

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (this “*Agreement*”), made as of the 7th day of March 2005, is by and between UPN Stations Group Inc., a Delaware corporation (“*Seller*”), and Family Stations, Inc., a California not-for-profit corporation (“*Buyer*”).

RECITALS

Seller is the licensee of and operates radio broadcast station KFRC(AM) (Facility ID No. 1082), San Francisco, California (the “*Station*”), pursuant to a license issued by the Federal Communications Commission (the “*FCC*”).

Seller and Buyer have agreed that Seller will sell and Buyer will acquire the Station Assets (as defined below), but not the business of the Station as a going concern, on the terms and subject to the conditions set forth in this Agreement, including the FCC’s consent to the assignment of the FCC Licenses (as defined below) to Buyer. Definitions of certain capitalized terms used in this Agreement are set forth in **Article 11**.

Therefore, the parties agree as follows:

ARTICLE 1 ASSETS TO BE CONVEYED

1.1. Closing. Subject to **Section 8.1** hereof and except as otherwise mutually agreed upon by Seller and Buyer, the consummation of the sale and purchase of the Station Assets and the assumption of the Assumed Obligations hereunder (the “*Closing*”) shall take place (in person or by facsimile exchange of the documents to be delivered at the Closing) at the offices of Leventhal Senter & Lerman PLLC, 2000 K Street, N.W., Washington, D.C., two (2) business days after the day that the FCC Consent becomes effective. Alternatively, the Closing may take place at such other place, time or date as the parties may mutually agree in writing. The date on which the Closing is to occur is referred to herein as the “*Closing Date*.” The effective time of the Closing shall be 11:59 p.m., San Francisco, California time, on the Closing Date (the “*Effective Time*”).

1.2. Station Assets. At the Closing, Seller shall sell, assign, transfer and convey to Buyer, and Buyer shall purchase from Seller, all of Seller’s right, title and interest in the following assets:

- (a) the FCC licenses, permits and other authorizations set forth on Schedule 1.2(a) (the “*FCC Licenses*”);
- (b) the lease agreement listed on Schedule 1.2(b) (the “*Lease*”);

- (c) the equipment and tangible personal property described on Schedule 1.2(c) (the “*Personal Property*”);
- (d) the contracts and agreements listed in Schedule 1.2(d) (the “*Station Contracts*”); and
- (e) the public inspection file for the Station and any technical information and engineering data relating to Personal Property in Seller’s possession.

The assets to be transferred to Buyer hereunder are collectively referred to as the “*Station Assets*.” The Station Assets shall be delivered as is, where is, without any representation or warranty by Seller except as expressly set forth in **Article 3** of this Agreement, and Buyer acknowledges that it has not relied on or been induced to enter into this Agreement by any representation or warranty other than those expressly set forth in **Article 3** hereof. The Station Assets shall be transferred to Buyer free and clear of liens, mortgages, pledges, security interests, claims and encumbrances (“*Liens*”) except for Permitted Liens, if any, and except as otherwise expressly provided in this Agreement.

1.3. Excluded Assets. Buyer acknowledges that is not purchasing the business of the Station as a going concern and that the Station Assets shall consist only of those assets expressly described in **Section 1.2**. Without limiting the generality of the foregoing, the Station Assets shall not include the following:

- (a) Seller’s books and records pertaining to the corporate organization, existence or capitalization of Seller;
- (b) all cash, cash equivalents, or similar type investments of Seller, such as certificates of deposit, treasury bills, and other marketable securities; deposits or prepaid expenses of Seller; promissory notes, amounts due from employees, bonds, letters of credit or other similar items;
- (c) all accounts receivable;
- (d) all insurance policies or any proceeds payable thereunder;
- (e) all pension, profit sharing or cash or deferred (Section 401(k)) plans and trusts and the assets thereof and any other employee benefit plan or arrangement;
- (f) all interest in and to refunds of Taxes;
- (g) all tangible and intangible personal property disposed of or consumed between the date of this Agreement and the Closing Date, as permitted under this Agreement;

- (h) the studios and office facilities of the Station, all equipment and furniture located therein, and all contracts relating to such office or studio space or equipment located therein, except as specifically set forth in **Section 1.2**;
- (i) the employees of the Station;
- (j) all items of personal property owned by personnel at the Station;
- (k) all contracts relating to the Station with the exception of the Lease and the Station Contracts;
- (l) any cause of action or claim relating to any event or occurrence prior to the Effective Time;
- (m) all of Seller's and its Affiliates' right, title and interest in and to all registered and unregistered trademarks, trade names, service marks, franchises, copyrights, including registrations and applications for registration of any of them, jingles, logos, slogans, licenses, patents, Internet domain names, Internet URLs, Internet web sites, content and databases, permits and privileges, and other intangible property rights and interests applied for, issued to or owned by Seller or any of its Affiliates; and
- (n) subject to Schedule 1.3(n), the call letters "KFRC" and any derivative thereof.

1.4. Consideration. In consideration for the sale of the Station Assets, at Closing, Buyer shall, in addition to assuming the Assumed Obligations, pay to Seller \$35,000,000 (the "*Purchase Price*") by wire transfer of immediately available federal funds pursuant to wire instructions which Seller shall provide to Buyer.

1.5. Assumption of Obligations; Retained Liabilities. At the Closing, Buyer shall assume and agrees to pay and perform all liabilities, obligations and commitments of Seller arising or accruing after the Effective Time under or relating to:

- (a) the Station Assets, including the FCC Licenses, the Lease, the Personal Property and the Station Contracts;
- (b) the ownership of the Station; and
- (c) any other liability of Seller in respect of which Buyer receives a credit under **Section 1.6** (collectively, the "*Assumed Obligations*").

Except as set forth in this **Section 1.5**, Buyer does not, and shall not, assume or be deemed to assume, under this Agreement or otherwise by reason of the transactions contemplated hereby, any other liabilities, obligations or commitments of Seller of any nature whatsoever (the "*Retained Liabilities*").

1.6. Prorations.

(a) **Proration of Income and Expenses.** All expenses arising from the ownership and operation of the Station Assets shall be prorated between Buyer and Seller as of the Effective Time. Such prorations shall be based upon the principle that Seller shall be responsible for all liabilities accruing in connection with the operation of the Station until the Effective Time, and Buyer shall be responsible for all liabilities accruing thereafter. Such prorations shall include FCC regulatory fees, real and personal property taxes relating to the Station Assets, utility expenses, liabilities under the Station Contracts and the Lease, rents and similar prepaid and deferred items. Real and personal property taxes shall be apportioned on the basis of the latest available tax bill. Taxes arising by reason of the transfer of the Station Assets shall not be prorated but shall be paid in accordance with **Section 9.2**.

(b) Payment of Proration Items.

(i) Two (2) business days prior to Closing, Seller shall deliver to Buyer a preliminary list of all items to be prorated pursuant to **Section 1.6(a)** (the “*Preliminary Proration Schedule*”), and, to the extent that Buyer and Seller agree, such preliminary prorations shall be credited against or added to the Purchase Price at Closing. In the event Buyer and Seller do not reach a final agreement on such prorations at Closing, Seller shall deliver to Buyer a schedule of its proposed prorations (the “*Proration Schedule*”) no later than forty-five (45) days after the Closing Date. The Proration Schedule shall be conclusive and binding upon Buyer unless Buyer provides Seller with written notice of objection (the “*Notice of Disagreement*”) within ten (10) days after Buyer’s receipt of the Proration Schedule, which notice shall state the prorations of expenses proposed by Buyer (the “*Buyer’s Proration Amount*”). Seller shall have ten (10) days from receipt of a Notice of Disagreement to accept or reject Buyer’s Proration Amount. If Seller rejects Buyer’s Proration Amount, and the amount in dispute exceeds \$1,000, either party may submit the dispute for resolution to an independent certified public accountant mutually agreeable to Buyer and Seller (the “*Referee*”), such resolution to be made within twenty (20) days after submission to the Referee and to be final, conclusive and binding on Seller and Buyer. If the amount in dispute is equal to or less than \$1,000, such amount shall be divided equally between Buyer and Seller. Except as specified in the following sentence, the cost of any arbitration (including the fees and expenses of the Referee) pursuant to this **Section 1.6(b)(i)** shall be borne by Buyer and Seller in inverse proportion as they may prevail on matters resolved by the Referee, which proportional allocations shall also be determined by the Referee at the time the determination of the Referee is rendered on the matters submitted. The fees and expenses (if any) of Buyer’s independent auditors and attorneys incurred in connection with the review of the Proration Schedule shall be borne by Buyer, and the fees and expenses (if any) of Seller’s independent auditors and attorneys incurred in connection with their review of the Notice of Disagreement shall be borne by Seller.

(ii) Payment by Buyer or Seller, as the case may be, of the proration amounts determined pursuant to this **Section 1.6(b)** shall be due ten (10) days after the last to occur of (i) Buyer’s acceptance of the Proration Schedule or failure to give Seller a timely Notice of Disagreement; (ii) Seller’s acceptance of Buyer’s Proration Amount or failure to reject

Buyer's Proration Amount within ten (10) days of receipt of a Notice of Disagreement; (iii) Seller's rejection of Buyer's Proration Amount in the event the amount in dispute equals or is less than \$1,000; and (iv) notice to Seller and Buyer of the resolution of the disputed amount by the Referee in the event that the amount in dispute exceeds \$1,000. Notwithstanding the foregoing, in the event that Buyer delivers a Notice of Disagreement, Seller or Buyer shall be required to make a payment of any undisputed amount to the other regardless of the resolution of the items contained in the Notice of Disagreement, and Seller or Buyer, as applicable, shall within ten (10) days of the receipt of the Notice of Disagreement make payment to the other of such undisputed amount owed by Seller or Buyer to the other, as the case may be, pending resolution of the Notice of Disagreement.

(iii) Any payment required by Seller to Buyer or by Buyer to Seller, as the case may be, under this **Section 1.6(b)** shall be paid by company check or wire transfer of immediately available federal funds to the account of the payee with a financial institution in the United States as designated by Seller in the Proration Schedule or by Buyer in the Notice of Disagreement (or by separate notice in the event that Buyer does not send a Notice of Disagreement). If either Buyer or Seller fails to pay when due any amount under this **Section 1.6(b)**, interest on such amount will accrue from the date payment was due to the date such payment is made at a per annum rate of five percent (5%), and such interest shall be payable upon demand.

ARTICLE 2

REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller as follows:

2.1. Corporate Existence and Power. Buyer is a not-for-profit corporation duly incorporated, validly existing and in good standing under the laws of the state of its incorporation and has all corporate powers and all governmental licenses, authorizations, permits, consents and approvals required to carry on its business as now conducted. Buyer is duly qualified to do business as a foreign corporation and is in good standing in each jurisdiction where such qualification is necessary, except for those jurisdictions where failure to be so qualified could not reasonably be expected to have, individually or in the aggregate, a Buyer Material Adverse Effect.

2.2 Corporate Authorization.

(a) The execution and delivery by Buyer of this Agreement and all of the other agreements, certificates and instruments to be executed and delivered by Buyer pursuant hereto or in connection with the transactions contemplated hereby (the "*Buyer Ancillary Agreements*"), the performance by Buyer of its obligations hereunder and thereunder and the consummation by Buyer of the transactions contemplated hereby and thereby are within Buyer's corporate powers and have been duly authorized by all requisite corporate action on the part of Buyer.

(b) This Agreement has been, and each Buyer Ancillary Agreement will be, duly executed and delivered by Buyer. This Agreement (assuming due authorization, execution and delivery by Seller) constitutes, and each Buyer Ancillary Agreement will constitute when executed and delivered by Buyer, the legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other similar Laws affecting or relating to enforcement of creditors' rights generally and general principles of equity (regardless of whether enforcement is considered in a proceeding at law or in equity).

2.3. Governmental Authorization. The execution, delivery and performance by Buyer of this Agreement and each Buyer Ancillary Agreement and the consummation of the transactions contemplated hereby and thereby require no action by or in respect of, or filing with or notification to, any Governmental Authority other than (a) compliance with any applicable requirements of the HSRA, (b) the FCC and (c) any such action by or in respect of or filing with any Governmental Authority as to which the failure to take, make or obtain would not have a Buyer Material Adverse Effect.

2.4. Noncontravention. The execution, delivery and performance of this Agreement by Buyer and each Buyer Ancillary Agreement and the consummation of the transactions contemplated hereby and thereby do not and will not (a) violate or conflict with the certificate of incorporation or by-laws of Buyer; (b) assuming compliance with the matters referred to in **Section 2.3**, conflict with or violate any Law or Governmental Order applicable to Buyer; (c) require any consent or other action by or notification to any Person under, constitute a default under, give to any Person any rights of termination, amendment, acceleration or cancellation of any right or obligation of Buyer under, or result in a loss of any benefit relating to the Station Assets to which Buyer is entitled under, any provision of any note, bond, mortgage, indenture, contract, agreement, lease, license, permit, franchise or other agreement or instrument to which Buyer is a party or by which any of Buyer's assets is or may be bound; or (d) result in the creation or imposition of any Lien on any asset of Buyer, except for Permitted Liens, except, in the cases of clauses (b), (c) and (d), for any such violations, consents, actions, defaults, rights or losses as could not have, individually or in the aggregate, a Buyer Material Adverse Effect.

2.5. FCC Qualifications. Buyer is legally, financially and otherwise qualified to be the licensee of, acquire, own and operate the Station under the Communications Act of 1934, as amended (the "*Communications Act*"), and the rules, regulations and policies of the FCC. There are no facts that would, under existing Law and the existing rules, regulations, policies and procedures of the FCC, disqualify Buyer as an assignee of the FCC Licenses or as the owner and operator of the Station Assets. No waiver of any FCC rule or policy relating to the qualifications of Buyer is necessary for the FCC Consent to be obtained.

2.6. Absence of Litigation. There is no Action pending against or, to Buyer's knowledge, threatened against Buyer that in any manner challenges or seeks to prevent, enjoin, alter or delay materially the transactions contemplated by this Agreement.

2.7. Brokers. Except as regards Media Venture Partners, Ltd., which has been retained by Buyer in connection with the transactions contemplated by this Agreement and the Buyer Ancillary Agreements, there is no broker, finder, investment banker or other intermediary that has been retained by or is authorized to act on behalf of Buyer who or that might be entitled to any fee or commission from either Seller or any of its Affiliates in connection with the transactions contemplated by this Agreement or the Buyer Ancillary Agreements. Buyer will be solely responsible for any payment due Media Venture Partners, Ltd., as a consequence of the transactions contemplated by this Agreement and the Buyer Ancillary Agreements.

ARTICLE 3

REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants to Buyer as follows:

3.1. Corporate Existence and Power. Seller is a corporation duly incorporated, validly existing and in good standing under the laws of the state of its incorporation and has all corporate powers and all governmental licenses, authorizations, permits, consents and approvals required to carry on its business as now conducted. Seller is duly qualified to do business as a foreign corporation and is in good standing in each jurisdiction where such qualification is necessary, except for those jurisdictions where failure to be so qualified could not reasonably be expected to have, individually or in the aggregate, a Seller Material Adverse Effect.

3.2. Corporate Authorization.

(a) The execution and delivery by Seller of this Agreement and all of the other agreements, certificates and instruments to be executed and delivered by Seller pursuant hereto or in connection with the transactions contemplated hereby (the “*Seller Ancillary Agreements*”), the performance by Seller of its obligations hereunder and thereunder and the consummation by Seller of the transactions contemplated hereby and thereby are within Seller’s corporate powers and have been duly authorized by all requisite corporate action on the part of Seller.

(b) This Agreement has been, and each Seller Ancillary Agreement will be, duly executed and delivered by Seller. This Agreement (assuming due authorization, execution and delivery by Buyer) constitutes, and each Seller Ancillary Agreement will constitute when executed and delivered by Seller, the legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other similar Laws affecting or relating to enforcement of creditors’ rights generally and general principles of equity (regardless of whether enforcement is considered in a proceeding at law or in equity).

3.3. Governmental Authorization. The execution, delivery and performance by Seller of this Agreement and each Seller Ancillary Agreement and the consummation of the

transactions contemplated hereby and thereby require no action by or in respect of, or filing with or notification to, any Governmental Authority other than (a) compliance with any applicable requirements of the HSRA, (b) the FCC and (c) any such action by or in respect of or filing with any Governmental Authority as to which the failure to take, make or obtain would not have a Seller Material Adverse Effect.

3.4. Noncontravention. The execution, delivery and performance of this Agreement and each Seller Ancillary Agreement by Seller and the consummation of the transactions contemplated hereby and thereby do not and will not (a) violate or conflict with the certificate of incorporation or by-laws of Seller; (b) assuming compliance with the matters referred to in **Section 3.3**, conflict with or violate any Law or Governmental Order applicable to Seller; (c) except as disclosed on Schedule 3.4, require any consent or other action by or notification to any Person under, constitute a default under, give to any Person any rights of termination, amendment, acceleration or cancellation of any right or obligation of Seller under, or result in a loss of any benefit relating to the Station Assets to which Seller is entitled under, any provision of any note, bond, mortgage, indenture, contract, agreement, lease, license, permit, franchise or other agreement or instrument to which Seller is a party or by which any of the Station Assets is or may be bound; or (d) result in the creation or imposition of any Lien on any asset of Seller, except for Permitted Liens, except, in the cases of clauses (b), (c) and (d), for any such violations, consents, actions, defaults, rights or losses as would not have a Seller Material Adverse Effect.

3.5. FCC Licenses.

(a) Schedule 1.2(a) contains a true and complete list of the FCC Licenses. Seller has made available true, correct and complete copies of the FCC Licenses to Buyer, including any and all amendments and modifications thereto. The FCC Licenses were validly issued by the FCC, are validly held by Seller and are in full force and effect. The FCC Licenses have been issued for the full terms customarily issued to a radio broadcast station in the State of California, and the FCC Licenses are not subject to any condition except for those conditions that appear on the face of the FCC Licenses, those conditions applicable to radio broadcast licenses generally or those conditions disclosed in Schedule 3.5(a).

(b) Except as set forth on Schedule 3.5(b), Seller has no applications pending before the FCC relating to the operation of the Station.

(c) Except as set forth on Schedule 3.5(c), Seller has operated the Station in compliance with the Communications Act and the FCC Licenses in all material respects. Seller has filed or made all applications, reports, and other disclosures required by the FCC to be made in respect of the Station and has timely paid all FCC regulatory fees in respect thereof, except where the failure to do so could not, individually or in the aggregate, reasonably be expected to have a Seller Material Adverse Effect.

(d) Except as set forth on Schedule 3.5(d), to the knowledge of Seller, there are no petitions, complaints, proceedings or other actions pending or threatened before the

FCC relating to the Station that would reasonably be expected to have a Seller Material Adverse Effect, other than proceedings affecting the radio broadcast industry generally.

3.6. Absence of Litigation. There is no Action pending against or, to Seller's knowledge, threatened against Seller that in any manner challenges or seeks to prevent, enjoin, alter or delay materially the transactions contemplated by this Agreement.

3.7. Personal Property. Seller has good and transferable title to the Personal Property free and clear of all Liens, other than Permitted Liens. Except as set forth on Schedule 3.7, the Personal Property is in good operating condition and repair (ordinary wear and tear excepted).

3.8. Station Contracts and Lease. Seller has provided to Buyer true and complete copies of the Station Contracts and the Lease, including all amendments and modifications thereto. The Station Contracts and the Lease are in effect and are binding upon Seller and, to Seller's knowledge, the other parties thereto (subject to bankruptcy, insolvency, reorganization or other similar laws relating to or affecting the enforcement of creditors' rights generally). Seller has performed its obligations under the Station Contracts and the Lease in all material respects, and is not in material default thereunder, and to Seller's knowledge, no other party to the Station Contracts and the Lease is in default thereunder in any material respect.

3.9. Brokers. There is no broker, finder, investment banker or other intermediary that has been retained by or is authorized to act on behalf of Seller who or that might be entitled to any fee or commission from either Buyer or any of its Affiliates in connection with the transactions contemplated by this Agreement or the Seller Ancillary Agreements.

ARTICLE 4 **COVENANTS**

4.1. Governmental Approvals.

(a) **FCC Application.** The assignment of the FCC Licenses as contemplated by this Agreement is subject to the prior consent and approval of the FCC. No later than two (2) business days after the date of this Agreement, Buyer and Seller shall file the FCC Application. Seller and Buyer shall thereafter prosecute the FCC Application with all reasonable diligence and otherwise use commercially reasonable efforts to obtain the grant of the FCC Application as expeditiously as practicable. If reconsideration or judicial review is sought with respect to the FCC Consent, the party affected shall vigorously oppose such efforts for reconsideration or judicial review; provided, however, that nothing herein shall be construed to limit either party's right to terminate this Agreement pursuant to **Article 8** hereof prior to the Closing. Additionally, Seller shall cooperate with Buyer (i) in providing such information as necessary to make the radio frequency emission certification in the renewal application for the Station and (ii) in providing such engineering information in Seller's possession as necessary for

the preparation of an FCC Form 302-AM to classify the Station as a noncommercial educational station, such reclassification to be effective no earlier than the completion of the 2005 Major League Baseball season. Buyer shall pay all fees associated with the preparation and filing of the FCC Form 302-AM and, if the Closing Date is prior to August 1, 2005, all fees associated with the preparation and filing of the renewal application for the Station.

(b) **Compliance with HSRA.** Each party shall use commercially reasonable efforts to make or cause to be made in a timely fashion, and in any event within ten (10) business days following the date of this Agreement, all filings which are required in connection with the transactions contemplated hereby under the HSRA, and shall furnish to the other party all information that the other reasonably requests in connection with such filings. The consummation of the transactions contemplated by this Agreement is conditioned upon the expiration of the applicable waiting period under the HSRA without the institution or threat of any action with respect to such consummation.

(c) **Governmental Filing or Grant Fees.** Except as otherwise provided in this Agreement, any filing or grant fees (including FCC and HSRA filing fees) imposed by any Governmental Authority, the consent of which is required for the transactions contemplated hereby, shall be borne equally by Seller and Buyer.

4.2. Conduct of Business.

(a) **Affirmative Covenants.** Between the date of this Agreement and the Closing Date, except as expressly permitted by this Agreement or with the prior written consent of Buyer, which consent shall not be unreasonably withheld, Seller shall:

(i) operate and maintain the Station in all material respects in conformity with the FCC Licenses and all applicable Laws;

(ii) use commercially reasonable efforts to maintain the Station Assets in their current condition, except for ordinary wear and tear and damage by casualty governed by **Section 4.4**;

(iii) timely make or provide all payments, services or other consideration due under the Station Contracts and the Lease so that all payments required to be made as of the Closing Date will have been paid, except for any amounts being contested by Seller in good faith; and

(iv) pay or cause to be paid or provided for all Taxes, and any penalties arising therefrom, relating to Seller's operation of the Station, required to be paid to any Governmental Authority up to the Closing Date, except for any Taxes or penalties being contested by Seller in good faith.

(b) **Negative Covenants.** Between the date of this Agreement and the Closing Date, except as expressly permitted by this Agreement or with the prior written consent of Buyer, which consent shall not be unreasonably withheld, Seller shall not:

(i) terminate, modify or amend any Station Contract or the Lease, other than in the ordinary course of business consistent with Seller's past practice;

(ii) take, or fail to take, any action which will cause a breach of, or default under, or termination of any Station Contract or the Lease;

(iii) create, assume or permit to exist any Lien on any of the Station Assets, other than the Permitted Liens; or

(iv) sell, assign, lease or otherwise transfer or dispose of any of the material Station Assets, except for assets consumed or disposed of in the ordinary course of business.

(c) **Control of Station.** Subject to the provisions of this **Section 4.2**, Buyer shall not, directly or indirectly, control, supervise or direct the operations of the Station prior to the Closing. Such operations shall be the sole responsibility of Seller and shall be in its complete discretion.

4.3. Access; Confidentiality; Publicity.

(a) Between the date hereof and the Closing Date, upon prior reasonable notice, Seller shall give Buyer and its representatives reasonable access to the Station Assets. Buyer, at its sole expense, shall be entitled to make such engineering and other inspections of the Station Assets as Buyer may desire, so long as such inspections do not unreasonably interfere with the operations of the Station.

(b) Each party shall keep confidential all information obtained by it with respect to the other in connection with this Agreement, and if the transactions contemplated hereby are not consummated for any reason, each shall return to the other, without retaining a copy thereof, any schedules, documents or other written information, including all financial information, obtained from the other in connection with this Agreement and the transactions contemplated hereby, except where such information is known or available through other lawful, publicly available sources or if such party is advised by counsel that its disclosure is required in accordance with applicable law, in which case the party required to make such disclosure shall use reasonable efforts to notify the other party prior to making such disclosure.

(c) No news release or other public announcement pertaining to the transactions contemplated by this Agreement will be made by or on behalf of any party hereto without the prior written approval of the other party (such consent not to be unreasonably withheld or delayed) unless otherwise required by law or any regulation or rule of any stock exchange binding upon such party. Where any announcement, communication or circular concerning the transactions contemplated by this Agreement is required by law or any regulation

or rule of any stock exchange, it shall be made by the relevant party after consultation, where reasonably practicable, with the other party and taking into account the reasonable requirements (as to timing, contents and manner of making or dispatch of the announcement, communication or circular) of the other party.

4.4. Risk of Loss. Seller shall bear the risk of any casualty loss or damage to any of the Station Assets prior to the Effective Time. Seller shall be responsible for repairing or replacing (as appropriate under the circumstances) any lost or damaged Station Asset (the “*Damaged Asset*”) unless such Damaged Asset was obsolete and unnecessary for the continued operation of the Station consistent with Seller’s past practice and the FCC Licenses. If Seller is unable to repair or replace a Damaged Asset by the date on which the Closing would otherwise occur under this Agreement, Seller shall reimburse all reasonable out-of-pocket costs incurred by Buyer in repairing or replacing the Damaged Asset after Closing.

4.5. Consents to Assignment. The parties shall use commercially reasonable efforts to obtain any third-party consents necessary for the assignment of any of the Station Contracts or the Lease; provided, however, that Seller shall have no obligation to pay consideration to any third party to obtain such consent. To the extent that any of the Station Contracts or the Lease may not be assigned without the consent of any third party, and such consent is not obtained prior to Closing, this Agreement and any assignment executed pursuant hereto shall not constitute an assignment thereof, but to the extent permitted by law shall constitute an equitable assignment by Seller and assumption by Buyer of Seller’s rights and obligations under the applicable Station Contract or Lease, with Seller making available to Buyer the benefits thereof, provided that Buyer complies with the terms of any such Station Contract or Lease.

4.6. Notification. Each party shall notify the other party of the initiation or threatened initiation of any litigation, arbitration or administrative proceeding that challenges the transactions contemplated hereby, including any challenges to the FCC Application. Each party shall give detailed written notice to the other promptly on learning of the occurrence of any event that would cause or constitute a breach, or that would have caused a breach had such event occurred or been known to the notifying party on or before the date of this Agreement, of any of such party’s representations or warranties contained in this Agreement. Any such notice, similar informal notice, or independent investigation, examination, or other source of knowledge regarding a breach of representations and warranties contained herein shall not in any way diminish or obviate any representations or warranties made in this Agreement, or be deemed a waiver of such representation and warranty.

ARTICLE 5

CONDITIONS PRECEDENT

5.1. To Buyer’s Obligations. The obligations of Buyer hereunder are, at its option, subject to satisfaction, at or prior to the Closing Date, of each of the following conditions:

(a) **Representations, Warranties and Covenants.** The representations and warranties of Seller made in this Agreement shall be true and correct in all material respects as of the Closing Date except for changes permitted or contemplated by the terms of this Agreement, and the covenants and agreements to be complied with and performed by Seller at or prior to Closing shall have been complied with or performed in all material respects. Buyer shall have received a certificate dated as of the Closing Date from Seller, executed by an authorized officer of Seller to the effect that the conditions set forth in this **Section 5.1(a)** have been satisfied.

(b) **Governmental Consents.** The FCC Consent shall have been granted and shall be in full force and effect and shall contain no provision materially adverse to any of Buyer, Buyer's Affiliate, or the Station. Buyer acknowledges that Buyer's obligation to consummate the transactions contemplated by this Agreement is not subject to the condition that the FCC Consent shall have become a Final Order. Any waiting period under the HSRA shall have been terminated or expired.

(c) **Adverse Proceedings.** No suit, action, claim or governmental proceeding shall be pending against, and no order, decree or judgment of any court, agency or other governmental authority shall have been rendered against, any party hereto that would render it unlawful, as of the Closing Date, to effect the transactions contemplated by this Agreement in accordance with its terms.

(d) **Authorization.** Buyer shall have received all documents it may reasonably request relating to the existence of Seller and the authority of Seller for this Agreement, all in form and substance reasonably satisfactory to Buyer, including a true and complete copy, certified by an officer of Seller, of the resolutions duly and validly adopted by the Board of Directors of Seller evidencing its authorization of the execution and delivery of this Agreement and consummation of the transactions contemplated hereby.

(e) **Deliveries.** Seller shall have made or stand willing to make all the deliveries required under **Section 6.1**.

5.2. To Seller's Obligations. The obligations of Seller hereunder are, at its option, subject to satisfaction, at or prior to the Closing Date, of each of the following conditions:

(a) **Representations, Warranties and Covenants.** The representations and warranties of Buyer made in this Agreement, shall be true and correct in all material respects as of the Closing Date except for changes permitted or contemplated by the terms of this Agreement, and the covenants and agreements to be complied with and performed by Buyer at or prior to Closing shall have been complied with or performed in all material respects. Seller shall have received a certificate dated as of the Closing Date from Buyer executed by an authorized officer of Buyer, to the effect that the conditions set forth in this **Section 5.2(a)** have been satisfied.

(b) **Governmental Consents.** The FCC Consent shall have been granted and shall be in full force and effect and shall contain no provision materially adverse to any of Seller, Seller's Affiliate, or the Station. Any waiting period under the HSRA shall have been terminated or expired.

(c) **Adverse Proceedings.** No suit, action, claim or governmental proceeding shall be pending against, and no order, decree or judgment of any court, agency or other governmental authority shall have been rendered against any party hereto that would render it unlawful, as of the Closing Date, to effect the transactions contemplated by this Agreement in accordance with its terms.

(d) **Authorization.** Seller shall have received all documents it may reasonably request relating to the existence of Buyer and the authority of Buyer for this Agreement, all in form and substance reasonably satisfactory to Seller, including a true and complete copy, certified by the Secretary or Assistant Secretary of Buyer, of the resolutions duly and validly adopted by an officer of Buyer evidencing its authorization of the execution and delivery of this Agreement and consummation of the transactions contemplated hereby.

(e) **Deliveries.** Buyer shall have made or stand willing to make all the deliveries required under **Section 6.2** and shall have paid or stand willing to pay the Purchase Price as provided in **Section 1.4**.

ARTICLE 6

DOCUMENTS TO BE DELIVERED AT THE CLOSING

6.1. Documents to be Delivered by Seller. At the Closing, Seller shall deliver to Buyer the following:

- (a) the certificate described in **Section 5.1(a)**;
- (b) the documents described in **Section 5.1(d)**;
- (c) an assignment of Seller's right, title and interest in the Stations Contracts and the Lease;

- (d) a bill of sale for the Personal Property; and
- (e) an assignment of the FCC Licenses.

6.2. Documents to be Delivered by Buyer. At the Closing, Buyer shall deliver to Seller the following:

- (a) the certificate described in **Section 5.2(a)**;
- (b) the documents described in **Section 5.2(d)**;
- (c) an assumption of the Assumed Obligations; and
- (d) the Purchase Price.

ARTICLE 7

SURVIVAL; INDEMNIFICATION

7.1. Survival. The covenants, agreements, indemnities, representations and warranties in this Agreement shall survive the Closing for a period of six (6) months from the Closing Date whereupon they shall expire and be of no further force or effect, except as follows. **Section 1.5** (Assumed Obligations; Retained Liabilities), **Section 1.6** (Prorations) and **Section 10.1** (Expenses), and the indemnification obligations with respect to such provisions, shall survive until performed. No claim may be brought under this Agreement unless written notice describing in reasonable detail the nature and basis of such claim is given on or prior to the last day of the applicable survival period. In the event such notice is given, the right to indemnification with respect thereto shall survive the applicable survival period until such claim is finally resolved and any obligations thereto are fully satisfied.

7.2. Indemnification.

(a) Subject to **Section 7.1**, from and after the Effective Time, Seller shall defend, indemnify and hold harmless Buyer, and its Affiliates and their respective employees, officers and directors ("*Buyer Indemnified Parties*") from and against any and all losses, costs, damages, liabilities, expenses, obligations and claims of any kind (including any Action brought by any Governmental Authority or Person and including reasonable attorneys' fees and expenses ("*Losses*"), incurred by such Buyer Indemnified Party arising out of or resulting from (i) Seller's breach of any of the representations, warranties or covenants contained in this Agreement, (ii) the operation of the Station by Seller prior to the Effective Time or (iii) the Retained Liabilities. Seller shall have no liability to Buyer under clauses (i) and (ii) of this **Section 7.2** until, and only to the extent that, Buyer's aggregate Losses exceed \$700,000, and the maximum liability of Seller under clauses (i) and (ii) of this **Section 7.2** shall be \$3,500,000.

(b) Subject to **Section 7.1**, from and after the Effective Time, Buyer shall defend, indemnify and hold harmless Seller, and its Affiliates and their respective employees, officers and directors (collectively, the “*Seller Indemnified Parties*”), from and against any and all Losses incurred by such Seller Indemnified Party arising out of or resulting from (i) Buyer’s breach of any of its representations, warranties or covenants contained in this Agreement, (ii) the Assumed Obligations or (iii) the operation of the Station by Buyer from and after the Effective Time.

(c) Neither party shall have any liability to the other party under any circumstances for special, consequential, punitive or exemplary damages.

7.3. Procedures. The indemnified party shall give prompt written notice to the indemnifying party of any demand, suit, claim or assertion of liability by third parties or other circumstances that could give rise to an indemnification obligation hereunder against the indemnifying party (a “*Claim*”), but a failure to give or a delay in giving such notice shall not affect the indemnified party's right to indemnification and the indemnifying party’s obligation to indemnify as set forth in this Agreement, except to the extent the indemnifying party's ability to remedy, contest, defend or settle with respect to such Claim is thereby prejudiced. The obligations and liabilities of the parties with respect to any Claim shall be subject to the following additional terms and conditions:

(a) The indemnifying party shall have the right to undertake, by counsel or other representatives of its own choosing, the defense or opposition to such Claim.

(b) In the event that the indemnifying party shall elect not to undertake such defense or opposition, or, within twenty (20) days after written notice (which shall include sufficient description of background information explaining the basis for such Claim) of any such Claim from the indemnified party, the indemnifying party shall fail to undertake to defend or oppose, the indemnified party (upon further written notice to the indemnifying party) shall have the right to undertake the defense, opposition, compromise or settlement of such Claim, by counsel or other representatives of its own choosing, on behalf of and for the account and risk of the indemnifying party (subject to the right of the indemnifying party to assume defense of or opposition to such Claim at any time prior to settlement, compromise or final determination thereof).

(c) Anything herein to the contrary notwithstanding (i) the indemnified party shall have the right, at its own cost and expense, to participate in the defense, opposition, compromise or settlement of the Claim, (ii) the indemnifying party shall not, without the indemnified party’s written consent, settle or compromise any Claim or consent to entry of any judgment which does not include the giving by the claimant to the indemnified party of a release from all liability in respect of such Claim, and (iii) in the event that the indemnifying party undertakes defense of or opposition to any Claim, the indemnified party, by counsel or other representative of its own choosing and at its sole cost and expense, shall have the right to consult with the indemnifying party and its counsel or other representatives concerning such Claim and the

indemnifying party and the indemnified party and their respective counsel or other representatives shall cooperate in good faith with respect to such Claim.

7.4. Sole Remedy. After the Closing, the right to indemnification under this **Article 7** shall be the exclusive remedy of any party in connection with any breach or default by another party under this Agreement.

ARTICLE 8

TERMINATION RIGHTS

8.1. Termination.

(a) This Agreement may be terminated prior to Closing by either Buyer or Seller upon written notice to the other following the occurrence of any of the following:

(i) if the other party is in material breach or default of this Agreement and such breach or default has not been waived by the party giving such termination notice;

(ii) if there shall be any Law that prohibits consummation of the sale of the Station or if a Governmental Authority of competent jurisdiction shall have issued a final, nonappealable Government Order enjoining or otherwise prohibiting consummation of the sale of the Station;

(iii) if the FCC denies the FCC Application; or

(iv) if the Closing has not occurred by December 2, 2005 (the "*Upset Date*"); provided, however, that the right to terminate this Agreement under this **Section 8.1(a)(iv)** shall be suspended until February 2, 2006, as to all parties if the failure to satisfy the condition set forth in **Sections 5.1(b) and 5.2(b)** shall have been the cause of or resulted in, the failure of the Closing to occur on or prior to December 2, 2005.

(b) This Agreement may be terminated prior to Closing by mutual written consent of Buyer and Seller.

(c) If either party believes the other to be in breach or default of this Agreement, the non-defaulting party shall, prior to exercising its right to terminate under **Section 8.1(a)(i)**, provide the defaulting party with notice specifying in reasonable detail the nature of such breach or default. Except for a failure to pay the Purchase Price, the defaulting party shall have twenty (20) days from receipt of such notice to cure such default; provided, however, that if the breach or default is due to no fault of the defaulting party and is incapable of cure within such 20-day period, the cure period shall be extended as long as the defaulting party is diligently and in good faith attempting to effectuate a cure. Nothing in this **Section 8.1(c)** shall be interpreted to extend the Upset Date.

8.2. Effect of Termination. In the event of termination of this Agreement pursuant to **Section 8.1**, this Agreement (other than **Sections 4.3(b) and (c)**, this **Article 8** and **Article 9**, which shall remain in full force and effect) shall forthwith become null and void, and no party hereto (nor any of their respective affiliates, directors, officers or employees) shall have any liability or further obligation, except as provided in this **Article 8**; provided, however, that nothing in this **Section 8.2** shall relieve any party from liability for any breach of this Agreement.

ARTICLE 9 **TAX MATTERS**

9.1. Bulk Sales. Seller and Buyer hereby waive compliance with the provisions of any applicable bulk sales law and no representations, warranty or covenant contained in this Agreement shall be deemed to have been breached as a result of such non-compliance.

9.2. Transfer Taxes. All Transfer Taxes arising out of or in connection with the transactions effected pursuant to this Agreement shall be borne equally by Seller and Buyer. The party that has the primary responsibility under applicable law for the payment of any particular Transfer Tax shall prepare and file the relevant Tax Return and notify the other party in writing of the Transfer Taxes shown on such Tax Return. The other party shall pay the first party an amount equal to one-half of such Transfer Taxes in immediately available funds no later than the date that is the later of (i) five (5) Business Days after the date of such notice or (ii) two (2) Business Days prior to the due date for such Transfer Taxes. The first party shall promptly remit the Transfer Taxes to the proper Governmental Authority.

ARTICLE 10 **OTHER PROVISIONS**

10.1. Expenses. Except as otherwise provided in this Agreement, each party shall be solely responsible for and shall pay all costs and expenses incurred by it in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement.

10.2. Benefit and Assignment. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. Neither party may assign its rights under this Agreement without the other party's prior written consent, which consent may not be unreasonably withheld or delayed. Notwithstanding anything above to the contrary and provided that Buyer is not subject to any additional fees or expenses related thereto and that no material delay to obtaining the FCC Consent or to Closing will be caused, Seller may, without Buyer's consent, (i) assign any or all of its rights and obligations under this Agreement to any of its Affiliates or (ii) assign any or all of its rights but not its obligations under this Agreement to any of its Affiliates or any "qualified intermediary" as defined in Treas. Reg. Sec. 1.1031(k)1(g)(4). Buyer shall cooperate with all reasonable requests

of Seller and the qualified intermediary in arranging and effecting the deferred like-kind exchange as one which qualifies under Section 1031 of the Code. Without limiting the generality of the foregoing, Buyer shall acknowledge in writing the notification by Seller of the assignment to the qualified intermediary of its right to receive the Purchase Price and other rights hereunder and Buyer agrees to pay the Purchase Price to the qualified intermediary rather than to Seller.

10.3. No Third Party Beneficiaries. Nothing herein express or implied or intended shall be construed to confer upon or give to any other person or entity other than the parties hereto or their permitted successors or assigns, any rights or remedies under or by reason of this Agreement.

10.4. Entire Agreement; Waiver; Amendment. This Agreement, the Buyer Ancillary Agreement, the Seller Ancillary Agreements and the exhibits and schedules hereto and thereto constitute the entire agreement of the parties hereto with respect to the subject matter hereof and thereof and supersede all prior agreements and undertakings, both written and oral, between Seller and Buyer with respect to the subject matter hereof and thereof, except as otherwise expressly provided herein. Any matter that is disclosed in a schedule hereto in such a way as to make its relevance to the information called for by another schedule readily apparent shall be deemed to have been included in such other schedule, notwithstanding the omission of an appropriate cross-reference. No amendment, waiver of compliance with any provision or condition hereof, or consent pursuant to this Agreement shall be effective unless evidenced by an instrument in writing signed by the party against whom enforcement of any waiver, amendment, change, extension or discharge is sought. No failure or delay on the part of Buyer or Seller in exercising any right or power under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power.

10.5. Headings. The headings set forth in this Agreement are for convenience only and will not control or affect the meaning or construction of the provisions of this Agreement.

10.6. Computation of Time. If after making computations of time provided for in this Agreement, a time for action or notice falls on Saturday, Sunday or a Federal holiday, then such time shall be extended to the next business day.

10.7. Governing Law; Waiver of Jury Trial. The construction and performance of this Agreement shall be governed by the law of the State of New York without regard to its principles of conflict of law. The exclusive forum for the resolution of any disputes arising hereunder shall be the federal or state courts located in the State of New York, and each party irrevocably waives the reference of an inconvenient forum to the maintenance of any such action or proceeding. BUYER AND SELLER HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING IN ANY WAY TO THIS AGREEMENT, INCLUDING ANY COUNTERCLAIM MADE IN SUCH ACTION OR PROCEEDING, AND AGREE THAT

ANY SUCH ACTION OR PROCEEDING SHALL BE DECIDED SOLELY BY A JUDGE. Buyer and Seller hereby acknowledge that they have each been represented by counsel in the negotiation, execution and delivery of this Agreement and that their lawyers have fully explained the meaning of the Agreement, including in particular the jury-trial waiver.

10.8. Construction. Any question of doubtful interpretation shall not be resolved by any rule providing for interpretation against the party who causes the uncertainty to exist or against the drafter of this Agreement.

10.9. Notices. Any notice, demand or request required or permitted to be given under the provisions of this Agreement shall be in writing, addressed to the following addresses, or to such other address as any party may request in writing.

If to Seller:

UPN Stations Group Inc.
c/o Infinity Broadcasting Corporation
1515 Broadway, 46th Floor
New York, NY 10036
Attention: Jacques Tortoroli
Facsimile: (212) 846-3999

With a copy, which shall not constitute notice, to:

Viacom Inc.
1515 Broadway
New York, NY 10036
Attention: General Counsel
Facsimile: (212) 258-6099

and

Leventhal Senter & Lerman PLLC
2000 K Street, N.W.
Suite 600
Washington, DC 20006-1809
Attention: Steven A. Lerman, Esq.
Facsimile: (202) 293-7783

If to Buyer:

Family Stations, Inc.
290 Hegenberger Rd.
Oakland, CA 94621
Attention: Harold Camping
Facsimile: (510) 633-7983

and

Family Stations, Inc.
4135 Northgate Boulevard, Suite 1
Sacramento, CA 95834
Attention: Peggy Renschler
Facsimile: (916) 641-8238

With a copy, which shall not constitute notice, to:

Irwin, Campbell & Tannenwald, P.C.
1730 Rhode Island Ave., N.W., Suite 200
Washington, D.C. 20036-3101
Attention: Alan C. Campbell
Facsimile: (202) 728-0354

Any such notice, demand or request shall be deemed to have been duly delivered and received (i) on the date of personal delivery, or (ii) on the date of transmission, if sent by facsimile and received prior to 5:00 p.m. in the place of receipt (but only if a hard copy is also sent by overnight courier), or (iii) on the date of receipt, if mailed by registered or certified mail, postage prepaid and return receipt requested, or (iv) on the date of a signed receipt, if sent by an overnight delivery service, but only if sent in the same manner to all persons entitled to receive notice or a copy.

10.10. Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced because of any Law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner adverse to either party hereto. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

10.11. Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed an original and all of which together will constitute one and the same instrument. Facsimile or other electronically delivered copies of signature pages to this Agreement, any Buyer Ancillary Agreement, any Seller Ancillary Agreement or any other document or instrument delivered pursuant to this Agreement shall be treated as between the parties as original signatures for all purposes.

ARTICLE 11 **DEFINITIONS**

11.1. Defined Terms. Unless otherwise stated in this Agreement, the following terms when used herein shall have the meanings assigned to them below (such meanings to be equally applicable to both the singular and plural forms of the terms defined).

“*Action*” means any claim, action, suit, arbitration, inquiry, proceeding or investigation by or before any Governmental Authority.

“*Affiliate*” means, with respect to any Person, any other Person directly or indirectly Controlling, Controlled by or under common Control with such Person.

“*Agreement*” shall mean this Asset Purchase Agreement, including the exhibits and schedules hereto.

“*Assumed Obligations*” shall have the meaning set forth in **Section 1.5**.

“*Buyer*” shall have the meaning set forth in the Preamble to this Agreement.

“*Buyer Ancillary Agreements*” shall have the meaning set forth in **Section 2.2**.

“*Buyer Indemnified Parties*” shall have the meaning set forth in **Section 7.2(a)**.

“*Buyer Material Adverse Effect*” means a material adverse effect on the ability of Buyer to perform its obligations under this Agreement or any Buyer Ancillary Agreement.

“*Buyer’s Proration Amount*” shall have the meaning set forth in **Section 1.6(b)**.

“*Business Day*,” whether or not capitalized, shall mean every day of the week excluding Saturdays, Sundays and Federal holidays.

“*Code*” means the Internal Revenue Code of 1986, as amended.

“*Claim*” shall have the meaning set forth in **Section 7.3**.

“*Closing*” shall have the meaning set forth in **Section 1.1**.

“*Closing Date*” shall have the meaning set forth in **Section 1.1**.

“*Communications Act*” shall have the meaning set forth in **Section 2.5**.

“*Control*” means, as to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether

through the ownership of voting securities, by contract or otherwise. The terms “*Controlled*” and “*Controlling*” shall have a correlative meaning.

“*Damaged Asset*” shall have the meaning set forth in **Section 4.4**.

“*Effective Time*” shall have the meaning set forth in **Section 1.1**.

“*FCC*” shall have the meaning set forth in the Recitals.

“*FCC Application*” shall mean the application or applications that Seller and Buyer must file with the FCC requesting its consent to the assignment of the FCC Licenses.

“*FCC Consent*” shall mean the initial action by the FCC granting the FCC Application.

“*FCC Licenses*” shall have the meaning set forth in **Section 1.2(a)**.

“*Final Order*” means an action by the FCC (i) that has not been vacated, reversed, stayed, enjoined, set aside, annulled or suspended, (ii) with respect to which no request for stay, motion or petition for rehearing, reconsideration or review, or application or request for review or notice of appeal or sua sponte review by the FCC is pending, and (iii) as to which the time for filing any such request, motion, petition, application, appeal or notice, and for the entry of orders staying, reconsidering or reviewing on the FCC’s own motion has expired.

“*Governmental Authority*” means any federal, state or local or any foreign government, legislature, governmental, regulatory or administrative authority, agency or commission or any court, tribunal, or judicial or arbitral body.

“*Governmental Order*” means any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority.

“*HSRA*” means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

“*Law*” means any United States (federal, state, local) or foreign statute, law, ordinance, regulation, rule, code, order, judgment, injunction or decree.

“*Lease*” shall have the meaning set forth in **Section 1.2(b)**.

“*Liens*” shall have the meaning set forth in **Section 1.2**.

“*Losses*” shall have the meaning set forth in **Section 7.2(a)**.

“*Notice of Disagreement*” shall have the meaning set forth in **Section 1.6(b)**.

“*Permitted Liens*” means, as to any property or asset or as to the Station, (a) Liens for Taxes, assessments and other governmental charges not yet due and payable; (b) Liens that do not in any material way detract from the value of the property subject thereto or in any material way interfere with or impair the present and continued use thereof in the usual and normal conduct of the business of the Station; (c) zoning laws and ordinances and similar Laws that are not violated by any existing improvement or that do not prohibit the use of the real property under the Lease as currently used in the operation of the Station; (d) any right reserved to any Governmental Authority to regulate the affected property (including restrictions stated in the permits); (e) in the case of any leased asset, (i) the rights of any lessor under the applicable lease agreement or any Lien granted by any lessor, (ii) any statutory Lien for amounts that are not yet due and payable or are being contested in good faith and (iii) the rights of the grantor of any easement or any Lien granted by such grantor on such easement property; (f) any Lien or right to a Lien imposed by Law and not shown by the public records (provided that Seller remains liable for paying such Liens); and (g) Liens that will be discharged prior to the Closing.

“*Person*” means any natural person, general or limited partnership, corporation, limited liability company, firm, association, trust or other legal entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

“*Personal Property*” shall have the meaning set forth in **Section 1.2(c)**.

“*Preliminary Proration Schedule*” shall have the meaning set forth in **Section 1.6(b)**.

“*Proration Schedule*” shall have the meaning set forth in **Section 1.6(b)**.

“*Purchase Price*” shall have the meaning set forth in **Section 1.4**.

“*Referee*” shall have the meaning set forth in **Section 1.6(b)**.

“*Retained Liabilities*” shall have the meaning set forth in **Section 1.5**.

“*Seller*” shall have the meaning set forth in the Preamble to this Agreement.

“*Seller Ancillary Agreements*” shall have the meaning set forth in **Section 3.2**.

“*Seller Indemnified Parties*” shall have the meaning set forth in **Section 7.2(b)**.

“*Seller Material Adverse Effect*” means a material adverse effect on: (a) the ability of Seller to perform its obligations under this Agreement or any Seller Ancillary Agreement or (b) the condition of the Station Assets; provided, however, that any material adverse effect shall not include any change in, or effect on the condition of the Station Assets that is primarily attributable to (i) any change or development generally applicable to the radio broadcast industry (including legislative or regulatory matters), (ii) general economic conditions, or (iii) any public announcement of the transactions contemplated by this Agreement.

“*Station*” shall have the meaning set forth in the Recitals to this Agreement.

“*Station Assets*” shall have the meaning set forth in **Section 1.2**.

“*Station Contracts*” shall have the meaning set forth in **Section 1.2(d)**.

“*Tax*” or “*Taxes*” means all federal, state, local or foreign income, excise, gross receipts, ad valorem, sales, use, employment, franchise, profits, gains, property, transfer, use, payroll, intangible or other taxes, fees, stamp taxes, duties, charges, levies or assessments of any kind whatsoever (whether payable directly or by withholding), together with any interest and any penalties, additions to tax or additional amounts imposed by any Tax authority with respect thereto.

“*Tax Returns*” means all returns and reports (including elections, declarations, disclosures, schedules, estimates and information returns) required to be supplied to a Tax authority relating to Taxes.

“*To Buyer’s knowledge*” or any variant thereof shall mean to the actual knowledge of Harold Camping and Matt Tuter.

“*To Seller’s knowledge*” or any variant thereof shall mean to the actual knowledge Joel Hollander, Jacques Tortoroli, Doug Sterne and Scott Mason.

“*Transfer Taxes*” means all excise, sales, use, value added, registration stamp, recording, documentary, conveyancing, franchise, property, transfer and similar Taxes, levies, charges and fees.

“*Upset Date*” shall have the meaning set forth in **Section 8.1(a)(iv)**.

Section 11.2. Terms Generally. The term “*or*” is disjunctive; the term “*and*” is conjunctive. The term “*shall*” is mandatory; the term “*may*” is permissive. Masculine terms apply to females; feminine terms apply to males. The term “*include*,” “*includes*” or “*including*” is by way of example and not limitation.

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

UPN STATIONS GROUP INC.

By: MP Messinger
Name: M.P. Messinger
Title: VP

FAMILY STATIONS, INC.

By: _____
Name:
Title:

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

UPN STATIONS GROUP INC.

By: _____

Name:

Title:

FAMILY STATIONS, INC.

By: *Harold Campbell* _____

Name: *Harold Campbell*

Title: *President*