

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this “*Agreement*”) is made as of November 14, 2007, by and between **KWOR, INC.**, a Wyoming corporation (“*Seller*”), and **LEGEND COMMUNICATIONS OF WYOMING, LLC**, a Wyoming limited liability company (“*Buyer*”).

RECITALS

A. Seller owns and operates the following radio broadcast stations (the “*Stations*”) pursuant to certain authorizations issued by the Federal Communications Commission (the “*FCC*”):

KWOR(AM), Worland, Wyoming (FCC Facility ID No. 35897), and
KKLX(FM), Worland, Wyoming (FCC Facility ID No. 35896)

B. Subject to the terms and conditions set forth herein, (i) Seller desires to assign to Buyer, and Buyer desires to acquire from Seller, the FCC Licenses (as defined in **Exhibit 12**), and (ii) Seller desires to convey and sell to Buyer, and Buyer desires to acquire from Seller, the other tangible and intangible assets and properties used or held for use in the operation of the Stations.

C. Capitalized terms used in this Agreement shall have the meanings ascribed to them in **Exhibit 12**, attached.

AGREEMENT

NOW, THEREFORE, taking the foregoing recitals into account, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and confirmed, the Parties, intending to be legally bound, hereby agree as follows:

I. SALE AND PURCHASE

1.1 *Stations Assets.* On the terms and subject to the conditions hereof, on the Closing Date, Seller shall sell, assign, transfer, convey and deliver to Buyer, and Buyer shall purchase and acquire from Seller, all of the right, title and interest of Seller in and to all of the Stations Assets.

1.2. *Excluded Assets.* Notwithstanding anything to the contrary contained herein, the Stations Assets shall not include the Excluded Assets.

1.3. Assumed Obligations. The Stations Assets shall be transferred to Buyer free and clear of Liens, *except* for Permitted Liens. Except for the Assumed Obligations, Buyer does not assume and will not be deemed by execution and delivery of this Agreement or any agreement, instrument or document delivered pursuant to or in connection with this Agreement or otherwise by reason of the consummation of the transactions contemplated hereby, to have assumed, any liabilities, obligations or commitments of Seller of any kind, whether or not disclosed to Buyer.

1.3.1. Trade-Out Agreements – No Assumption. It is understood and agreed that Seller shall take all necessary action in the time prior to Closing to conclude all obligations of the Stations and of Seller, with reference to Trade-Out Agreements, so that at Closing Buyer shall have no obligation with reference to such arrangements. Services, merchandise or commodities to be received by Seller for advertising already run prior to Closing respecting any Trade-Out Agreement shall be retained by Seller, *provided* that Buyer shall have no obligation whatsoever to discharge in any way such obligations after Closing. It is further understood and agreed that on and as of the Effective Date, upon Buyer's prior written consent, Stations may enter into commercially reasonable Trade-Out Agreements in the time prior to Closing Date for the benefit of promotion, advancement or improvement of one or both Stations. As to such arrangements to which Buyer shall have given its written consent, Buyer shall discharge Station's obligations after Closing, without adjustment to the Purchase Price. Except as provided herein, Trade-Out Agreements existing on the Closing Date shall be Retained Obligations.

1.4. Purchase Price. The Purchase Price shall be the aggregate paid by Buyer for the Stations Assets. The Purchase Price shall be paid in accordance with the payment terms as set forth below:

1.4.1. Escrow Stake. Upon Buyer's execution and delivery of this Agreement, or prior thereto, Buyer shall deliver and pay to the Escrow Agent the Escrow Stake. The Escrow Stake shall be paid in the form of Immediately Available Funds.

1.4.2. Payment Terms.

1.4.2.1. Payment at Closing. On Closing Date Buyer shall pay to Seller Immediately Available Funds, pursuant to written instructions from Seller to be delivered by Seller to Buyer at least four (4) Business Days prior to Closing, the cash balance of the Purchase Price, as provided in **Exhibit 1**, plus or minus any adjustment to be made pursuant to **Section 1.5**, hereof. Together, Buyer and Seller, shall cause the release of the Escrow Stake, including accrued interest thereon, which shall be added to the amount paid to Seller by Buyer to achieve the cash balance of the Purchase Price. At Closing, Seller shall pay-off and obtain a release of all Liens, if any. The cash payment at Closing shall be in an amount that, when added to the Escrow Stake, aggregates not less than **SEVEN HUNDRED**

FIFTY THOUSAND AND NO/100 U.S. DOLLARS (\$750,000.00), plus or minus any adjustment to be made pursuant to **Section 1.5**, hereof.

1.4.2.2. Reserved.

1.4.2.3. Right of Set Off. In the event Seller is required to indemnify Buyer against any losses, claims or damages as provided in this Agreement, Buyer may at its option and upon advance written notice of ten (10) Business Days to the Seller, offset against its liability to make payments due in connection with the Accounts Receivable; *provided, however*, no such offset shall be affected by Buyer in the event that Seller either (i) fully cures the cause of such Indemnification Claim within the Cure Period, or (ii) within seven (7) Business Days of Seller's receipt of the offset notice from Buyer Seller returns a written, *bona fide* objection to such offset which explains Seller's reasonable basis for disputing the offset, in which event the dispute shall be resolved in accordance with the provisions of **Section 1.4.2.4**. In no event shall any offset be affected until the Cure Period has expired. Further, no offset for losses, claims or damages to Buyer shall be made until the aggregate of all such offsets shall equal **FIVE THOUSAND AND NO/100 DOLLARS** (\$5,000.00). The aggregate of such offset for all losses, claims or damages to Buyer shall not, in the absence of fraud or a material breach of this Agreement, exceed **ONE HUNDRED THOUSAND AND NO/100 DOLLARS** (\$100,000.00).

1.4.2.4. Dispute Resolution. If at the time the offset is made in accordance with **Section 1.4.2.3**, Buyer and Seller disagree over whether Buyer has incurred losses, claims or damages which it is entitled to recover from Seller or the amount thereof, the Buyer shall pay the disputed amount into an interest bearing account to be controlled by a neutral third party(ies) who will hold the funds until the dispute has been resolved by the parties or adjudicated by a court of competent jurisdiction, whereupon such funds, together with the interest thereon, shall be distributed (i) in a manner agreed by the parties or (ii) as ordered by an arbitrator or court. Interest on the fund shall be divided between the parties, *pro rata* in accordance with the division of funds. Any dispute concerning an offset against payments due under the Accounts Receivable that cannot be resolved by negotiation between Buyer and Seller shall be resolved by binding arbitration pursuant to the rules of the American Arbitration Association (expedited procedures). The prevailing party shall be entitled to reimbursement from the non-prevailing party of all reasonable expenses actually incurred to comply with this arbitration provision. The prevailing party shall mean the party that is successful in obtaining substantially all the relief sought.

1.4.3. Escrow Conditions. The Escrow Stake, deposited with the Escrow Agent pursuant to the terms and conditions of the Escrow Agreement, shall be paid on Closing Date by the Escrow Agent to the Seller, and when paid to the Seller shall be credited against the Purchase Price. In the event of termination of this Agreement, if such termination does not result in an express requirement that the Escrow Agent pay

the Escrow Stake plus any accrued interest thereon to Seller under this Agreement, the Escrow Agent will repay the Escrow Stake to Buyer.

1.4.4. **Escrow Agent.** It is mutually agreed and understood that Escrow Agent is acting solely and only as escrow agent at the request of Buyer and Seller, pursuant to the terms and conditions of that certain Escrow Agreement appended hereto as **Exhibit 3**.

1.5. **Adjustments.** All Prorations relating to the Stations Assets or the Assumed Obligations and arising from the conduct of the business and operations of the Stations shall be prorated between Buyer and Seller in accordance with generally accepted accounting principles as of 11:59 p.m. on the date immediately preceding the Closing Date. Any Prorations otherwise not agreed to as of Closing Date will be agreed on and adjusted by and between Buyer and Seller within sixty (60) days after the Closing Date.

1.6. **Allocation.** The Purchase Price shall be allocated among the Stations Assets in a manner as mutually agreed between the Parties. Seller and Buyer agree to use the allocations determined pursuant to this Section for all tax purposes, including without limitation, those matters subject to Section 1060 of the Internal Revenue Code of 1986, as amended.

1.7. **Closing.** The Closing shall occur at the Closing Place on the Closing Date, unless otherwise waived and agreed to by the Parties.

1.8. **Governmental Consents.**

1.8.1. **FCC Application.** On a date designated by Buyer, within five (5) Business Days of the date of this Agreement, Buyer and Seller shall file the FCC Application with the FCC, requesting FCC consent to the assignment to Buyer of the Stations Assets, including the FCC Licenses. Buyer and Seller shall diligently prosecute the FCC Application and otherwise use their reasonable best efforts to obtain the FCC Consent as soon as possible.

1.8.2. **Marshaling of Documents.** Buyer and Seller shall notify each other of all documents filed with or received from any governmental agency with respect to this Agreement or the transactions contemplated hereby. Buyer and Seller shall furnish each other with such information and assistance as such the other may reasonably request in connection with their preparation of any governmental filing hereunder.

II. REPRESENTATIONS AND WARRANTIES OF SELLER

2.0. **Preamble.** Seller makes the following representations and warranties to Buyer:

2.1. **Organization.** Seller is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and is qualified to do business in

each jurisdiction in which the Stations Assets are located. Seller has the requisite power and authority to execute and deliver this Agreement and the Seller Ancillary Agreements, pursuant hereto, to consummate the transactions contemplated hereby and thereby and to comply with the terms, conditions and provisions hereof and thereof.

2.2. Authorization. Seller's Authorization has been duly approved and authorized and does not require any further authorization or consent of Buyer. This Agreement is, and each Seller Ancillary Agreement when executed and delivered by Seller and the other parties thereto will be, a legal, valid and binding agreement of Seller enforceable in accordance with its respective terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

2.3. No Conflicts. Neither the execution and delivery by Seller of this Agreement and the Seller Ancillary Agreements or the consummation by Seller of any of the transactions contemplated hereby or thereby, nor compliance by Seller with or fulfillment by Seller of the terms, conditions and provisions hereof or thereof will: (i) conflict with any (a) organizational documents of Seller; or (b) law, judgment, order, or decree to which Seller is subject; or (ii) require the approval, consent, authorization or act of, or the making by Seller of any declaration, filing or registration with, any third party or any foreign, federal, state or local court, governmental or regulatory authority or body, except the Governmental Consents, and except for counter-party consent to assign those Stations Contracts designated on **Schedule 7**.

2.4. FCC Licenses. Seller holds the FCC Licenses described on **Exhibit 4**. Such FCC Licenses constitute all of the authorizations required under the Act and/or the Rules and Regulations for the present operation of the Stations. The FCC Licenses are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated and have not expired. There is not pending or threatened any action by or before the FCC to revoke, suspend, cancel, rescind or Materially Adversely modify any of the FCC Licenses (other than proceedings, of general applicability, to amend the Rules and Regulations), and there is not now issued or outstanding, by or before the FCC, any order to show cause, notice of violation, notice of apparent liability, or notice of forfeiture against Seller with respect to the Stations. The Stations are operating in compliance in all Material respects with the FCC Licenses, the Act, and the Rules and Regulations.

2.4.1. Reports and Further Compliance. Seller and the Stations Assets are in compliance in all Material respects with all rules and regulations of the Federal Aviation Administration applicable to the Stations. All reports and filings required to be filed with, and all regulatory fees required to be paid to, the FCC by Seller with respect to the Stations (including without limitation all required equal employment opportunity reports) have been timely filed and/or paid. All such reports and filings are

accurate and complete in all Material respects. Seller maintains public files for the Stations as required by the Rules and Regulations.

2.4.2. RF Exposure. The operation of the Stations does not expose workers or others to levels of radio frequency radiation in excess of the “Radio Frequency Protection Guides” recommended in “American National Standard Safety Levels with Respect to Human Exposure to Radio Frequency Electromagnetic Fields 3 kHz to 300 GHz” (ANSI/IEEE C95.1-1992), issued by the American National Standards Institute, and renewal of the FCC Licenses would not constitute a “major action” within the meaning of Section 1.1301, *et seq.*, of the Rules and Regulations.

2.5. Taxes. Seller has, in respect of the Stations’ business, filed all federal, state, county and local income, excise, property, sales, use, franchise, employee withholding, FICA and other tax returns and reports which are required to have been filed by it under applicable law and has paid all taxes which have become due pursuant to such returns or pursuant to any assessments which have become payable.

2.6. Personal Property. Schedule 5 contains a list of all material items of Tangible Personal Property included among the Stations Assets. As of the Closing Date, Seller has title to the Tangible Personal Property free and clear of all Liens other than Permitted Liens. On the Closing Date the Tangible Personal Property will be functioning in substantially the same manner as on the date hereof, normal wear and tear excepted.

2.7 Real Property.

2.7.1 Comprehensive Listing. Schedule 6 hereto contains a complete and accurate list and description of: (a) all Owned Property (including without limitation, Real Property relating to the towers, transmitters, studio sites and offices of the Stations) owned by Seller and used by Seller in connection with the operations of any of the Stations; and (b) all Real Property Leases (including without limitation, real property relating to the towers, transmitters, studio sites and offices of the Stations) not owned by Seller and used by Seller in connection with the operation of any of the Stations pursuant to agreements, leases and other contracts.

2.7.2 Real Property Contracts. The Real Property Leases listed on **Schedule 7** are in full force and effect and are valid, binding and enforceable in accordance with their terms. Seller enjoys quiet possession of all real property subject to the Real Property Leases. Seller is not in default under any Real Estate Leases nor is any other party thereto, and there are no present disputes or claims with respect to offsets or defenses by any party against the other under any of the Real Property Leases. Seller has delivered to Buyer true and complete copies of all Real Property Leases. Except as expressly set forth in **Schedule 7** hereto, the assignment of the Real Property Leases to Buyer will not permit the other party to accelerate the rent, cause the terms thereof to be renegotiated or constitute a default thereunder, and will not require the consent of any such party to the assignment thereof to Buyer.

2.7.3 Good and Marketable Title. Seller has, and following the Closing, Buyer will have, good, marketable and insurable fee simple title to the Owned Property free and clear of any mortgages, liens, charges and encumbrances, except for Permitted Liens. Seller has previously delivered to Buyer: (a) a complete and correct copy of each deed or other instrument or evidence of title relating to the Owned Property; (b) a complete and correct copy of each title insurance policy in Seller's possession insuring title to the Real Property; and (c) a true and correct copy of each survey in Seller's possession of the Owned Property.

2.7.4 Lawful Access to Real Property. Seller has full legal and practical access to all of the Real Property described in **Schedule 6**, and all easements, rights of way, and real property licenses relating thereto have been properly recorded in the appropriate public recording offices. The Owned Property, together with the real property that is subject to the Real Property Leases, includes all the Real Property, easements, rights of way, and other real property interests necessary to conduct the business and operations of the Stations as they are now conducted. None of the buildings, structures, improvements or fixtures constructed on any real property owned or leased by Seller in connection with the operation of the Stations, including, but not limited to, all towers, guy wires and guy anchors and ground radials, encroach upon adjoining real property, and all such buildings, structures, improvements and fixtures are constructed and are operated and used in conformance with all "set back" lines, easements, covenants, restrictions and all applicable building, fire, zoning, health and safety laws and codes. No utility lines serving such real property pass over the lands of a third party except where appropriate easements have been obtained. All buildings, structures, towers, antennae, improvements and fixtures comprising part of the real properties owned or leased by Seller are in good and technically sound operating condition, have no latent structural mechanical or other defects of material significance, are reasonably suited for the purposes for which they are being used and each has adequate rights of ingress and egress, utility service for water and sewer, telephone, electric and/or gas, and sanitary service for the conduct of the business and operations of the Stations as presently conducted. There is no pending or threatened condemnation or other legal proceeding or action of any kind relating to such real property and/or title thereto.

2.8. Contracts. **Schedule 7** contains a list of all Stations Contracts, including Real Property Leases, and represents all contracts that are material to the technical and facilities operation of the Stations as currently operating. Each of the Stations Contracts (including without limitation each lease listed among the Real Property Leases) is in effect and is binding upon Seller and, to Seller's knowledge, the other parties thereto (subject to bankruptcy, insolvency, reorganization or other similar laws relating to or affecting the enforcement of creditors' rights generally). Seller has performed its obligations under each of the Stations Contracts in all Material respects, and is not in Material default thereunder, and to Seller's knowledge, no other party to any of the Stations Contracts is in default thereunder in any Material respect. Except as set forth on **Schedule 7**, no Sta-

tions Contracts (including Real Property Leases) are between Seller and Affiliates of Seller and no deposits have been made by Seller with respect to any Stations Contracts. Complete and correct copies of each Stations Contract (including each Real Property Lease), together with all amendments thereto, have been delivered to Buyer by Seller.

2.9. *Environmental.* Except for lubricants, cleaners or other consumer products that are maintained in limited quantities for routine maintenance purposes and do not require a hazardous materials license, no Hazardous Materials or waste regulated under any applicable environmental, health or safety law has been generated, stored, transported or released on, in, from or to the Real Property included in or among the Stations Assets. Seller has complied in all Material respects with all Environmental Laws, and other health and safety laws and codes applicable to the Stations (including without limitation the Real Property). Seller has not received in respect of the Stations or Stations Assets any notice or claim to the effect that it is or may be liable under any Environmental Laws or safety laws. To Seller's Best Knowledge, neither the Stations nor any Stations Assets are the subject of any investigation by any governmental authority with respect to a violation of any Environmental Laws or safety laws.

2.10. *Intangible Property.* **Schedule 8** contains a description of the material Intangible Property included among the Stations Assets. Seller has received no notice of any claim that Seller's use of the Intangible Property conflicts with, infringes upon, any third-party rights. Seller owns or has the right to use the Intangible Property free and clear of all Liens other than Permitted Liens.. No Stations programming or other material used or broadcast by the Stations infringes upon any copyright, patent or trademark of any other party.

2.11. *Employees.* Seller has provided Buyer with the Employment Schedule. Seller has complied in all Material respects with all labor and employment laws, rules and regulations applicable to the Stations' business, including without limitation those which relate to prices, wages, hours, discrimination in employment and collective bargaining, and is not liable for any arrears of wages or any taxes or penalties for failure to comply with any of the foregoing. Except as set forth on **Schedule 9**, there is no unfair labor practice charge or complaint against Seller in respect of the Stations' business pending or, to Seller's knowledge, threatened before any court or governmental authority, and there is no strike, dispute, request for representation, slowdown or stoppage pending or, to Seller's knowledge, threatened in respect of the Stations' business. Seller is not party to any collective bargaining, union or similar agreement with respect to the employees of Seller at the Stations. Seller has not promised to any employee of the Stations that Buyer will be hiring any such employee or otherwise made any offer of employment on behalf of Buyer.

2.12. *Stations Assets.* The Stations Assets constitute all the assets reasonably necessary for the business or operation of the Stations as now operated, without regard to current programming. Seller has good and marketable title to the Stations Assets, free and

clear of Liens, except for Permitted Liens and those Liens listed on **Schedule 9**. At Closing, Seller will transfer to Buyer good and marketable title to the Stations Assets, free and clear of Liens, except for Permitted Liens. Seller maintains sufficient insurance policies with respect to the Stations and the Stations Assets and will maintain such policies in full force and effect until Closing.

2.13. Compliance with Law; No Litigation. Seller has complied in all Material respects with all laws, regulations, rules, writs, injunctions, ordinances, franchises, decrees or orders of any court or of any federal, state, municipal or other governmental authority which are applicable and material to the Stations or the Stations Assets. Except as disclosed on **Schedule 9**, there is no action, suit or proceeding pending or, to Seller's Best Knowledge, threatened against Seller and, to Seller's Best Knowledge, there are no claims or investigations, litigation pending or threatened, nor any judgment or decree outstanding or threatened against Seller in respect of the Stations or the Stations Assets, or which might adversely affect the Stations Assets or Seller's power, authority or ability to enter into this Agreement and to carry out the transactions contemplated herein. Seller does not know or have reasonable grounds to know of any threats of any such claim, litigation, proceeding or investigation.

2.14. Financial Statements. Seller has provided to Buyer copies of the Financial Statements. Such Financial Statements have been prepared in accordance with GAAP (except that any such un-audited statements need not include footnotes which would be required in a GAAP presentation) and present fairly the financial position and results of operations of the Stations, consistent with Financial Statements, as of their respective dates and for the respective periods covered thereby.

2.15. No Finder. Except for Patrick Communications, LLC, which acted as broker for Buyer and whose fee shall be paid by Buyer, no broker, finder or other person is entitled to a commission, brokerage fee or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of the Buyer or Seller or any party acting on Buyer's or Seller's behalf.

2.16. No Insolvency. No insolvency proceedings of any character including without limitation, bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary, affecting the Seller are pending or threatened, and Buyer has made no assignment for the benefit of creditors, nor taken any action with a view to, or which would constitute the basis for, the institution of any such insolvency proceedings.

2.17. Required Consents. Except for the FCC Consents, no consent, approval, permit, or authorization of, or declaration to, or filing with, any governmental or regulatory authority or any other third party is required to be obtained by Seller in order (i) to consummate the transactions contemplated by this Agreement, or (ii) to permit Buyer to acquire the Station Assets from Seller.

III. REPRESENTATIONS AND WARRANTIES OF BUYER

3.0. **Preamble.** Buyer hereby makes the following representations and warranties to Seller:

3.1. **Organization and Standing.** Buyer is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and on of the Closing Date shall be qualified to do business in each jurisdiction in which the Stations Assets are located. Buyer has the requisite power and authority to execute and deliver this Agreement and all of the Buyer Ancillary Agreements, to be executed and delivered by Buyer pursuant hereto, to consummate the transactions contemplated hereby and thereby and to comply with the terms, conditions and provisions hereof and thereof.

3.2. **Authorization.** Buyer's Authorization has been duly approved and authorized and does not require any further authorization or consent of Buyer. This Agreement is, and each Buyer Ancillary Agreement when executed and delivered by Buyer and the other parties thereto will be, a legal, valid and binding agreement of Buyer enforceable in accordance with its respective terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

3.3. **No Conflicts.** Neither the execution and delivery by Buyer of this Agreement and the Buyer Ancillary Agreements or the consummation by Buyer of any of the transactions contemplated hereby or thereby, nor compliance by Buyer with or fulfillment by Buyer of the terms, conditions and provisions hereof or thereof will: (i) conflict with any organizational documents of Buyer or any law, judgment, order or decree to which Buyer is subject; or (ii) require the approval, consent, authorization or act of, or the making by Buyer of any declaration, filing or registration with, any third party or any foreign, federal, state or local court, governmental or regulatory authority or body, except the Governmental Consents.

3.4. **Qualification.** Buyer is qualified to hold the FCC Licenses under the Act and the Rules and Regulations as they exist on the date of this Agreement.

3.6. **No Finder.** Except for Patrick Communications, LLC, which acted as broker for Buyer and whose fee shall be paid by Buyer, no other broker, finder or other person is entitled to a commission, brokerage fee or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Buyer or any party acting on Buyer's behalf.

3.7. **Required Consents.** Except for the FCC Consents, no consent, approval, permit, or authorization of, or declaration to, or filing with, any governmental or regulatory

authority or any other third party is required to be obtained by Buyer in order (i) to consummate the transactions contemplated by this Agreement, or (ii) to permit Buyer to acquire the Station Assets from Seller.

3.8. **Financial Ability.** Buyer has the financial resources necessary to consummate the transactions contemplated by this Agreement, including, without limitation, the ability to make the deposit of the Escrow Stake, and to pay the Purchase Price to Seller at the Closing.

3.9. **Litigation.** Except for matters affecting the radio broadcasting industry generally, there is no litigation at law or in equity, no arbitration proceeding, and no proceeding before or by any court, commission, agency, or other administrative or regulatory body or authority, pending or, to the knowledge of Buyer, threatened, that would reasonably be expected to have a material adverse effect upon Buyer's ability to perform in accordance with the terms of this Agreement.

IV. COVENANTS

4.0. **Covenants.** Seller and Buyer covenant as follows:

4.1. **Seller Covenants.** From the Effective Date until Closing, Seller shall:

4.1.1. **Business Undertakings.** Operate the Stations substantially consistent with past business practices and keep its books and accounts, records and files in the ordinary course, and otherwise preserve the business and goodwill of the Stations and the Stations Assets; *provided, however*, that Seller (i) may modify its sales packages and/or sales practices or procedures, pricing, commissions, and collection procedures to reasonably accommodate for the truncation or conclusion of any agreements pertinent to the operation of the Stations that are among the Excluded Assets, (ii) terminate any agreement that is used in the operation of the Stations and not part of the Stations Contracts as long as such termination does not breach, in a Material respect, the representations or warranties set forth in **Article II**, hereof; and (iii) reserves the right to offer incentive bonuses to its personnel to attempt to ensure that the business organization remains intact;

4.1.2. **Operational Undertakings.** Operate the Stations in accordance with the terms of the FCC Licenses and in compliance with the Act, the Rules and Regulations, and all other applicable laws, rules and regulations, and maintain the FCC Licenses in full force and effect;

4.1.3. **Facilities Maintenance.** Keep all Tangible Personal Property and Real Property in as good operating condition and repair (ordinary wear and tear excepted) as they are as of Effective Date, and maintain adequate and usual supplies, spare parts and other materials as have been customarily maintained with respect to the Stations ;

4.1.4. ***Sustain Insurance.*** Maintain in effect its current insurance policies with respect to the Stations and the Stations Assets, true and correct copies of which have been delivered to Buyer;

4.1.5. ***Furnish Updated Financial Information.*** Deliver to Buyer copies of monthly internal operating statements for the Stations by the twentieth (20th) day after the end of each calendar month, which shall present fairly the results of the Stations' operations for the period indicated in accordance with GAAP (without the obligation to include footnotes);

4.1.6. ***Furnish Access and/or Documentation.*** At the reasonable request of Buyer, from time to time give Buyer access during normal business hours to all of the Stations' facilities, properties, accounts, books, deeds, title papers, insurance policies, licenses, agreements, contracts, commitments, records and files, equipment, machinery, fixtures, furniture and vehicles, and all other Stations Assets, and provide Buyer all other information concerning the Stations as Buyer may reasonably request. Any investigation or examination by Buyer shall not in any way diminish any representations or warranties of Seller made in this Agreement; and

4.1.7. ***Negative Covenants.*** Not, without the prior written consent of Buyer, which shall not be unreasonably withheld or delayed:

4.1.7.1 ***Dispose of Assets.*** Sell, lease, or otherwise dispose of any Stations Assets except for non-material dispositions in the ordinary course of business of items which are replaced by assets of comparable or superior kind, condition and value;

4.1.7.2. ***Undertake Employment Contracts.*** Enter into any contract of employment with any employee or employees of the Stations ;

4.1.7.3 ***Change Stations Contracts.*** Amend or terminate any of the Stations Contracts;

4.1.7.4. ***Avoid Undertakings.*** Enter into any contract, lease or agreement with respect to the Stations *except for* (i) ordinary course cash time sales agreements and (ii) any other agreements entered into in the ordinary course of business that will be paid and performed in full before Closing; and

4.1.7.5. ***Transform Representations.*** Permit any representation or warranty set forth in **Article II** to become untrue or inaccurate in any Material respect.

4.2. ***Joint Covenants.***

4.2.1. ***Control.*** Consistent with the Rules and Regulations, control, supervision and direction of the operation of the Stations prior to Closing shall remain the responsibility of Seller as the holder of the FCC Licenses.

4.2.2. ***Broadcast Interruption.*** If before Closing the regular full power broadcast transmission of either of the Stations is interrupted for a period of three (3) con-

secutive hours or more, Seller shall give prompt written notice thereof to Buyer. Buyer shall then have the right, by written notice to Seller, to postpone (and if necessary re-postpone) the Closing to a date that is ten (10) calendar days after the end of any such interruption. If regular full power broadcast transmission of either of the Stations is interrupted for a continuous period of thirty-six (36) hours or more at any time prior to Closing, then Seller immediately shall give written notice thereof to Buyer and Buyer shall have the right, by written notice to Seller, to (i) terminate this Agreement, or (ii) postpone the Closing as provided above; *provided, however*, that in the event any interruption of less than forty-eight (48) hours duration is due to a general service failure by the local public utility, then Buyer shall not have a right to terminate this Agreement, but may postpone the Closing, provided that the postponement does not exceed the duration of any such interruption.

4.3. Real Property Investigation. Buyer may, at its expense, prior to Closing, conduct any investigations, examinations and studies with respect to the Real Property sites which are ground leases as Buyer deems necessary, including without limitation title examinations, surveys and environmental studies. If any such investigations, examinations or studies disclose any title defect or noncompliance with any environmental law with respect to the Real Property, then Buyer shall deliver copies of the applicable reports of such investigations, examinations or studies to Seller. Seller shall promptly and diligently remedy any such deficiency prior to Closing if reasonable, independent estimates for the cost of doing so do not equal or exceed the Trigger Amount, and completion thereof is a condition to Buyer's obligation to consummate the Closing; *provided that*, if such reasonable cost estimates do exceed the Trigger Amount, either Seller or Buyer shall have the right to immediately terminate this Agreement without fault or further obligation.

4.4. Consents. Prior to Closing Seller shall obtain the Required Consents and shall use commercially reasonable efforts to obtain any other consents noted on **Schedule 6** and **Schedule 7** hereto. To the extent that any Stations Contract may not be assigned without the consent of any third party, and such consent is not obtained prior to Closing, this Agreement and any assignment executed at Closing pursuant hereto shall not constitute an assignment thereof, but to the extent permitted by law shall constitute an equitable assignment by Seller and assumption by Buyer of Seller's rights and obligations under the applicable Stations Contract, with Seller making available to Buyer the benefits thereof and Buyer performing the obligations thereunder on Seller's behalf. In addition, Seller shall use commercially reasonable efforts to obtain customary written estoppel certificates duly executed by the lessors under the Real Property Leases, in form and substance reasonably satisfactory to Buyer.

4.5. Employees.

4.5.1. Employment Offers. Buyer may (but is not obligated to) offer post-Closing employment to any of the Stations' employees. All employees of the Stations will be terminated at Closing by Seller. With respect to each such employee who ac-

cepts Buyer's offer of employment, Seller shall be responsible for all compensation and benefits arising prior to Closing (in accordance with Seller's employment terms) and Buyer shall be responsible for all compensation and benefits arising after Closing (in accordance with Buyer's employment terms). Prior to the Closing Date Seller shall resolve and conclude all vacation time and sick-leave accrual issues respecting its employees so that no such issues shall be present as of the Closing Date or after the Closing Date indemnify and hold harmless Buyer therefor.

4.5.2. *No Assumption of Employee Obligations.* Buyer does not assume any of Seller's employee obligations (including any severance obligations), all of which are Retained Obligations and not Assumed Obligations. Notwithstanding anything in this Agreement to the contrary, if any of the employment agreements included among the Stations Contracts includes any deferred compensation or profit sharing or transfer of control or similar provisions, then such obligations shall be Retained Obligations and not Assumed Obligations.

4.5.3. *No Vicarious Rights.* The terms of this Agreement are solely for the benefit of (and may be enforced only by) the parties hereto and their respective successors and permitted assigns. Without limiting the foregoing, nothing in this Agreement gives any rights to any employee, and no employee may enforce any provision of this Agreement against any of the parties hereto.

4.6. *Accounts Receivable.* All accounts receivable from broadcasts of the Stations which occurred prior to and on the Closing Date to 11:59 PM shall belong to Seller, and from broadcasts which occur thereafter shall belong to Buyer. In the event that Seller shall have received prior to Closing any payments under Time Sales Contracts to be assumed by Buyer at Closing, whether as an advance, deposit or otherwise, which relate to the Stations' Business after the Closing Date, such payments shall be deemed a part of the Stations' Assets and an amount equal to the aggregate of such payments shall be paid over by Sellers to Buyer on the Closing Date.

4.6.1. *Buyer's Collection of Accounts Receivable.* Buyer agrees for the Collection Period to act as agent for Seller for the collection of Accounts Receivable owing to Seller on account of broadcasts on or prior to the Closing Date. Seller shall furnish to Buyer at Closing a list of said Accounts Receivable, the amounts due and the applicable sales and agency commissions. Buyer shall collect such Accounts Receivable without commission or compensation, and Buyer shall forward to Seller the balance of such Accounts Receivable, after providing for applicable sales and agency commissions, every thirty (30) days during the Collection Period. Buyer shall not, without consent of Seller, compromise or settle for less than full value any such Accounts Receivable. Buyer shall not incur any liability as the result of failure to collect said Accounts Receivable and shall not be required to institute suit to collect, but Buyer will exercise commercially reasonable efforts to collect said Accounts Receivable. Seller will not, without the written consent and approval of Buyer, make any direct solicitation for the payment of said receivables until the Collection Period has

ended. Any Accounts Receivable owing to Seller which are not collected within the Collection Period shall be delivered back to Seller. It is understood and agreed that during the Collection Period all moneys collected from advertisers indebted to Seller shall first be applied, as provided herein, toward the payment of the Accounts Receivable owing to Seller. If any such advertiser shall, in good faith, dispute the amount Seller claims is owed to it, Buyer shall promptly so notify Seller in writing and return such Accounts Receivable to Seller who without further permission from Buyer may collect such account. Upon notification and return to Seller of any account as herein provided, Buyer thereafter may deal with such advertiser as if it were not indebted to Seller and without the obligation of applying funds subsequently received from such advertiser to the account of Seller. All payments made to Seller hereunder shall be net of applicable sales and agency commissions, which sales and agency commission's shall be paid and delivered by Buyer to the individual(s) and/or agency(ies) entitled to said commissions.

4.7. *Potential Rescission.* If the Closing occurs prior to a Final Order, and prior to the FCC Consent becoming a Final Order the FCC Consent is reversed or otherwise set aside, and there is a Final order of the FCC (or court of competent jurisdiction) requiring the reassignment of the FCC Licenses to Seller, then the purchase and sale of the Stations Assets shall be rescinded. In such event, Buyer shall re-convey to Seller the Stations Assets, and Seller shall repay to Buyer the Purchase Price and reassume the contracts and leases assigned and assumed at Closing.

4.7.1 *Timing for Rescission.* Any such rescission shall be consummated on a mutually agreeable date within thirty (30) days of such Final Order (or, if earlier, within the time required by such order). In connection therewith, Buyer and Seller shall each execute such documents (including execution by Buyer of instruments of conveyance of the Stations Assets to Seller and execution by Seller of instruments of assumption of the contracts and leases assigned and assumed at Closing) and make such payments (including repayment by Seller to Buyer of the Purchase Price) as are necessary to give effect to such rescission.

4.8. *1031 Exchange.* To facilitate the transfer of the Stations Assets as part of a like-kind exchange under Section 1031 of the Internal Revenue Code, Buyer may assign its rights under this Agreement (in whole or in part) to a "qualified intermediary" under section 1.1031(k)-1(g)(4) of the treasury regulations (but such assignment shall not relieve Buyer of its obligations under this Agreement) and any such qualified intermediary may re-assign to Buyer. If Buyer gives notice of such assignment, Seller shall provide Buyer with a written acknowledgment of such notice prior to Closing and convey the Stations Assets (or such portion thereof as is designated in writing by the qualified intermediary) to or on behalf of the qualified intermediary at Closing and otherwise cooperate therewith.

4.9. ***Sales and Transfer Taxes.*** Seller shall pay the cost of all sales, transfer and documentary taxes, if any, payable in connection with the sale, transfer and delivery to Buyer of the Stations Assets. Notwithstanding the foregoing, any FCC application or filing fees in connection with the FCC Application shall be borne equally by Buyer and Seller.

4.10. ***Cooperation.*** From the Effective Date until Closing, each of Buyer and Seller shall provide to the other such documents as other party may reasonably request as may be necessary for the implementation and consummation of this Agreement.

V. CONDITIONS OF CLOSING BY BUYER

5.0. ***Preamble.*** The obligations of Buyer hereunder are, at its option, subject to satisfaction, at or prior to Closing, of each of the following conditions:

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

5.2. ***Governmental Consents.*** The Governmental Consents, shall have been obtained, and no court or governmental order prohibiting Closing shall be in effect.

5.3. ***Proceedings.*** Neither Seller nor Buyer shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

5.4. ***Deliveries.*** Seller shall have made the deliveries to be made by it at Closing under this Agreement.

VI. CONDITIONS OF CLOSING BY SELLER

6.0. ***Preamble.*** The obligations of Seller hereunder are, at its option, subject to satisfaction, at or prior to Closing, of each of the following conditions:

6.1. ***Representations, Warranties and Covenants.*** The representations and warranties of Buyer made in this Agreement shall be true and correct in all Material respects as of the Closing Date except for changes permitted or contemplated by the terms of this Agreement, and the covenants and agreements to be complied with and performed by Buyer at or prior to Closing shall have been complied with or performed in all Material

respects. Seller shall have received a certificate dated as of the Closing Date from Buyer, executed by an authorized officer of Buyer, to the effect that the conditions set forth in this Section have been satisfied. There shall have been no Material Adverse Change in the assets, liabilities, business, results of operations, financial condition or prospects of the Stations since December 31, 2006, other than changes in the general economy affecting similar radio companies in a like manner. Material Adverse Change, with respect to the financial condition of the Stations shall mean that the gross operating revenues of the Stations has decreased more than five percent (5%) for the period from January 1, 2007, to the last day of the last full month preceding Closing compared to the same period one year ago.

6.2. **Governmental Consents.** The Governmental Consents shall have been obtained, and no court or governmental order prohibiting Closing shall be in effect.

6.3. **Proceedings.** Neither Seller nor Buyer shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

6.4. **Deliveries.** Buyer shall have made the deliveries to be made by it at Closing under this Agreement.

VII. DOCUMENTS TO BE DELIVERED AT CLOSING

7.1. **Seller Documents.** At Closing, Seller shall deliver to Buyer the certificate described in **Section 5.1** and such bills of sale, assignments, deeds, documents of title and other instruments of conveyance, assignment and transfer as reasonably may be necessary to convey, transfer and assign the FCC Licenses to Buyer and the other Stations Assets to Buyer, free and clear of Liens, except for Permitted Liens.

7.2. **Buyer Documents.** At Closing, Buyer shall deliver to Seller the certificate described in **Section 6.1** and such instruments of assumption as reasonably may be necessary to assume the Assumed Obligations.

7.2.1. **Estoppel Certificates.** Buyer shall deliver to Seller an estoppel certificate, dated within ten (10) days of the Closing, from each of the landlords of the Real Estate Leases set forth in **Schedule 7**, in a form and substance reasonably satisfactory to Buyer, and attaching a true and correct copy of each Real Estate Lease and representing that each such Real Estate Lease (i) is in full force and effect; (ii) is not in default; (iii) that the rent has been paid currently; (iv) will not require the consent of the landlord, or any third party, to the assignment thereof to Buyer; and (v) will not permit the landlord to (a) accelerate the rent, (b) cause the terms of such Real Estate Lease to be renegotiated or (c) declare a default thereunder.

VIII. LOSS; SURVIVAL; INDEMNIFICATION

8.1. ***Burden of Risk; Buyer's Option.*** The risk of loss, damage or destruction of the Stations Assets from fire or other casualty or cause shall be borne by the Seller at any time prior to the Closing hereunder. Upon the occurrence of any Material loss or damage of any of the Stations Assets as the result of fire, casualty or other causes prior to Closing, Seller shall immediately notify Buyer of the same in writing stating with particularity the extent of the loss or damage incurred, the cause thereof, if known, and the extent to which restoration, replacement and repair of the Stations Assets, or portion thereof, that is lost, damaged or destroyed will be reimbursed under any insurance policy with respect thereto. Subject to the provisions hereof, Buyer shall have the option (but not the obligation) exercisable within fifteen (15) Business Days after the receipt of such notice from Seller to:

8.1.1. ***Postponement.*** Postpone Closing until such time as the Stations Assets, or portion thereof that has been lost, damaged or destroyed, has been completely repaired, replaced or restored; or

8.1.2. ***Elect Consummation.*** Consummate the Closing and accept the Stations Assets in its “then” condition. In the event the Buyer shall elect to consummate the Closing before the Stations Assets has been fully and completely repaired, replaced or restored, Seller shall assign to Buyer all rights it may have under any insurance claim covering the loss and pay over to Buyer any proceeds under any such insurance policy theretofore received by Seller with respect thereto; or

8.1.3. ***Terminate.*** Terminate this Agreement if the repair, replacement or restoration provided for in **Section 8.1.1** has not been completed within sixty (60) days after such loss, damage or destruction or by the date of the postponed Closing under **Section 8.1.1**, whichever occurs later.

8.2. ***Survival.*** The covenants, agreements, representations and warranties contained in this Agreement shall survive and not be affected by Closing for a period of one (1) year, whereupon they shall expire and be of no further force or effect, *except* those under (i) this **Article VIII** that relate to Damages for which written notice is given by the indemnified party to the indemnifying party prior to the expiration, which shall survive until resolved, and (ii) **Sections 1.3** (Assumed Obligations), **1.5** (Adjustments), and **1.6** (Allocation), and indemnification obligations with respect to such provisions, which shall survive until performed.

8.3. ***Indemnification.***

8.3.1. ***Seller's Indemnification.*** From and after the Closing, Seller shall defend, indemnify and hold harmless Buyer from and against any and all Damages incurred by Buyer arising out of or resulting from: (i) any breach or default by Seller under this Agreement; (ii) the Retained Obligations; or (iii) the operation of the Stations before Closing.

8.3.2. **Buyer's Indemnification.** From and after the Closing, Buyer shall defend, indemnify and hold harmless Seller from and against any and all Damages incurred by Seller arising out of or resulting from: (i) any breach or default by Buyer under this Agreement; (ii) the Assumed Obligations; or (iii) the operation of the Stations after Closing.

8.3.3. **Notice of Claim.** The indemnified party shall give prompt written notice to the indemnifying party of any Claim, but a failure to give such notice or delaying such notice shall not affect the indemnified party's right to indemnification and the indemnifying party's obligation to indemnify as set forth in this Agreement.

8.3.4. **Defense Against Claim.** Notwithstanding anything herein to the contrary: (i) the indemnified party shall have the right, at its own cost and expense, to participate in the defense, opposition, compromise or settlement of any Claim, and shall have the right to consult with the indemnifying party and its counsel concerning any Claim, and the indemnifying party and the indemnified party shall cooperate in good faith with respect to any Claim; and (ii) the indemnifying party shall not, without the indemnified party's written consent, settle or compromise any Claim or consent to entry of any judgment which does not include a release of the indemnified party from all liability in respect of such Claim.

IX. TERMINATION; REMEDIES

9.1. **Termination.** This Agreement may be terminated at any time prior to Closing as follows:

9.1.1. **Mutual Consent.** By mutual written consent of Buyer and Seller;

9.1.2. **By Buyer.** By written notice of Buyer to Seller if Seller (i) does not satisfy the conditions or perform the obligations to be satisfied or performed by Seller on or before the Closing Date; or (ii) otherwise breaches in any Material respect any of its representations or warranties or defaults in any Material respect in the performance of any of its covenants or agreements herein contained and such breach or default is not cured within the Cure Period;

9.1.3. **By Seller.** By written notice of Seller to Buyer if Buyer (i) does not satisfy the conditions or perform the obligations to be satisfied or performed by Buyer on the Closing Date; or (ii) otherwise breaches in any Material respect any of its representations or warranties or defaults in any Material respect in the performance of any of its covenants or agreements herein contained and such breach or default is not cured within the Cure Period; or

9.1.4. **FCC Action.** By written notice of Buyer to Seller, or by Seller to Buyer, if the FCC denies the FCC Application; or

9.1.5. **Lapse of Time.** By written notice of Buyer to Seller, or by Seller to Buyer, if the Closing shall not have been consummated on or before the date one year

after the date of the FCC Public Notice announcing the acceptance for filing of the FCC Application.

9.1.6. **Implications.** Termination of this Agreement shall not relieve any Party of any liability for breach or default under this Agreement prior to the date of termination.

9.2. **Opportunity to Cure.** If Seller or Buyer believes the other to be in default hereunder, the party believing a default has occurred shall provide the other with written notice specifying in reasonable detail the nature of such default. If the default has not been cured by the earlier of: (i) the Closing Date, or (ii) the Cure Period then, subject to the provisions of this Agreement, The party giving such notice may terminate this Agreement and/or exercise the remedies available to such party pursuant to this Agreement.

9.3. **Remedies on Breach.** The Parties acknowledge that the Stations are of a special, unique and extraordinary character and that damages are inadequate to compensate for any breach of this Agreement. Accordingly, in the event of a Material breach by Seller of its representations, warranties, covenants or obligations under this Agreement, Buyer may sue at law for damages or, at Buyer's sole election in lieu of other remedies available to it, and subject to obtaining any requisite approval of the FCC, Buyer may seek a decree of specific performance requiring Seller to fulfill its obligations under this Agreement. In the event of a Material breach by Buyer of its representations, warranties, covenants or obligations under this Agreement, Seller shall have payment of the Escrow Stake as liquidated damages as its sole and exclusive remedy. The foregoing remedies shall be available only to a Party not in Material breach of this Agreement at the time any such remedy is asserted by it by written notice to the other Party. The prevailing Party shall be entitled to recover its reasonable legal expenses, including attorneys' fees (at trial and on appeal) from the losing Party. Buyer shall have the right specifically to enforce the performance of the Seller under this Agreement without the necessity of posting any bond or other security, and the Seller hereby waives the defense in any such suit that the Buyer has an adequate remedy at law and Seller agrees not to interpose any opposition, legal or otherwise, as to the propriety of specific performance as a remedy.

X. MISCELLANEOUS PROVISIONS

10.1. **General and Governing Provisions.** In addition to the definitions set forth in **Exhibit 12**, other provisions that shall govern the operation and interpretation of this Agreement are set forth on **Exhibit 11**, and are incorporated herein.

10.2. *Listing of Exhibits and Schedules.*

EXHIBIT/ SCHEDULE	DESCRIPTION
Exhibit 1	Purchase Price Enumeration
Exhibit 2	RESERVED
Exhibit 3	Escrow Agreement
Exhibit 4	Listing of FCC Licenses
Schedule 5	Inventory of Tangible Personal Property;
Schedule 6	Listing of Real Property
Schedule 7	Listing of Stations Contracts (including Real Property Leases)
Schedule 8	Listing of Intangible Property
Schedule 9	Schedule of encumbrances and conflicts;
Exhibit 10	Listing of individuals and entities to receive notices;
Exhibit 11	Miscellaneous Provisions
Exhibit 12	Definitions

[THIS SPACE INTENTIONALLY LEFT BLANK – SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO KWOR/KKLX ASSET PURCHASE AGREEMENT]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first set forth above.

SELLER: KWOR, INC.

By: _____
Name: William B. Harrington
Title: President

**LEGEND COMMUNICATIONS OF
BUYER: WYOMING, LLC**

By: W. Lawrence Patrick
Name: W. Lawrence Patrick
Title: Managing Member

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[SIGNATURE PAGE TO KWOR/KKLX ASSET PURCHASE AGREEMENT]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first set forth above.

SELLER: KWOR, INC.

By: William B. Harrington
Name: William B. Harrington
Title: President

LEGEND COMMUNICATIONS OF
BUYER: WYOMING, LLC

By: _____
Name: W. Lawrence Patrick
Title: Managing Member

EXHIBIT 1**PURCHASE PRICE ENUMERATION**

Aggregate Purchase Price = **SEVEN HUNDRED FIFTY THOUSAND AND NO/100 U.S. DOLLARS** (\$750,000.00), to be allocated and paid, subject to adjustments, as follows:

Cash Purchase Price = Seven Hundred Fifty Thousand and No/100 U.S. Dollars (\$750,000.00).

EXHIBIT 3

ESCROW AGREEMENT

ESCROW AGREEMENT

This Escrow Agreement ("*Agreement*") is made as of this 14th day of November 2007, by and among **KWOR, INC.** ("*Seller*"), **LEGEND COMMUNICATIONS OF WYOMING, LLC**, ("*Buyer*"), and **WASHINGTONFIRST BANK**, located in Washington, D.C. ("*Escrow Agent*").

WITNESSETH:

WHEREAS, Seller and Buyer have entered into an Asset Purchase Agreement ("*Purchase Agreement*") dated as of November 14, 2007, for the purchase by Buyer and sale by Seller of substantially all the assets of commercial Radio Stations KWOR(AM) and KKLX(FM), Worland, Wyoming (FCC Facility ID No.s 35897, and 35896, respectively);

WHEREAS, pursuant to the Purchase Agreement Buyer is required to deposit an aggregate sum of **THIRTY-SEVEN THOUSAND FIVE HUNDRED AND NO/100 U.S. DOLLARS** (\$37,500.00) in escrow to secure its obligations under the Purchase Agreement. Buyer and Seller desire that Escrow Agent holds these funds as provided in this Agreement.

NOW, THEREFORE, in consideration of the premises and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

1. Appointment. On the terms and conditions set forth herein, Escrow Agent shall act as escrow agent and, as such, receive, administer and dispose of the sum of sum of **THIRTY-SEVEN THOUSAND FIVE HUNDRED AND NO/100 U.S. DOLLARS** (\$37,500.00) deposited simultaneously with the execution of this Agreement by Buyer with Escrow Agent as set forth herein (the "*Escrow Deposit*"). The Escrow Agent shall invest the Escrow Deposit in an interest bearing checking account, savings account, money market fund or treasury securities, as directed by Seller and Buyer from time to time.

2. Rights, Duties and Immunities of Escrow Agent.

(a) Acceptance by Escrow Agent of its duties under this Agreement is subject to the following terms and conditions, which all parties to this Agreement hereby agree shall govern and control the rights, duties and immunities of Escrow Agent:

(i) Escrow Agent undertakes to perform such duties and only such duties as are expressly set forth herein, and no implied agreements or obligations shall be read into this Agreement against Escrow Agent;

(ii) Escrow Agent shall not be responsible in any manner whatsoever for any failure or inability of Buyer, or of anyone else, to deliver moneys to Escrow Agent or otherwise to honor any of the provisions of this Agreement, the Purchase Agreement or any other agreement;

(iii) Seller and Buyer jointly shall, within ten (10) days following

demand, reimburse and indemnify Escrow Agent for, and hold it harmless from and against, any loss, liability or expense, including but not limited to reasonable counsel fees, arising out of or in connection with its acceptance of, or the performance of its duties and obligations under, this Agreement, except for losses, liabilities and expenses caused by the bad faith, willful misconduct or gross negligence of Escrow Agent. Escrow Agent shall in no event be liable in connection with its investment or reinvestment of any amount held by it hereunder in good faith in accordance with the terms hereof, including, without limitation, any liability for any delays not resulting from its gross negligence or willful misconduct or any loss of interest incident to any such delays;

(iv) Escrow Agent shall be fully protected in acting on and relying upon any written notice, direction, request, waiver, consent, receipt or other paper or document which Escrow Agent in good faith believes to have been signed or presented by the proper party or parties;

(v) Escrow Agent shall not be liable for any error of judgment, or for any act done or step taken or omitted by it in good faith or for any mistake of fact or law, or for anything that it may do or refrain from doing in connection herewith, except its own bad faith, willful misconduct or gross negligence;

(vi) Escrow Agent shall receive for its services as escrow agent hereunder the fee of \$200.00, plus the cost of investing in treasury securities if Buyer and Seller so elect, to be shared equally by Seller and Buyer;

(vii) Escrow Agent makes no representation as to the validity, value, genuineness, or collectability of any security, document or instrument held by or delivered to it; and

(viii) no provisions of this Agreement shall require Escrow Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(b) Subject to the provisions of Section 3(d) hereof, if a controversy arises between one or more of the parties hereto as to whether or not or to whom Escrow Agent shall deliver the Escrow Deposit or as to any other matter arising out of or relating to the Escrow Deposit or this Agreement, Escrow Agent shall not be required to determine the same and shall not make any delivery of the Escrow Deposit but shall retain it until the rights of the parties to the dispute shall have finally been determined by written agreement among the parties in dispute or by final order of a court of competent jurisdiction; provided, however, that the time for appeal of any such final order has expired without an appeal having been made. Escrow Agent shall deliver the Escrow Deposit within two (2) business days after Escrow Agent has received written notice of any such agreement or final order (accompanied by an affidavit that the time for appeal has expired without an appeal having been made). Escrow Agent shall be entitled to assume that no such controversy has arisen unless it has received a written notice that such a controversy has

arisen which refers specifically to this Agreement and identifies by name and address the adverse claimants in the controversy; provided, however, that Escrow Agent shall not be bound by any such notice unless it is received before Escrow Agent delivers the Escrow Deposit or takes any action that, but for the notice referred to in this sentence, is permitted hereunder. If a controversy of the type referred to in this paragraph arises, Escrow Agent may, in its sole discretion (but shall not be obligated to), commence interpleader or similar actions or proceedings for determination of the controversy.

3. Release of Escrow Deposit. Escrow Agent shall hold the Escrow Deposit until it delivers such Escrow Deposit as follows:

(a) If Escrow Agent receives a written notice executed by Seller and Buyer stating that the Closing as defined in the Purchase Agreement is to occur on a specified date, Escrow Agent shall deliver the Escrow Deposit to Seller and deliver all interest and earnings thereon to Buyer on such date, provided that Escrow Agent shall have received at least two (2) business days prior written notice.

(b) If Escrow Agent receives a written notice from Buyer stating that Buyer is entitled to the Escrow Deposit, Escrow Agent shall deliver or mail a copy thereof to Seller and, unless Escrow Agent has received a written notice of objection from Seller within ten (10) business days after the effective date of such delivery or mailing, Escrow Agent shall deliver the Escrow Deposit together with any earnings thereon to Buyer. If Escrow Agent so receives a written notice of objection from Seller, a controversy shall be deemed to have occurred for purposes of Section 2(b) hereof.

(c) If Escrow Agent receives a written notice from Seller stating that Seller is entitled to the Escrow Deposit, Escrow Agent shall deliver or mail a copy thereof to Buyer and, unless Escrow Agent has received a written notice of objection from Buyer within ten (10) business days after the effective date of such delivery or mailing, Escrow Agent shall deliver the Escrow Deposit, together with any earnings thereon, to Seller. If Escrow Agent so receives a written notice of objection from Buyer, a controversy shall be deemed to have occurred for purposes of Section 2(b) hereof.

(d) Escrow Agent shall, in addition, disburse the Escrow Deposit and earnings thereon in accordance with any joint written instructions received by Escrow Agent executed by Buyer and Seller, which joint instructions shall be deemed to supersede the above provisions of this Section 3.

4. Successor Escrow Agent.

(a) Escrow Agent (and any successor escrow agent) may at any time resign by delivering written notice to Seller and Buyer. Escrow Agent shall deliver the Escrow Deposit to any successor escrow agent jointly designated in writing by Buyer and Seller, whereupon Escrow Agent shall be discharged of and from any and all further obligations arising in connection with this Agreement. The resignation of Escrow Agent shall take effect on the earlier of the appointment of a successor escrow agent or the date which is thirty (30) days after the date

of delivery of Escrow Agent's written notice of resignation to the other parties hereto. In the event that a successor Escrow Agent has not been appointed at the expiration of such thirty (30) day period, Escrow Agent's sole responsibility hereunder shall be the safekeeping of the Escrow Deposit and to deliver such Escrow Deposit as may be specified in a written agreement signed by all the other parties to this Agreement or as any court of competent jurisdiction may order.

(b) If Escrow Agent receives a written notice from Seller and Buyer stating that they have selected another escrow agent, Escrow Agent shall deliver the Escrow Deposit to the successor escrow agent named in the aforesaid notice within ten (10) days.

5. Miscellaneous.

(a) This Agreement may be executed in counterpart originals, which collectively shall have the same legal effect as if all signatures had appeared on the same physical document. 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.

(b) This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. No persons other than the parties hereto shall have any rights under or by reason of this Agreement.

(c) Buyer and Seller shall each pay one-half of the fees charged by Escrow Agent in connection with this Agreement.

(d) 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 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:

With
copies
to:[†]

KWOR, Inc.
1340 Radio Drive
Route 2
Worland, WY 82401
Attn.: William B. Harrington
Tel.: 307-347-3231
Fax: _____
E-mail: bill@kworkklx.com
Thomas W. Harrington, Esq.
Davis & Harrington, P.C.
921 Coburn Avenue
P. O. Box 953

If to Buyer, to:

Legend Communications of
Wyoming, LLC
6805 Douglas Legum Drive
Suite 100
Elkridge, MD 21075
Phone: (410) 799-1740
Fax: (410) 799-1705
E-mail: larry@patcomm.com
With a
copy
to:[†]

Sciarrino & Associates, PLLC
5425 Tree Line Drive
Centreville, VA 20120
Attn.: Dawn M. Sciarrino, Esq.

Worland, WY 82401
Tel.: 307-347-6645
Fax: 307-347-6405
E-mail: tomwh@rtconnect.net

Tel.: 703-830-1679
Fax: 703-991-7120
E-mail: dawn@sciarrinolaw.com

† which shall not constitute notice.

If to Escrow Agent:

WashingtonFirst Bank
1500 K Street, NW
Washington, DC 20005
Attn: Wilfredo Hernandez

(d) The headings contained in this Agreement are inserted for reference purposes only and shall not affect the meaning of interpretation of this Agreement.

(e) Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining portions hereof or affecting the validity or enforceability of such provisions in any other jurisdiction.

(f) No amendment or waiver or any provision of this Agreement shall be effective unless in writing and signed by each of the parties hereto, and any waiver shall be effective only in the instance and for the purpose for which given.

(g) This Agreement shall be governed by and construed in accordance with the laws of the District of Columbia, without regard to principles of conflicts of law.

(h) This Agreement embodies the entire agreement and understanding of the parties hereto in respect of the subject matter contained herein. There are no restrictions, promises, representations, warranties, covenants, or undertakings, other than those expressly set forth or referred to herein. This Agreement supersedes all prior agreements and understandings between the parties with respect to such subject matter.

[THE NEXT PAGE IS THE SIGNATURE PAGE]

- 6 -

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

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Agreement as of the date and year first above written.

SELLER KWOR, INC.

By: William B. Harrington
Name: William B. Harrington
Title: President

**BUYER LEGEND COMMUNICATIONS OF
WYOMING, LLC**

By: _____
Name: W. Lawrence Patrick
Title: Managing Member

ESCROW AGENT

WASHINGTONFIRST BANK

By:
Name:
Title:

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

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Agreement as of the date and year first above written.

SELLER **KWOR, INC.**

By: _____
Name: William B. Harrington
Title: President

BUYER **LEGEND COMMUNICATIONS OF
WYOMING, LLC**

By: 
Name: W. Lawrence Patrick
Title: Managing Member

ESCROW AGENT

WASHINGTONFIRST BANK

By:
Name:
Title:

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

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Agreement as of the date and year first above written.

SELLER KWOR, INC.

By: _____
Name: William B. Harrington
Title: President

**BUYER LEGEND COMMUNICATIONS OF
WYOMING, LLC**

By: _____
Name: W. Lawrence Patrick
Title: Managing Member

**ESCROW AGENT
WASHINGTONFIRST BANK**


By: 
Name: MICHAEL M. AMIN
Title: SVP

EXHIBIT 10**LISTING OF INDIVIDUALS AND ENTITIES TO RECEIVE NOTICE**

Notice to be provided under the Asset Purchase Agreement shall be made to the following persons and addresses:

If to Seller, to:

KWOR, Inc.
1340 Radio Drive
Route 2
Worland, WY 82401
Attn.: William B. Harrington
Tel.: 307-347-3231
Fax: _____
E-mail: bill@kworkklx.com

With
copies
to:†

Thomas W. Harrington, Esq.
Davis & Harrington, P.C.
921 Coburn Avenue
P. O. Box 953
Worland, WY 82401
Tel.: 307-347-6645
Fax: 307-347-6405
E-mail: tomwh@rtconnect.net

If to Buyer, to:

Legend Communications of
Wyoming, LLC
6805 Douglas Legum Drive
Suite 100
Elkridge, MD 21075
Phone: (410) 799-1740
Fax: (410) 799-1705
E-mail: larry@patcomm.com

With a
copy
to:†

Sciarrino & Associates, PLLC
5425 Tree Line Drive
Centreville, VA 20120
Attn.: Dawn M. Sciarrino, Esq.
Tel.: 703-830-1679
Fax: 703-991-7120
E-mail: dawn@sciarrinolaw.com

†Which shall not constitute notice.

EXHIBIT 11

EXHIBIT 11 – MISCELLANEOUS GOVERNING PROVISIONS

1. **Specific Performance.** In the event of a breach by Seller of any representation, warranty, covenant or agreement under this Agreement, at Buyer's election, in addition to any other remedy available to it, Buyer shall be entitled to an injunction restraining any such breach and, subject to obtaining any requisite approval of the FCC, to enforcement of this Agreement by a decree of specific performance requiring Seller to fulfill its obligations under this Agreement, in each case without the necessity of showing economic loss or other actual damage and without any bond or other security being required.

2. **Further Assurances.** After Closing, Seller shall from time to time, at the reasonable request of and without further cost or expense to Buyer, execute and deliver such other instruments of conveyance and transfer and take such other actions as may reasonably be requested in order to consummate the transactions contemplated hereby to vest in Buyer good title to the Stations Assets, and Buyer shall from time to time, at the reasonable request of and without further cost or expense to Seller, execute and deliver such other instruments and take such other actions as may reasonably be requested in order to relieve Seller of any obligations being assumed by Buyer hereunder.

3. **Assignment.** Seller may not assign this Agreement without the prior written consent of Buyer. Buyer may assign this Agreement in whole or in part without Seller's consent, but no such assignment shall relieve Buyer of its obligations hereunder. With respect to any permitted assignment, the parties shall take all such actions as are reasonably necessary to effectuate such assignment, including but not limited to cooperating in any appropriate filings with the FCC or other governmental authorities. All covenants, agreements, statements, representations, warranties and indemnities in this Agreement by and on behalf of any of the parties hereto shall bind and inure to the benefit of their respective successors and permitted assigns of the parties hereto.

4. **Amendments.** 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.

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

6. **Notice.** Any notice required hereunder shall be in writing, including by facsimile, and any payment, notice or other communications shall be delivered personally, or mailed by certified mail, postage prepaid, with return receipt requested, or delivered to FedEx (Federal Express), or any other nationally recognized overnight delivery service for next morning delivery or when dispatched by facsimile transmission (with the facsimile transmission confirmation being deemed conclusive evidence of such dispatch), or by electronic mail with such notice attached in Portable Document Format (PDF) and sent with requests for delivery and read receipts, the return of such receipts being deemed conclusive evidence of such dispatch, in each case addressed to the persons, parties or entities identified on **Exhibit 10**, hereto.

6.1. **Alternate Addressees.** Notice, as provided by this Section, may be given to any other person or party, as any Party hereto may in the future designate in writing, upon due notice to the other Party(ies).

6.2. **Date of Notice, Action.** The date of personal delivery or the delivery date (or date of attempted delivery and refusal by the addressee) specified on any receipt from the U.S. Mail or courier service specified herein shall establish the date of such notification or communication. If any notification, communication or action is required or permitted to be given or taken within a certain period of time and the last date for doing so falls on a Saturday, Sunday, a federal legal holiday or legal holiday by law in the State of Wyoming, the last day for such notification, communication or action shall be extended to the first day thereafter which is not a Saturday, Sunday or such legal holiday.

7. **No Third Party Beneficiaries.** 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.

8. **Severability.** The parties agree that if one or more provisions contained in this Agreement shall be deemed or held to be invalid, illegal or unenforceable in any respect under any applicable law, this Agreement shall be construed with the invalid, illegal or unenforceable provision deleted, and the validity, legality and enforceability of the remaining provisions contained herein shall not be affected or impaired thereby.

9. **Entire Agreement.** This Agreement embodies the entire agreement and understanding of the parties hereto and supersedes any and all prior agreements, arrangements and understandings relating to the matters provided for herein.

10. **Benefit.** This Agreement shall be binding upon the heirs, executors, administrators, assigns, successors, and legal representatives of the parties hereto. Buyer may assign this Agreement, without the prior written consent of Seller, to a legal entity in which Buyer, or Buyer's controlling principals, shall hold a controlling voting interest; such entity to be legally, financially and otherwise qualified to be the licensee of the Stations ; *provided* that Buyer shall be jointly and severally liable for the performance of all of Buyer's obligations under this Agreement.

11. **Counterpart Signatures.** This Agreement may be signed in one or more counterparts, each of which shall be deemed a duplicate original, binding on the Parties hereto; notwithstanding that the Parties are not signatory to the original or the same counterpart. This Agreement shall be effective as of the date on which the executed counterparts are exchanged by the Parties. Counterpart signature pages may be delivered by facsimile or other electronic means and shall have the same force and effect as if an original signature had been delivered.

12. **Interpretation; Venue.** This Agreement shall be governed, construed and enforced in accordance with the laws of the State of Wyoming and by the applicable rules and regulations of the FCC. Venue for any action brought under this Agreement may be either Cheyenne, Wyoming, or for matters pertaining to the FCC, Washington, D.C. Venue for citizenship diversity matters shall be any legally suitable forum.

13. **Entire Agreement.** This Agreement and the Ancillary Agreements (including those to be executed by Buyer and Seller at the Closing) embody the entire understanding between the Parties and there are no other agreements, representations, warranties, or understandings, oral or written, between them with respect to the subject matter hereof. No alteration,

modification or change of this Agreement shall be valid unless by like written instrument.

14. **Announcements/Press Releases.** All announcements and press releases concerning this Agreement and the transactions contemplated herein shall be mutually agreed to by the Buyer and Seller prior to their releases. Buyer and Seller agree that, except as and to the extent that such is required by law or by the Rules and Regulations, there shall be no public announcement or press release issued concerning this Agreement and the transactions contemplated herein until the FCC Application is accepted for filing by the FCC.

15. **Confidentiality.** Subject to the requirements of applicable law, Buyer and Seller shall each keep confidential all information obtained by them with respect to the other Party hereto in connection with this Agreement and the negotiations preceding this Agreement, and will use such information solely in connection with the transactions contemplated by this Agreement, and if the transactions contemplated hereby are not consummated for any reason, each shall return to each other Party hereto, without retaining a copy thereof, any schedules, documents or other written information obtained from such other Party in connection with this Agreement and the transactions contemplated hereby. Notwithstanding the foregoing, no Party shall be required to keep confidential or return any information which is: (i) known or available through other lawful sources, not bound by a confidentiality agreement with the disclosing Party; (ii) or becomes publicly known through no fault of the receiving Party or its agents; (iii) required to be disclosed pursuant to an order or request of a judicial or governmental authority (provided the Party other than the disclosing Party is given reasonable prior notice of the order or request and the purpose of the disclosure); or (iv) developed by the receiving Party independently of the disclosure by the disclosing Party.

16. **Non-Disclosure of Proprietary Information.** Except with the written permission of the other Party, Buyer and Seller, their respective officers, directors, owners, and Affiliates, jointly and severally, agree that for the term specified in **Section 8.2**, they shall not, directly or indirectly, disclose or divulge to any unauthorized person or entity or in any way whatsoever use for their commercial advantage, or to the other Party's commercial disadvantage, any Proprietary Information. Neither Party, or their respective officers, directors, owners and Affiliates shall be deemed to have violated this confidentiality covenant should a disclosure be made as required by, but only

to the extent such disclosure is required by, the valid and legal order of any court or governmental authority or agency and provided that the disclosing Party shall have given prior notice to the other Party of any such order. The provisions of this Section shall be specifically enforceable against either Party in a court of law, and such enforcement shall not bar the pursuit of other remedies.

17. **Explication.** Unless the context of this Agreement clearly requires otherwise, references to the plural include the singular and to the singular include the plural, references to any gender include any other gender, the part includes the whole, the term “including” is not limiting, and the term “or” has, except where otherwise indicated, the inclusive meaning represented by the phrase “and/or.” The words “hereof,” “herein,” “hereby,” “hereunder,” and similar terms in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement. Article, section, subsection, clause, exhibit and schedule references are to this Agreement, unless otherwise specified. Any reference in or to this Agreement or any of the Ancillary Agreements includes any and all permitted alterations, amendments, changes, extensions, modifica-

tions, renewals, or supplements thereto or thereof, as applicable.

18. **Construction of Agreement.** This Agreement is the product of negotiation and preparation by, between and among Buyer and Seller and their respective attorneys. Accordingly, the Parties hereto acknowledge and agree that this Agreement shall not be deemed prepared or drafted by one Party or another, or the attorneys for one Party or another, and shall be construed accordingly.

19. **Section 73.1150 Statement.** Both the Seller and the Buyer agree that Seller has retained no rights of reversion of the Licenses for the Stations, no right to the reassignment of the Licenses for the Stations in the future, and have not reserved the right to use the facilities of the Stations in the future for any reason whatsoever.

20. **Schedules and Exhibits.** All schedules, exhibits and riders attached to this Agreement shall be deemed part of this Agreement and incorporated herein, where applicable, as if full set forth herein. For the purposes of this Agreement, exhibits shall be public documents; and schedules shall be proprietary, and not routinely available for public review.

EXHIBIT 12

DEFINITIONS

1. **Act.** The terms “Act” or “the Act” shall mean and refer to the Communications Act of 1934, as amended.

2. **Affiliate.** The terms “Affiliate” or “Affiliates” means any entity or person, directly or indirectly, owning or controlling, or that is owned or controlled by, or under common ownership or control with, either Buyer or Seller.

3. **Ancillary Agreements.** The term “Ancillary Agreements” means the written agreements between Buyer and Seller relating to this Agreement that constitute and comprise the entire understanding between and among the Parties, including the Buyer Ancillary Agreements and the Seller Ancillary Agreements.

4. **A/R.** The term “A/R” means Seller’s accounts receivable existing as of 11:59 p.m. on the date immediately preceding the Closing Date.

5. **Assumed Obligations.** The term “Assumed Obligations” means the obligations of Seller arising after Closing under the Stations Contracts.

6. **Best Knowledge.** The term “Best Knowledge,” e.g. “to the Best of Seller’s Knowledge,” means that the Party professing Best Knowledge has conducted a diligent inquiry among and between relevant employees, principals and agents, and conducted a general review of its own files and records, and the files and records of its agents pertaining to that party and relating to the subject matter to which Best Knowledge is asserted.

7. **Business Day.** The term “Business Day” means any calendar day, excluding Saturdays and Sundays, on which federally chartered banks in the city of Casper, Wyoming, are regularly open for business. Should any event or payment be scheduled for, or fall upon, or be due on a day other than a Business Day, then said event or payment shall occur and/or be due on the very next Business Day thereafter.

8. **Buyer.** The term “Buyer” shall mean and refer to **LEGEND COMMUNICATIONS OF WYOMING, LLC.**

9. **Buyer Ancillary Agreements.** The term “Buyer Ancillary Agreements” means other written agreements or instruments relating to this Agreement that constitute and comprise the entire understanding be-

tween and among the parties, that are to be executed and delivered by Buyer pursuant hereto.

10. **Buyer’s Authorization.** The term “Buyer’s Authorization” means Buyer’s due, full and requisite approval and authorization, fully in accordance with Buyer’s organizational and governing documents, of the execution, delivery and full performance of this Agreement by Buyer.

11. **Claim.** The term “Claim” means any demand, suit, claim or assertion of liability by a third party that is subject to indemnification by the indemnifying party under this Agreement.

12. **Closing.** “Closing” means the meeting of the Seller and Buyer, and their attorneys and agents, as may be necessary, on the Closing Date, as herein defined, at which the Seller and Buyer consummate and effectuate this Agreement and the transactions, conveyances, assignments, covenants and other matters contemplated by this Agreement. At the election of Buyer and Seller, mutually agreed in writing, the Closing may be performed by mail, and/or electronically (i.e., via e-mail and/or telephonic facsimile) and/or courier service.

13. **Closing Date.** “Closing Date” means a date specified by not less than three (3) Business Days written notice from Buyer to Seller which date shall not be more than fourteen (14) days nor be less than five (5) days after the Commission’s consent to the assignment of FCC Licenses to Buyer shall have become a Final Order, unless waived by Buyer. In the event that the Closing Date is scheduled for, or falls upon, a day other than a Business Day, then the Closing Date shall occur on the very next Business Day thereafter.

14. **Closing Place.** “Closing Place” means a location as may be specified by mutual agreement of Seller and Buyer. At the election of Buyer and Seller, the Closing may be performed by mail, and/or electronically (i.e., via e-mail and/or telephonic facsimile) and/or courier service.

15. **Collection Period.** The term “Collection Period” shall mean a period of one hundred twenty (120) days following the Closing Date during which Buyer shall act as agent for Seller for the collection

of Accounts Receivable owing to Seller, as provided in **Section 4.6** of this Agreement.

16. Cure Period. The term “*Cure Period*” means a period commencing the date Buyer or Seller receives from the other written notice of breach or default hereunder and continuing until the earlier of (i) thirty (30) days thereafter or (ii) the Closing Date; *provided, however*, that if the breach or default cannot reasonably be cured within such period but can be cured before the Closing Date, or if diligent efforts to cure promptly commence, then the Cure Period shall continue as long as such diligent efforts to cure continue, but not beyond the Closing Date. Following the Closing Date, the Cure Period in no event shall exceed seven (7) Business Days after the receipt written notice of breach, default or a *bona fide* claim for indemnification.

17. Damages. The term “*Damages*” means any and all losses, damages, costs, liabilities and expenses (including, without limitation, reasonable attorneys’ fees and disbursements) incurred by Buyer or Seller in connection with a claim for indemnification.

18. Effective Date. The term “*Effective Date*” means the date, first shown in the threshold paragraph on page 1 of this Agreement, being the date as of which this Agreement is made and effective.

19. Employment Schedule. The term “*Employment Schedule*” means a list of all of the Stations’ employees and their position and rate of compensation, including a description of all of Seller’s employee benefit plans.

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

21. Escrow Agent. The term “*Escrow Agent*” shall mean [Sciarrino & Associates, PLLC, 5425 Tree Line Drive, Centreville, VA 20120 – correct?]

22. Escrow Agreement. The term “*Escrow Agreement*” shall mean and refer to the form attached hereto as **Exhibit 3**.

23. Escrow Stake. The term “*Escrow Stake*” shall mean the sum of **THIRTY-SEVEN THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$37,500.00)** to be delivered by Buyer to Escrow Agent, as well as any interest earned thereon during the period the Escrow Stake is held in escrow by the Escrow Agent.

24. Excluded Assets. The term “*Excluded Assets*” means certain assets of Seller that are not being sold, assigned, transferred, conveyed or delivered to Buyer, but are being retained by Seller, including but not limited to:

24.1. Cash. The Stations Assets do not include Seller’s cash, cash equivalents, bank accounts, or prepaid deposits, certificates of deposit, Treasury Bills, stocks, bonds or similar investments in existence on the Closing Date;

24.2. Consumed Property. All Tangible Personal Property disposed of or consumed in the ordinary course of business between the date of this Agreement and the Closing Date;

24.3. Employee Benefit Plans. All employee benefit plans and assets thereof;

24.4. Expired Contracts. All contracts that are terminated in accordance with the terms and provisions of this Agreement or have expired prior to the Closing Date in the ordinary course of business;

24.5. Loans. All loans and loan agreements;

24.6. Seller’s Causes of Action. Seller’s rights, claims or causes of action against third parties related to the assets, properties, or Stations’ Business which may arise in connection with the discharge by Seller of the liabilities and obligations of the Stations which are not expressly assumed by Buyer hereunder;

24.7. Seller’s Corporate Records. Any “corporate” minutes, seals, records, stock books or books of account of Seller, it being understood that said books of account shall be available to Buyer for inspection and duplication at Buyer’s expense during normal business hours; and

24.8. Excepted Vehicles. Two automobiles which are specifically identified on **Schedule 9** by their respective Vehicle Identification Numbers and state vehicle registrations.

24.9. ***Seller's Personal Effects.*** The real or personal property that belongs to or is held in the name of the Seller individually.

25. ***Exhibits.*** The term "*Exhibits*" means the documents referred to in this Agreement, and attached hereto. Exhibits are documents that are readily available to the public.

26. ***FCC Application.*** The term "*FCC Application*" shall mean that (those) certain application(s) (FCC Form(s) 314) submitted to the FCC upon and by which Buyer and Seller seek consent of the FCC to the assignment of the FCC Licenses for the Stations from Seller to Buyer.

27. ***FCC Consent*** The term "*FCC Consent*" means the consent of the FCC to the assignment to Buyer of the FCC Licenses, and a grant by the FCC of the FCC Application..

28. ***FCC Licenses.*** The term "*FCC Licenses*" means all licenses, permits and other authorizations which are issued to Seller by the FCC with respect to the Stations, including those described on **Exhibit 4**, attached hereto, and including any renewals or modifications thereof between the date hereof and Closing;

29. ***Final Order.*** For the purposes of this Agreement, "*Final Order*" means the action of the FCC (including action duly taken by the FCC's staff, pursuant to delegated authority) granting its consent to the assignment of license to Buyer, said action being no longer subject to administrative or judicial review, reconsideration or appeal, *i.e.*, such action shall not have been reversed, stayed, enjoined, set aside, annulled or suspended; with respect to which no timely request for stay, petition for rehearing, appeal or *certiorari* or *sua sponte* action of the FCC with comparable effect shall be pending; and as to which the time for filing any such request, petition, appeal, *certiorari* or for the taking of any such *sua sponte* action by the FCC shall have expired or otherwise terminated.

30. ***Financial Statements.*** The term "*Financial Statements*" means the audited (if available) or unaudited statements of income for the Stations as of (i) the last day of the two most recent full calendar years preceding the Effective Date, and (ii) each of the elapsed, full months for the calendar year in which the Effective Date occurs, beginning January 1, and which immediately precede the Effective Date.

31. ***GAAP.*** The term "*GAAP*" means generally accepted accounting principles, consistently applied.

32. ***Governmental Consents.*** The terms "*Governmental Consent*" or "*Governmental Consents*" shall mean and include the FCC Consent, as well as any other necessary or applicable prior approval(s) by the Federal Aviation Administration or any state or local governmental authority that may have jurisdiction of this transaction and that requires prior approval of the sale of the Stations Assets before the transaction may be consummated or otherwise completed.

33. ***Hazardous Materials.*** The term "*Hazardous Materials*" means toxic materials, hazardous wastes, hazardous substances, pollutants or contaminants, asbestos or asbestos-related products, PCB's, petroleum, crude oil or any fraction or distillate thereof (as such terms are defined in any applicable federal, state or local laws, ordinances, rules and regulations, and including any other terms which are or may be used in any applicable environmental laws to define prohibited or regulated substances).

34. ***Immediately Available Funds.*** The term "*Immediately Available Funds*" means cash, a certified bank cashier's check, or funds immediately available by wire transfer, all in, or payable in, the valid currency and legal tender of the United States.

35. ***Intangible Property.*** The term "*Intangible Property*" means all of Seller's rights in and to the Stations' call letters and Seller's rights in and to the trademarks, trade names, service marks, franchises, copyrights, computer software, programs and programming material, jingles, slogans, logos, and other intangible property which are used in the operation of the Stations, including those listed on **Schedule 8**, attached hereto.

36. ***Liens.*** The term "*Liens*" means liens, claims and encumbrances on the Stations Assets.

37. ***Material Adverse.*** The terms "*Material Adverse*," "*Materially Adverse*," "*Materially Adversely*" or "*Material*" shall mean or refer to any event or occurrence that necessitates, calls for, requires or otherwise causes (i) the expenditure of an aggregate of **TEN THOUSAND AND NO/100 DOLLARS** (\$10,000.00) or more to meet, satisfy or cure an obligation, liability, debt, claim, fine or forfeiture involving the Stations Assets, or (ii) a restriction, imposition upon, or cessation of the operating authority or Licenses of the Stations.

38. ***Owned Property.*** The term "*Owned Property*" means real property which Seller owns in fee or is held and is used by Seller respecting the Stations' Business; *provided, however*, that no Owned Prop-

erty is involved with respect to the Stations' Business.

39. **Party.** The term "Party" or "Parties" shall mean and refer to the Buyer and Seller.

40. **Permitted Liens.** The term "Permitted Liens" means (i) Assumed Obligations and (ii) liens for taxes not yet due and payable.

41. **Proprietary Information.** The term "Proprietary Information" means, but shall not be limited to, any data (including financial data), lists of actual or potential customers or suppliers, business, marketing, sales, pricing or advertising plans, policies, practices or information, directly or indirectly relating to the Stations, the Buyer or Seller, or the Buyer's or Seller's respective officers, directors, owners and Affiliates, which is not generally known to the public through legitimate origins.

42. **Prorations.** The term "Prorations" shall mean and include income and operating expenses attributable to the operations of the Stations, including real estate taxes due and payable in the year in which the Closing occurs, all property taxes including personal property taxes (except for the transfer taxes as provided by **Section 4.9**), utility expenses, rent, claims (including warranty claims), deposits by Seller or deposits or prepayments by customers with respect to Stations Contracts, and other amount under Stations Contracts and similar prepaid and deferred items. Sales commissions related to the sale of advertisements broadcast on the Stations prior to Closing shall be the responsibility of Seller, and sales commissions related to the sale of advertisements broadcast on the Stations after Closing shall be the responsibility of Buyer.

43. **Purchase Price.** The term "Purchase Price" means the aggregate purchase price to be paid by Buyer for the Stations Assets in the amount of **SEVEN HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS** (\$750,000.00); payable as enumerated on **EXHIBIT 1**.

44. **Retained Obligations.** The term "Retained Obligations" means any agreements, instruments, documents, liabilities, obligations or commitments of Seller, of any kind, that are not being assumed by Buyer under this Agreement, whether or not disclosed to Buyer.

45. **Real Property.** The term "Real Property" means all real property and interests in real property used in the operation of the Stations and all Seller's appurtenant easements and improvements located

thereon, including the owned and leased real property described on **Schedule 6**, attached hereto.

46. **Real Property Leases.** The term "Real Property Leases" means any and all licenses or leases or similar agreements under which Seller is lessee or licensee of, or holds, uses or operates any Real Property respecting or pertaining to the Stations.

57. **Required Consents.** The term "Required Consents" means those consents identified on **Schedules 6** and/or **7**, if any, the receipt of which is a condition precedent to Buyer's obligation to close under this Agreement.

48. **Rules and Regulations.** The term "Rules and Regulations" means the rules of the FCC as set forth in Volume 47 of the Code of Federal Regulations, as well as such other policies of the Commission, as required or permitted by the Act, whether contained in the Code of Federal Regulations, or not, that apply to the Stations.

49. **Schedules.** The term "Schedules" means the documents referred in this Agreement and contained in a separate volume of schedules dated, initialed by, or on behalf of, the parties, and delivered by Seller to Buyer concurrently with the execution of this Agreement. Schedules are proprietary documents that are not routinely or readily available for public review.

50. **Seller.** The term "Seller" shall mean and refer to **KWOR, INC.**

51. **Seller Ancillary Agreements.** The term "Seller Ancillary Agreements" means other written agreements or instruments relating to this Agreement that constitute and comprise the entire understanding between and among the parties, that are to be executed and delivered by Seller pursuant hereto.

52. **Seller's Authorization.** The term "Seller's Authorization" means Seller's due, full and requisite approval and authorization, fully in accordance with Seller's organizational and governing documents, of the execution, delivery and full performance of this Agreement by Buyer.

53. **Stations.** The term "Stations" means commercial Radio Stations KWOR(AM) and KKLX(FM), Worland, Wyoming (FCC Facility ID Nos. 35897 and 35896, respectively).

54. **Stations Assets.** The term "Stations Assets" means all of the assets, properties, interests and rights of Seller of whatsoever kind and nature, real and personal, tangible and intangible, which are used in the operation of the Stations, but excluding the Excluded

Assets (defined above). The Stations Assets include, without limitation, the following:

54.1. **FCC Licenses.** All FCC Licenses.

54.2. **Tangible Personal Property.** All Tangible Personal Property.

54.3. **Real Property.** All Real Property.

54.4. **Stations Contracts.** All Stations Contracts.

54.5. **Intangible Property.** All Intangible Property.

54.6. **Program Materials.** All interests of Seller in all programs and programming materials and elements of whatever form or nature used or held for use in the operation of the Stations, whether recorded on tape or any other substance or intended for live performance, and whether completed or in production, and all related common-law and statutory copyrights used or held for used in the operation of the Stations ;

54.7. **Documents and Records.** Seller's rights in and to all the files, documents, records, and books of account (or copies thereof) relating to the operation of the Stations, including the Stations' local public files, programming information and studies, blueprints, technical information and engineering data, advertising studies, marketing and demographic data, sales correspondence, lists of advertisers, credit and sales reports, and logs; and

54.8. **Claims.** All claims (including warranty claims) deposits, prepaid expenses, and Seller's goodwill in, and the going concern value of, the Stations.

55. **Stations' Business.** The term "*Stations' Business*" means the day-to-day business, sales and general and broadcast operations of the Stations, as well as any activities of the Seller, the Stations or the Stations' employees or agents, that, directly or indirectly, are designed, intended or planned to (i) promote the Stations or (ii) generate or stimulate revenues, income and/or audience for the Stations.

56. **Stations Contracts.** The term "*Stations Contracts*" means those contracts, leases, and agreements that are used in the ordinary course of operation of the Stations, including those listed on **Schedule 7**, attached hereto.

57. **Tangible Personal Property.** The term "*Tangible Personal Property*" means all equipment, electrical devices, antennas, cables, tools, hardware, furniture, fixtures, towers, office materials and supplies, inventory, motor vehicles, spare parts and other tangible personal property of every kind and description which are used in the operation of the Stations, including those items listed on **Schedule 5**, attached hereto.

58. **Time Sales Contracts.** All contracts for the sale of broadcast time, for cash, on the Stations on or after the Closing Date and permitted Trade-Out agreements, provided that said contracts shall have been entered into in the normal course of business;

59. **Trade-Out Agreement.** The term "*Trade-Out Agreement*" shall mean any agreement or arrangement for the sale of broadcast time on the Stations for which payment is to be made, in whole or in part, other than in cash.

60. **Trigger Amount.** The term "*Trigger Amount*" means the sum of **TWENTY-FIVE THOUSAND AND NO/100 U.S. DOLLARS (\$25,000.00)**.