

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT, dated as of November __, 2014 (the "Agreement"), by and between TLP Communications, Inc., an Alaska corporation ("Licensee"), and Steven Rhyner, an individual resident of the State of Washington, or a company to be formed by him that is assigned the rights and assumes the obligations hereunder ("Buyer").

WITNESSETH:

WHEREAS, Licensee is the licensee of radio station KFMJ(FM), Ketchikan, Alaska (the "Station") pursuant to authorizations (the "FCC Authorizations") issued by the Federal Communications Commission (the "FCC"); and

WHEREAS, on the terms and conditions described herein, Licensee desires to sell and Buyer desires to acquire substantially all of the assets owned or leased by Licensee and used or useful primarily in connection with the operation of the Station, as set forth herein; and

NOW, THEREFORE, in consideration of the foregoing and of the mutual promises herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Sale of Assets.

(a) On the Closing Date (as hereinafter defined), Licensee shall sell, assign and transfer to Buyer, and Buyer shall purchase and assume from Licensee, the assets, properties, interests and rights of Licensee of whatsoever kind and nature, which are owned by Licensee and used in connection with the operation of the Station (the "Assets") (but excluding the Excluded Assets described in subparagraph (c) below), including without limitation:

(i) Licensee's equipment, machinery, furniture, furnishings, fixtures, office materials, and other tangible personal property used in the conduct of the business or operations of the Station at the Station's tower facility (the "Tangible Personal Property"), together with such improvements and additions thereto and replacements thereof between the date hereof and the Closing Date, including without limitation the items identified on Schedule 1 hereto;

(ii) All of the licenses, permits, applications, and other authorizations, including the FCC Authorizations (collectively, the "Licenses"), issued by, or granted by, or filed with the FCC, the Federal Aviation Administration (the "FAA"), and any other federal, state or local governmental authorities to Licensee in connection with the conduct of the business and the full on-air operations of the Station, as set forth on Schedule 2 hereto;

(iii) The lease for the Station's current tower site facility, including buildings, fixtures and other improvements, leasehold interests, easements, licenses, rights of access, rights of way and improvements which are held by Licensee as of the date hereof (the "Lease") or "Real Property";

(iv) The Licensee's agreements and contracts in effect and used primarily in operation of the Station, as specifically identified on Schedule 3 hereof, at the sole election of Buyer (the "Assumed Contracts");

(v) All of Licensee's logs, books, files, data, software, FCC and other governmental applications, equipment manuals and warranties, and other records relating to the full on-air broadcast operations of the Station, including without limitation all electronic data processing files and systems, FCC filings and all records required by the FCC to be kept by the Station. Licensee may copy such information it determines necessary to be archived for future governmental or regulatory reporting; and

(vi) All of Licensee's right, title and interest in and to all copyrights, licenses, patents, trademarks, service marks, logos and trade names (including the call letters) used in connection with the operation of the Station and all goodwill associated therewith, including registrations and applications for registration of any of the foregoing, and other similar intangible rights and interests.

(b) The Assets shall be transferred by Licensee to Buyer free and clear of all debts, security interests, mortgages, trusts, claims, pledges, conditional sales agreements and other liens, liabilities and encumbrances of every kind and nature ("Liens"). Except as specifically identified in Section 1(a) or related Schedule, Buyer is not agreeing to, and shall not, assume any liability, obligation, undertaking, expense or agreement of Licensee of any kind, absolute or contingent, known or unknown, and the execution and performance of this Agreement shall not render Buyer liable for any such liability, obligation, undertaking, expense or agreement unless otherwise specifically agreed to herein. All of such liabilities and obligations which are to be assumed by Buyer shall be referred to herein as the "Assumed Liabilities." All liabilities not specifically assumed by Buyer shall be retained by Licensee and are referred to herein as the "Retained Liabilities". Without limiting the generality of the foregoing, it is understood and agreed that Buyer is not agreeing to, and shall not, assume (i) any liability or obligation of Licensee to Licensee's employees under any existing written or oral agreements with Licensee, including any such liability or obligation in respect of wages, salaries, bonuses, accrued vacation or sick pay or any other matter, or (ii) any liability arising out of any termination by Licensee of the employment of any employee of the Station or any liability for any employee benefit plan or arrangement of Licensee for the Station's employees.

(c) The following assets and obligations relating to the business of the Station shall be retained by Licensee and shall not be sold, assigned or transferred to or assumed by Buyer (the "Excluded Assets");

(i) Cash on hand and in banks (or their equivalents), and accounts receivable arising out of the Licensee's operation of the Station prior to Closing, if any;

(ii) All rights of Licensee under all contracts, leases (except the Lease and Assumed Contracts) and agreements, including contracts of insurance and insurance proceeds of settlement and insurance claims made by Licensee relating to property or equipment repaired, replaced, restored by Licensee prior to the Closing Date;

(iii) All pension, profit-sharing, retirement, stock purchase or savings plans or trusts and any assets thereof and all other employee benefit plans;

(iv) All deposits and all prepaid expenses and taxes; and

(v) Licensee's corporate records.

2. **Purchase Price.**

(a) Upon the terms and subject to the conditions contained in this Agreement, and in consideration of the sale of the Assets, on the Closing Date Buyer shall pay to Licensee the Purchase Price (the "Purchase Price") of Two Hundred Sixty Five Thousand Dollars (\$265,000), which shall be paid on the Closing Date by wire transfer of same day Federal funds to an account designated by Licensee.

(b) Buyer has delivered to Licensee the sum of \$5000, as an earnest money deposit, and such deposit shall be either credited to Buyer at Closing, retained by Licensee if the Closing does not occur due to a material breach of this Agreement by Buyer, which payment shall constitute Licensee's sole remedy hereunder, or returned to Buyer if the Closing does not occur for any other reason.

(c) The parties agree to prorate all expenses arising out of the operation of the Station which are incurred, accrued or payable, as of 11:59 p.m. local time of the day preceding the Closing. The items to be prorated shall include, but not be limited to, lease payments, utilities charges, FCC regulatory fees, real and personal property taxes upon the basis of the most recent tax bills and information available, and similar prepaid and deferred items. On the Closing Date, the prorations shall, insofar as feasible, be determined and paid on the Closing Date, with final settlement and payment to be made within sixty (60) days after the Closing Date.

(d) On or before the Closing Date, Licensee and Buyer shall mutually determine an allocation of Purchase Price among the Assets that complies with Section 1060 of the Internal Revenue Code of 1986, as amended.

3. **FCC Consent; Assignment Application.** At a date not later than ten (10) business days after the execution of this Agreement, Buyer and Licensee shall execute, file and vigorously prosecute an application with the FCC (the "Assignment Application") requesting its consent to the assignment, from Licensee to Buyer, of all FCC Authorizations pertaining to the Station (the "FCC Consent"). Buyer and Licensee shall take all reasonable steps to cooperate with each other and with the FCC to secure such FCC Consent without delay, and to promptly consummate this Agreement in full.

4. **Closing Date; Closing Place.** The closing (the "Closing") of the transactions contemplated by this Agreement shall occur on a date (the "Closing Date") fixed by Buyer upon at least five (5) days prior written notice to the Licensee which shall be on a date that is either the 16th of a month or the last day of a month following by more than five (5) business days the date on which the FCC Consent shall have become a Final Order (as hereinafter defined) and the other conditions to closing set forth in Section 8 have either been waived or satisfied, provided,

however, that at Buyer's sole election the Closing shall occur on any date more than ten (10) days after the FCC has issued the FCC Consent that is the 16th of a month or the last day of a month, upon five (5) business days' notice to Licensee, but further provided the conditions to closing contained in Section 8 shall have either been waived or satisfied. For purposes of this Agreement, the term "Final Order" means action by the FCC consenting to an application which is not reversed, stayed, enjoined, set aside, annulled or suspended, and with respect to which action no timely request for stay, petition for rehearing or appeal is pending, and as to which the time for filing any such request, petition or appeal or reconsideration by the FCC on its own motion has expired. The Closing shall be held at any other location agreed upon by Buyer and Licensee, or by mail or electronic exchange of copies of the original documents specified in Article IX.

5. **Representations and Warranties of Licensee.** Licensee makes the following representations and warranties to Buyer:

(a) Licensee is a corporation formed, validly existing and in good standing under the laws of the State of Alaska. The material shareholders of Licensee ("Shareholders") are Robert Kern, Louise Kern, Jacqueline Meck, and Jeannette Rosier, who join in the representations set forth in this Section 5(a) and in Section 13 hereof. Licensee has the power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by Licensee and no other proceedings on the part of Licensee are necessary to authorize this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Licensee and constitutes the legal, valid and binding obligation of Licensee enforceable in accordance with its terms, except as may be limited by bankruptcy, insolvency or other laws affecting generally the enforcement of creditors' rights or the application of principles of equity.

(b) The execution, delivery and performance of this Agreement by Licensee will not (i) constitute a violation of or conflict with Licensee's organizational documents, (ii) result in a default (or give rise to any right of termination, cancellation or acceleration) under or conflict with any of the terms, conditions or provisions of any agreement, lease or other instrument or obligation relating to the business of the Station and to which Licensee or any of the Assets may be subject, except for such defaults (or rights of termination, cancellation or acceleration) as to which requisite waivers or consents have been obtained, (iii) violate any law, statute, rule, regulation, order, writ, injunction or decree of any federal, state or local governmental authority or agency applicable to Licensee or any of the Assets, (iv) result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever on any of the Assets, or (v) require the consent or approval of any governmental authority, lending institution or other third party other than the FCC Consent.

(c) Schedule 1 hereto contains a list of the Tangible Personal Property owned or leased by Licensee for use in connection with the operation of the Station. Licensee owns and has, and will have on the Closing Date, good and marketable title to the Tangible Personal Property. The assets listed in Schedule 1 hereto include all material Tangible Personal Property

necessary to conduct the transmission operations of the Station as now conducted (other than those assets which are Excluded Assets). Except as set forth on Schedule 1, each material item of Tangible Personal Property (i) is in good condition and repair, ordinary wear and tear excepted, (ii) has been maintained in a manner consistent with generally accepted standards of good engineering practice, and (iii) is operating in substantial compliance with the FCC Authorizations and rules and regulations of the FCC and FAA. For purposes of this Section, material Tangible Personal Property shall be such items of property valued at One Hundred Dollars (\$100) or more.

(e) Schedule 2 hereto contains a true and complete list of the FCC Authorizations and all other licenses, permits or other authorizations from governmental or regulatory authorities that are required for the lawful conduct of the business and operations of the Station in the manner and to the full extent it is presently operated. Licensee lawfully holds each of the FCC Authorizations and other licenses, permits and authorizations listed on Schedule 2, none of which is subject to any restrictions or conditions that would limit in any material respect the operations of the Station. Except as set forth in Schedule 2, Licensee is operating the Station in all material respects in accordance with the FCC Authorizations, and all rules, regulations and policies of the FCC (the "Communications Laws"), including that the Station is transmitting at no less than 90% of its authorized power. There is not now pending or, to Licensee's knowledge, threatened any action by or before the FCC to revoke, cancel, rescind, adversely modify or refuse to renew any of such FCC Authorizations, and Licensee has not received any notice of and has no knowledge of any pending, issued or outstanding order by or before the FCC, or of any investigation, order to show cause, notice of violation, notice of apparent liability, notice of forfeiture, or material complaint against either the Station or Licensee. Except as set forth in Schedule 2, all material reports and filings required to be filed with the FCC by Licensee with respect to the operation of the Station have been timely filed, and all such reports and filings are accurate and currently are in material compliance. Licensee maintains a public inspection file for the Station and such file complies with the Communications Laws.

(f) The Real Property constitutes the only real property required to conduct the transmission operations of the Station in the manner in which it is presently operated. The Lease constitutes a valid leasehold interest in the Real Property, free and clear of all liens, mortgages, pledges, covenants, restrictions, leases, charges, or other claims or encumbrances of any nature whatsoever, and is in full force and effect. There is full legal and practical access to the Real Property and all utilities necessary for Buyer's use of the Real Property as a radio tower facility are installed and are in good working order. To Licensee's knowledge, the buildings, towers, guys and other fixtures situated on the Real Property, are free of structural defects and are suitable for their intended uses, are in a good state of maintenance and repair (ordinary wear and tear excepted), are contained entirely within the bounds of the Real Property, and do not encroach upon any other property except in cases where valid easements (that are included in the Assets) have been obtained.

(h) The Assumed Contracts identified on Schedule 3 hereto are in full force and effect, and no party thereto is in default thereof in any material respect.

(i) The instruments to be executed by Licensee and delivered to Buyer at the Closing, conveying the Assets to Buyer, will transfer good and marketable title to the Assets free and clear of all Liens.

(j) Buyer shall have no obligation to offer employment to any employee of Licensee or the Station, and shall have no liability with respect to any such employee or for benefits of any kind or nature.

(k) There is no broker or finder or other person who would have any valid claim for a commission or brokerage in connection with this Agreement or the transaction contemplated hereby as a result of any agreement, understanding or action by Licensee.

(l) Licensee is not subject to any order, writ, injunction, judgment, arbitration decision or decree having binding effect and affecting the business of the Station or the Assets or which restrains or enjoins the transactions contemplated hereby, and no such proceeding is pending. There is no material litigation pending by or against, or to the best of Licensee's knowledge, threatened against Licensee which relates to Licensee or the Station or could affect any of the Assets. Licensee, with respect to the Station, has complied in all material respects with all applicable laws, regulations, orders or decrees. The present uses by Licensee of the Assets do not violate any such laws, regulations, orders or decrees in any material respect.

(m) All of the Station Assets that are insurable in character are insured against loss, injury or damage to the full extent of their replacement value.

(n) Licensee has duly, timely and in the required manner filed all federal, state, and local income, franchise, sales, use, property, excise, payroll and other tax returns and forms required to be filed, and has paid in full or discharged all taxes, assessments, excises, interest, penalties, deficiencies and losses required to be paid. No event has occurred which could impose on Buyer any liability for any taxes, penalties or interest due or to become due from Licensee from any taxing authority.

6. **Representations and Warranties of Buyer.** Buyer hereby makes the following representations and warranties to Licensee:

(a) Buyer is a private individual or a company duly organized, validly existing and in good standing under the laws of the State of Alaska, and has the requisite power and authority to own, lease and operate its properties and to carry on its business as now being conducted.

(b) Buyer has the power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by Buyer and no other proceedings on the part of Buyer are necessary to authorize this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Buyer and constitutes the legal, valid and binding agreements of Buyer enforceable in accordance with their respective terms, except as may be limited by bankruptcy, insolvency or other laws affecting generally the

enforcement of creditors' rights or the application of principles of equity.

(c) The execution, delivery and performance of this Agreement by Buyer will not (i) conflict with or result in any breach of any provision of the organizational documents of Buyer, or (ii) result in a default (or give rise to any right of termination, cancellation or acceleration) under or conflict with any of the terms, conditions or provisions of any note, bond, mortgage, indenture, agreement, lease or other instrument or obligation, relating to its own business, except for such defaults (or rights of termination, cancellation or acceleration) as to which requisite waivers or consents have been obtained and delivered to Licensee, (iii) violate any law, statute, rule, regulation, order, writ, injunction or decree of any federal, state or local governmental authority or agency and which is applicable to Buyer, or (iv) require the consent or approval of any governmental authority, lending institution or other third party other than the FCC Consent.

(d) Buyer is legally, financially and technically qualified to acquire and become the licensee of the Station and to operate the Station in the manner contemplated.

(e) There is no litigation, proceeding or governmental investigation pending or to the knowledge of Buyer, threatened, in any court, arbitration board, administrative agency, or tribunal against or relating to Buyer including without limitation, any voluntary or involuntary petition under Federal bankruptcy law or any state receivership or similar proceedings, that would prevent or materially impede the consummation by Buyer of the transactions contemplated by this Agreement.

(f) There is no broker or finder or other person who would have any valid claim against Buyer for a commission or brokerage in connection with this Agreement or the transactions contemplated hereby as a result of any agreement, understanding or action by Buyer.

7. **Covenants.** Licensee covenants with Buyer that, between the date hereof and the Closing Date, Licensee shall act in accordance with the following:

(a) Licensee shall maintain the Tangible Personal Property included in the Assets in accordance with standards of good engineering practice and replace any of such property which shall be worn out, lost, stolen or destroyed with like property of substantially equivalent kind and value.

(b) Licensee shall continue to operate and maintain the Station in accordance with the terms of the FCC Authorizations and in material compliance with all applicable laws and FCC rules and regulations. Licensee will deliver to Buyer, promptly after filing, copies of any reports, applications or responses to the FCC or any communications from the FCC or any other party directed to the FCC related to the Station which are filed between the date of this Agreement and the Closing Date. Licensee will not file any application to modify the Station's facilities without Buyer's prior written consent, and Licensee shall take all actions necessary to keep the FCC Authorizations, including all material permits and applications pending before the FCC, valid and in full force and effect.

(c) Licensee shall maintain in full force and effect through the Closing Date

the Assumed Contracts, the Lease, and adequate property damage, liability and other insurance with respect to the Assets.

(d) Prior to the Closing Date, Licensee shall not, without the prior written consent of Buyer sell, lease, transfer or agree to sell, lease or transfer any of the Assets without replacement thereof with an equivalent asset of equivalent kind, condition and value that satisfies industry standards for such assets, or create any Lien on the Assets.

(e) On or before the Closing Date, Licensee shall furnish to Buyer revised Schedules to this Agreement as may be necessary to render such Schedules accurate and complete as of the Closing Date. Licensee shall promptly disclose to Buyer any significant problems or developments with respect to the Station or the Assets. Licensee shall give prompt written notice to Buyer if the Assets shall have suffered damage on account of fire, explosion or other cause of any nature that is sufficient to prevent operation of the Station.

(f) Licensee shall use commercially reasonable efforts to obtain all necessary consents of third parties to assignment of the material Assumed Contracts and the Lease.

(g) Licensee shall be in material compliance with all federal, state and local laws, rules and regulations.

8. **Conditions Precedent to Obligation to Close.**

(a) The performance of the obligations of Licensee hereunder is subject to the satisfaction of each of the following express conditions precedent, unless waived in writing by Licensee:

(i) Buyer shall have performed and complied in all material respects with all of the agreements, obligations and covenants required by this Agreement to be performed or complied with by Buyer prior to or as of the Closing Date;

(ii) The representations and warranties of Buyer set forth in this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same effect as if made on and as of the Closing Date;

(iii) The FCC Consent shall be effective and remain in full force and effect;

(iv) Buyer shall have delivered to Licensee, on the Closing Date, the documents required to be delivered pursuant to Section 9(b).

(v) Buyer shall not be subject to any voluntary or involuntary petition under Federal bankruptcy law, or any state receivership or similarly proceeding.

(b) The performance of the obligations of Buyer hereunder is subject to the satisfaction of each of the following express conditions precedent:

(i) Licensee shall have performed and complied in all material respects with all the agreements, obligations and covenants required by this Agreement to be performed or complied with by Licensee prior to or as of the Closing Date;

(ii) The representations and warranties of Licensee set forth in this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same effect as if made on and as of the Closing Date;

(iii) None of the events or conditions referenced in Section 19 below shall have occurred and not been remedied as set forth in Section 19;

(iv) The FCC Consent shall be effective and, at Buyer's election, shall have become a Final Order;

(v) There shall not be any Liens on the Assets or any financing statements of record other than those to be satisfied by Licensee on or before the Closing Date, and Licensee shall have delivered to Buyer lien search reports, in form and substance satisfactory to Buyer and dated no earlier than 30 days prior to the Closing, reflecting the results of UCC, tax and judgment lien searches conducted at the Secretary of State offices of the State of Alaska and other appropriate authorities; and

(vi) Licensee shall have delivered to Buyer, on the Closing Date, the documents required to be delivered pursuant to Section 9(a).

9. **Closing Deliveries.**

(a) At the Closing, Licensee will deliver to Buyer the following, each of which shall be in form and substance satisfactory to Buyer and its counsel:

(i) A Bill of Sale, and other instruments of transfer and conveyance, dated the Closing Date, in form and substance so as to effectively and legally transfer and assign to Buyer the personal property Assets and effectively vest in Buyer good and marketable title to the personal property Assets;

(ii) An Assignment and Assumption of the Station's FCC Authorizations;

(iii) An Assignment and Assumption of the Assumed Contracts, and related consents of third parties;

(iv) An Assignment and Assumption of the Lease, duly executed by Licensee;

(v) Certified copies of the resolutions of the Board of Directors and Shareholders of Licensee, authorizing and approving the execution and delivery of this Agreement and authorizing the consummation of the transactions contemplated hereby and thereby;

(vi) A certificate, dated the Closing Date, executed by the President of Licensee, certifying the fulfillment of the conditions set forth in Section 8(b)(i) and (ii) hereof;

(vii) An incumbency certificate, certified articles of organization for Licensee, and a certificate of good standing for Licensee from the Secretary of State of the State of Alaska; and

(viii) Such other documents, instruments and agreements necessary to consummate the transactions contemplated by this Agreement or as Buyer shall reasonably request, each in form and substance satisfactory to Buyer and its counsel.

(b) Prior to or at the Closing, Buyer will deliver to Licensee the following, each of which shall be in form and substance satisfactory to Licensee and its counsel:

(i) The Purchase Price;

(ii) An Assignment and Assumption of the Station's FCC Licenses;

(iii) An Assignment and Assumption of the Assumed Contracts;

(iv) An Assignment and Assumption of the Lease, executed by Buyer;

(v) Certified copies of the resolutions of Buyer authorizing and approving the execution and delivery of this Agreement and authorizing the consummation of the transactions contemplated hereby and thereby;

(vi) A certificate, dated the Closing Date, executed by Buyer, certifying the fulfillment of the conditions set forth in Section 8(a)(i) and (ii) hereof;

(vii) If Buyer is a company, a certificate of good standing for Buyer from the Secretary of State of Alaska; and

(viii) Such other documents, instruments and agreements necessary to consummate the transactions contemplated by this Agreement or as Licensee shall reasonably request, each in form and substance satisfactory to Licensee and their counsel.

10. **Indemnification.**

(a) Following the Closing Licensee shall indemnify, defend and hold harmless Buyer with respect to any and all demands, claims, actions, suits, proceedings, assessments, judgments, costs, losses, damages, liabilities and expenses (including, without limitation, interest, penalties, court costs and reasonable attorneys' fees) ("Damages") asserted against, resulting from, imposed upon or incurred by Buyer directly or indirectly relating to or arising out of: (i) the breach by Licensee of any of its representations or warranties that survive the Closing, or failure by Licensee to perform any of its covenants, conditions or agreements set forth in this Agreement that survive the Closing; and (ii) any and all claims, liabilities and

obligations of any nature, absolute or contingent, relating to the ownership and operation of the Station prior to the Closing, including the Retained Liabilities and with respect to the Excluded Assets.

(b) Following the Closing Buyer shall indemnify, defend and hold Licensee harmless with respect to any and all Damages asserted against, resulting from, imposed upon or incurred by Licensee directly or indirectly relating to or arising out of: (i) the breach by Buyer of any of its representations, warranties, or failure by Buyer to perform any of its covenants, conditions or agreements set forth in this Agreement; and (ii) any and all claims, liabilities and obligations of any nature, absolute or contingent, relating to the Assumed Liabilities or the ownership and operation of the Station as conducted by Buyer subsequent to the Closing.

(c) The several representations and warranties of Licensee and Buyer contained in or made pursuant to this Agreement shall expire on the date that is one (1) year after the Closing Date, provided, that the covenants contained herein shall remain in effect for three (3) years after the Closing Date.

11. **Termination.**

(a) This Agreement may be terminated by either Buyer or Licensee, if the party seeking to terminate is not in default or breach of any of its material obligations under this Agreement, upon written notice to the other upon the occurrence of any of the following: (a) if, on or prior to the Closing Date, the other party breaches any of its material obligations contained herein, and such breach is not cured by the earlier of the Closing Date or thirty (30) days after receipt of the notice of breach from the non-breaching party; or (b) if the Assignment Application is denied by Final Order; or (c) if there shall be in effect any judgment, final decree or order that would prevent or make unlawful the Closing of this Agreement; or (d) if the Closing has not occurred within twelve (12) months after the date hereof.

(b) Upon a termination of this Agreement by Licensee due to a breach by Buyer of any of its material obligations under this Agreement, Licensee's sole remedy for said breach shall be payment of \$13,250, as liquidated damages. Licensee and Buyer each acknowledge and agree that these liquidated damages are reasonable in light of the anticipated harm which would be caused by Buyer's breach of any of its material obligations under this Agreement and the difficulty of ascertaining damages and proof of loss and that these damages are not a penalty.

(c) Upon a termination of this Agreement due to a breach by Licensee of any of its material obligations under this Agreement, Buyer may seek all rights and remedies that it may have in equity or at law.

(d) Upon a termination of this Agreement for any reason other than as a result of a breach by either party of any of its material obligations under this Agreement, neither party shall have any further obligation to the other under this Agreement.

12. **Specific Performance.** Licensee acknowledges that the Station is a unique asset

not readily obtainable on the open market and that, in the event that Licensee fail to perform its obligation to consummate the transaction contemplated hereby or to perform the Licensee's covenants set forth herein, money damages alone will not be adequate to compensate Buyer for its injury. Therefore, Licensee agrees and acknowledges that in the event of Licensee's failure to perform their obligation to consummate the transaction contemplated hereby or if Licensee or any Shareholder shall breach a covenant, Buyer shall be entitled, in addition to any other rights and remedies on account of such failure, to specific performance of the terms of this Agreement and of Licensee's obligation to consummate the transaction contemplated hereby or Licensee's or a Shareholder's performance of such covenant. If any action is brought by Buyer to enforce this Agreement, Licensee shall waive the defense that there is an adequate remedy at law, and Buyer shall be entitled to receive from Licensee all court costs, attorney's fees and other out-of-pocket expenses incurred by Buyer in enforcing its rights under this provision.

13. **Confidentiality and Non-Competition.**

(a) Each party shall hold, and shall cause its officers, Shareholders, employees, agents and representatives, including, without limitation, attorneys, accountants, consultants and financial advisors who obtain such information to hold, in confidence, and not use for any purpose other than evaluating the transactions contemplated by this Agreement, any confidential information of another party obtained through the investigations permitted hereunder, which for the purposes hereof shall not include any information which (i) is or becomes generally available to the public other than as a result of disclosure by the party which alleges the information is confidential or its affiliates, (ii) becomes available to a party on a nonconfidential basis from a source, other than the party which alleges the information is confidential or its affiliates, which has represented that such source is entitled to disclose it, or (iii) was known to a party on a nonconfidential basis prior to its disclosure to such party hereunder. If this Agreement is terminated, each party shall deliver, and cause its officers, employees, agents, and representatives, including, without limitation, attorneys, accountants, consultants and financial advisors who obtain confidential information of another party pursuant to investigations permitted hereunder to deliver to such other party all such confidential information that is written (including copies or extracts thereof), whether such confidential information was obtained before or after the execution.

(b) If a party or a person to whom a party transmits confidential information of another party is requested or becomes legally compelled (by oral questions, interrogatories, requests for information or documents, subpoena, criminal or civil investigative demand or similar process) to disclose any of such confidential information, such party or person will provide the other applicable party with prompt written notice so that such party may seek a protective order or other appropriate remedy or waive compliance with Section 13(a). If such protective order or other remedy is not obtained, or if the applicable party waives compliance with Section 13(a), the party subject to the request will furnish only that portion of such confidential information which is legally required and will exercise its best efforts to obtain reliable assurance that confidential treatment will be accorded such confidential information.

(c) For a period of three (3) years after the Closing, (i) Licensee, its officers and the Shareholders, shall not own or participate in any radio station business in the Ketchikan

radio market that is competitive with Buyer's radio station business, except that volunteer activities in public or other non-profit radio programs shall be permitted; (ii) neither party shall make any public statement or filing relating to the other party or, in the case of Licensee, as to Buyer, its future business or any business transaction that Buyer undertakes, or in the case of the Licensee as to the Seller, its future business or any business transaction the Seller undertakes.; or (iii) neither party shall otherwise disclose information relating to or disparage the other party, or the Station's business or business transactions with information that is not already public information.

14. **Notices.** All notices, elections and other communications permitted or required under this Agreement shall be in writing and shall be deemed effectively given or delivered upon personal delivery (or refusal thereof), or twenty-four (24) hours after delivery to a courier service which guarantees overnight delivery, or five (5) days after deposit with the U.S. Post Office, by registered or certified mail, postage prepaid, and, in the case of courier or mail delivery, addressed as follows (or at such other address for a party as shall be specified by like notice):

If to Licensee, to:

TLP Communications, Inc.
516 Stedman Street
Ketchikan, Alaska 99901

If to Buyer, to:

Steven L. Rhyner
25320 Lake Fenwick Road C-101
Kent, Washington 98032

15. **Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the State of Alaska, without giving effect to the choice of law principles thereof.

16. **Partial Invalidity.** Wherever possible, each provision hereof shall be interpreted in such manner as to be effective and valid under applicable law, but in case any provision contained herein shall, for any reason, be held to be invalid or unenforceable, such provision shall be ineffective to the extent of such invalidity or unenforceability without invalidating the remainder of such provision or any other provisions hereof, unless such a construction would be unreasonable.

17. **Counterparts.** This Agreement may be executed in several counterparts, each of which will be deemed to be an original but all of which together will constitute one and the same

instrument. This Agreement may be executed and exchanged by facsimile transmission, with the same legal effect as if the signatures had appeared in original handwriting on the same physical document.

18. **Expenses.** Except as otherwise set forth in this Section, each party hereto shall be solely responsible for all costs and expenses incurred by it in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement. The FCC filing fees relating to the Assignment Application shall be paid by Buyer. All federal, state, local and other transfer and sales taxes applicable to, imposed upon or arising out of the transfer to Buyer of the Assets as contemplated hereby shall be paid by Licensee.

19. **Risk of Loss.** The risk of loss to any of the Assets on or prior to the Closing Date shall be upon Licensee. Licensee shall use all commercially reasonable efforts to repair or replace any damaged or lost Assets, provided, however, that in the event that the Assets with a value of greater than Twenty Thousand Dollars (\$20,000) are damaged or lost on the date otherwise scheduled for Closing, Buyer may, at its option, either (i) postpone Closing for a period of up to sixty (60) days while Licensee repairs or replaces such Assets, or (ii) elect to close with the Assets in their current condition, in which case Licensee shall assign all proceeds from insurance on such lost or damaged Assets to Buyer, and Buyer shall have the responsibility to repair or replace the Assets. Licensee shall have no responsibility to repair or replace damaged or destroyed Assets not covered by insurance if the cost of such repair exceeds Twenty Thousand Dollars (\$20,000), provided, however, that should Licensee not advise Buyer within five (5) days after being requested to do so that Licensee will repair or replace such Assets, Buyer may terminate this Agreement without penalty upon written notice to Licensee. Should the Station (i) not operate for a period in excess of seventy-two (72) consecutive hours, or (ii) not operate with full licensed facilities for a period of thirty (30) consecutive days, or if the Station not be operating at no less than 90% of its full authorized power as of the scheduled Closing Date and it is reasonably expected that the condition set forth in either clause (i) or (ii) of this sentence would be satisfied other than for the originally scheduled Closing Date, Buyer may either elect to terminate this Agreement without penalty upon written notice to Licensee or postpone the Closing for a period of up to sixty (60) days while Licensee attempts to cure the condition described in the preceding sentence of this Section 19.

20. **Assignment.** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. No party may voluntarily or involuntarily assign its interest or delegate its duties under this Agreement without the prior written consent of the other party, provided, that Buyer may assign this Agreement to any company wholly owned by Buyer; such assignment shall not relieve Steven Rhyner of liability for performance hereof if such company fails to perform its duties hereunder.

21. **Entire Agreement.** This Agreement, and the exhibits attached hereto, supersede all prior agreements and understandings between the parties with respect to the subject matter hereof and may not be changed or terminated orally, and no attempted change, amendment, or waiver of any of the provisions hereof shall be binding unless in writing and signed by both parties.

[THE NEXT PAGE IS THE SIGNATURE PAGE]

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

Licensee:

TLP Communications, Inc.

By: _____
Name:
Title:

THE SHAREHOLDERS solely as to Section 5(a)
and Section 13 hereof:

Robert Kern

Louise Kern

Jacqueline Meck

Jeannette Rosier

Buyer:

Steven Rhyner

By: _____

Or a Company owned by Rhyner

By: _____
Name:
Title:

STATE OF [])
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of October, 2014,
by _____, in ____ capacity as _____ of [Company Name]. ____ ☐ is
personally known to me or ☐ produced a valid driver's license as identification.

Signature of Notary Public

Notary's Printed Name

My Commission Expires:

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

Licensee:

TLP Communications, Inc.

By: _____

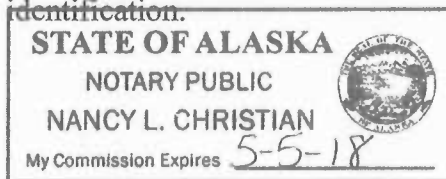
Robert Kern
President

THE SHAREHOLDERS solely as to Section 5(a) and Section 13 hereof:

Robert Kern

STATE OF ALASKA)
_____First_____) JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this 18th day of November, 2014, by Robert Kern, in the capacity as President of TLP COMMUNICATIONS, INC. He ☒ is personally known to me or ☐ produced a valid driver's license as identification.



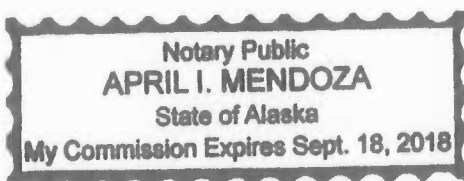
Signature of Notary Public
Nancy L Christian
Notary's Printed Name

My Commission Expires: 5-5-18

Louise Kern

STATE OF ALASKA)
_____First_____) JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this 18 day of November, 2014, by Louise Kern, in the capacity as shareholder of TLP COMMUNICATIONS, INC. ☒ is personally known to me or ☐ produced a valid driver's license as identification.



Signature of Notary Public

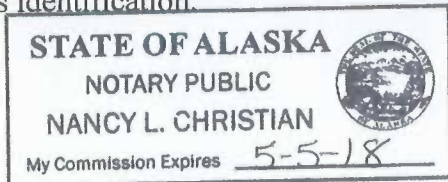
April I. Mendoza
Notary's Printed Name

My Commission Expires: 9/18/2018

Jacqueline R Meck
Jacqueline Meck

STATE OF ALASKA)
First JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this 18th day of November, 2014, by Jacqueline R Meck, in the capacity as Shareholder of TLP COMMUNICATIONS, INC. She ☒ is personally known to me or ☐ produced a valid driver's license as identification.



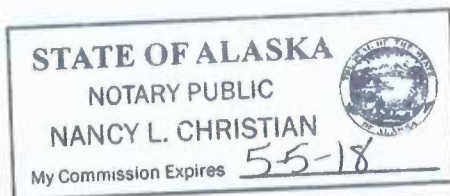
Nancy L Christian
Signature of Notary Public
Nancy L Christian
Notary's Printed Name

My Commission Expires: 5-5-18

Jeannette Rosier
Jeannette Rosier

STATE OF ALASKA)
First JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this 18th day of November, 2014, by Jeannette Rosier, in the capacity as Shareholder of TLP COMMUNICATIONS, INC. She ☒ is personally known to me or ☐ produced a valid driver's license as identification.



Nancy L Christian
Signature of Notary Public
Nancy L Christian
Notary's Printed Name

My Commission Expires: 5-5-18

Buyer:

Steven Rhyner

By: [Signature]

Or a Company owned by Rhyner

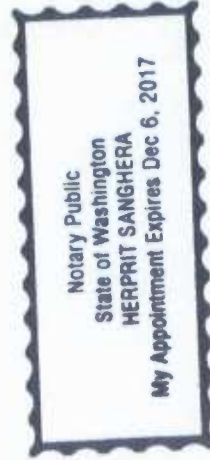
By: _____

Name:

Title:

STATE OF WA)
COUNTY OF KING)

The foregoing instrument was acknowledged before me this 21st day of November, 2014,
by Steven Rhyner in his capacity as _____ of [Company Name]. ☐ is
personally known to me or ☒ produced a valid driver's license as identification.



[Signature]
Signature of Notary Public

HERPRIT SANGHERA
Notary's Printed Name

My Commission Expires:

12-06-2017

SCHEDULE 1

Tangible Personal Property

Intangible Personal Property

EQUIPMENT	Fair Market Value
Amplifiers X 6	1,506.00
Antenna & Instalation (High Mt.)	1,637.00
Antenna, 1 Paraflector (SCALA-33 & STL-53 - 516 Stedman)	116.00
Antenna, 1 Paraflector (SCALA-33 & STL-53 - High Mt.)	116.00
Antenna, 2 bay, @ 99.9, Shively Labs	504.00
Audio System, Digital Digilink III	1,510.00
Automation Software, DJB Software	397.00
Automation Switch, Broadcast Tools	382.00
Automation System, DJB, RDS Encoder & Software, 2 Computers, 2 Monitors, Invonics RDS Generator)	2,107.00
Barix Box X 2	500.00
Cables, Various	643.00
CD File System	150.00
CD Player	148.00
CD Player, Pioneer PFD100	420.00
Cassette and CD Players/Recorders X 4	200.00
Computer	451.00
Computer, Acer and Monitor	171.00
Computer, Gateway Lap Top	525.00
Computer, I-Mac	332.00
Computer, I-Mac	382.00
Computer, Imac G4	288.00
Console, 10 Channel, Arrakis 1200	532.00
Console, Arrakis 2000SC	150.00
Decoders, Subaudible Tone X 2	105.00
EAS Encoder/Decoder, TFT EBS Monitor	375.00
EAS Exp Card	239.00
Equipment, Misc. Arrakis, Solid Signal, BSR Equalizer, Voice Transformer	219.00
FM Processor, David II, Invonics	322.00
Generator, Composite, Invonics David III Audio Proc.	3,061.00
Headsets, 2 Broadcast, Sports	102.00
Interface, Phone Line/Handset	202.00
Library, CD	2,400.00
Library, Production	5,000.00
Mics, Mic Booms, Mic Stands, Mic Extenders, etc.	175.00
Mics & Booms, EV309A, (RE20 Mics, 2)	360.00
Modulation Sciences/Sidekick Sub Generator	200.00
Monitor, MOD QEI	1,287.00
Phone System, Phones, Audio Adaptor, Data Ports, Recording System	1,758.00
Power Amplifier (IKW)	1,197.00
Printer, Laser/Copier/FAX, Brother	346.00
Printer, Lexmark Inkjet and HP Fax, USB Hubs, Power Supply	144.00
Production Station, Trackstar, 8-track Edit System	1,066.00
Receiver, etc., Harris Corp	307.00
Reciever, Marti Composite STL	584.00
Reciever, Multi Module, TFT EBS Monitor	232.00
Remote Broadcast Equipment, G3 Tieline	1,710.00
Remote Broadcast Equipment, G3 Tieline	569.00

Remote Broadcast Equipment, Mic, Recorder, Headphone, etc.	161.00
Satellite Receiver	503.00
Satellite Receiver, Encore	590.00
Satellite Receiver, Starguide	1,600.00
Satellite, Dawn, Power Supply/LNB, and Misc. Equipment	139.00
Software, NS Bookkeeping Solutions, MS Office, etc.	774.00
Stereos X 2, Speakers, Turntables X 2, and Radios	373.00
Tape Machines, 3 Otari R/R	450.00
Tools, Test Equipment, Misc.	600.00
Transmitter, 250 Watt System, Crown FM250	1,410.00
Transmitter, Crown FM250	1,083.00
Transmitter, Marti Composite STL	583.00
Transmitter, Remote Control Unit, BE Remote CU	463.00
	43,856.00

FURNITURE & FIXTURES	
Chairs X 22	475.00
Desks X 2	180.00
Misc. Office Equipment - File cabinets, refrigerator, couch, microwave, coffee maker, etc.	600.00
Racks, Steel Equipment X 5	280.00
Shelving Units, 8, Steel (Peg board backs)	120.00
Shelving Units, Steel, 7	140.00
Signs, KFMJ X 2	225.00
Tables, 12 Folding	160.00
Work Stations w/desktops, drawers, shelving, etc.	500.00
	2,680.00
CONSUMABLES	
Promotional Supplies/Props, Coffee etc.	500.00
Office Supplies, Misc.	400.00
	900.00
GRAND TOTAL Fair Market Value Tangible Assets	47,436.00

SCHEDULE 2

FCC Licenses

KFMJ(FM) 99.9MHz Fin: #7778 Ketchikan, Alaska Expires: 02/01/2022

Licenses shall also include any auxiliaries used in operation of the Station.

SCHEDULE 3

Assumed Contracts and Leases

Assumed Contracts and Leases	
Description	
AP&T High Mountain Site and Power Lease	
Premiere Radio, Coast-To-Coast program contract	
USA Radio News and Sports - no contract	
Salem Radio Network, Lou Dobbs Financial Report - no contract, provide performance affidavits	

Salem Radio Network, Lou Dobbs Financial Report - no contract, provide performance affidavits