

**Attachment 4**

## ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT, made and entered into this \_\_\_\_\_ day of June, 2005, by and among Kinzua Broadcasting Company, a Pennsylvania corporation (the "Seller"), Leroy Schneck ("Schneck"), and Radio Partners, LLC, a Pennsylvania limited liability company (the "Buyer").

### Recitals

WHEREAS, Seller is the licensee and operator of radio stations WNAE and WRRN, licensed to Warren, Pennsylvania, and radio station WKNB, licensed to Clarendon, Pennsylvania (together, the "Stations"); and

WHEREAS, Seller is also the owner of certain real property located in Warren County utilized by the Seller in conjunction with the operation of the Stations (the "Real Property"); and

WHEREAS, subject to the matters set forth herein, Buyer desires to acquire and purchase from Seller the Stations, and substantially all of the assets, leases, contracts, agreements, and licenses used or useful in the operation of the Stations and to acquire and purchase the Real Property, and Seller desires to transfer such assets and Real Property to Buyer upon the terms and subject to the conditions hereof.

### Agreement

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

1. **Sale and Transfer of Assets.** At Closing, Seller will sell, assign, transfer and deliver to Buyer the following:

1.1 Those licenses, permits and authorizations listed on Schedule 1.1 (the "Licenses");

1.2 The real estate more particularly described on Schedule 1.2 (the "Real Property");

1.3 All assets of Seller used or useful in the operation of the Stations and any replacements therefore acquired prior to Closing, together with all other machinery, equipment, supplies, inventory, spare parts, and all other tangible personal property used or usable (including those not in operating condition) in the operation of the Stations (collectively, the "Equipment"), including but not limited to that on the attached Schedule 1.3.

1.4 Those leases, contracts and agreements listed on Schedule 1.4 (the "Assigned Contracts"), together with all prepaid income with respect to such Assigned

Contracts.

1.5 All right, title and interest of the Seller in and to the use of the Stations' call letters;

1.6 All goodwill, intellectual property (including copyrights and trademarks), or other similar rights, if any, which the Seller owns or uses in the operation of the Stations to the extent Seller has the right to use and assign same;

1.7 All business records of the Stations relating to its operation, excluding, however, corporate records, tax records and original journals;

items 1.1 and 1.3 through 1.7 being hereinafter referred to as the **Assets**. The **Assets** specifically exclude any of Seller's insurance policies, cash, bank accounts, investments, deposits, accounts receivable, Seller's corporate charter and any other documents relating to the organization and existence of Seller as a corporation.

**2. Purchase Price and Payment; Prorations**

2.1 The aggregate purchase price to be paid by Buyer for the **Assets** and the Real Property (the "**Purchase Price**") shall be One Million Two Hundred Fifty Thousand (\$1,250,000) Dollars. Upon execution hereof, Buyer will deposit the sum of Fifty Thousand (\$50,000) Dollars (the "**Escrow Deposit**") with Rogin, Nassau, Caplan, Lassman & Hirtle, LLC ("**Escrow Agent**"), which amount shall be held pursuant to the terms of the Escrow Agreement attached hereto as Exhibit "2.1."

2.2 (a) At Closing, Buyer shall pay to Seller, in immediately available funds, One Million Dollars (\$1,000,000) Dollars, and cause the Escrow Agent to release the Escrow Deposit to Seller and to pay the interest earned thereon to Buyer.

(b) At Closing, Buyer shall deliver its promissory note (the "**Note**") to Seller in the principal amount of two hundred thousand dollars (\$200,000), one half payable one year from closing, and the balance payable two years from closing, substantially in the form attached hereto as Exhibit 2.2(b).

2.3 (a) All expenses arising from the conduct of the Stations, including business and license fees (including any retroactive adjustments thereof), utility charges, real and personal property Taxes and assessments levied against the **Assets**, property and equipment rentals, applicable fees, sales and service charges, accrued employee vacation pay and sick pay and Taxes (except for income Taxes and Taxes arising from the transfer of the **Assets** hereunder) shall be prorated between Buyer, on the one hand, and Seller, on the other hand, in accordance with the principle that Seller shall be responsible for such expenses allocable to the conduct of the Stations and ownership of the **Assets** for the period ending on or prior to the Closing Date, and Buyer shall be responsible for such items allocable to the conduct of the Stations and ownership of the **Assets** for the period after the Closing Date. Seller shall be responsible for credits payable to customers for the period prior to the Closing Date.

(b) Any prorations will, insofar as feasible, be determined and paid on the Closing Date, with final settlement and payment of any additional prorations to be made by the appropriate party occurring no later than thirty (30) days after the actual amount of such proration becomes known..

2A. **Allocation of Purchase Price.** The Parties agree to allocate the Purchase Price among the Real Estate and the Assets for all purposes in accordance with the allocation set forth on Exhibit 2.2 attached hereto and made a part hereof.

3. (a) **No Assumption of Liabilities.** Buyer shall not assume and shall not be obligated to pay any of the liabilities or obligations of Seller, except liabilities and obligations listed on Schedule 1.4, and for which Seller is receiving prepaid income or which arise or accrue on or after the Closing Date with respect to the Assigned Contracts. As of the Closing, Buyer shall be entitled to all of Seller's rights and benefits under the Assigned Contracts and shall relieve Seller of its obligations to perform same. Buyer shall indemnify, defend and hold harmless Seller with respect to all liability under the Assigned Contracts which arise after the Closing Date, including without limitation reasonable attorneys fees.

(b) Buyer agrees to honor the barter agreements on the list attached hereto as Schedule 3(b), and no others. Seller represents that there are no other barter contracts, oral or written, to which the Stations are bound, nor is there any basis therefore.

4. **Seller's Representations and Warranties.** The Seller and Schneck represent and warrant to Buyer as of the date hereof and as of the Closing Date, as follows; provided, however, in the case of Schneck, such representations (other than those contained in 4.1, 4.2, 4.3 and 4.11) are made based on information he has gathered from others, and which he believes is reliable.

4.1 **Formation, Standing and Power.** Seller is a corporation duly formed, validly existing and in good standing under the laws of the Commonwealth of Pennsylvania. Seller has all necessary corporate power and authority to own, use and transfer its Assets and to transact its business as now being conducted. There is no other jurisdiction in which the character or use of the Assets or the nature of its business makes necessary the licensing or qualification of Seller to do business as a foreign corporation.

4.2 **Authority for Transaction.** Seller's execution and delivery of this Agreement, its compliance with the provisions hereof and the consummation of all of the transactions contemplated hereby have all been duly and validly authorized by all necessary corporate action on the part of Seller, including approval by the Seller's shareholders and directors, and this Agreement is valid and binding upon Seller in accordance with its terms.

4.3 **Licenses.** Seller is the holder of the Licenses, all of which are in full force and effect and without any proposed or threatened adverse action by anyone including, without limitation, the Federal Communications Commission ("FCC").

4.4 **Condition of Assets.** Except as set forth on Schedule 4.4, each item comprising the Equipment is in good operating condition, and has been operated and maintained in accordance with the terms of all applicable maintenance agreements and manufacturers' instructions. The Buyer acknowledges and agrees that all such property is otherwise being sold "as is," and without any warranties express or implied, other than those specified in this Agreement.

4.5 **Title.** Except as set forth on Schedule 1.2 (the "Permitted Encumbrances") Seller shall transfer to Buyer at the Closing, good and marketable title to the Assets and Real Property free and clear of liens and encumbrances.

4.6 **Contracts, Leases, Agreements.** The Licenses and Assigned Contracts to be transferred or assigned to Buyer under this Agreement are in full force and effect. As of the Closing, there will be no agreement or contract entered into by Seller (not including this Agreement) which will be binding on the Buyer other than; (a) those specifically included on the schedules hereto; or (b) leases, contracts and agreements not inconsistent with the provisions of this Agreement entered into in the usual course of the business of the Stations after the date hereof. No new lease, contract or agreement requiring payment of more than \$2,500 shall be entered into by Seller prior to Closing without Buyer's written consent. Except as set forth in Schedule 4.6, each of the Assigned Contracts may be transferred in accordance with its terms, or approval for transfer (if required) will have been received by the Closing Date. Seller is in material compliance with all provisions of the Licenses and Assigned Contracts. As of the closing, Seller will have performed in all material respects its obligations under the Assigned Contracts through the Closing Date, and each Assigned Contract shall be in full force and effect on the Closing Date, and no customer shall have the right to cancel an Assigned Contract. Seller is not in default of any obligation to any customer.

4.7 **Employees and Agreement Relating to Employment.** There is (a) no written employment contract with any employee of the Stations, (b) no employee pension, retirement, profit sharing, bonus or similar plans, and (c) no union has been certified or sought recognition as a bargaining agent for any employee of the Stations. Seller has complied or will comply by the Closing Date in all material respects with all applicable federal, state and local laws, ordinances, rules, regulations and requirements relating to the employment of labor, including, but not limited to, the provisions thereof relative to wages, hours, collective bargaining, payment of Social Security, unemployment and withholding taxes. Attached as Schedule 4.7 is a list of all employees of Seller and employee benefit plans of Seller, including, without limitation, retirement plans. Seller will terminate all employees and benefit plans as of the Closing Date. Buyer is assuming no obligation for any benefit plan of Seller and no obligation to employ, pay or compensate any of Seller's employees in any manner. As of the Closing Date, no arrearage will be due for any wages or taxes or penalties for failure to comply with any of the foregoing.

4.8 **Legal Proceedings.** Except as set forth on Schedule 4.8, there are no investigation, litigation, court or administrative proceedings pending or, so far as is known to the Seller, threatened against Seller relating to the Stations, its licenses, or any of the Assets which would adversely affect Buyer's enjoyment of the Assets, or which would hinder or prevent the

consummation of the transactions contemplated by this Agreement.

4.9 **Compliance with Licenses, Laws, Regulations and Orders.** Seller is in compliance with all material terms and conditions of all Licenses, laws, regulations and orders applicable to its business and operations including, without limitation, material compliance with the Federal Communications Act and all regulations and policies issued by the Federal Communications Commission (the "FCC").

4.10 **No Conflict.** Neither the execution and delivery of this Agreement by Seller, nor compliance by Seller with any of the provisions hereof, nor the consummation of the transactions contemplated hereby, will:

- (a) conflict with or result in a breach of any provision of Seller's Articles of Incorporation or Bylaws or any agreement to which Seller is a party; or
- (b) violate any order, writ, injunction, decree, statute, rule or regulation applicable to Seller, or any of its properties or assets.

Except for filings with the FCC, and as to those Assigned Contracts which require the other party's consent as a condition to its assignment, no consent, waiver or approval by or filing with any person is required in connection with the execution and delivery of this Agreement by Seller, compliance by Seller with any of the provisions hereof or the consummation of the transactions contemplated hereby.

4.11 **No Broker.** Seller has retained Kozacko Media Services ("Broker"), of Elmira, New York, as the broker in connection with the transaction contemplated hereby, shall pay Broker such commission as may be due in connection with such transaction, and shall indemnify and hold Buyer harmless from and against claims for commissions made by Broker or any other broker retained or allegedly retained by Seller.

4.12 **Billings and Expenses.** Seller's records of its cash billings and collections and expenses for 2004 and 2003 ("Financial Statements"), previously disclosed to Buyer, are accurate in all material respects.

4.13 **Disclosure.** No representation or warranty by Seller set forth herein or in any Exhibit or Schedule hereto or in any certificate or other document delivered or to be delivered in connection with the transaction contemplated by this Agreement contains or will contain any untrue statement of a material fact or omits or will omit to state any material fact necessary to make the statement not misleading. There is no fact relating to the business, affairs, operations, condition (financial or otherwise) or prospects of the Stations which materially adversely affects, or in the future may materially adversely affect, the same and which has not been disclosed to the Buyer in writing by Seller prior to the execution of this Agreement.

4.14 **Absence of Undisclosed Liabilities.** Except as disclosed or reserved against in the Financial Statements, or in the notes thereto, Seller had, as of such date, no liabilities or obligations of any nature (whether accrued, absolute, contingent or otherwise),

except with respect to obligations not due and payable as of the date of said balance sheet which were incurred in the ordinary course of business or under contracts or agreements in force as of said date; and since the dates of such Financial Statements, Seller has not incurred or paid any debts, liabilities or obligations of any nature (whether accrued, absolute, contingent or otherwise) except for (i) obligations incurred in the ordinary course of business, and (ii) obligations disclosed or reserved against in the aforementioned Financial Statements.

4.15 **Taxes.** Seller will, as of the Closing Date, have filed all required tax returns and paid and discharged all taxes due relating to the operation of the Stations.

4.16 **All Assets.** The Assets and the Real Property are all of the property, tangible and intangible, that have been used in connection with the operation of the Stations during the periods covered by the Financial Statements, except for such items of tangible personal property as may have worn out in the ordinary course of business and have been replaced.

5. **Buyer's Representations and Warranties.** The Buyer and Frank Iorio ("Iorio") represent and warrant to Seller, as of the date hereof and as of the Closing Date, as follows; provided, however, in the case of Iorio, such representations (other than those contained in 5.1, 5.2, and 5.3) are made based on information he has gathered from others, and which he believes is reliable.:

5.1 **Buyer's Qualifications.** Buyer is legally, and at the time of filing with the FCC will be qualified, to become a licensee of the FCC.

5.2 **Incorporation, Standing and Power.** Buyer is a limited liability company duly incorporated, validly existing and in good standing under the laws of the Commonwealth of Pennsylvania. Buyer has all necessary power and authority to execute and deliver this Agreement, to comply with the provisions hereof and to consummate the transactions contemplated hereby.

5.3 **Authority for Transaction.** Buyer's execution and delivery of this Agreement, its compliance with the provisions hereof and the consummation of all of the transactions contemplated hereby have been duly and validly authorized by all necessary action of its members and this Agreement is valid and binding upon Buyer in accordance with its terms.

5.4 **No Conflict.** Neither the execution and delivery of this Agreement by Buyer, nor compliance by Buyer with any of the provisions hereof, nor the consummation of the transactions contemplated hereby will:

a) conflict with or result in a breach of any provision of Buyer's Articles of Organization, operating agreement, or any other agreement to which it is a party;

(b) violate any order, writ, injunction, decree, statute, rule or regulation applicable to Buyer or any of its properties or assets.

Except for filings under the Federal Communications Act with the FCC, no consent, waiver or approval by, notice to or filing with any person is required in connection with the execution and delivery of this Agreement by Buyer, compliance by Buyer with any of the provisions hereof or the consummation of the transactions contemplated hereby.

5.5 **Legal Proceedings.** There is no legal, equitable, administrative or arbitration action, suit, proceeding or known investigation pending or, to Buyer's knowledge, threatened against or affecting Buyer or any of its assets which, if adversely determined, would adversely affect the ability of Buyer to consummate the transactions contemplated hereby.

5.6 **Broker.** Buyer has not retained any broker in connection with the transaction contemplated hereby, and Buyer shall indemnify and hold Seller harmless from and against claims for commissions made by any broker retained or allegedly retained by Buyer.

6. **Risk of Loss.** Seller shall bear all risk of loss or damage to the Assets and the Real Property occurring prior to the Closing. In the event any loss or damage occurs to any of the Assets, Seller shall elect whether and to what extent Seller will replace or restore such loss. To the extent Seller elects to repair or restore such loss and can do so in not less than thirty (30) days subsequent to such loss, the parties shall proceed to Closing on that date which is thirty-one (31) days subsequent to the loss (or such other date as the parties shall mutually agree). To the extent Seller elects not to repair or restore such loss, Buyer may (i) elect to proceed to purchase the damaged Assets in "As-Is" condition, or (ii) terminate this Agreement, in which case neither party shall have any liability hereunder. If the Buyer elects the former option Seller shall assign to Buyer all insurance proceeds (if any) payable as the result of the damage. If Buyer elects the latter option, the Escrow Deposit together with all interest accrued thereon shall be returned to Buyer.

7. **Application for FCC Approval.**

7.1 **Filing and Prosecution of Application.** Buyer and Seller shall, within ten (10) business days from the date of this Agreement, join in an application to be prepared by Buyer at Buyer's and Seller's shared expense, to be filed with the FCC requesting its consent to the assignment of the Licenses of the Stations from Seller to Buyer. Buyer and Seller shall proceed with due diligence and promptly take all reasonably necessary steps to expeditiously prosecute such application.

7.2 **FCC Filing Fees.** Buyer and Seller shall share equally any filing fee or grant fee imposed by the FCC or any fees incurred with respect to the filing and/or processing of the joint application contemplated hereunder.

7.3 **Designation for Hearing.** If, for any reason, with respect to any application for assignment of the Licenses, the staff of the FCC advises, in writing, that designation for hearing will be required, either party, if not then in default, shall have the right, by written notice within thirty (30) days of such notification, to terminate this Agreement, in which event neither party shall have any rights or liabilities hereunder unless the hearing has been necessitated by the willful action of, or default under, this Agreement by, either Seller or



Buyer.

7.4 **Time of FCC Consent.** If approval of the transfer of the Licenses has not become final (all protests and appeals having been decided or dismissed, or barred by the expiration of time) (a "Final Order") within nine (9) months from the date of filing the application for transfer with the FCC, either party, if not then in default, may terminate this Agreement by giving written notice to the other. Upon such termination, neither party shall have any right or liability hereunder. Buyer may elect, however, at its sole risk to consummate the transactions contemplated by this Agreement after FCC approval but before the Final Order.

7.5 **Control of Stations.** This Agreement shall not be consummated until the FCC has given its written consent to the transfer of the Licenses of the Stations to the Buyer. Until the Closing, Buyer shall not, directly or indirectly, control, supervise, direct or attempt to control, supervise or direct the operation of the Stations, but such operation shall be the sole responsibility of Seller.

7A. **Additional Covenants of Seller.** Seller further covenants and agrees that from and after the date of this Agreement through the Closing Date, it shall:

7A.1 **Operation of Stations.** Operate the Stations in a commercially reasonable manner and consistent with prior practice. Without limitation, Seller shall advertise and promote the Stations in substantially the same manner as in the past in all material respects, preserving the good will and business of Seller's customers, employees and others having business relations with Seller.

7A.2 **Access.** Permit Buyer and its authorized representatives to have reasonable access at reasonable times upon advance notice to all of the facilities, properties, books, records, contracts and other documents and commitments and agreements of Seller as Buyer may from time to time reasonably request for the purpose of making such investigations as Buyer may require respecting the business of the Seller;

7A.3 **Performance of Contracts.** Perform its obligations under any leases, mortgages, agreements, permits, consents and other commitments or agreements relating to or affecting the Stations, and maintain all existing policies of insurance, except as otherwise provided in this Agreement or requested by Buyer in writing;

7A.4 **Compliance with Law.** Substantially comply with all applicable federal, state and local laws, ordinances and regulations;

7A.5 **Necessary Action.** Take all necessary corporate action and obtain all consents, approvals and agreements required by it to carry out the transactions contemplated in this Agreement. If any required consent to the transfer of any Assigned Contract to Buyer is not obtained (and, accordingly, the Contract is excluded from the transfer to Buyer), then at Buyer's request Seller shall not terminate the agreement, Buyer shall have the benefit of the agreement to the same extent as if it had been transferred, and Buyer shall perform the obligations under the agreement relating to the benefit obtained by Buyer. Buyer shall reasonably assist Seller in

obtaining the consents, and shall execute any certificates, affidavits or statements and supply such financial and other information as may be reasonably requested for that purpose;

7A.6 **Maintain Books.** Maintain its books, accounts and records in the usual manner on a basis consistent with prior periods and send bills to customers in due course;

7A.7 **No Sales, Liens, etc.** Not sell, other than in the ordinary course of business, assign, lease, transfer or otherwise dispose of, or mortgage, pledge or otherwise hypothecate or subject to lien, charge or other encumbrance (other than liens, charges or other encumbrances which will be removed prior to the Closing Date), any of the Assets or the Real Property;

7A.8 **No Increases.** Not increase (i) the compensation payable or to become payable to any of the employees of Seller except in accordance with existing employment practices, or (ii) the rate to any customers, other than increases attributable to additions, or changes, to services provided, or (iii) effect any change in the employee benefits or personnel policies of Seller in a manner inconsistent with past practice; and

7A.9 **No New Contracts.** Except as provided elsewhere in this Agreement, not enter into any contract or commitment or engage in any transaction relating to the Stations or Assets or Real Property with respect to periods subsequent to the Closing Date.

8. **Conditions to Parties' Obligations.**

8.1 **Conditions to Buyer's Obligations.** The obligations of Buyer to complete the transactions provided for herein shall be subject, at its election, to satisfaction on or before the Closing Date of each of the following conditions unless waived by Buyer:

(a) **Representations and warranties.** All of Seller's representations and warranties contained in this Agreement shall be true and correct in all material respects as of the Closing Date as though made on and as of the Closing Date (except as may be otherwise provided in this Agreement);

(b) **Pre-Closing obligations.** Seller shall have performed all obligations and covenants required to be performed by Seller hereunder;

(c) **Due authorization.** Buyer shall have received a duly certified copy of all actions taken by Seller's shareholders and directors authorizing the execution of this Agreement and consummation of the actions required by Seller hereunder;

(d) **Consents.** All notices, filings, consents, waivers and approvals which Seller is required to obtain shall have been obtained.

(e) **No bar.** There shall not be in effect any judgment, decree or order of, or position taken by, any court or administrative body of competent jurisdiction, nor shall there have been any action, suit, proceeding or known investigation instituted or

threatened, nor shall any law or regulation have been enacted or any action taken thereunder, which would restrain or prohibit, make illegal, or subject Buyer to material damage as a result of the consummation of the transactions contemplated hereby;

(f) **FCC consent.** The FCC shall have given the consent contemplated by Section 8 hereof and such consent shall have become a Final Order;

(g) **Further closing documents.** Seller shall have delivered to Buyer the following documents and instruments in form reasonably satisfactory to counsel to Buyer:

(1) certificate of the Secretary of the Commonwealth of Pennsylvania attesting to the good standing of Seller dated no more than sixty (60) days prior to the Closing Date;

(2) a warranty deed adequate to convey all of its interest in the Real Property, free of all liens and encumbrances except as provided in Schedule 1.2;

(3) warranty bills of sale, assignments and other instruments of transfer and conveyance transferring to Buyer title to each item comprising the Assets other than the Real Property free of all liens and encumbrances;

(4) an assignment of each Assigned Contract together with all required third party consents to the assignment;

(h) **Real Estate Prorations.** Except as otherwise expressly provided herein, all real estate taxes, assessments, utilities and water charges on the Real Property shall have been prorated between Buyer and Seller as of the Closing Date;

(i) **Prepaid credits.** Except as otherwise provided herein, all prepaid items shall have been prorated between Buyer and Seller as of the Closing Date. To the extent advertisements have been paid for but not aired, Buyer shall have received a credit towards the purchase price for the amount equal to the unaired time;

(j) **No Material Adverse Change.** There shall not have been any material adverse change during the period from December 31, 2004 to the Closing Date with respect to the condition (financial or otherwise) which existed on such date, and (b) Seller's billings for the one hundred twenty (120) day period ending at the end of the month prior to the month in which the Closing occurs, shall be at least ninety percent (90%) of billings for the corresponding period of 2004.

(k) **Opinion.** Buyer shall have received an opinion (reasonably acceptable to Buyer's counsel) from Hill & Schoenborn, dated as of the Closing Date, substantially to the effect that:

(i) Seller is a corporation duly organized, validly existing and in good

standing under the laws of the Commonwealth of Pennsylvania, and has the corporate power and authority to execute, deliver and perform this Agreement, and to convey, assign, transfer and deliver all of the Assets to Buyer.

(ii) The performance by Seller of its obligations under this Agreement has been duly authorized by all necessary corporate action; and all other instruments and documents executed by Seller and Schneck and delivered by them to Buyer hereunder have been duly authorized by all necessary corporate action on the part of Seller and duly executed by Seller and delivered to Buyer.

(iii) This Agreement, and each other agreement, instrument and other document associated with it, is the legal, valid and binding obligation of Seller and Schneck, enforceable against each of them except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and by general principles of equity.

(iv) The execution, delivery and consummation of this Agreement by Seller will not conflict with or result in a breach of the terms, conditions or provisions of, or constitute a default under, any law, rule, regulation or ordinance, the Certificate of Incorporation or By-Laws of Seller, or, to the best of such counsel's knowledge, after inquiring of Seller and Schneck, result in the breach of any order or decree of any court or other governmental authority, or violate (without regard to the giving of notice, lapse of time or both) any agreement or instrument of which such counsel has knowledge.

(v) To the best of such Counsel's knowledge, the Assets are free and clear of all liens and encumbrances of record as of the Closing Date, and the Assets shall not be subject to any lien or encumbrance as a result of the transaction contemplated hereby.

(vi) To the best of such counsel's knowledge, there are no applications, complaints or proceedings pending or threatened before any governmental or regulatory authority relating to the business or operations of the Stations.

(vii) Seller has full corporate authority and corporate power to assign its rights under the contracts to be assigned to Buyer.

(viii) To the best of such counsel's knowledge, based only on a certificate provided to such counsel, there is no claim, litigation, proceeding or investigation pending or threatened or any basis therefor, against or affecting Seller, which might, either individually or in the aggregate, result in any material adverse effect upon the Business, assets, prospects, profits or condition (financial or otherwise) of Seller which questions the validity of any action taken or to be taken pursuant to or in connection with this Agreement.

(I) Seller and Schneck have entered into the Non-Competition and Consulting Agreement attached hereto as Exhibit 8.1(I).

8.2 **Conditions to Seller's Obligations.** The obligations of Seller to complete the transactions provided for herein shall be subject, at its election, to satisfaction on or before the Closing Date of each of the following conditions unless waived by Seller:

(a) **Representations and warranties.** All of Buyer's representations and warranties contained in this Agreement shall be true and correct in all material respects as of the Closing Date as though made on and as of the Closing Date (except as may be otherwise provided in this Agreement);

(b) **Pre-Closing obligations.** Buyer shall have performed all obligations and covenants required to be performed by it hereunder and all conditions have been satisfied unless waived by Seller;

(c) **Due authorization.** Seller shall have received a duly certified copy of all actions taken by Buyer's members authorizing Buyer's execution of this Agreement and the actions required by Buyer hereunder;

(d) **No bar.** There shall not be in effect any judgment, decree or order of, or position taken by, any court or administrative body of competent jurisdiction, nor shall there have been any action, suit, proceeding or known investigation instituted or threatened, nor shall any law or regulation have been enacted or any action taken thereunder, which would, in Seller's reasonable judgment, restrain or prohibit, make illegal, or subject Seller to material damage as a result of; the consummation of the transactions contemplated hereby;

(e) **FCC consent.** The FCC shall have given the consent contemplated by Section 8 and the consent shall have become a Final Order;

(f) **Additional Documentation.** Buyer shall have delivered:

(1) a certificate of Buyer stating that all of its representations and warranties are true and correct as of the Closing and that all conditions and covenants have been performed or complied with;

(2) an instrument of assumption of the Assigned Contracts, in form reasonably satisfactory to counsel to Seller;

(g) **Payment of Price.** Buyer shall have paid in immediately available funds the full Purchase Price (less the Note) as provided in Paragraph 2 hereof, less the adjustment contemplated in Section 2.3, and other adjustments as may be contemplated herein;

(h) **Other matters.** Seller shall have received such other instruments and documents as shall have been reasonably requested by counsel to Seller.

(i) **Opinion.** Seller shall have received an opinion (reasonably acceptable to Seller's counsel) from Rogin, Nassau, Caplan, Lassman & Hirtle, LLC (based on Connecticut Law) dated as of the Closing Date substantially to the effect that:

(i) Buyer is a limited liability company duly organized and existing under the laws of the Commonwealth of Pennsylvania, and has the limited liability company power and authority to execute, deliver and perform this Agreement.

(ii) The performance by Buyer of its respective obligations under this Agreement has been duly authorized by all necessary limited liability company action, and the other instruments and documents executed by Buyer and delivered to Seller hereunder have been duly authorized by all necessary limited liability company action on the part of Buyer, and duly executed by Buyer and delivered to Seller.

(iii) This Agreement is the legal, valid and binding obligation of Buyer, enforceable against it, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and by general principles of equity.

(iv) The execution, delivery and consummation of this Agreement by Buyer will not conflict with or result in a breach of the terms, conditions or provisions of, or constitute a default under, any law, rule, regulation or ordinance, the Articles of Organization or Operating Agreement of Buyer, or, to the best of such counsel's knowledge, after inquiring of Buyer and Frank Iorio, result in the breach of any order or decree of any court or other governmental authority, or violate (without regard to the giving of notice, lapse of time or both) any agreement or instrument of which such counsel has knowledge.

9. **Closing.** Subject to the terms and conditions herein stated, the parties agree as follows:

9.1 **Closing Date.** The Closing of the transaction provided for in this Agreement shall be held not later than ten (10) business days following the date upon which the order of the FCC approving the assignment of the Licenses for the Stations from Seller to Buyer has become a Final Order. Notwithstanding the foregoing, Buyer shall have the right to waive a Final Order and require the Seller to close at any earlier time following FCC approval.

9.2 **Failure to Close; Termination.** This Agreement may be terminated at any time prior to the Closing Date, as follows:

(a) by the mutual consent of Seller and Buyer;

(b) by Buyer, upon notice to Seller, upon a failure of any condition set forth in Section 8.1, without any breach by Buyer of its obligations hereunder, (and such failure is not waived by Buyer); or

(c) by Seller, upon notice to Buyer, upon a failure of any condition set forth in Section 8.2, without any breach by Seller, (and such failure is not waived by Seller); or

(d) In the event of any termination as provided by this Section, this Agreement shall thereupon become void and of no effect, without any liability on the part of any party and the Escrow Deposit with the interest earned thereon shall be returned to Buyer.

10. **Accounts Receivable.** For the ninety (90) day period following the Closing, Buyer shall cooperate with Seller in collecting Seller's accounts receivable without compensation. Buyer shall not be required to place for collection or to sue any account debtor. After said ninety (90) day period, the collection of Seller's accounts receivable shall be the sole responsibility of Seller. If any account debtor disputes its liability to Seller, Buyer shall promptly turn back the account to Seller for whatever action Seller deems appropriate. Seller reserves the right to determine if commissions are due to its former sales people from the accounts receivable collected and it shall be Seller's obligation to pay those commissions. Proceeds of Seller's account receivable shall be paid by Buyer to Seller on or about the 1<sup>st</sup> and 15<sup>th</sup> of each month together with reasonable detail of accounts collected and those still outstanding. Proceeds will be credited on a first in – first out basis, or as otherwise directed by the customer.

11. **Further Covenants.**

11.1 **Transfer Taxes.** All sales or use taxes payable by reason of the sale and transfer of any of the Assets hereunder shall be paid by Buyer. Transfer tax on the Real Property shall be split equally.

11.2 **Expenses of the Parties.** Except as otherwise expressly provided in this Agreement, all expenses involved in the preparation, negotiation, authorization and consummation of this Agreement and the transactions contemplated hereby, including all fees and expenses of agents, representatives, counsel and accountants, shall be borne solely by the party who shall have incurred the same, and no other party shall have any responsibility with respect thereto.

11.3 **Confidentiality.** Except for necessary disclosure to such party's directors, officers, employees, counsel, accountants, bankers and other agents, and except for the disclosure contemplated by Section 8, such disclosure as may be required by law, and disclosure to David Whipple, each party shall keep the financial provisions of this Agreement confidential both prior and subsequent to the Closing Date. Without limiting the generality of the foregoing, neither party shall issue any press release or advertisement with respect to the transactions contemplated hereby without the prior consent of the other unless such party determines, upon the advice of counsel, that such action is required by law.

11.4 **Further Assurances.** Each party shall cooperate with the other, take such further action, and execute and deliver such further documents, as may be reasonably requested by any other party in order to carry out the terms and purposes of this Agreement, including but

not limited to such action by Seller that will permit a reasonably satisfactory title insurance policy to be issued to Buyer.

12. **General Provisions.**

12.1 **Survival of Representations, Warranties and Covenants.** The several representations, warranties and covenants of the parties herein contained, and the provisions hereof which by their terms are to be performed after the Closing Date, shall survive the Closing Date regardless of any investigation which may have been or may be made at the time by or on behalf of the party to whom such representations, warranties, covenants and agreements are made.

12.2 **Amendment and Waiver.** This Agreement may be amended only by a writing executed by each of the parties hereto. No waiver of compliance with any provision or condition hereof; and no consent provided for herein, shall be effective unless evidenced by an instrument in writing duly executed by the party sought to be charged therewith. No failure on the part of any party to exercise, and no delay in exercising, any of its rights hereunder shall operate as a waiver thereof; nor shall any single or partial exercise by any party of any right preclude any other or future exercise thereof or the exercise of any other right.

12.3 **Assignment.** Neither party shall assign or attempt to assign any of its rights or obligations under this Agreement without the prior written consent of the other party hereto.

12.4 **Notices.** Each notice, report, demand, waiver, consent and other communication required or permitted to be given hereunder shall be in writing and shall be sent by nationally recognized overnight courier, addressed as follows:

If to Seller: Kinzua Broadcasting Company  
310 Second Avenue  
Warren, PA

with a copy to: Dru H. Schoenborn, Esq.  
Hill & Schoenborn  
216 Fourth Avenue  
Warren, PA 16365

If to Buyer: Radio Partners, LLC  
1316 7<sup>th</sup> Avenue  
P.O. Box 719  
Beaver Falls, PA  
Attn: Frank Iorio, President

with a copy to: Paul B. Zolan, Esq.  
Rogin, Nassau, Caplan, Lassman & Hirtle, LLC  
CityPlace 1, 22<sup>nd</sup> Floor



185 Asylum Street  
Hartford, CT 06103

Any party may change its address for the purpose hereof by giving notice in accordance with the provisions of this Section 12.4.

12.5 **Binding Effect.** This Agreement shall be binding upon and shall inure to the benefit of the parties and their respective successors and permitted assigns. This Agreement creates no rights of any nature in any person not a party hereto.

12.6 **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania applicable to agreements made and to be performed entirely within such state.

12.7 **Effect of Agreement.** This Agreement sets forth the entire understanding of the parties, and supersedes any and all prior agreements, arrangements and understandings, written or oral, relating to the subject matter hereof.

12.8 **Headings; Counterparts.** The Section headings of this Agreement are for convenience of reference only and do not form a part hereof and do not in any way modify, interpret or construe the intention of the parties. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

13. **Specific Performance and Liquidated Damages.**

13.1 **Seller's Default.** Seller recognizes that, in the event Seller refuses to perform the provisions of this Agreement, money damages alone will not be adequate. Buyer shall therefore be entitled to elect to obtain specific performance of the terms of this Agreement. In the event of any proceeding for specific performance, Seller shall waive the defense that there is an adequate remedy at law.

13.2 **Buyer's Default.** In the event the closing does not occur solely because of Buyer's default, Seller shall be entitled to distribution of one half of the Escrow Deposit (\$27,500) as liquidated damages as its sole remedy. The balance of the Escrow Deposit shall be returned to Buyer at the same time as funds are disbursed to Seller.

14. **Indemnification.**

14.1 Seller agrees to indemnify and hold harmless Buyer and its successors and assigns, and Buyer agrees to indemnify Seller and its successors and assigns, from and against any and all losses, claims, liabilities, expenses and costs (including, without limitation, attorney's fees and other costs of legal defense and accounting fees) incurred by the indemnified party and arising out of or resulting from:

14.1.1 (a) Any breach or violation by any party of any covenant, agreement or warranty, or the inaccuracy of or omission in any representation made in or pursuant to this Agreement or any Schedule or Exhibit hereto, including without limitation Seller's improper termination of or failure to terminate any employee or employee benefit plan; (b) in the case of Seller and, any liability arising out of the ownership or operation of the Stations prior to the Closing Date, and (c) in the case of Buyer, any liability arising out of the ownership or operation of the Stations on or after the Closing Date, except to the extent such liability is the result of actions of the Seller.

14.1.2 Any notice of a claim by reason of any of the representations or warranties contained in this agreement shall state with reasonable specificity the representation or warranty with respect to which the claim is made, the facts giving rise to an alleged basis for the claim, and, if known, the amount of liability asserted against the other party by reasons of the claim.

14.1.3 If any lawsuit or enforcement action or claim is made or commenced against a party entitled to the benefit of indemnity hereunder, written notice thereof shall be give to the indemnifying party as promptly as practicable (and in any event within fifteen (15) days after the service of the citation or summons or notice of the claim); provided, that the failure of an indemnified party to give timely notice shall not affect rights of indemnification hereunder except to the extent that the indemnifying party demonstrates actual damage caused by such failure. After such notice, the indemnifying party shall be entitled, if it so elects, to take control of the defense and investigation of such lawsuit or action and to employ and engage counsel reasonably acceptable to the indemnified party to handle and defend the same, at the indemnifying party's reasonable cost, risk and expense; provided, however, that the indemnified party may, at its own cost, participate in such investigation, trial and defense of such lawsuit or action and any appeal arising therefrom, through its own counsel.

14.2 The remedies provided to the indemnified parties under this Section 14 shall be in addition to, and not in lieu of, any other remedies to which the indemnified party is entitled at law or in equity for any breach of, or non-fulfillment or non-compliance with, the provisions of this Agreement by the indemnifying party.

14.3 Buyer is entitled to set off against payments due under the Note in an amount necessary to satisfy any obligation due from Seller on account of any inaccuracy or misrepresentation in this Agreement or in any Schedules or Exhibits.

IN WITNESS WHEREOF, the parties have duly executed this Agreement on the date first written above.

ATTEST:

SELLER:  
KINZUA BROADCASTING COMPANY

BY: \_\_\_\_\_

  
Leroy Schneck, President

Leroy Schneck, President

ATTEST

BUYER:  
RADIO PARTNERS, LLC

*Maureen Powers*

BY:

*Frank Iorio*  
Frank Iorio, Its Sole Member

## LIST OF SCHEDULES AND EXHIBITS

Schedule 1.1	Licenses
Schedule 1.2	Real Property
Schedule 1.3	Equipment
Schedule 1.4	Assigned Contracts
Exhibit 2.1	Escrow Agreement
Schedule 2A	Allocation of Purchase Price
Exhibit 2.2(b)	Promissory Note
Schedule 3(b)	Barter Contracts
Schedule 4.4	Currently Non-Operating Assets
Schedule 4.6	Consents
Schedule 4.7	Employee and Employee Benefit List
Schedule 4.8	Legal Proceedings
Exhibit 8.1(l)	Non-Competition and Consulting Agreement

Asset Purchase Agreement made and entered into on June \_\_, 2005 by and among **Kinzua Broadcasting Company**, a Pennsylvania corporation (the "**Seller**"), Leroy Schneck ("Schneck"), and **Radio Partners, LLC**, a Pennsylvania limited liability company (the "**Buyer**")

Schedule 1.1-Licenses

1. Call Letters WRRN 92.3 FM
2. Call Letters WNAE 1310 AM
3. Call Letters WKNB 104.3
4. Studio transmitter link
5. RPU (remote program unit)
6. Emergency Broadcast System

Exhibit 2.2(b)

PROMISSORY NOTE

\$200,000.00

Beaver Falls, Pennsylvania

\_\_\_\_, 2005

FOR VALUE RECEIVED, RADIO PARTNERS, LLC, a Pennsylvania limited liability company (herein referred to as "Maker") promises to pay to the order of KINZUA BROADCASTING COMPANY, INC., a Pennsylvania corporation of Warren, Pennsylvania (herein referred to as "Holder"), the sum of Two Hundred Thousand Dollars (\$200,000.00), without interest, together with all taxes assessed hereon against the Holder hereof and together with all costs of collection, and with a reasonable attorney's fee in the event that this note shall be referred after default to an attorney for collection.

Principal shall be payable to Holder c/o Leroy Schneck, 307 Fifth Avenue West, Warren, Pennsylvania 16365 or any such other place as the Holder may designate in writing, in two equal installments of One Hundred Thousand Dollars (\$100,000.00) each; the first due one year from today, and the second, two years from today.

If Holder does not receive the full amount of either payment by the end of ten (10) calendar days after the date it is due, a late charge of 5% of the overdue payment will be immediately due and promptly payable to Holder. The undersigned shall be in default if the full amount of either payment is not paid on the due date; in event of default, interest shall begin to accrue on the unpaid balance at the then prevailing prime rate plus 2% per annum, payments thereafter will be applied to interest before principal.

The undersigned reserves the right to prepay without penalty or other charge the entire balance of principal on this Note, or to prepay any part thereof in addition to any stated payments at any time without penalty. This Note is issued in connection with, and is subject to all of the provisions of that Asset Purchase Agreement between Maker as Buyer and Holder as Seller dated June \_\_\_\_, 2005. Maker may set off against payments due under this Note for claims against Seller under the Asset Purchase Agreement in the event those claims are not satisfied in accordance with the Asset Purchase Agreement. This Note may not be pledged, assigned or otherwise transferred or negotiated except to Holder's shareholders or by operation of law. Maker shall not be obligated to make payments to any transferee of such prohibited transfer. Maker shall not be obligated to make payments to any other transferee prior to notice from the transferor of such transfer.

All notices and other communications pursuant to this Note shall be in writing, either delivered in hand or sent by certified or registered U.S. mail, postage prepaid addressed as follows:

If to Maker, at 1316 7th Avenue  
P.O. Box 719

Beaver Falls, PA  
Attn: Frank Iorio, Manager

With copy to: Paul Zolan

Rogin, Nassau, Caplan Lassman & Hirtle LLC  
City Place I, 22<sup>nd</sup> Floor  
Hartford, CT 06103-3460

If to Holder, at: c/o Leroy Schneck  
307 Fifth Avenue West  
Warren, PA 16365

This Note shall be governed by, and shall be construed and enforced in accordance with, the laws of the Commonwealth of Pennsylvania, without reference to Pennsylvania's choice of law principles.

Radio Partners, LLC

By: \_\_\_\_\_

Frank Iorio  
Its Sole Member and Manager

**EXHIBIT 8.1(i)**

**FORM OF**

**NON-COMPETITION AND CONSULTING AGREEMENT**

This NON-COMPETITION AGREEMENT (the "Agreement") is made and entered into this \_\_\_ day of \_\_\_\_\_, 2005, by and between **Radio Partners, LLC**, a Pennsylvania limited liability company ("RP") with its principal place of business located at 1316 Seventh Avenue, Beaver Falls, Pennsylvania 15010 (the "Buyer"), **Leroy Schneck** of 310 Second Avenue, Warren, Pennsylvania ("Schneck"); and **Kinzua Broadcasting Company, Inc.**, a Pennsylvania corporation with its principal place of business located at \_\_\_\_\_, Warren, Pennsylvania ("Kinzua").

**WITNESSETH:**

WHEREAS, Buyer has purchased from Seller all of its assets (the "Purchased Assets") pursuant to an Asset Purchase Agreement of even date herewith (the "Asset Purchase Agreement"); and

WHEREAS, as part of the consideration for Buyer to enter into the Asset Purchase Agreement, Schneck and Seller have agreed to enter into this Agreement; and

WHEREAS, the Buyer would not have entered into the Asset Purchase Agreement but for Schneck and Seller entering into this Agreement;

WHEREAS, Schneck is the majority shareholder of Kinzua Broadcasting, Inc., and he has many years of experience in and is very knowledgeable regarding the broadcasting business industry in general and the business of Kinzua Broadcasting Company, Inc.;

WHEREAS, the parties hereto acknowledge and agree that the broadcasting business is highly competitive and that the success by the Buyer in such a competitive business is significantly dependent upon the creation and maintenance of goodwill and customer relations.

WHEREAS, the Buyer desires to protect its goodwill and customer relations, which includes the goodwill and customer relations it purchased from Seller by obtaining the agreement of Schneck and Seller not to compete with the Buyer.

NOW THEREFORE, in consideration of the foregoing and the terms and conditions herein contained, the parties agree as follows:



1. **Term.** Subject to the provisions of paragraph 3 hereof, the terms, provisions and obligations of this Agreement shall commence upon its execution and shall continue for a period of three (3) years (the "Restriction Period").

2. **Non-Competition.**

A. Schneck and Seller agree with Buyer that during the Restriction Period, neither of them shall, directly or indirectly, as an employee, consultant, officer, stockholder, manager, member, partner, contracting party, joint venturer or in any other capacity:

(i) enter into any business activity in competition with the Buyer, its affiliates or subsidiaries which engage in the broadcasting business within a fifty (50) mile radius of the Seller's place of business in Warren, Pennsylvania;

(ii) contact, solicit, service, make a sale to or accept a sale from any person who or entity which is a Customer of Kinzua Broadcasting Company, Inc. (as defined below); provided, however, that Schneck and Seller shall not be in breach hereof if such contact, solicitation, service or sale shall not involve any aspect of the broadcasting business conducted by Buyer;

(iii) interfere with, direct or take away any Customer of Kinzua Broadcasting Company, Inc., or render assistance to any competitor of the Buyer to interfere with, direct or take away any Customer of Kinzua Broadcasting Company, Inc.;

(iv) use or refer to the name "Kinzua Broadcasting Company, Inc." or any derivation thereof in any announcement, advertisement or other communication; or

(v) hire any employee of the Buyer or otherwise retain any party that provides services to the Buyer as an independent contractor in connection with Buyer's operation of a broadcasting business.

B. "Customer of Kinzua Broadcasting Company, Inc." shall mean any person or entity that is a customer of Kinzua Broadcasting Company, Inc. as of the date hereof and any person or entity that was such a customer at any time during the immediately preceding twenty-four (24) months, together with any person or entity the business of which Schneck and Seller solicited during the immediately preceding twenty-four (24) months.

C. If Schneck and/or Seller violate any of the provisions of this Section 2, the Restriction Period shall be extended for a period of time equal to the duration of any such violation.

D. Schneck and Seller acknowledge that the restrictions set forth in this Section 2 are reasonable in scope, duration and geographic area under the

circumstances, and are essential to induce the Buyer to enter into the Asset Purchase Agreement with Schneck and Seller. The provisions of this paragraph shall not apply to Schneck's ownership of less than one percent of the outstanding shares of stock in a publicly held company.

3. **Consulting.** During the one year following the date of this agreement, Schneck agrees to be available to Buyer as a consultant, whether Schneck's services are needed or not, payable in full at the closing of the sale from Seller to Buyer. Schneck's duties as a consultant shall be to assist in the transition of customers of Seller from Seller to Buyer. Schneck shall provide only such reasonable assistance as is specifically requested by Buyer, from time to time, and shall not be required to work any minimum amount of time under this paragraph.

4. **Confidential Information.** Schneck acknowledges that during his business relationship with Seller, he has acquired certain confidential and proprietary information with respect to the business of Seller, including without limitation any information concerning Seller's existing and contemplated services, trade secrets, business and financial methods or practices, pricing policies, strategies, marketing and selling techniques, customer lists and operating methods relating to the business of Seller (collectively, the "Confidential Information"); provided, however, that the Confidential Information shall be deemed not to include: (i) information which at the time of disclosure is in the public domain; or (ii) information which at the time of disclosure to Schneck becomes part of the public domain by any method except breach by Schneck of the terms of this Agreement. Schneck agrees that he shall not disclose or divulge any Confidential Information to any person at any time without Buyer's prior written consent.

5. **General Provisions.**

A. **Enforcement.** Schneck and Seller acknowledge and agree that, in the event of the breach of any provision of this Agreement by either of them, the remedies of the Buyer at law may be inadequate, and in such event, the Buyer will be entitled to appropriate injunctive and other equitable relief, without posting of a bond, in addition to its other remedies, including the recovery of money damages. Schneck and Seller shall jointly and severally reimburse the Buyer for any expenses or costs incurred by the Buyer to enforce this Agreement, including but not limited to reasonable attorneys' fees.

B. **Notices.** Any notice required or permitted to be given under this Agreement shall be given in the same manner as in the Asset Purchase Agreement.

C. **Binding Effect.** The rights and obligations of the parties under this Agreement shall inure to the benefit of and shall be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto.

D. **Entire Agreement.** This Agreement contains the entire Agreement with respect to the agreement of Schneck and Seller to maintain confidential

information and not to compete with the Buyer, and may be changed only by an agreement in writing, signed by the party against whom enforcement of any waiver, change, modification, extension or discharge is sought.

E. **Waiver.** Any delay by any party hereto in enforcing any right hereunder with respect to a breach of any provision of this Agreement shall not operate nor be construed as a waiver of any such right. Any waiver must be in writing and shall not operate as a waiver with respect to any subsequent breach.

F. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall be deemed to be one and the same instrument.

G. **Severability.** This Agreement shall be deemed severable as to the length of time and the activities protected, so that the covenants shall not be deemed invalid if the provisions protected against are unreasonably protective and the court shall reduce or limit the protective provisions so as to make said provisions valid according to Connecticut law. The parties agree that any court with jurisdiction over a matter arising under this Agreement shall have the full and exclusive authority, power and jurisdiction to modify any such term or provision to conform with any such rule of law or statutory provision.

H. **Venue.** Each party hereby designates the Court of Common Pleas for the 37<sup>th</sup> Judicial District of the Commonwealth of Pennsylvania, or the United States District Court for the District of Pennsylvania, as the exclusive courts of proper jurisdiction and venue of and for any and all lawsuits or other legal proceedings relating to this Agreement; hereby irrevocably consents to such designation, jurisdiction and venue; and hereby waives any objection or defense relating to jurisdiction or venue with respect to any lawsuit or other legal proceeding initiated in or transferred to the aforesaid State court or the United States District Court for the District of Pennsylvania.

I. **Governing Law.** This Agreement is entered into and shall be considered and performed in accordance with the laws of the Commonwealth of Pennsylvania.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date and year first above written.

\_\_\_\_\_  
LEROY SCHNECK, Individually

**Kinzua Broadcasting Company, Inc.**

\_\_\_\_\_  
By Leroy Schneck  
Its President

**Radio Partners, LLC**

By: \_\_\_\_\_  
Frank Iorio, Its Manager