-1992 and NCRP standards with respect to RF radiation.

(m) Station Records. All documents required by the rules and regulations of the FCC to be placed in the Station's public inspection files, engineering files (including tower lighting and EAS), and the Station's political broadcasting files have been placed in such files. All equipment performance measurements required to be taken by Company has been, and by the Closing Date, shall have been taken and appropriate records of such equipment performance measurements shall be contained in the station's technical files.

(n) Absence of Insolvency. Neither the Company nor the assets of the Company are subject to any present or pending insolvency proceedings of any character including, without limitation, bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary; to the Best of Seller's Knowledge, no such proceedings, with respect to the Company or the assets of the Company, are threatened. Seller has made no assignment with respect to the assets of the Company for the benefit of creditors, nor taken any action with a view to, or which would constitute the basis for, the institution of any such insolvency proceedings regarding the assets of the Company.

(o) Local Marketing Agreement. Company presently is not and, prior the Closing Date, will not operate the Station pursuant to a Local Market Agreement or Time Brokerage Agreement (hereinafter collectively, the "LMA").

5. Pre-Closing Covenants. The Parties agree as follows with respect to the period between the execution of this Agreement and the Closing:

(a) *General.* Each of the Parties will use commercially reasonable efforts to take all action and to do all things necessary, proper, or advisable to consummate and make effective the transactions contemplated by this Agreement (including satisfying the closing conditions set forth in Section 6 below). The Buyer will not make any offer or execute any agreement for purchase of assets or stock which, if accepted or consummated, would disqualify the Buyer from consummating the proposed transaction with the Seller under the rules and regulations of the FCC regarding ownership of multiple stations within a market. In addition, each of the Parties will not take any other action or omit to take any action which would materially delay FCC approval of the transactions contemplated hereby.

(b) *Transfer Application.* Within ten (10) business days after the execution of this Agreement, the Company and Buyer shall jointly file with the FCC an application for transfer of control of the Company, including its FCC Licenses, permits and authorizations pertaining to the Station from Seller to Buyer (the "*Transfer Application*"). The costs of the FCC filing fees in connection with the Transfer Application shall be divided equally between Seller and Buyer. Each Party shall pay its own costs and expenses incurred in connection with the Transfer Application, including attorneys' fees. Seller, the Company and Buyer shall thereafter prosecute the Transfer Application with all reasonable diligence and otherwise use their best efforts to obtain the grant of the Transfer Application as expeditiously as practicable. If the FCC imposes any condition on any Party to the Transfer Application, such Party shall use commercially reasonable efforts to comply with such condition. Seller and Buyer shall jointly oppose any requests for reconsideration or judicial review of FCC approval of the Transfer Application and shall jointly request from the FCC an extension of the effective period of FCC approval of the Transfer Application if the Closing shall not have occurred prior to the expiration of the original effective period of the FCC Consent. Nothing in this 5(b) shall be construed to limit any Party's right to terminate this Agreement pursuant to Section 10(a)(vii) hereof. Seller shall publish and/or broadcast the notices concerning the filing of said application as required by the FCC's rules. The expense of publishing such notices shall be borne by Seller.

(c) *Hart Scott Rodino Notification.* If legally necessary, Buyer and Seller agree that as soon as practicable, but in no event later than thirty (30) days after the date of this Agreement, each will complete the "Antitrust Improvements Act Notification and Report Form for Certain Mergers and Acquisitions" (the "*HSR Form*") with respect to the transactions contemplated by this Agreement and file such HSR Form with the Federal Trade Commission and the Department of Justice, as required by the Hart Scott Rodino Antitrust Improvements Act of 1976 and the rules and regulations promulgated thereunder ("*HSR Act*"). If legally necessary, each of Buyer and Seller shall request early termination of the waiting period under the HSR Act and will promptly complete and file responses to all requests for additional data and information which may be made under the HSR Act. Buyer and Seller shall each be responsible for their costs in preparing, filing and prosecuting their respective Forms and any such responses to requests for additional data or information, and will cooperate with each other and use his or its best efforts to obtain an early termination of the applicable waiting period or in obtaining clearance of the

transactions contemplated by this Agreement under the HSR Act as promptly as is practicable. Buyer and Seller shall each pay one-half of the filing fee required under the HSR Act with respect to the transactions contemplated by this Agreement.

(d) Notices and Consents. Seller will give any notices to third parties, and Seller will use its best efforts, consistent with sound business practices, to obtain any third party consents, that may be reasonably necessary in connection with the transaction as contemplated by this Agreement. Each of the Parties will take any additional action that may be necessary, proper, or advisable in connection with any other notices to, filings with, and authorizations, consents, and approvals of governments, governmental agencies, and third parties that it may be required to give, make, or obtain. Schedule 5(d) is a list of those parties whose consents are required, or to whom notice is required, for closing on this transaction.

(e) Operation of Business. From the date hereof until the Closing Date, Seller will exercise its best efforts not to cause or permit the Company to engage in any practice, take any action, embark on any course of inaction, or enter into any transaction outside the ordinary course of business. Without limiting the generality of the foregoing, Seller will exercise its best efforts not to cause the Company, without prior consultation with and written approval of Buyer, to:

(i) sell, lease, transfer, assign or otherwise dispose of any of its material assets, tangible or intangible, without comparable replacement and without the prior written consent of Buyer, unless in the Ordinary Course of Business;

(ii) enter into any contract or commitment, except in the Ordinary Course of Business;

(iii) terminate, cancel, modify or otherwise impair any contract, lease, or other agreement involving more than \$5,000 to which the Company is a party or by which it is bound;

(iv) create any mortgage, pledge, lien or encumbrance upon any of the Company's assets, tangible or intangible, used in the business or operation of the Station, whether now or hereafter acquired;

(v) sell, assign or otherwise dispose of any of the Company Shares;

(vi) operate the Station other than in material compliance with the FCC's rules and published policies and the terms and conditions of the Station's licenses, or

(vii) operate the Station other than in a manner which is consistent with current and past business practices with the goal of maintaining the value of the Station's relationships with its employees, advertisers, listeners and suppliers; provided, however, that as stated in Section 4(s) hereof, Seller makes no representations or warranties with respect to future financial performance of the Station with regard to future income or Arbitron ratings.

(f) Employees. Prior to the Closing Date, neither the Seller, the Buyer nor the Company will take any action to preclude or discourage any of the Company's employees from continuing employment with the Company, except that Company shall not be restricted from engaging in the normal hiring and firing of employees within the Ordinary Course of Business. Seller will not, without Buyer's prior written consent, transfer or reassign any employees of the Company or the Station to any other business in which Seller or any of the Company's or Station's officers, directors or shareholders have an interest. For a period of one (1) year from the Closing Date, Seller shall not offer employment to, or employ, any person who was employed at the Station as of the date of this Agreement without Buyer's prior written consent. Neither Seller nor Buyer will, without the other Party's prior written consent, directly or indirectly, discuss or reveal any aspects of this Agreement, including the fact that such an Agreement exists, with or to any of Company's employees until such time as the Transfer Application has been approved by Final Order and a Closing Date has been specified in writing by both Parties. Seller acknowledges that damages which Buyer would suffer as a result of the breach of the foregoing covenant are not readily ascertainable. Accordingly, Seller agrees that Buyer shall have the right to bring an action for an injunction or other appropriate equitable relief to prevent Seller or Company from breaching the foregoing covenant. Buyer shall not be obligated to Seller or the Company's or the Station's employees for any of the benefits (e.g., vacation, sick pay, commissions, bonuses, etc.) accruing while employed by Seller. Notwithstanding the foregoing, none of the provisions of this Section 5(f) pertaining to hiring practices shall apply to Ms. Freida Jordan,

(g) Full Access and Consultation. Subject to Section 5(g) hereof, Seller will permit and will cause the Company to permit Buyer or its representatives to have full access during normal business hours, and in a manner so as not to interfere with the normal business operations of the Station, to all premises (including the tower), properties, books, records, contracts and documents of or pertaining to the Company or furnish to representatives of Buyer any information with respect to the affairs and business of the Station for the purpose, among other things, to review financial statements of the Company, to verify the accuracy of representations and warranties of Seller and the Company contained in this Agreement, and to prepare for the consummation of the transactions contemplated by this Agreement; provided however, that nothing in this Section 5(g) shall require Seller to expend time and resources to compile or create information for Buyer. If the transactions contemplated by this Agreement shall not be consummated, Buyer will promptly return any such data, documents, books and records held by Buyer, and shall not use or disclose such confidential information in accordance with Section 8(b) hereof.

(h) Notice of Developments. Each Party will give prompt written notice to the other of any material development affecting the ability of the Parties to consummate the transactions contemplated by this Agreement. Seller further agrees that if, prior to the Closing Date, Seller receives an administrative or other order or notice relating to any violation of any rules or regulations of the Commission, or any other federal, state or local regulatory or administrative body, including any rules regarding the employment of labor or equal employment opportunity, Seller shall immediately notify Buyer thereof and Seller will use its best efforts to remove or correct all such violations. Seller shall be solely responsible for the cost of correcting or removing any such violations, including, without limitation, payment of any fines, forfeitures or back pay.

(i) *Furnish Financial Data.* Seller has provided to Buyer materials relating to the financial condition of the Station. Seller shall cause the Company to furnish to Buyer unaudited balance sheets, profit and loss statements, or such additional information concerning the financial condition of the Station, including but not limited to, monthly income, expense and collection reports.

(j) *Comply with Laws.* Seller shall exercise its reasonable best efforts to cause the Company to comply in all material respects with all applicable laws and regulations to which the Company is subject with respect to the operation and maintenance of the Station, including with respect to the transmission tower of the Station, the standards, rules and regulations of the FAA.

(k) *Control of Station.* Buyer shall not directly or indirectly control, supervise or direct, or attempt to control, supervise or direct the operation of the Station. Such operation shall be the sole responsibility of Seller.

(l) *Lease of Main Studio.* The Parties agree that the existing lease agreement between Seller and Company for the studio premises located at 2714 Lawrence Avenue, Huntsville, Alabama 35805 (the "*Studio Premises*") shall be terminated as of the Closing Date. Seller and Buyer have negotiated a new lease agreement ("*Studio Lease Agreement*") for the Studio Premises to be executed by the Parties at Closing, whereby Buyer shall lease the Studio Premises from Seller for an initial lease period of three (3) years, with three (3) additional three (3) year renewal periods exercisable at the Buyer's discretion. The initial lease fee shall be Two Thousand Three Hundred Dollars (\$2,300.00) per month, with such lease fee to be adjusted annually beginning on the first anniversary date after Closing. The lease fee adjustments shall be based on the annual increases in the CPI Index plus any increases in ad valorem taxes on said studio property. The CPI Index will equal one hundred percent (100%) beginning with the period of January 1, 1998.

(m) *No Knowing Misinformation.* Neither Party shall (1) knowingly conceal any material information from the other Party, (2) knowingly furnish the other Party with any false or misleading information, or (3) knowingly fail to inform the other Party of the inaccuracy or misleading nature of any information furnished by such Party to the other Party.

(n) *Documentation.* Each Party shall provide such other documentation as may be necessary to the implementation and consummation of the Agreement.

(o) *Payment of Accounts Payable.* As of the Closing Date, Seller shall cause the Company to pay all accounts payable received by the Company that are due on or before the Closing Date or as they become due and payable.

6. Conditions to Obligation to Close.

(a) *Conditions to Obligation of Buyer to Close.* The obligation of Buyer to consummate the transactions to be performed by it in connection with the Closing is subject to satisfaction of

each of the following conditions (unless Buyer waives any such conditions in writing prior to Closing):

(i) the representations and warranties of Seller and Company set forth in this Agreement shall be true, complete and correct; provided that a failure of a representation or warranty to be true and correct shall not be a condition to Buyer's obligation to close if (1) such failure (or all such failures, in the aggregate) does not have a material adverse effect upon the Company or its assets taken as a whole at and as of the Closing Date (after considering any indemnification provided by Seller, whether made under this Agreement or otherwise); or (2) such failure is as a direct result of any action or omission of Buyer;

(ii) Seller and the Company shall have performed and complied with all of their covenants hereunder; provided that a breach of a covenant shall not be a condition if such breach (or all such breaches, in the aggregate) does not have a material adverse effect upon the Company or its assets taken as a whole at and as of the Closing Date;

(iii) no litigation, investigation or proceeding of any kind shall be pending or threatened wherein there is reasonably likely to be rendered or issued an unfavorable judgment, order, decree, stipulation, injunction, or charge which would (1) prevent consummation of any of the transactions contemplated by this Agreement, (2) cause any of the transactions contemplated by this Agreement to be rescinded following consummation, or (3) materially adversely affect the right of the Buyer to own, operate, or control the Hornbuckle Shares (and no such judgment, order, decree, stipulation, injunction, or charge shall be in effect);

(iv) the Transfer Application shall have been approved by a Final Order of the FCC without attaching any condition to said consent materially adverse to Buyer; the applicable waiting period, including any extensions thereof, under the HSR Act shall have expired or been terminated (if applicable);

(v) Seller shall have delivered to Buyer the items required by Section 7(a) hereof;

(vi) As of the Closing Date, Buyer and Seller shall have executed the Non-Competition Agreement attached hereto as Exhibit A;

(vii) Prior to the Closing Date, Seller shall have:

(1) The appropriate safety markings and/or tower lighting in place for the transmission tower of the Station in accordance with the standards, rules and regulations of the Federal Aviation Administration (hereinafter the "FAA Regulations"). Buyer shall have had an opportunity to inspect such towers and confirm compliance with the FAA Regulations;

(2) Removed, to Buyer's reasonable satisfaction, from all premises and locations owned or leased by Seller (the "Premises") relating to the Station any and all garbage, debris, waste, and any and all equipment that is not used in operation of the Station. In addition, Seller shall have removed from the Premises any PCBs, above-ground oil tanks and any spillage

or leaks therefrom, gasoline or oil cans or holders, and any other waste or disposal items; provided that this Section 6(a)(x)(2) shall not apply to any above ground diesel tanks located at the transmitter site that provide fuel for the back up generator; and

(3) Repaired all of the fencing around and related to the Station transmitter and tower, which shall conform in all material respects with the applicable rules and regulations of the Commission; and

(viii) all actions to be taken by Seller in connection with consummation of the transactions contemplated hereby and all certificates, opinions, instruments, and other documents required to effect the transactions contemplated hereby will be reasonably satisfactory in form and substance to the Buyer.

(b) *Conditions to Obligation of Seller to Close.* The obligation of the Seller to consummate the transactions to be performed by him in connection with the Closing is subject to satisfaction of the following conditions (unless Seller waives any such conditions in writing prior to Closing):

(i) the representations and warranties of Buyer set forth in this Agreement shall be true, complete and correct; provided that a failure of a representation or warranty to be true and correct shall not be a condition to the Seller's obligation to close if (a) such failure (or all such failures, *in the aggregate*) does not have a material adverse effect upon Buyer's ability to consummate the transactions contemplated by this Agreement, or (2) such failure is as a direct result of any action or omission of the Seller;

(ii) the Buyer shall have performed and complied with all of its covenants hereunder; provided that a breach of a covenant shall not be a condition if such breach (or all such breaches, *in the aggregate*) does not have a material adverse effect upon Buyer's ability to consummate the transactions contemplated by this Agreement.

(iii) no litigation, investigation or proceeding of any kind shall be pending or threatened wherein there is reasonably likely to be rendered or issued an unfavorable judgment, order, decree, stipulation, injunction, or charge which would (1) prevent consummation of any of the transactions contemplated by this Agreement, (2) cause any of the transactions contemplated by this Agreement to be rescinded following consummation, or (3) materially adversely affect the right of the Buyer to own, operate, or control the Company (and no such judgment, order, decree, stipulation, injunction, or charge shall be in effect);

(iv) the Buyer shall have delivered to the Seller a certificate (without qualification as to Knowledge or materiality or otherwise except as specifically provided for in the relevant provisions of this Agreement) to the effect that each of the conditions specified above in Section 6(b)(i)-(iii) is satisfied in all respects (the "*Buyer's Certificate*");

(v) the Transfer Application shall have been approved by a Final Order of the FCC without attaching any condition to such consent materially adverse to Seller; the applicable

waiting period, including any extensions thereof, under the HSR Act shall expired or been terminated (if applicable);

(vi) As of the Closing Date, Buyer and Lane shall have consummated the Lane Agreement, as amended;

(vii) Buyer shall have delivered to Seller all items required by Section 7(b) hereof; and

(viii) all actions to be taken by the Buyer in connection with consummation of the transactions contemplated hereby and all certificates, opinions, instruments, and other documents required to effect the transactions contemplated hereby will be reasonably satisfactory in form and substance to the Seller.

7. Closing Deliveries.

(a) *Deliveries of Seller.* On the Closing Date, Seller shall deliver to Buyer, the following:

(i) the Assets of the Company;

(ii) the Non-Competition Agreement required by Section 6(a)(ix), executed by Seller;

(iii) an opinion of counsel, dated as of the Closing Date, in substantially the form of Exhibit G hereto.

(iv) the Studio Lease Agreement required by Section 5(l) hereof, executed by Seller;

(v) written instructions executed by Seller and addressed to the Deposit Escrow Agent directing that the Deposit Escrow, plus all accrued interest, be delivered to an account designated by Seller via wire transfer in immediately available funds;

(vi) any other documents required to be delivered by Seller under Section 6(a) hereof; and

(vii) such further instruments with respect to the transactions contemplated herein as Buyer may reasonably request.

(b) *Deliveries of Buyer.* On the Closing Date, Buyer shall deliver to Seller, the following:

(i) the Purchase Price required by Section 1(b) hereof;

(ii) the Non-Competition Agreement required by Section 6(a)(ix), executed by Buyer;

(iii) the Buyer's Certificate required by Section 6(b)(iv) hereof, executed by Buyer, and

(iv) the Studio Lease Agreement required by Section 5(l) hereof, executed by Buyer;

(v) written instructions executed by Buyer and addressed to the Deposit Escrow Agent directing that the Deposit Escrow, plus all accrued interest, be delivered to an account designated by Seller by wire transfer in immediately available funds;

(vi) any other documents required to be delivered by Buyer under Section 6(b) hereof;

(vii) such further instruments with respect to the transactions contemplated herein as Seller may reasonably request; and

(viii) a certified copy of a resolution of the Buyer's Board of Directors and shareholders, authorizing the execution of this agreement and the consummation of the transactions described herein, together with all other corporate and shareholder consents and approvals which counsel for Buyer may reasonably request;

8. Post-Closing Covenants. The Parties agree as follows with respect to the period following the Closing:

(a) *General.* In case at any time after the Closing any further action is necessary or desirable to carry out the purposes of this Agreement, each of the Parties will take such further action (including the execution and delivery of such further instruments and documents) as any other Party reasonably may request, at the sole cost and expense of the requesting Party (unless the requesting Party is entitled to indemnification therefor under Section 9 below). At Seller's request, Buyer shall provide Seller with reasonable access to such books and records of the Company as Seller may reasonably require to comply with its tax reporting and filing obligations as well as payment of sales commissions.

(b) *Confidentiality.* Each of the Seller and the Buyer will treat and hold as confidential all Confidential Information, refrain from using any of the Confidential Information except in connection with this Agreement, and deliver promptly to the other Party or destroy, at the request and option of the other Party, all tangible embodiments (and all copies) of the Confidential Information which are in his or its possession. In the event that either Party is requested or required (by oral question or request for information or documents in any legal proceeding, interrogatory, subpoena, civil investigative demand, or similar process) to disclose any Confidential Information, it will notify the other Party promptly of the request or requirement so that the other Party may seek an appropriate protective order or waive compliance with the provisions of this Section 8(b). If, in the absence of a protective order or the receipt of a waiver hereunder, either Party is, on the advice of counsel, compelled to disclose any Confidential

Information to any tribunal or else stand liable for contempt, such Party may disclose the Confidential Information to the tribunal; provided, however, that the disclosing Party shall use his or its best efforts to obtain, at the request of the other Party, an order or other assurance that confidential treatment will be accorded to such portion of the Confidential Information required to be disclosed as the other Party shall designate. The foregoing provisions shall not apply to any Confidential Information which is generally available to the public immediately prior to the time of disclosure.

(c) *Use of Marks.* Buyer may use the mark "W.A.H.R." or call letters in perpetuity. In the event that Buyer ceases to use the call letters "WAHR," Buyer hereby agrees to assign for free whatever rights it has to the call letters to Seller. It is agreed that Seller may use the corporate name "W.A.H.R., Inc." for one year from the Closing Date. After one year, neither the Seller nor the Company may use the name "W.A.H.R., Inc."

9. Remedies for Breaches of this Agreement.

(a) *Survival.* Pursuant to Section 10(c), risk of loss shall pass from Seller to Buyer at the Closing with regard to the financial conditions, transmitter and other related equipment, tower and antenna, land title and land survey, environmental compliance and grandfathered building and fire codes. The foregoing notwithstanding, all of the representations and warranties of the Seller and the Company contained in Section 2 and Section 4 of this Agreement (the "*Surviving Representations*"), and all of the representations and warranties of the Buyer contained in Section 3 of this Agreement shall survive the Closing and continue in full force and effect for a period of one (1) year following Closing.

(b) Indemnification Provisions for the Benefit of Buyer. Pursuant to Section 9(g) hereof, Seller and Seller's successors and assigns undertakes and agrees for a period from Closing hereunder through two (2) years, to indemnify and hold harmless Buyer and Buyer's successors and assigns from and against any Adverse Consequences for or against Buyer and Buyer's successors and assigns resulting from (i) any breach or other violation by Seller of any of the covenants, warranties and representations contained in this Agreement and (ii) from and against any unpaid or undischarged liabilities or obligations of Seller, not expressly assumed by Buyer. Seller further undertakes and agrees to indemnify and hold Buyer and Buyer's successors and assigns harmless against any and all liabilities or obligations of Seller arising prior to the Closing Date with respect to ownership of the Company Assets, the operation of the Station, the ownership of the Hornbuckle Shares, and/or any contracts, leases, agreements not specifically assumed by Buyer; provided, however, that any claim under this Section 9(b) must be brought within the two (2) year indemnification period specified herein; provided further, that Seller's liability under this Section 9(b) shall be limited to 80% of the cap specified in Section 9(g). The foregoing indemnity is intended by Seller to cover all acts, suits, proceedings, claims, demands, assessments, and adjustments with respect to any and all the specific matters set forth in this indemnity. In the event that any claim is asserted against Buyer that, if established, would constitute a breach of any of the covenants, warranties, representations or undertakings contained in this Agreement, Buyer shall promptly give Seller written notice of such claim; provided, however, that no delay in Buyer's notice to Seller shall affect Buyer's rights hereunder. Within ten

(10) days thereafter, Seller shall inform Buyer, in writing, whether Seller will defend such claim. Should Seller elect not to defend, Buyer may defend such claim. In either event, Seller shall be liable for the reasonable costs of such defense.

(c) Indemnification Provisions for the Benefit of Seller. Pursuant to Section 9(g) hereof, Buyer and Buyer's successors and assigns undertakes and agrees, for a period from Closing hereunder through two years (2) years, to indemnify and hold harmless Seller and Seller's successors and assigns from and against any Adverse Consequences for or against Seller and Seller's successors and assigns resulting from (i) any breach or other violation by Buyer of any of the covenants, warranties and representations contained in this Agreement and (ii) from and against any unpaid or undischarged liabilities or obligations of Buyer. Buyer further undertakes and agrees to indemnify and hold Seller and Seller's successors and assigns harmless against any and all liabilities or obligations of Buyer arising on or after the Closing Date with respect to ownership of the Company Assets listed the operation of the Station and/or any contracts, leases and agreements specifically assumed by Buyer hereunder. The foregoing indemnity is intended by Buyer to cover suits, proceedings, claims, demands, assessments, and adjustments with respect to any and all the specific matters set forth in this indemnity. In the event that any claim is asserted against Seller that, if established, would constitute a breach or any of the covenants, warranties, representations or undertakings contained in this Agreement, Seller shall promptly give Buyer written notice of such claim; provided, however, that no delay in Seller notice to Buyer shall affect Seller rights hereunder. Within ten (10) days thereafter, Buyer shall inform Seller, in writing, whether Buyer will defend such claim. Should Buyer elect not to defend, Seller may defend such claim. In either event, Buyer shall be liable for the reasonable costs of such defense.

(d) *Tax Matters.* In the event the Seller or the Company pay or become liable for federal taxes in excess of \$100,000.00 over the capital gains or ordinary income taxes that the Seller would be required to pay had this Agreement been structured as a Stock Sale as opposed to an Asset Sale, these taxes shall be paid by Steven J. Shelton, J. Michael Linn and Nicole Linn on demand.

(e) *Arbitron.* The parties hereto acknowledge that an assignment of certain licenses issued by the Arbitron Company has been made by Seller to Buyer, which said assignment requires the Seller to remain liable to Arbitron for any and all such sums due and owing under the license agreements. In order to induce the Seller to make such an assignment, the Buyer and its principal stockholders, Steven J. Shelton, J. Michael Linn and Nicole Linn, by execution of this Agreement, agree to indemnify and hold harmless the Seller and its principal stockholder, Arnold Hornbuckle, from any costs, expense, damages and loss they may sustain as a result of Buyer, its successors and assigns, failure to perform said license agreements. The provisions of this section shall survive the closing and the transfer of assets made the subject of this Agreement.

(f) *Matters Involving Third Parties.* If any third party shall notify any Party (the "Indemnified Party") with respect to any matter which may give rise to a claim for indemnification against any other Party (the "Indemnifying Party") under this Section 9, then the Indemnified Party shall notify the Indemnifying Party thereof promptly; provided, however, that no delay on the part of the Indemnified Party in notifying the Indemnifying Party shall relieve the Indemnifying Party from any liability or obligation hereunder unless (and then solely to the extent)

the Indemnifying Party thereby is damaged. In the event any Indemnifying Party notifies the Indemnified Party within fifteen (15) days after the Indemnified Party has given notice of the matter that the Indemnifying Party is assuming the defense thereof, (i) the Indemnifying Party will defend the Indemnified Party against the matter with counsel of its choice reasonably satisfactory to the Indemnified Party, (ii) the Indemnified Party may retain separate co-counsel at its sole cost and expense (except that the Indemnifying Party will be responsible for the fees and expenses of the separate co-counsel to the extent the Indemnified Party concludes reasonably that the counsel the Indemnifying Party has selected has a conflict of interest), (iii) the Indemnified Party will not consent to the entry of any judgment or enter into any settlement with respect to the matter without the written consent of the Indemnifying Party (not to be withheld unreasonably), and (iv) the Indemnifying Party will not consent to the entry of any judgment with respect to the matter, or enter into any settlement which does not include a provision whereby the plaintiff or claimant in the matter releases the Indemnified Party from all Liability with respect thereto, without the written consent of the Indemnified Party (not to be withheld unreasonably). In the event the Indemnifying Party does not notify the Indemnified Party within 15 days after the Indemnified Party has given notice of the matter that the Indemnifying Party is assuming the defense thereof, however, the Indemnified Party may defend against, or enter into any settlement with respect to, the matter in any manner it reasonably may deem appropriate.

(g) Specific Performance. Each of the Parties acknowledges and agrees that the Buyer would be damaged irreparably in the event any of the provisions of this Agreement are not performed in accordance with their specific terms or otherwise are breached. Accordingly, each of the Parties agrees that the Buyer shall be entitled to an injunction or injunctions to prevent breaches of the provisions of this Agreement and to enforce specifically this Agreement and the terms and provisions hereof in any action instituted in any court of the United States or any state thereof having jurisdiction over the Parties and the matter (subject to the provisions set forth in Section 14(o) below), in addition to any other remedy to which it may be entitled, at law or in equity.

(h) Liquidated Damages. Buyer and Seller acknowledge that in the event that the transactions contemplated by this Agreement are not closed because of a default by Buyer, the Adverse Consequences as a result of such default may be difficult, if not impossible, to ascertain. Accordingly, in the event the transactions contemplated by this Agreement are not consummated due to a default of this Agreement by Buyer or the failure of any representation or warranty made by Buyer to be true and correct when made, then Seller shall be entitled to receive from Buyer the sum of Five Hundred Thousand Dollars (\$500,000.00), plus all interest accrued thereunder from the date of this Agreement, as liquidated damages without the need for proof of damages. Seller shall therefore be entitled to the Escrow Deposit, plus all accrued interest, under the terms of the Deposit Escrow Agreement as the exclusive means of satisfaction of these liquidated damages, and Buyer and Seller shall provide consistent written instructions to the Deposit Escrow Agent directing that the Escrow Deposit, plus all accrued interest, be delivered to Seller. Upon delivery of the Escrow Deposit to Seller, Buyer shall have no further liability or responsibility whatsoever to Seller under this Agreement.

(i) *Indemnification Cap.* Notwithstanding anything to the contrary in this Agreement, all claims by Buyer under Section 9(b) hereof and by Seller under Section 9(c) hereof shall be limited by an aggregate amount of One Million Five Hundred Thousand Dollars (\$1,500,000.00).

10. Termination.

(a) *Termination of Agreement.* This Agreement may be terminated as provided below:

(i) Buyer and Seller may terminate this Agreement by mutual agreement at any time prior to the Closing;

(ii) Buyer or Seller (the "complaining Party") may terminate this Agreement if the other Party (the "defaulting Party") fails to perform or observe any covenant or agreement contained herein on its part to be performed or observed and either (i) such failure shall continue for more than 30 days after notice of such failure is given by the complaining Party to the defaulting Party, unless such failure is not reasonably capable of being cured within such 30-day period (but is reasonably capable of being cured within 60 days after such notice) and the defaulting Party commences action to cure such failure within such 30-day period and diligently and continuously prosecutes such action to completion and causes such failure to be cured within 60 days after such notice, or (ii) such failure is not reasonably capable of being cured within 60 days after notice of such failure is given to the defaulting Party;

(iii) Buyer may terminate this Agreement by giving written notice to Seller at any time prior to the Closing if the Closing shall not have occurred on or before the 180th day following the date of this Agreement by reason of the failure of any condition precedent under Section 6(a) hereof (unless such failure results primarily from Buyer's breach of any covenant contained in this Agreement);

(iv) Seller may terminate this Agreement by giving written notice to Buyer at any time prior to the Closing if the Closing shall not have occurred on or before the 180th day following the date of this Agreement by reason of the failure of any condition precedent under Section 6(b) hereof (unless the failure results primarily from Seller's breach of any covenant contained in this Agreement);

(v) Buyer may terminate this Agreement by giving written notice to Seller at any time prior to the Closing Date if any representation or warranty made by Seller or Company in Section 2 or Section 4 hereof proves to have been incorrect in any material respect when made; provided that a failure of a representation or warranty shall not be a condition if the failure or failures, as the case may be, does not have a material adverse effect on Company or its assets taken as a whole;

(vi) Seller may terminate this Agreement by giving written notice to Buyer at any time prior to the Closing Date if any representation or warranty made by Buyer in Section 3 hereof proves to have been incorrect in any material respect when made provided, that a failure of a representation or covenant shall not be a condition if the failure or failures, as the case may be,

does not have a material adverse effect on Buyer's ability to consummate the transaction contemplated in this Agreement;

(vii) Buyer or Seller may terminate this Agreement if the Transfer Application is denied by Final Order, the FCC has failed to grant such Transfer Application, or designated the Transfer Application for hearing, such grant has failed to become a Final Order, each within One Hundred Eighty (180) days after filing the Transfer Application; the foregoing notwithstanding, if a petition to deny, opposition or other objection to the application is filed, the deadline for closing shall be extended at the mutual option of the Buyer and Seller; provided, however, that a Party may not terminate the Agreement under this Section if such Party is in default under the Agreement, or if a delay in any decision or determination by the FCC respecting the Transfer Application has been caused or materially contributed to by any failure on the part of such Party to furnish, file or make available information within its control or by any action taken by such Party for the purpose of delaying any decision or determination respecting the Transfer Application;

(b) *Effect of Termination.* If any Party terminates this Agreement pursuant to Sections 10(a) through 10(viii) above, all obligations of the Parties hereunder shall terminate without any Liability of any Party to any other Party (except for any Liability of any Party then in breach). If such termination is due to a default by Buyer, the Escrow Deposit, plus all accrued interest, shall be delivered to Seller pursuant to Section 9(f) hereof. If such termination is not due to a default by Buyer (whether or not Seller is in default under the Agreement), the Escrow Deposit shall be delivered to Buyer and all accrued interest on the Escrow Deposit shall be delivered to Seller. The Parties shall provide the Deposit Escrow Agent with consistent written instructions in accordance with the requirements of this Section 10(b).

(c) *Risk of Loss.* The risk of loss, damage, or destruction to any of the assets of the Company shall remain with Seller until the Closing. In the event of any such loss, damage, or destruction, Seller will promptly notify Buyer of all particulars thereof, stating the cause thereof (if known) and the extent to which the cost of restoration, replacement and repair of the assets lost, damaged or destroyed will be reimbursed under any insurance policy with respect thereto. Seller will repair or replace such assets as soon as possible after loss, damage or destruction thereof and shall use its best efforts to restore as promptly as possible transmissions as authorized in the FCC Licenses. The Closing Date shall be extended (with FCC consent, if necessary) for up to three (3) months to permit such repair or replacement. If repair or replacement cannot be accomplished within three (3) months of the date of Seller's notice to Buyer, and Buyer reasonably determines that Seller's failure to repair or replace, alone or in the aggregate, would have a material adverse effect on the operation of the Station, Buyer may postpone the Closing Date until such time as the property has been repaired, replaced or restored in a manner and to an extent reasonably satisfactory to Buyer, unless the same cannot be reasonably effected within one hundred and eighty (180) days of the date of Seller's notice to Buyer, in which case either Party may terminate this Agreement.

Notwithstanding the foregoing, the Buyer may choose to accept the lost, damaged or destroyed assets in their "then" condition, together with Seller's assignment to Buyer of all rights

under any insurance claims covering the loss, damage or destruction and payment over to the Buyer any proceeds under any such insurance policies, previously received by the Seller with respect thereto.

In the event the Closing Date is postponed pursuant to this Section 10(c), the Parties hereto will cooperate to extend the time during which this Agreement must be closed as specified in the consent of the FCC.

11. Allocation of Income and Expenses, Prorations and Accounts Receivable.

(a) Allocation of Income and Expenses. The Parties hereby agree that the expenses and income of the Company shall be prorated in accordance with the following principle: (i) Buyer shall be entitled to all income attributable, and shall be responsible for all expenses arising out of, the operation of the Station beginning at 12:01 a.m. on the day after the Closing Date; and (ii) Seller shall be entitled to all income attributable to, and shall be responsible for all expenses arising out of, the operation of the Station up to and including 12:00 a.m. on the day after the Closing Date; provided, however, that this provision shall not apply to any of the Spin-Off Assets. All overlapping items of income (excluding any income relating to the Spin-Off Assets) or expense, including the following, shall be prorated or reimbursed, as the case may be, as of 12:01 a.m. on the day after the Closing Date (the "Prorations"):

(i) Advance payments received from advertisers prior to the Closing Date for advertising time to be broadcast in whole or in part after the Closing Date;

(ii) Prepaid expenses and deposits made prior to the Closing Date, as permitted under this Agreement, for or in connection with goods or services where all or part of such goods or services have not been received or used as of the Closing Date (e.g., rents paid in advance for a rental period extending beyond the Closing Date, Sales Agreements and Trade Agreements); provided however, that Buyer shall not be obligated to make any proration in favor of Seller with respect to Trade Agreements, notwithstanding that the fair market value of the goods and services to be received by Buyer exceeds the liability of unperformed advertising time.

(iii) Liabilities customarily accrued, arising from expenses incurred but unpaid as of closing (including, for example, social security and other payroll taxes and earned vacation time of any employees of Seller, the Company or the Station who enter into Buyer's employ after the Closing Date, rents, telephone, sales commissions, fees for business and professional services and prizes awarded in contests conducted by the Station);

(iv) taxes, utility and water charges related to the Station or in respect of any of the assets of the Company;

(v) Deposits and unearned prepayments received by Seller and/or Station in connection with any contract assumed by Buyer; and

(vi) All other items normally prorated in the sale of the assets of a radio broadcast station.

(b) *Accounting of the Prorations.* Buyer shall prepare and submit to Seller, within ninety (90) days following the Closing Date, a written accounting, supported by sufficient documentation to enable Seller to reasonably determine the basis for the estimate of each of the Prorations in accordance with this Section 11(b) (the "*Proposed Prorations*"). In the event that Seller does not dispute any of the Proposed Prorations, the Parties shall make the respective payments to the other required in accordance with the Proposed Prorations by no later than One Hundred and Twenty Days (120) following the Closing Date (the "*Final Settlement Date*"); provided that any payments required under this Section to be made by Seller to Buyer shall be made in accordance with Section 11(c) hereof; provided further that Buyer shall make payments with respect to Seller's Accounts Receivable in accordance with Section 11(e) hereof. In the event that Seller disputes all or any portion of the Proposed Prorations as provided herein (the "*Disputed Amount*"), the Parties shall attempt in good faith to resolve their disagreements with respect to the Disputed Amount. If Seller and Buyer are unable in good faith to agree on the Disputed Amount, the Parties shall make the respective payments to the other as provided in this Section 11(b) on the Final Settlement Date for all amounts not disputed, and the Disputed Amount shall be resolved pursuant to Section 11(d) hereof.

(c) *Dispute Over Prorations.* In the event that the Parties cannot agree on the Disputed Amount as provided in Section 11(b) hereof, the determination shall be made by the Huntsville, Alabama office of a national accounting firm mutually agreeable to the Parties ("*Auditor*"). The Auditor shall make the determination based on the express provisions of this Agreement; provided, however, that if the Auditor finds the express terms of this Agreement are not sufficient to resolve any issue or issues, the Auditor shall rely upon generally accepted accounting principles then in effect. Either Party may invoke the use of the Auditor at any time after the tenth (10) business day that notice of a Disputed Amount has been received by Buyer. The Auditor shall be required to render a decision within twenty one days after the Auditor is requested to render a determination under this Section 11(d). The decision of the Auditor shall be binding on the Parties and not subject to judicial challenge by either Party. Within five (5) business days after the Auditor provides the determination to the Parties, the final payments shall be made by the Parties in accordance with that determination and the Parties shall provide the Expense Escrow Agent with written instructions in accordance with the Auditor's determination. The expenses of the Auditor shall be paid by the party who is not the substantially prevailing party.

(d) *Accounts Receivable.* Seller shall assume and be responsible for all of Seller's Accounts Receivable and Buyer shall assume and be responsible for, and be entitled to, the accounts receivable of the Company arising out of the operation of the Station beginning at 12:01 a.m. on the day after the Closing Date ("*Buyer's Accounts Receivable*"). Each Party shall have no further obligations with respect to the other Party's Accounts Receivable except that each Party shall forward immediately any payments addressed to the other Party or associated with the other Party's Accounts Receivable. Seller shall deliver to Buyer on or as soon as practicable after the Closing Date, a complete and detailed statement showing the name, amount and age of each of Seller's Account Receivable. For one hundred and twenty (120) days commencing from the

Closing Date (the "*Collection Period*"), the Parties agree that in the event an advertiser owes money to both Parties, Seller's Accounts Receivable shall be discharged first. During the Collection Period, on each Friday of each week, Buyer shall forward to Seller (i) all payments received by Buyer which are addressed to Seller and/or Company or which are associated with Seller's Accounts Receivable, and (ii) all payments made to Buyer from advertisers owing money to both Parties which are attributable to Seller's Accounts Receivable. At the end of the Collection Period, Buyer shall have no further obligation with regard to Seller's Accounts Receivable. During the Collection Period, Buyer shall not be obligated to refer any of the Seller's Accounts Receivable for collection hereunder to a collection agency or to an attorney for collection, and Buyer shall not make any such referral or compromise, nor settle or adjust the amount of any such Accounts Receivable, except as approved by Seller. During the Collection Period, Buyer shall provide Seller, on a monthly basis, with complete copies of the Individual Sales and Collection Reports, including the summary, which are maintained by the Station, and any additional computer data generated by the Station regarding the Seller's or Buyer's Accounts Receivables as are reasonably requested by Seller in order to implement this Section 11(e).

12. Appraisal. The Parties agree to allocate the purchase price for the station in the amount of Two Hundred Fifty Thousand Dollar (\$250,000.00) as the value of the Assets and Eleven Million Dollars (\$11,000,000.00) as the value of the FCC Licenses and good will.

13. Definitions.

"*Adverse Consequences*" means all charges, complaints, actions, suits, proceedings, hearings, investigations, claims, demands, judgments, orders, decrees, stipulations, injunctions, damages, dues, penalties, fines, costs, amounts paid in settlement, Liabilities, obligations, taxes, liens, losses, expenses, and fees, including all reasonable attorneys' fees and court costs.

"*Auditor*" has the meaning set forth in Section 11(d) hereof.

"*Best of Seller's Knowledge*" shall mean Seller's actual knowledge.

"*Best of Buyer's Knowledge*" shall mean Buyer's actual knowledge.

"*Buyer*" has the meaning set forth in the Recitals.

"*Buyer's Accounts Receivable*" has the meaning set forth in Section 11(e) hereof.

"*Buyer's Certificate*" has the meaning set forth in Section 6(b)(iv) hereof.

"*Children Shares*" has the meaning set forth in the Recitals.

"*Closing*" has the meaning set forth in Section 1(e) hereof.

"*Closing Date*" has the meaning set forth in Section 1(e) hereof.

"Closing Payment" has the meaning set forth in Section 1(d)(i) hereof.

"Collection Period" has the meaning set forth in Section 11(e) hereof.

"Company" has the meaning set forth in the Recitals.

"Company Shares" has the meaning set forth in the Recitals.

"Confidential Information" means any information concerning the businesses and affairs of the Company which is not generally known to the public, including the Purchase Price.

"Contracts" has the meaning set forth in Section 4(i) hereof.

"CPI" shall mean the Consumer Price Index.

"Deposit Escrow Agent" means Union Planters Bank.

"Deposit Escrow Agreement" has the meaning set forth in Section 1(c) hereof.

"Disputed Amount" has the meaning set forth in Section 11(b) hereof.

"Environmental Laws" means the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9801 et al., the Resource Conservation and Recovery Act, as amended, 42 U.S.C. Section 6901 et seq., the Clean Water Act, 22 U.S.C. Section 1251 et seq., the Toxic Substances Control Act, 15 U.S.C. 2601 et seq., and other applicable federal, state and local laws, statutes, rules or regulations concerning the treating, producing, handling, storing, releasing, spilling, leaking, pumping, pouring, emitting or dumping of Hazardous Materials.

"Environmental Site Assessment" shall have the meaning set forth in Section 4(k) hereof.

"Equipment Inspection" shall have the meaning set forth in Section 3(l) hereof.

"Escrow Deposit" has the meaning set forth in Section 1(c) hereof.

"Expense Escrow Agreement" has the meaning set forth in Section 11(c) hereof.

"Expense Escrow Fund" has the meaning set forth in Section 11(c) above.

"Expense Escrow Agent" means Union Planters Bank.

"FAA" means the Federal Aviation Administration.

"FCC" means the Federal Communications Commission of the United States.

"FCC Filings" has the meaning set forth in Section 4(i)(iv) hereof.

"FCC Licenses" has the meaning set forth in Section 4(j) hereof.

"Final Order" means an action by the FCC as to which: (a) no request for stay by the FCC is pending, no such stay is in effect, and any deadline for filing a request for any such stay has passed; (b) no appeal, petition for rehearing or reconsideration, or application for review is pending before the FCC and the deadline for filing any such appeal, petition or application has passed; (c) the FCC has not initiated reconsideration or review on its own motion and the time in which such reconsideration or review is permitted has passed; and (d) no appeal to a court, or request for stay by a court, of the FCC's action is pending or in effect, and the deadline for filing any such appeal or request has passed.

"Final Settlement Date" has the meaning set forth in Section 11(b) hereof.

"GAAP" means United States generally accepted accounting principles as in effect from time to time.

"Hazardous Materials" means toxic materials, hazardous wastes, hazardous substances, pollutants or contaminants, asbestos or asbestos-related products, PCBs, petroleum, crude oil or any fraction or distillate thereof (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).

"Hornbuckle Shares" has the meaning set forth in the Recitals.

"HSR Form" has the meaning set forth in Section 5(c) hereof.

"HSR Act" has the meaning set forth in Section 5(c) hereof.

"Indemnification Cap" has the meaning set forth in Section 9(g) hereof.

"Indemnified Party" has the meaning set forth in Section 9(d) hereof.

"Indemnifying Party" has the meaning set forth in Section 9(d) hereof.

"Intellectual Property" means all (a) patents, patent applications, patent disclosures, and improvements thereto, (b) trademarks, service marks, trade dress, call letters, logos, trade names, and corporate names and registrations and applications for registration thereof, (c) all programs, programming materials, copyrights and registrations and applications for registration thereof, (d) mask works and registrations and applications for registration thereof, (e) computer software, data, and documentation, (f) trade secrets and confidential business information (including ideas, formulas, compositions, inventions (whether patentable or unpatentable and whether or not reduced to practice), know-how, market and other research information, drawings, specifications, designs, plans, proposals, technical data, copyrightable works, financial, marketing, and business

data, pricing and cost information, business and marketing plans, and customer and supplier lists and information); (g) other proprietary rights, and (b) copies and tangible embodiments thereof (in whatever form or medium).

"Jordan Shares" has the meaning set forth in the Recitals.

"Lane Shares" has the meaning set forth in the Recitals.

"Lane Agreement" has the meaning set forth in Section 3(h) hereof.

"Liability" means any liability (whether known or unknown, whether absolute or contingent, whether liquidated or unliquidated, and whether due or to become due), including any liability for taxes.

"LMA" has the meaning set forth in Section 4(q) hereof.

"Minimum Loss" has the meaning set forth in Section 9(g) hereof.

"Ordinary Course of Business" means the ordinary course of business consistent with past custom and practice (including with respect to quantity and frequency).

"Party" has the meaning set forth in the Recitals.

"Proposed Prorations" has the meaning set forth in Section 11(b) hereof.

"Prorations" has the meaning set forth in Section 11(a) hereof.

"Purchase Price" has the meaning set forth in Section 1(b) hereof.

"Securities Act" means the Securities Act of 1933, as amended.

"Real Property" has the meaning set forth in Section 4(g) hereof.

"Seller" has the meaning set forth in the Recitals.

"Seller's Accounts Receivable" has the meaning set forth in Section 1(f)(ii) hereof.

"Spin-Off Assets" has the meaning set forth in Section 1(f) hereof.

"Station" means the radio broadcast station having the call letters WAHR-FM (Huntsville, Alabama).

"Studio Lease Agreement" has the meaning set forth in Section 5(l) hereof.

"Studio Premises" has the meaning set forth in Section 5(l) hereof.

"Survey" has the meaning set forth in Section 4(j) hereof.

"Surviving Representations" has the meaning set forth in Section 9(a) hereof.

"Tangible Personal Property" has the meaning set forth in Section 4(f) hereof.

"Title Commitment" has the meaning set forth in Section 4(i) hereof.

"Transfer Application" has the meaning set forth in Section 5(b) hereof.

14. Miscellaneous.

(a) *Survival.* All of the representations, warranties, and covenants of the Parties contained in this Agreement shall survive the Closing hereunder as and to the extent provided in Section 9(a).

(b) *Press Releases and Announcements.* No Party shall issue any press release or announcement relating to the subject matter of this Agreement prior to the Closing without the prior written approval of the other Party; provided, however, that any Party may make any public disclosure it believes in good faith is required by law or regulation (in which case, except as required by FCC public notice, the disclosing Party will advise the other Party prior to making the disclosure).

(c) *No Third Party Beneficiaries.* This Agreement shall not confer any rights or remedies upon any person other than the Parties and their respective successors and permitted assigns.

(d) *Entire Agreement.* This Agreement (including the documents referred to herein) constitutes the entire agreement between the Parties and supersedes any prior understandings, agreements, or representations by or between the Parties, written or oral, that may have related in any way to the subject matter hereof.

(e) *Succession and Assignment.* This Agreement shall be binding upon and inure to the benefit of the Parties named herein and their respective successors and permitted assigns. No Party may assign either this Agreement or any of its rights, interests, or obligations hereunder without the prior written approval of the other Party, not to be unreasonably withheld, provided that the Buyer may assign all right, title and interest in, to and under this Agreement to STG Media, LLC; provided further, that in the event of such as assignment, both Buyer and its assignee shall be liable to perform all of Buyer's obligations under this Agreement.

(f) *Guarantee.* The Parties agree that Steven J. Shelton, as the majority shareholder of Buyer, shall guarantee the performance of Buyer's covenants and agreements under this Agreement and to confirm such guarantee, Shelton shall endorse this Agreement on the signature page hereof.

(g) *Counterparts.* This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument.

(h) *Headings.* The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

(i) *Notices.* All notices, requests, demands, claims, and other communications hereunder will be in writing. Any notice, request, demand, claim, or other communication hereunder shall be deemed duly given if (and then two business days after) it is sent by registered or certified mail, return receipt-requested, postage prepaid, and addressed to the intended recipient as set forth below:

If to the Seller: Mr. Arnold Hornbuckle
3006 Dupree Drive
Huntsville, AL 35801

If to the Buyer: STG Acquisition Services, Inc.
101 Washington Street
Suite 6
Huntsville, AL 35801
Attention: Steven J. Shelton

Any Party may give any notice, request, demand, claim, or other communication hereunder using any other means (including personal delivery, expedited courier, messenger service, telecopy, telex, ordinary mail, or electronic mail), but no such notice, request, demand, claim, or other communication shall be deemed to have been duly given unless and until it actually is received by the individual for whom it is intended. Any Party may change the address to which notices, requests, demands, claims, and other communications hereunder are to be delivered by giving the other Party notice in the manner herein set forth. If any notification, communication or action is required or permitted to be given or taken within a certain period of time and the last date for doing so falls on a Saturday, Sunday, a federal legal holiday or legal holiday by law in the State of Alabama, the last day for such notification, communication or action shall be extended to the first date thereafter which is not a Saturday, Sunday or such legal holiday.

(j) *Governing Law.* This Agreement shall be governed by and construed in accordance with the internal laws (and not the law of conflicts) of the State of Alabama and any disputes arising hereunder shall be heard and decided in Madison County, Alabama.

(k) *Amendments and Waivers.* No amendment of any provision of this Agreement shall be valid unless the same shall be in writing and signed by Buyer and Seller. No delay or failure on the part of any party hereto in exercising any right, power or privilege under this Agreement or under any other instrument or document given in connection with or pursuant to this Agreement shall impair any such right, power or privilege or be construed as a waiver of any default or any acquiescence therein. No waiver by any Party of any default, misrepresentation, or breach of

warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence. No waiver shall be valid against any party hereto unless made in writing and signed by the party against whom enforcement of such waiver is sought and then only to the extent expressly specified therein.

(l) Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction. If the final judgment of a court of competent jurisdiction declares that any term or provision hereof is invalid or unenforceable, the Parties agree that the court making the determination of invalidity or unenforceability shall have the power to reduce the scope, duration, or area of the term or provision, to delete specific words or phrases, or to replace any invalid or unenforceable term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision, and this Agreement shall be enforceable as so modified after the expiration of the time within which the judgment may be appealed.

(m) Expenses. Except as provided otherwise in this Agreement, Buyer and Seller will each bear their own costs and expenses (including legal fees and expenses) incurred in connection with this Agreement and the transactions contemplated hereby. All recording costs and transfer, stamp, documentary or other taxes necessary to vest title to the Hornbuckle Shares in Buyer or relating to the bills of sale and other instruments of transfer shall be borne by Buyer, except that the preparation of the deed of the Real Property shall be borne by Seller. The cost of furnishing an Owner's Title Insurance Policy and the premium therefore shall be equally shared between the Buyer and the Seller. Any other related expenses for the Real Property shall be borne by the Buyer. The costs associated with obtaining an Environmental Site Assessment shall be borne by Buyer. All FCC filing fees paid in connection with the application for FCC consent to the transfer of the FCC licenses from Seller to Buyer shall be shared equally by Seller and Buyer. The cost of any required local notice of the proposed transfer shall be paid by Seller.

(n) Construction. The language used in this Agreement will be deemed to be the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party. Any reference to any federal, state, local, or foreign statute or law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise.

(o) Incorporation of Exhibits and Schedules. The Exhibits and Schedules identified in this Agreement are incorporated herein by reference and made a part hereof.

(p) Section 73.1150 Statement. Both the Seller and the Buyer agree that the Seller has retained no rights of reversion of the FCC Licenses, has no right to the reassignment of the FCC Licenses in the future, and has not reserved the right to use facilities of the Station in the future for any reason whatsoever.

(q) Submission to Jurisdiction. Each of the Parties submits to the jurisdiction of any state or federal court sitting in Huntsville, Alabama in any action or proceeding arising out of or relating to this Agreement, agrees that all claims in respect of the action or proceeding may be heard and determined in any such court, and agrees not to bring any action or proceeding arising out of or relating to this Agreement in any other court. Each of the Parties waives any defense of inconvenient forum to the maintenance of any action or proceeding so brought and waives any bond, surety, or other security that might be required of any other Party with respect thereto. Any Party may make service on the other Party by sending or delivering a copy of the process (i) to the Party to be served at the address and in the manner provided for the giving of notices in Section 14(i) above. Nothing in this Section 14(q), however, shall affect the right of any Party to serve legal process in any other manner permitted by law. Each Party agrees that a final judgment in any action or proceeding so brought shall be conclusive and may be enforced by suit on the judgment or in any other manner provided by law.

15. Asset Purchase Agreement. The Stock Purchase Agreement is amended and shall now be considered and treated as an Asset Purchase Agreement for tax and business purposes only. Unless specifically changed in this Amendment, all provisions of the Stock Purchase Agreement shall remain in full force and effect for purposes of this Asset Purchase Agreement.

16. Reimbursement of Expenses. Buyer agrees to reimburse Seller for its reasonable and prudent legal and accounting expenses of George Williams, Esq. And Mr. Donald Nally incurred in the preparation of the First Amendment to the Agreement.

[Remainder of Page Intentionally Left Blank]

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

ARNOLD HORNBUCKLE

By: _____

STG ACQUISITION SERVICES, INC.

By: _____

Name: Steven J. Shelton

Title: President

STEVEN J. SHELTON

By: _____

Name: Steven J. Shelton