

Asset Purchase Agreement

This Asset Purchase Agreement, is made and entered into this 12th day of May, 2014, by and between WOTM, LLC, an Alabama limited liability company ("Seller"), and Over the Mountain Television, LLC, located at 201 Earley Street, Sumiton, AL 35148(the "Buyer").

1. Recitals

Whereas, Seller is the sole owner of the licenses, permits and authorizations issued by the Federal Communications Commission ("FCC") relating to the low power television station authorized to transmit on television channel 19 at Montevallo, Alabama (the "Station"); and,

Whereas, subject to the prior consent of the FCC, Buyer desires to acquire the Station and all of the broadcast related assets and licenses owned by Seller, and Seller desires to transfer such assets to Buyer.

Now therefore, in consideration of the Recitals, mutual covenants, conditions and agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed as follows:

2. Purchase and Sale

Licenses: At the Closing, Seller will sell, assign, convey, transfer and deliver to Buyer, and Buyer will purchase and accept, the FCC low power television license and any other authorizations associated with the Station which are by their terms transferable or assignable (collectively, the "Licenses") and all of Seller's right, title and interest in the call sign "WOTM-LP".

Other Assets: At the Closing, Seller will sell, assign, convey, transfer and deliver to Buyer, and Buyer will purchase and accept the following:

- a) All tangible personal property of Seller used in the broadcasting operations of the Stations, including, but not limited to, all machinery, equipment, supplies, inventory, antenna installations, real property improvements, furniture, fixtures and furnishings. All property and equipment is sold AS IS, WHERE IS.
- b) All of Seller's trade accounts receivables relating to the Station including all other rights to payment from customers of Seller and the full benefit of all security for such accounts or rights to payment, and any claim, remedy or other right related to any of the foregoing.
- c) All of Seller's right, title and interest in and to all service agreements, maintenance agreements, and express and implied warranties of third parties that are transferable and continue in effect with respect to any of the Assets.
- d) All books, records, manuals, files, correspondence, lists and reports of the Seller relating to the Station, whether on hard copy or stored on computer media.
- e) Any tower lease, commercial lease, or other lease or contract, including, but not limited to, the fiber lease and carriage agreement with Charter Cable, entered into or binding upon Seller. Buyer is responsible for renewing the carriage agreement with Charter Cable.

Purchase Price: The purchase price for all of the Licenses and Assets to be sold and purchased hereunder will be three hundred and seventy thousand Dollars (\$370,000) (the "Purchase Price").

Method of Payment: The Purchase Price will be paid as follows:

- a) **Loan:** Seller agrees to extend Buyer, in owner financing, a loan in the amount of \$240,000, amortized over ten (10) years, and at a zero percent (0%) interest rate. Monthly payments on this loan will be equal to two thousand dollars (\$2,000.00) per month, and the first payment on this loan will start on the first day of the month following the transfer of the license. Buyer agrees to execute further documents to effectuate this loan, including a loan agreement and promissory note, with the above terms. Collateral for this loan will be all the assets of Over the Mountain Television, LLC, including the FCC license, digital transmitter and tower, along with any other assets used in the operation of the station. In the event of default, all collateral will be turned over to Seller.
- b) **Wells Fargo Bank loan:** At the execution of this Agreement, Buyer will pay off in full that certain loan, with loan number 0263350992, by Wells Fargo Bank to WOTM TV-19, Inc., which was approximately one hundred and thirty thousand dollars (\$130,000) in May 2012. This payment is non-refundable.

Sale of Station: It is Buyer's intention to operate the Station. However, in the event that Buyer sells the Station in the following 10 years from the date of the license transfer, Buyer agrees to pay Seller an additional twenty-five percent (25%) of the amount of that sales purchase price above the Loan amount as listed above (\$240,000) plus amounts expended to transfer the station to digital and move the tower, not to exceed one-hundred thousand dollars (\$100,000).

3. Representations and Warranties of Seller

Seller only warrants and represents to Buyer that the following are true, correct and complete as of the date of this Agreement:

- a) **Licenses:** Seller is the sole holder of the Licenses. The Licenses constitute all of the licenses, permits and authorizations required for the Station to transmit on television channels 19 at the location and with the parameters set forth on the fact of the Licenses.
- b) **Call Signs:** Seller has the right to use the call signs WOTM-LP pursuant to the rules and regulations of the FCC and Seller knows of no challenge or claim with respect to its use of that call sign.
- c) **Employees:** Buyer will have no responsibility to employ or other liability to, any employee of Seller after the Closing, except that if so specified by both parties.

4. Representation and Warranties of Buyer

Buyer represents and warrants that the following are true, correct and complete as of the date of this Agreement:

- a) **Qualifications:** Over the Mountain Television, LLC is a limited liability company, organized and existing under the laws of the State of Alabama and has full power to purchase the Assets pursuant to the Agreement.
- b) **Buyer's Power:** Buyer is not a party to any contract, lease or agreement and there is no litigation, court or administrative proceeding or investigation pending or, to Buyer's knowledge, threatened, that would in any way impair its ability to fulfill all of its obligations with this Agreement in a timely manner.

5. Management Agreement

Upon execution of this Agreement, Seller will send Buyer a letter confirming the agreement to allow Buyer to manage the operations of WOTM-LP until FCC license transfer.

6. Application for FCC Approval

Filing and Prosecution of Application: Buyer will, with Seller's full cooperation, and upon the execution of this Agreement, file an application with the FCC requesting its written consent to the assignment of the Licenses of the Station from Seller to Buyer. Seller and Buyer will each promptly take all steps necessary to the expeditious resolution of such application to a favorable conclusion, using their best efforts throughout.

Expenses: The Buyer will bear the expenses in connection with the assignment of the Licenses.

7. Closing

Subject to the terms and conditions herein stated, the consummation of the transactions contemplated herein (the "Closing") shall take place within seven (7) business days after the FCC order approving the assignment of the Licenses from Seller to Buyer becomes a Final Order. The Closing will take place at a time and place agreed to by both the Buyer and Seller.

8. Miscellaneous Provision

Sales and Transfer Taxes: All filing and recording fees and sales and other transfer taxes, if any, in connection with any instrument of conveyance or transfer delivered pursuant to this Agreement will be paid by Buyer.

Due Diligence: Seller makes no representations or warranties other than those specifically laid out in paragraph 3. Buyer agrees that he has done his own due diligence in the Stations and is not relying on any projections, financials or any written or oral communication made by Seller other than this Agreement.

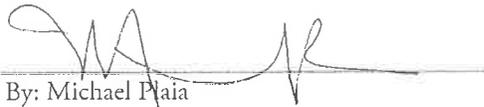
Governing Law: This Agreement will be governed by the laws of the State of Alabama, Jefferson County.

Entire Agreement: This Agreement contains the entire understanding of the parties with respect to the subject matter hereof. Any prior written or oral communication between the parties is void.

Severability: If any provision of this Agreement is declared unlawful or invalid by any authority of competent jurisdiction, the remainder of this Agreement will continue to be in effect, and this Agreement will be construed to effectuate the intent of the parties to the extent possible.

In Witness Whereof, the parties hereto have executed this Agreement as of the date first written above.

Seller: WOTM, LLC


By: Michael Praia

Buyer: Over the Mountain, LLC


By: Don Earley