

ASSET PURCHASE AGREEMENT

ASSET PURCHASE AGREEMENT, dated as of June 10, 2016, (this "*Agreement*"), by and between MOUNTAIN COMMUNITY TRANSLATORS, LLC, ("*Seller*"), and KLZ RADIO, INC. ("*Buyer*").

WITNESSETH:

WHEREAS, Seller is the licensee of FM translator Station K266BP, Craig, Colorado, Facility ID Number 142176 (the "*Station*"), pursuant to authorizations (the "*Licenses*") issued by the Federal Communications Commission (the "*FCC*"); and

WHEREAS, Seller desires to sell, transfer, assign, convey and deliver to Buyer, and Buyer desires to acquire from Seller, certain of the assets owned and held by Seller and used or useful solely in connection with the operation of the Station; and

WHEREAS, assignment of the Licenses from Seller to Buyer as described herein is conditioned upon the prior approval of the FCC ("*FCC Consent*").

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), Seller shall sell, assign and transfer to Buyer, and Buyer shall purchase and assume from Seller, free and clear of all liens and encumbrances, the following assets used in connection with the operation of the Station (the "*Assets*"):

(i) Certain of Seller's equipment and other tangible personal property used in the transmission operations of the Station (the "*Tangible Personal Property*"), as set forth on Schedule 1 hereto;

(ii) Licenses, permits and other authorizations, including the Licenses (collectively, the "*Licenses*"), issued by the FCC, to Seller in connection with the operations of the Station, as set forth on Schedule 2 hereto;

(iii) Excluded Assets. Any asset not specifically identified in this Agreement to be conveyed to Buyer shall be excluded from this transaction and retained by Seller.

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 Seller the aggregate sum of Twenty-Five Thousand Dollars (\$25,000) (the "*Purchase Price*").

(b) Upon execution of this Agreement, Buyer shall deliver to Miller and Neely, PC ("*Escrow Agent*") the sum of Two Thousand Five Hundred Dollars (\$2,500.00), which sum shall be

deposited into Escrow Agent's IOLTA (the "Deposit"). On the Closing Date, the Deposit shall be paid to Seller and credited against the Purchase Price and Buyer shall pay to Seller the Twenty-Two Thousand Five Hundred Dollar (\$22,500.00) balance of the Purchase Price. Payment shall be made by wire transfer of immediately available funds, pursuant to written wire instructions that Buyer shall deliver to Seller at or prior to Closing. Should this Agreement be terminated the Deposit shall be distributed as set forth in Section 8 below.

3. FCC Application. Within ten (10) business days of the signing of this Agreement, Buyer and Seller shall file with the FCC an application ("FCC Application") requesting consent to the assignment of the Licenses from Seller to Buyer, with Seller and Buyer each paying one-half the cost of the FCC Application filing fee, and each party bearing its own legal, accounting, and other costs.

4. Seller's Representations, Warranties and Covenants. Seller represents, warrants and covenants to Buyer as follows:

4.1 Organization. Seller is a limited liability company duly organized and in good standing under the laws of the State of Wyoming. Seller has all requisite power and authority (i) to hold and use the Licenses as now owned and used, (ii) to conduct the business and operate the Station as now conducted, and (iii) to execute and deliver this Agreement and the documents contemplated hereby and thereby, and to perform and comply with all of the terms, covenants, and conditions to be performed and complied with by Seller hereunder and thereunder.

4.2 Authorization. The execution, delivery, and performance of this Agreement by Seller have been duly authorized by all necessary actions on the part of Seller and its parent company. This Agreement has been duly executed and delivered by Seller and constitutes the legal, valid, and binding obligation of Seller, enforceable against it in accordance with its terms except as the enforceability of this Agreement may be affected by bankruptcy, insolvency, or similar laws affecting creditors' rights generally, and by judicial discretion in the enforcement of equitable remedies.

4.3 No Conflict. Subject to obtaining the FCC Consent, the execution, delivery, and performance by Seller of this Agreement, and the documents contemplated hereby and thereby (with or without the giving of notice, the lapse of time, or both): (i) do not require the consent of any third party; (ii) will not conflict with any provision of the Articles of Incorporation or Bylaws of Seller; (iii) will not conflict with, result in a breach of, or constitute a default under, any applicable law, judgment, order, ordinance, injunction, decree, rule, regulation, or ruling of any court or governmental instrumentality; and (iv) will not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by the terms of, any agreement, instrument, license, or permit to which Seller is a party or by which Seller may be bound.

4.4 Licenses. The Licenses have been validly issued, and Seller is the authorized legal holder thereof. The Licenses are in full force and effect and until Closing, Seller shall be the authorized legal holder of the FCC Authorizations and the other licenses, permits and authorizations.

4.5 No Untrue Statements. No representation or warranty made by Seller in this Agreement or in any certificate, document, or other instrument furnished or to be furnished by Seller pursuant hereto contains or will contain any untrue statement of a material fact, or omits or will omit to state any material fact and required to make any statement made herein or therein not misleading.

4.6 Compliance with Law. Seller has complied, and will continue to comply through and including the Closing, in all material respects with all laws, rules and regulations, including without limitation all FCC rules and regulations applicable to the operation of the Station, and all decrees and orders of any court or governmental authority which are applicable to the operation of the Station. To Seller's knowledge, there are no governmental claims or investigations pending or threatened against Seller in respect of the Station except those affecting the industry generally.

4.7 Title to and Condition of Assets. Seller is the sole owner of the Assets and has good and marketable title thereto free and clear of all liens. There is no action, suit or proceeding pending or, to Seller's knowledge, threatened against Seller in respect of the Station that might subject Buyer to liability or which might affect Seller's ability to perform its obligations under this Agreement. Seller is not operating under or subject to any order, writ, injunction or decree relating to the Station or the Station Assets of any court or governmental authority which might have a material adverse effect on the condition of the Station or any of the Station Assets or on the ability of Seller to enter into this Agreement or consummate the transactions contemplated hereby, other than those of general applicability.

4.8 Operation. Seller agrees that, between the date of this Agreement and the Closing Date, Seller shall operate the Station in the ordinary course of business in accordance with its past practices (except where such conduct would conflict with the following covenants or with Seller's other obligations under this Agreement) and in accordance with the other covenants herein.

4.9 Maintenance of Assets. Seller shall use its best efforts to maintain and operate the Station in material accordance with the terms of the Licenses, all rules and regulations of the FCC and generally accepted standards of good engineering practice.

4.10 Risk of Loss; Damage or Destruction. The risk of any loss, damage, impairment, confiscation, or condemnation of any of the Assets from any cause whatsoever shall be borne by Seller at all times prior to the Closing.

5. Buyer's Representations and Warranties. Buyer represents and warrants that Buyer is a corporation duly formed under the laws of the State of Colorado, and is validly existing and in good standing. Buyer has the right, power and authority, and has taken all necessary action, to enter into this Agreement and to fully perform all of its obligations under this Agreement. The execution and performance of this Agreement does not constitute a violation, breach, or default under any law, regulation, agreement or other obligation to which Buyer is or will become subject. Buyer is legally, financially and otherwise qualified under the Communications Act of 1934, as amended, and the rules, regulations and policies of the FCC, to become the permittee of the Station and to consummate the transactions contemplated herein. This Agreement constitutes a valid and binding obligation of Buyer enforceable against Buyer in accordance with the terms of this Agreement. No representation or warranty made by Buyer in this Agreement or any Schedule, exhibit, statement, certificate, or other document heretofore or hereafter furnished to Seller and pursuant to this Agreement or in connection with the transaction contemplated hereby contains or will contain any knowingly untrue statement or knowingly omits to state a material fact necessary to make the statement contained therein not misleading.

6. Further Assurances. Each party shall, from time to time at the request of, and without further cost or expense to the other, execute and deliver such other instruments and take such other actions as may reasonably be requested in order to more effectively consummate the transactions contemplated hereby.

7. Closing

7.1 Closing Date. The closing (the "Closing") of the transactions contemplated by this Agreement shall occur on a date mutually agreed upon by Buyer and Seller within ten (10) days following the date on which the FCC Consent becomes a Final Order (as that term is herein defined) and satisfaction of the conditions specified in this Agreement, provided, however, that Buyer may elect, in its sole discretion, to proceed to Closing upon written notice to Seller upon the release of public notice of the grant of the FCC Consent by delegated authority, in which event the Closing shall be held not sooner than the fifth (5th) business day after the date of Buyer's notice to Seller. For purposes of this Agreement, the term "Final Order" means action by the FCC consenting to the assignment 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 by mail, facsimile, or electronic mail, as the Parties may agree.

7.2 Closing Deliveries. At the Closing, Seller shall deliver to Buyer such documents, instruments and agreements as Buyer shall request and as shall be reasonably necessary to consummate the transactions contemplated by this Agreement, each in form and substance reasonably satisfactory to counsel for Buyer.

7.3 Conditions Precedent to Closing

(a) The performance of the obligations of Seller hereunder are subject to the satisfaction of each of the following express conditions precedent:

(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 have been issued without any condition that would have a material adverse effect upon Seller; and

(iv) Buyer shall have delivered to Seller on the Closing Date the Purchase Price.

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

(i) Seller 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 Seller prior to or as of the Closing Date;

(ii) The representations and warranties of Seller 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; and

(iii) The FCC Consent shall have been issued without any condition that would have a material adverse effect upon Buyer unless the condition was imposed as the result of a circumstances which constitutes a breach by Buyer of any of its representations, warranties, or covenants in this Agreement.

8. Termination. This Agreement may be terminated upon the occurrence of any of the following: (i) By Seller, if, on the Closing Date, the Buyer fails to deliver the balance due on the Purchase Price; or (ii) By Either Buyer or Seller, if the Assignment Application is denied by the FCC and such denial shall have become a Final Order within twelve months of the date hereof; or (iii) By either Buyer or Seller, if there shall be in effect any judgment, final decree or order that would prevent or make unlawful the Closing of this Agreement. In the event of termination due to item (i) Seller shall be entitled to retain and claim the Deposit as liquidated damages. In

the event of termination due to items (ii) or (iii), Buyer shall be entitled to a refund of the Deposit.

9. Modification Application. Seller and Buyer shall work together so that Seller may file a minor modification application specifying the Station as a fill-in facility for KLTT(AM), Commerce City, Colorado, Facility Id. No. 35191 (the "Modification Application"), to be prepared and filed by Buyer as described in Section 73.3517 of the Commission's rules at Buyer's whole and sole expense on or after July 29, 2016, in the Second Modification Window, as that term is defined in DA-1491 (released December 23, 2015) or as such date may be adjusted by further FCC order. Seller's sole obligation under this Section shall be to (A) execute Schedule 2 to this Agreement contemporaneous with executing this Agreement and granting Seller's written permission for Buyer to file the Modification Application with the FCC; (B) link Buyer's FRN 0003252459 to the Station FRN Manager in FCC's database as prior to July 29, 2016, so as to enable Buyer to file the Modification Application in Buyer's name; and (C) provide to Buyer a copy of every written communication and a summary of every verbal communication which Seller may receive from the FCC concerning the Modification Application or the Assignment Application not later than one (1) business day following Seller's (or its agent's) receipt of such written or verbal communication. Seller's failure to comply with the requirements of this Section 6, may be deemed to constitute an uncurable and immediate material breach of this Agreement enforceable by Seller.

10. Seller's Remedies. In order for Seller to secure full consideration for that agreement, the parties mutually agree that the Deposit shall be paid to Seller if Buyer materially defaults on this Agreement and shall be Seller's sole remedy.

11. Buyer's Remedies. The parties mutually understand and agree that the assets and property to be transferred pursuant to this Agreement are unique and cannot readily be purchased on the open market. For that reason, in the event Seller fails to consummate this Agreement, and such failure is by reason of a default of Seller in material breach of Seller's obligations under this Agreement, the rights of Buyer under this Agreement, as well as the obligations of Seller, shall be enforceable by decree of specific performance, subject to Commission consent.

12. 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 Seller, to:

Mountain Community Translators, LLC
87 Jasper Lake Road,
Loveland, CO 80537
Attention: Vic Michael

If to Buyer, to:

KLZ Radio, Inc.
P.O. Box 3003
Blue Bell, PA 19422
Attention: Mike Cary

With a copy to (which shall not constitute legal notice)
John Neely, Esq.
Miller and Neely, PC
Suite 203
3750 University Blvd., West
Kensington, MD 20895

13. Governing Law; Venue. This Agreement shall be construed and enforced in accordance with the laws of the State of Colorado, without giving effect to the choice of law principles thereof that may specify the application of the laws of another jurisdiction.

14. 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 or electronic mail, with the same legal effect as if the signatures had appeared in original handwriting on the same physical document. Any faxed or electronically transmitted signature page shall be considered an original signature page and be effective for all purposes to evidence such party's execution hereof.

13. 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.

14. Mutual Right of Indemnification

(a) Seller 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 Seller of any of its representations or warranties that survive the Closing, or failure by Seller 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 Assets and the Station prior to the Closing.

(b) Buyer shall indemnify, defend and hold Seller harmless with respect to any and all Damages asserted against, resulting from, imposed upon or incurred by Buyer 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 the Agreement; and (ii) any and all claims, liabilities and obligations of any nature, absolute or contingent, relating to the ownership and operation of the Station as conducted by Buyer subsequent to the Closing and/or with respect to any contingent applications pertaining to the Station proposed, prepared, filed and/or prosecuted by Buyer or on Buyer's behalf prior to the Closing.

(c) If either party hereto (the "Indemnitee") receives notice or otherwise obtains knowledge of any matter with respect to which another party hereto (the "Indemnifying Party") may be obligated to indemnify the Indemnitee under this Section, then the Indemnitee shall promptly deliver to the Indemnifying Party written notice describing such matter in reasonable detail and specifying the estimated amount of the Damages or liability that may be incurred by the Indemnitee in connection therewith. The Indemnifying Party shall have the right, at its option, to assume the complete defense of such matter at its own expense and with its own counsel, provided that such counsel is reasonably satisfactory to the Indemnitee. If the Indemnifying Party elects to assume the defense of such matter, then (i) notwithstanding anything to the contrary herein contained, the Indemnifying Party shall not be required to pay or otherwise indemnify the Indemnitee against any such matter following the Indemnifying Party's election to assume the defense of such matter, (ii) the Indemnitee shall fully cooperate as reasonably requested by the Indemnifying Party in the defense or settlement of such matter, (iii) the Indemnifying Party shall keep the indemnitee informed of all material developments and events relating to such matter, and (iv) the Indemnitee shall have the right to participate, at its own expense, in the defense of such matter. In no event shall the Indemnifying Party be liable for any settlement or admission of liability with respect to such matter without its prior written consent.

(d) The right to indemnification hereunder shall not be the exclusive remedy of either party in connection with any breach by the other party of its representations, warranties or covenants, nor shall such indemnification be deemed to prejudice or operate as a waiver of any remedy to which either party may otherwise be entitled as a result of any such breach by the other party.

15. Miscellaneous.

(a) This Agreement shall inure to the benefit of, and shall be binding upon, the parties hereto and their heirs, successors, executors, legal representatives and assigns.

(b) Nothing herein expressed or implied is intended or shall be construed to confer upon or give to any person or entity other than the parties hereto and their successors or permitted assigns, any rights or remedies under or by reason of this Agreement.

(c) This Agreement embodies the entire agreement and understanding of the parties hereto relating to the matter provided for herein, and supersedes any and all prior agreements, arrangements and understandings relating to the matters provided for herein.

(d) No amendment, waiver of compliance with any provision or condition hereof or consent pursuant to this Agreement shall be effective unless evidenced by an instrument in writing signed by the party against whom enforcement of any waiver, amendment,

change, extension or discharge is sought.

(e) Except as otherwise provided for in this Agreement, each party 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. All FCC application fees and charges applicable to any requests for the FCC Consent shall be shared equally by both parties.

(f) Time shall be of the essence in this Agreement and the performance of each and every provision hereof.

(g) No party shall be deemed the draft of this Agreement, and this Agreement shall not be construed against either party as the drafter of the Agreement.

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

Seller:

**MOUNTAIN COMMUNITY TRANSLATORS,
LLC**

By: 

Victor Michael, President

Buyer:

KLZ RADIO, INC.

By: 

Donald Crawford, President

SCHEDULE 1
Tangible Personal Property

(1) Elenos 100 watt FM Exciter

(1) Nicom BKG-77 one-bay FM antenna

***Equipment is being transferred as-is, where-is, and the Seller makes no warranties on its condition.**

SCHEDULE 2
Licenses

Station Call Sign: K266BP
Facility ID No.: 142176
Community of License: Craig, Colorado
Most Recent License File No.: BLFT-20151020AJR
License Expiration: April 01, 2021