

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "**Agreement**") is entered into as of March 10, 2014 ("**Effective Date**") between Buckley Communications, Inc., a Delaware corporation ("**Seller**"), and Lotus Fresno Corp., a California corporation ("**Buyer**").

Recitals

A. Seller owns and operates the radio broadcast station KSEQ-FM, Visalia California, FCC Facility Id. 7717 (the "**Station**"), pursuant to certain authorizations issued by the Federal Communications Commission (the "**FCC**");

B. Pursuant to the terms and subject to the conditions set forth in this Agreement, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, the Station Assets, as defined below.

Agreement

NOW, THEREFORE, taking the foregoing into account, and in consideration of the mutual covenants and agreements set forth herein, the parties, intending to be legally bound, hereby agree as follows.

ARTICLE 1: SALE AND PURCHASE

1.1 **Station Assets**. On the terms and subject to the conditions hereof, on the Closing Date, as defined below, Seller shall sell, assign, transfer, convey and deliver to Buyer, and Buyer shall purchase and acquire from Seller, all right, title and interest of Seller in and to all assets, properties, interests and rights of Seller, real and personal, tangible and intangible, that are primarily used, necessary for, or useful in the operation of the Station, except the Excluded Assets, as defined below (the "**Station Assets**"), including the following:

(a) all licenses, permits and other authorizations issued to Seller by the FCC with respect to the Station (the "**FCC Licenses**"), including those described on *Schedule 1.1(a)*, as well as any renewals or modifications thereof between the Effective Date and Closing, as defined below;

(b) all Seller's equipment, transmitters, antennas, cables, towers, vehicles, furniture, fixtures, spare parts and other tangible personal property of every kind and description that are used or held for use in the operation of the Station, together with any replacements thereof, except for any permitted retirements or dispositions thereof made between the date hereof and Closing Date in the ordinary course of business and consistent with past practices of Seller (the "**Tangible Personal Property**"), including those items listed on *Schedule 1.1(b)*, except for those items listed in *Schedule 1.2*;

(c) all Seller's interests in the Real Property Leases used in the operation of the Station and listed on *Schedule 1.1(c)* (the "Real Property Leases");

(d) all (i) agreements entered into in the ordinary course of business for the sale of advertising time on the Station ("Advertising Contracts"), (ii) other contracts, agreements and leases that are used in the operation of the Station and listed on *Schedule 1.1(d)*, and (iii) all other contracts, agreements and leases made before Closing subject to the limitations set forth in *Section 4.1(d)(v)* whether made before or after the date hereof (the "Assumed Contracts");

(e) all Seller's rights in and to the Station's call letters and Seller's rights in, to and under the trademarks, trade names, service marks, copyrights, domain names, computer software, programs and programming material, jingles, slogans, logos, and other intangible property used or held for use in the operation of the Station, including those listed on *Schedule 1.1(e)* (the "Intangible Property");

(f) all Seller's interests in all programs and programming materials and elements of whatever form or nature used or held for use in the operation of the Station, whether recorded on tape or any other media, or intended for live performance, and whether completed or in production, and all related common-law and statutory copyrights used or held for use in the operation of the Station;

(g) all Seller's rights in, to or under all the files, documents, records, and books of account (or copies thereof) relating to the operation of the Station, including the Station's 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 (but excluding records related to the Excluded Assets); and

(h) all Seller's goodwill in, and the going concern value of, the Station.

The Station Assets shall be transferred to Buyer free and clear of liens, claims and encumbrances ("Liens"), except for the Assumed Obligations, as defined below, and statutory liens for taxes not yet due and payable and reservations and restrictions which do not in any material respect detract from the value of the property subject thereto or impair the use thereof in the business and operation of the Station (collectively, "Permitted Liens").

1.2 Excluded Assets. Notwithstanding anything to the contrary contained herein, the Station Assets shall not include the following assets (the "Excluded Assets");

(a) all cash and cash equivalents of Seller, including certificates of deposit, commercial paper, treasury bills, marketable securities, money market accounts and all such similar accounts or investments;

(b) all tangible and intangible personal property of Seller retired or disposed of in the ordinary course of business of Seller between the date of this Agreement and Closing, as permitted hereunder;

(c) all Assumed Contracts that are terminated, not due to Seller breach, or expire prior to Closing in the ordinary course of business of Seller, and those contracts and agreements not included in the Assumed Contracts or Real Property Leases;

(d) Seller's trade names not used or held for use in connection with the operation of the Station and *Schedule 1.2(d)*, charter documents, and books and records relating to the organization, existence or ownership of Seller, duplicate copies of the records of the Station, and all records not relating to the operation of the Station;

(e) contracts of insurance, and all insurance proceeds and claims made thereunder, except as provided by Section 5.4;

(f) all pension, profit sharing and deferred compensation plans and trusts and the assets thereof and any other employee benefit plan or arrangement and the assets thereof, if any, maintained by Seller;

(g) the Station's accounts receivable and any other rights to payment of cash consideration for goods or services sold or provided prior to Closing (the "A/R");

(h) any non-transferable shrink-wrapped computer software and any other non-transferable computer licenses that are not material to the operation of the Station;

(i) all rights and claims of Seller, whether mature, contingent or otherwise, against third parties with respect to the Station or Station Assets, to the extent arising during or attributable to any period prior to Closing;

(j) all deposits and prepaid expenses (and rights arising therefrom or related thereto), except to the extent Seller receives a credit therefor under Section 1.6; and

(k) the items listed on *Schedule 1.2*.

1.3 Assumed Obligations. On the Closing Date, Buyer shall assume (i) the obligations of Seller arising during, or attributable to, any period after midnight on the Closing Date under the Real Property Leases and Assumed Contracts, (ii) the obligations described in Section 5.6 and (iii) any other liabilities of Seller for which Buyer receives a credit under Section 1.6 (collectively, the "Assumed Obligations"). Except for the Assumed Obligations, Buyer does not assume, and will not be deemed by the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby to have assumed, any other liabilities or obligations of Seller (the "Retained Obligations").

1.4 Purchase Price. The purchase price to be paid for the Station Assets shall be the sum of Two Million Four Hundred Thousand Dollars (\$2,400,000), subject to adjustment pursuant to Section 1.6 (the "Purchase Price"). The Buyer will pay the Purchase Price at Closing by authorizing the Escrow Agent, as defined below, to release the Deposit, as defined below, to the Seller, and by wire transfer of immediately available funds, in the amount of the balance of the Purchase Price, to an account adequately identified in the written instructions of Seller to be delivered by Seller to Buyer at least three (3) business days prior to Closing.

1.5 Deposit. Within two (2) business days after the later of the date hereof and the date the Escrow Agent notifies Buyer that the Escrow Agent has opened the escrow account, Buyer shall deposit an amount (the "Deposit") equal to One Hundred Twenty Thousand Dollars (\$120,000) with Kalil & Co., Inc. (the "Escrow Agent") pursuant to the Escrow Agreement (the "Escrow Agreement") of even date herewith among Buyer, Seller and the Escrow Agent. At Closing, the Deposit shall be disbursed to Seller and applied to the Purchase Price (and any interest accrued thereon shall be disbursed to Buyer). If Seller terminates this Agreement under Section 10.1(c), then the Deposit and accrued interest thereon shall be disbursed to Seller as liquidated damages pursuant to Section 10.3. If this Agreement is terminated for any other reason, the Deposit and any interest accrued thereon shall be disbursed to Buyer. The parties shall each instruct the Escrow Agent to disburse the Deposit and all interest accrued thereon to the party entitled thereto and shall not, by any act or omission, delay or prevent any such disbursement. Any failure by Buyer to make the Deposit on the date hereof constitutes a material default as to which the Cure Period under Section 10.1 does not apply, entitling Seller to immediately terminate this Agreement.

1.6 Prorations.

(a) All income and operating expenses related or attributable to the operation of the Station until 11:59 p.m. on the Closing Date (the "Adjustment Time") shall be prorated and attributed to the account of Seller and thereafter for the account of Buyer, and income and expenses shall be prorated between Seller and Buyer as of the Adjustment Time in accordance with generally accepted accounting principles, and the Purchase Price shall be adjusted accordingly.

(b) Such prorations shall include all real and personal property taxes (except transfer taxes as provided by Section 11.1), music and other license fees, FCC regulatory fees, utility expenses, rent and other amounts under Assumed Contracts, utility expenses, rent and other amounts under Assumed Contracts and similar prepaid and deferred items. Seller shall receive a credit for all of the Station's deposits and prepaid expenses to the extent the benefit of the same is transferable to Buyer. Payment of sales commissions owed to employees of the Station for the sale of advertisements booked and broadcast on the Station prior to Closing shall be the responsibility of and paid for by Seller. If Buyer receives payment for any sales of advertisements booked before the Closing and broadcast after the Closing, Buyer will pay any sales commissions owed to employees of the Station (whether they are Transferred Employees or not) relating thereto. Prorations and adjustments shall be made at Closing to the extent practicable.

As to those prorations and adjustments not capable of being ascertained at Closing, an adjustment and proration shall be made within one hundred twenty (120) calendar days of Closing. If Buyer and Seller are unable to agree on the final prorations and adjustments to the Purchase Price, the parties shall pay the amounts which are not in dispute as provided herein and such disputed amounts shall be determined under the Commercial Rules of the American Arbitration Association by a single arbitrator who is a certified public accountant (the "CPA"), and who is mutually acceptable to the parties. The CPA's determination will be final and binding on the parties, and will include an allocation of the costs and expenses of the determination.

(c) Notwithstanding the foregoing, with respect to trade, barter or similar agreements for the sale of time for goods or services that are included in the Assumed Contracts, if at Closing (i) Seller has a negative barter balance in excess of \$25,000 (*i.e.*, the amount by which the value of air time to be provided after Closing exceeds the fair market value of corresponding goods and services to be received after such date), then the balance in excess of such threshold shall be treated as prepaid time sales and adjusted for at Closing as a proration in Buyer's favor or (ii) Seller has a positive barter balance in excess of \$25,000 (*i.e.*, the amount by which the value of air time to be provided after Closing is less than the fair market value of corresponding goods and services to be received after such date), then the balance in excess of such threshold shall be treated as prepaid income and adjusted for at Closing as a proration in Seller's favor; provided, however, the amount of any Seller barter credit shall be capped at \$50,000. If at Closing, Seller has a positive or negative barter balance of \$25,000 or less, there shall be no adjustment or proration to account for such barter balance.

(d) If between the Closing Date and December 31, 2015 Buyer receives a credit to its ASCAP or BMI royalties due with respect to the Station, Buyer will pay Seller the amount of such credits to the extent they are based on Seller's pre-Closing overpayment of royalties with respect to the Station.

1.7 Allocation. Prior to Closing, Buyer and Seller shall allocate the Purchase Price for tax purposes in accordance with the respective fair market values of the Station Assets and the goodwill being purchased and sold in accordance with the requirements of Section 1060 of the Internal Revenue Code of 1986, as amended (the "Code"). Each of Buyer and Seller shall file a tax return reflecting its allocation as and when required under the Code. If Buyer and Seller have not mutually agreed on an allocation prior to the Closing, and after Closing the parties cannot agree on an allocation of the Purchase Price, the parties shall hire a certified public accountant or other professional experienced in the evaluation of broadcast properties to determine such allocation, which shall be binding on the parties. The parties shall mutually agree on such an appraiser and shall instruct the appraiser to deliver his report within ninety (90) days after Closing. Buyer and Seller shall each be responsible for one-half of the cost of such appraisal.

1.8 Closing. The consummation of the sale and purchase of the Station Assets pursuant to this Agreement (the "Closing") shall take place within ten (10) business days after the later of (a) the date that the FCC Consent becomes Final (as defined in Section 5.8) and (b) the date of the satisfaction or waiver of the last of the conditions required to

be satisfied or waived pursuant to Articles 6 or 7 below (other than those requiring a delivery of a certificate or other document, or the taking of other action, at the Closing). The date on which the Closing is to occur is referred to herein as the "Closing Date."

1.9 FCC Consent. Within ten (10) business days after this Agreement is executed and delivered by both parties, Buyer and Seller shall file an application (the "FCC Application") requesting FCC consent to the assignment of the FCC Licenses from Seller to Buyer (the "FCC Consent"). Seller and Buyer shall diligently prosecute the FCC Application and use commercially reasonable efforts to obtain the FCC Consent as expeditiously as possible. Each party shall promptly provide the other with a copy of any pleading, order or other document served on it relating to the FCC Application, and shall furnish all information required by the FCC. 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, or the Station or its operations. Buyer and Seller shall furnish each other with such information and assistance as the other may reasonably request in connection with their preparation of any governmental filing hereunder.

ARTICLE 2: SELLER REPRESENTATIONS AND WARRANTIES

Seller represents and warrants to Buyer as follows:

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 the State of California. Seller has the requisite power and authority to own and operate the Station, to carry on the Station's business as now conducted by it, and to execute, deliver and perform this Agreement and the documents to be made pursuant hereto.

2.2 Authorization. The execution, delivery and performance of this Agreement and the documents to be made pursuant hereto have been duly authorized and approved by all necessary action of Seller (the "Seller Authorization") and do not require any further authorization or consent of Seller. This Agreement and the documents to be made pursuant hereto are legal, valid and binding agreements of Seller enforceable in accordance with their 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. The execution, delivery and performance by Seller of this Agreement and the documents to be made pursuant hereto do not conflict with any organizational documents of Seller or any law, judgment, order, or decree to which Seller is subject, and does not require the consent, approval or authorization, or filing with, any third party or any court or governmental authority, except the FCC Consent, and except for counter-party consent to assign those Real Property Leases designated on *Schedule 1.1(c)* and Assumed Contracts designated on *Schedule 1.1(d)*.

2.4 FCC Licenses. Seller holds the FCC Licenses listed and described on *Schedule 1.1(a)*. Such FCC Licenses constitute all of the authorizations required under the Communications Act of 1934, as amended (the "Communications Act"), or the rules, regulations and policies of the FCC for the present operation of the Station. 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, to Seller's knowledge, threatened any action by or before the FCC to revoke, suspend, cancel, rescind or adversely modify any of the FCC Licenses (other than proceedings relating to FCC rules of general applicability) and there is no order to show cause, notice of violation, notice of apparent liability, or notice of forfeiture or complaint pending or, to Seller's knowledge, threatened against Seller or the Station by or before the FCC. Seller and the Station are in compliance in all material respects with the FCC Licenses, the Communications Act and the rules, regulations and policies of the FCC. The Station is operating in accordance with its FCC-licensed parameters. Seller and the Station Assets are in compliance in all material respects with all rules and regulations of the Federal Aviation Administration applicable to the Station. All material 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 Station (including all required equal employment opportunity reports) have been filed and paid. All such reports and filings are accurate and complete in all material respects. Seller maintains public files for the Station as required by FCC rules.

2.5 Taxes. Seller has filed all foreign, federal, state, county and local income, excise, property, sales, use, franchise and other tax returns and reports which are required to have been filed by it under applicable law in connection with the Station's business, 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 1.1(b)* contains a list of all material items of Tangible Personal Property included in the Station Assets. Each item of Tangible Personal Property required for the operation of the Station is in operating condition and is not in need of material repair (ordinary wear and tear excepted), is free from material defect or damage, is functioning in the manner and purposes for which it was intended and has been maintained in accordance with industry standards.

2.7 Real Property Leases. The Real Property Leases listed on *Schedule 1.1(c)* constitute all leases or similar agreements under which Seller is lessee or licensee of, or holds, uses or operates, any real property in the business or operation of the Station (true and complete copies of which, together with all amendments, supplements and waivers relating thereto, have been delivered to Buyer before the date hereof). The Real Property Leases provide sufficient access to the Station's facilities without need to obtain any additional access rights. Each Real Property Lease is in effect and is binding upon Seller and 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 the Real Property Leases in all material respects, and is not in default thereunder, and to Seller's knowledge, no other party to any of the Real Property Leases is in default thereunder.

2.8 Contracts. *Schedule 1.1(d)* contains a list of all Assumed Contracts (true and complete copies of which, together with all amendments, supplements and waivers relating thereto, have been delivered to Buyer before the date hereof, other than ordinary course time sales agreements, a summary of which has been provided to Buyer). Each of the Assumed Contracts is in effect and is binding upon Seller and 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 Assumed Contracts in all material respects, and is not in default thereunder, and to Seller's knowledge, no other party to any of the Assumed Contracts is in default thereunder. There are no Assumed Contracts between Seller and any affiliate of Seller.

2.9 Environmental. To Seller's knowledge, no hazardous or toxic substance or waste (including petroleum products) or other material regulated under any applicable environmental, health or safety law has been generated, stored, transported or released on, in, from or to the real property subject to any Real Property Lease or the Station Assets. Seller has not received in respect of the Station or Station Assets any notice or claim to the effect that it is or may be liable under any environmental, health or safety law. To Seller's knowledge, neither the Station nor any Station Assets are the subject of any investigation by any governmental authority with respect to a violation of any environmental, health or safety law.

2.10 Intangible Property. Seller has all right, title and interest in and to all trademarks, service marks, trade names, copyrights, domain names and all other intangible property necessary to the conduct of the Station as presently operated. *Schedule 1.1(e)* contains a description of all material Intangible Property. Seller has received no notice of any claim that any Intangible Property or the use thereof conflicts with, or infringes upon, any rights of any third party (and there is no basis for any such claim of conflict). No Intangible Property is the subject of any pending, or, to Seller's knowledge, threatened legal proceedings claiming infringement or unauthorized use. The Station has the exclusive right to use the material Intangible Property.

2.11 Employees.

(a) Seller has provided to Buyer a true and complete list of all employees who perform services for the Station, their position and the rate of compensation. *Schedule 2.11* lists Seller's employment agreements with respect to the Station and whether each is an Assumed Contract or an Excluded Asset. Seller has provided to Buyer a description of all of Seller's employee benefit plans for the Station's employees.

(b) Seller has complied and is in compliance with all labor and employment laws, rules and regulations applicable to the Station's business, including 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. There is no unfair labor practice charge or complaint against Seller in respect of the Station's business pending or threatened before

any court or governmental authority, and there is no strike, dispute, request for representation, slowdown or stoppage pending or threatened in respect of the Station's business. Seller is not party to any collective bargaining, union or similar agreement with respect to the employees of Seller at the Station, and no union represents or claims to represent or is attempting to organize such employees.

2.12 Station Assets. Except for the Excluded Assets, the Station Assets constitute all the assets primarily used or held for use in the business or operation of the Station. Seller has good and marketable title to the Station Assets, free and clear of Liens, except for Permitted Liens and liens which will be released at or prior to Closing. At Closing, Seller will transfer to Buyer good and marketable title to the Station Assets, free and clear of Liens, except for Permitted Liens. Seller maintains sufficient insurance policies with respect to the Station and the Station Assets and will maintain such policies in full force and effect until Closing.

2.13 Compliance with Law. Seller has complied in all material respects and is in compliance in all material respects with all laws, regulations, rules, writs, injunctions, ordinances, franchises, decrees or orders of any court or of any foreign, federal, state, municipal or other governmental authority which are applicable to the Station or the Station Assets. There is no action, suit or proceeding pending or, to Seller's knowledge, threatened against Seller in respect of the Station or the Station Assets. To Seller's knowledge, there are no claims or investigations pending or threatened against Seller in respect of the Station or the Station Assets.

2.14 No Finder. Except for Richard A. Foreman Associates, Inc., 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 Seller or any party acting on Seller's behalf. Payment of fees owed to Richard A. Foreman Associates, Inc. by Seller shall be Seller's sole cost and expense.

2.15 Actions and Proceedings. Except as disclosed in *Schedule 2.15*, there are no actions, suits, proceedings, arbitrations or investigation or audit of any governmental or regulatory authority pending or, to Seller's knowledge, threatened against, relating to or affecting Seller or its affiliates with respect to the Station or the Station Assets.

2.16 No Untrue Statements or Omissions. No representation or warranty made by Seller in this Agreement or any schedule or exhibit hereto or closing document hereafter furnished by Seller in connection with closing the transaction contemplated hereby, contains or will contain any untrue statement or omit to state a material fact necessary to make the statements contained herein or therein not misleading. All representations and warranties of Seller set forth in this Agreement will be true, complete, and accurate in all material respects as of the Closing Date as if made on that date.

2.17 Disclaimer of Other Express and Implied Representations and Warranties. Except for the representations and warranties expressly made by Seller in this

Agreement, Seller makes no other representations or warranties, express or implied, whether statutory or by common law regarding Seller or the Station Assets.

ARTICLE 3: BUYER REPRESENTATIONS AND WARRANTIES

Buyer represents and warrants to Seller as follows:

3.1 Organization. Buyer is duly organized, validly existing and in good standing under the laws of California. Buyer has the requisite power and authority to execute, deliver and perform this Agreement and the documents to be made pursuant hereto.

3.2 Authority. The execution, delivery and performance of this Agreement and the documents to be made pursuant hereto have been duly authorized and approved by all necessary action of Buyer (the "Buyer Authorization") and do not require any further authorization or consent of Buyer. This Agreement and the documents to be made pursuant hereto are legal, valid and binding agreements of Buyer enforceable in accordance with their 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. The execution, delivery and performance by Buyer of this Agreement and the documents to be made pursuant hereto does not conflict with any organizational documents of Buyer or any law, judgment, order, or decree to which Buyer is subject, and does not require the consent, approval or authorization, or filing with, any third party or any court or governmental authority, except the FCC Consent.

3.4 Qualification. Buyer is legally and financially qualified to hold the FCC Licenses and operate the Station under the Communications Act and the rules, regulations and policies of the FCC as they exist on the date of this Agreement. Buyer is not aware of any facts related to Buyer that would, under existing law, disqualify Buyer as an assignee of the FCC Licenses or as the owner and operator of the Station. No waiver of or exemption from any existing FCC rule or policy on the part of Buyer is necessary for the FCC Consent to be obtained.

3.5 No Finder. Except for Kalil & Co., 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 Buyer or any party acting on Buyer's behalf. Payment of fees owed to Kalil & Co. by Buyer shall be Buyer's sole cost and expense.

3.6 Financing. Buyer has on hand or from committed funds financial resources sufficient to consummate the transactions contemplated by this Agreement and to operate the Station after the Closing Date. Buyer's obligations hereunder are not subject to or conditioned upon it obtaining financing or a financing commitment of any nature.

3.7 No Untrue Statements or Omissions. No representation or warranty made by Buyer in this Agreement or any schedule or exhibit hereto or closing document hereafter furnished by Buyer in connection with closing the transaction contemplated hereby, contains or will contain any untrue statement or omit to state a material fact necessary to make the statements contained herein or therein not misleading. All representations and warranties of Buyer set forth in this Agreement will be true, complete, and accurate in all material respects as of the Closing Date as if made on that date.

3.8 Disclaimer of Other Express and Implied Representations and Warranties. Except for the representations and warranties expressly made by Buyer in this Agreement, Buyer makes no other representations or warranties, express or implied, whether statutory or by common law.

ARTICLE 4: SELLER COVENANTS

4.1 Covenants. From the date hereof until Closing, Seller shall:

(a) operate the Station in the ordinary course of business and keep its books and accounts, records and files in the ordinary course, and preserve the business and goodwill of the Station and the Station Assets;

(b) operate the Station in accordance with the terms of the FCC Licenses and in compliance with the Communications Act, FCC rules, regulations and policies, and all other applicable laws, rules and regulations, and maintain the FCC Licenses in full force and effect and, if applicable, timely file and diligently prosecute any necessary applications for renewal of the FCC Licenses;

(c) keep all Tangible Personal Property in good operating condition (ordinary wear and tear excepted) and repair and maintain adequate and usual supplies, spare parts and other materials as have been customarily maintained in the past, and otherwise preserve intact the Station Assets and maintain in effect its current insurance policies with respect to the Station and the Station Assets;

(d) not, without the prior written consent of Buyer:

(i) sell, lease or otherwise dispose of any Station 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;

(ii) create, assume or permit to exist any Liens on the Station Assets (other than Liens in effect on the Effective Date which will be released at Closing and Permitted Liens), and not dissolve, liquidate, merge or consolidate with any other entity;

(iii) increase the compensation payable to any employee of the Station, except in the ordinary course of business, or enter into any employment, labor or

union agreement or plan (or amendments of any such existing agreements or plan, except in the ordinary course of business) that will be binding upon Buyer after Closing;

(iv) modify any of the FCC Licenses; or

(v) amend or terminate any of the Real Property Leases or Assumed Contracts, or enter into any contract, lease or agreement with respect to the Station, except for Advertising Contracts and contracts which will be fully performed by Seller prior to Closing.

ARTICLE 5: JOINT COVENANTS

5.1 Confidentiality. Subject to the requirements of applicable law, all non-public information regarding the parties and their business and properties that is disclosed in connection with the negotiation, preparation or performance of this Agreement shall be confidential and shall not be disclosed to any other person or entity, except on a confidential basis to the parties' attorneys, accountants, investment bankers, investors and lenders, and their respective attorneys for the purpose of consummating the transaction contemplated by this Agreement.

5.2 Announcements. The parties shall coordinate the timing of a mutually agreeable announcement and employee notice. Prior to such announcement and notice, no party shall, without the prior written consent of the other, issue any press release or make any other public announcement concerning the transactions contemplated by this Agreement, except to the extent that either party is otherwise obligated by law, in which case such party shall give advance notice to the other, and except as necessary to enforce rights under or in connection with this Agreement. Notwithstanding the foregoing, the parties acknowledge that this Agreement and the terms hereof and thereof will be filed with the FCC Application and thereby become public.

5.3 Control. Consistent with FCC rules, control, supervision and direction of the operation of the Station prior to Closing shall remain the responsibility of Seller as the holder of the FCC Licenses.

5.4 Risk of Loss. Seller shall bear the risk of any loss of or damage to any of the Station Assets at all times prior to the Closing, and Buyer shall bear the risk of any such loss or damage thereafter. If prior to such time any item of Tangible Personal Property is damaged or destroyed or otherwise not in the condition described in Section 2.6 in any material respect, then Seller shall use commercially reasonable efforts to repair or replace such item in all material respects in the ordinary course of business, but if such repair or replacement is not completed prior to Closing, then, at the Buyer's option, the parties shall proceed to Closing, and as Buyer's sole remedy, the proceeds of any insurance covering such damage or destruction shall be assigned to Buyer at Closing, and to the extent such proceeds are not sufficient to cover the cost of such repair or replacement, the Purchase Price shall be reduced by an amount equal to the deficiency, and, if Buyer's elect to so proceed to Closing, Seller's representations and warranties, and Buyer's pre-Closing termination rights and post-Closing indemnification rights, with

respect to the affected Station Assets will thereby be deemed qualified solely to the extent necessary to take into account such damage or destruction and its remedy. To the extent Seller complies with this Section 5.4 and Buyer opts to proceed to Closing, Seller shall not be in breach of this Agreement with respect to such damaged or destroyed item of Tangible Personal Property.

5.5 Consents. Prior to Closing Seller shall obtain the Required Consents (defined below), and Seller shall use commercially reasonable efforts to obtain the other consents noted on *Schedule 1.1(c)* and *Schedule 1.1(d)* hereto (which shall not require any payment to any such third party). To the extent reasonably requested by Seller, and at Seller's sole expense, Buyer shall use commercially reasonable efforts to cooperate to obtain such consents. To the extent that any Real Property Lease or Assumed 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 Real Property Lease or Assumed Contract, with Seller making available to Buyer the benefits thereof and Buyer paying any monies owed and performing and complying with the obligations thereunder on Seller's behalf; provided, however, Buyer's receipt of the consent, in form and substance acceptable to Buyer, in its sole discretion, required under the consents identified on *Schedule 1.1(c)* is a condition precedent to Buyer's obligation to close under this Agreement (the "Required Consents").

5.6 Employees.

(a) Buyer may (but is not obligated to) offer post-Closing employment to any of the Station's employees on terms and conditions established by Buyer, except for any employment agreement included in the Assumed Contracts. No later than sixty (60) calendar days after the Effective Date, Buyer shall notify Seller in writing whether or not it is hiring each such employee upon Closing. With respect to each employee hired by Buyer ("Transferred Employees"), 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). With respect to such Transferred Employees, an adjustment under Section 1.6 shall be made in favor of Buyer in an amount equal to the value of any accrued vacation time and any accrued sick leave, provided that Buyer assumes such accrued vacation time and accrued sick leave with respect to such Transferred Employees. Buyer and Seller have each designated a representative responsible for all communications related to employees of the Station. If Buyer desires to interview any employee of any Station, Buyer's representative shall make arrangements to do so with Seller's representative, and neither Buyer nor its representative shall communicate with any such employee except in an interview arranged in such manner.

(b) 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 employment agreement included in the Assumed 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.

(c) Subject to the terms of Buyer's plans and the reasonable requirements of Buyer's plan administrator, Buyer shall permit Transferred Employees (and their spouses and dependents) to participate in its "employee welfare benefit plans," if any (including health insurance plans) and "employee pension benefit plans" (as defined in ERISA), in which similarly situated employees are generally eligible to participate, with coverage effective immediately upon Closing (and without exclusion from coverage on account of any pre-existing condition), with service with Seller deemed service with Buyer for purposes of any length of service requirements, waiting periods, vesting periods and differential benefits based on length of service, and with credit under any welfare benefit plan for any deductibles or co-insurance paid for the current plan year under any plan maintained by Seller.

(d) Buyer shall also permit each Transferred Employee who participates in Seller's 401(k) plan to elect to make direct rollovers of their account balances into Buyer's 401(k) plan as soon as administratively feasible after Closing, including the direct rollover of any outstanding loan balances such that they will continue to make payments under the terms of such loans under Buyer's 401(k) plan, subject to compliance with applicable law and subject to the reasonable requirements of Buyer's 401(k) plan.

(e) 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.

5.7 Receivables. The A/R shall remain the property of Seller, and Buyer shall not acquire any right or interest therein. During the ninety (90) day period following Closing (the "Collection Period"), Buyer shall use commercially reasonable efforts to collect the A/R. Buyer shall remit such collections to Seller on a monthly basis. Seller shall not attempt to collect any of the A/R during the Collection Period. If Seller receives a payment from an account debtor of the Station, Seller shall promptly notify Buyer thereof. At the end of the Collection Period, Buyer shall turn back to Seller any uncollected A/R, and Buyer shall have no further obligation with respect to the A/R.

5.8 Final Order.

(a) For purposes of this Agreement, the term "Final" shall mean that action shall have been taken by the FCC (including action duly taken by the FCC's staff, pursuant to delegated authority) which 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.

(b) If the parties waive the closing condition that the FCC Consent shall have become Final and Closing occurs prior to such Final FCC Consent, and prior to becoming Final 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 re-assignment of the FCC Licenses to Seller, then the purchase and sale of the Station Assets shall be rescinded. In such event, Buyer shall reconvey to Seller the Station Assets, and Seller shall repay to Buyer the Purchase Price and reassume the contracts and leases assigned and assumed at Closing.

(c) 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 Station 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.

5.9 Actions. After Closing, for a period of sixteen (16) months, Buyer shall use commercially reasonable efforts to cooperate with Seller, at Seller's sole expense, in the investigation, defense or prosecution of any action which is pending or threatened against Seller or its affiliates with respect to the Station, whether or not any party has notified the other of a claim for indemnification with respect to such matter. Without limiting the generality of the foregoing, Buyer shall use commercially reasonable efforts to make available its employees to give depositions or testimony and shall use commercially reasonable efforts to preserve and furnish all documentary or other evidence that Seller may reasonably request.

ARTICLE 6: SELLER CLOSING CONDITIONS

The obligation of Seller to consummate the Closing is subject to satisfaction of the following conditions at or prior to Closing:

6.1 Bringdown.

(a) Each of the representations and warranties of Buyer contained in this Agreement was true and correct in all material respects as of the date when made and is deemed to be made again at Closing and is then true and correct in all material respects, except with respect to changes that are contemplated or permitted by this Agreement, and except where the failure to be true and correct has not precluded or would not reasonably be expected to preclude, Buyer from consummating the transactions on the terms provided in this Agreement.

(b) Buyer shall have performed and complied in all material respects with each and every covenant and agreement required by the Agreement to be performed or complied with by Buyer prior to or at Closing.

(c) Seller shall have received a certificate, dated as of Closing Date, from Buyer (executed by an authorized officer) to the effect that the conditions set forth in Sections 6.1(a) and 6.1(b) have been satisfied (the "Buyer Bringdown Certificate").

6.2 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.

6.3 FCC Consent. The FCC Consent shall have been granted and become Final.

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

ARTICLE 7: BUYER CLOSING CONDITIONS

The obligation of Buyer to consummate the Closing is subject to satisfaction of the following conditions at or prior to the Closing:

7.1 Bringdown.

(a) Each of the representations and warranties of Seller contained in this Agreement was true and correct in all material respects as of the date when made and is deemed to be made again at Closing and is then true and correct in all material respects, except with respect to changes that are contemplated or permitted by this Agreement, and except where the failure to be true and correct has not had, and would not reasonably be expected to have, a Material Adverse Effect.

(b) Seller shall have performed and complied in all material respects with each and every covenant and agreement required by this Agreement to be performed or complied with by Seller prior to or at Closing except where the failure to perform or comply with such covenant or agreement has not had, and would not reasonably be expected to have, a Material Adverse Effect.

(c) Buyer shall have received a certificate dated as of Closing from Buyer (executed by an authorized officer) to the effect that the conditions set forth in Sections 7.1(a) and 7.1(b) have been satisfied (the "Seller Bringdown Certificate").

7.2 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.

7.3 FCC Consent. The FCC Consent shall have been granted and become Final.

7.4 No Material Adverse Change. Since the date of this Agreement, there will not have been any event, change, effect or development that, individually or taken together, has had, or reasonably could be expected to have, a Material Adverse Effect, other than events, changes, effects and developments relating to the economy or to the broadcast industry in general. As used herein, "**Material Adverse Effect**" means any effect or change that, individually or in the aggregate, would have a material adverse effect on the business, property, operations or financial condition of the Station.

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

ARTICLE 8: CLOSING DELIVERIES

8.1 Seller Deliveries. At Closing, Seller shall deliver or cause to be delivered:

- (a) a good standing certificate issued by Seller's jurisdiction of incorporation;
- (b) a certified copy of the Seller Authorization;
- (c) the Seller Bringdown Certificate;
- (d) an Assignment and Assumption of FCC Licenses, in form and substance reasonably acceptable to Buyer, assigning the FCC Licenses from Seller to Buyer ("FCC Assignment");
- (e) an Assignment and Assumption of Assumed Contracts, in form and substance reasonably acceptable to Buyer, assigning the Assumed Contracts from Seller to Buyer ("Contract Assignment");
- (f) an Assignment and Assumption of Real Property Leases, in form and substance reasonably acceptable to Buyer, assigning the Real Property Leases from Seller to Buyer ("Lease Assignment");
- (g) domain name transfers assigning the Station's domain names from Seller to Buyer following customary procedures of the domain name administrator;
- (h) endorsed vehicle titles conveying the vehicles included in the Tangible Personal Property (if any) to Buyer;
- (i) a bill of sale, in form and substance reasonably acceptable to Buyer, conveying all Station Assets to Buyer;
- (j) the Required Consents (if any), in form and substance reasonably acceptable to Buyer;
- (k) any additional consents to assignment, in form and substance reasonably acceptable to Buyer, obtained by Seller;

(l) customary payoff letters and other appropriate documents necessary to release all Liens (if any), except for Permitted Liens, on the Station Assets;

(m) an estoppel certificate, in form and substance acceptable to the Buyer, in its sole discretion, duly executed and delivered by the parties to Eshom Tower Lease, as defined in *Schedule 1.1(c)*.

(n) any other documents and instruments of conveyance, assignment and transfer that may be reasonably necessary to convey, transfer and assign the Station Assets to Buyer, free and clear of Liens, except for Permitted Liens.

8.2 Buyer Deliveries. At the Closing, Buyer shall deliver to Seller:

(a) a good standing certificate issued by Buyer's jurisdiction of incorporation;

(b) the Purchase Price in accordance with the terms of this Agreement;

(c) a certified copy of the Buyer Authorization;

(d) the Buyer Bringdown Certificate;

(e) the FCC Assignment;

(f) the Contract Assignment;

(g) the Lease Assignment;

(h) domain name transfers assigning the Station's domain names from Seller to Buyer following customary procedures of the domain name administrator; and

(h) any other documents and instruments of assumption that may be reasonably necessary to assume the Assumed Obligations.

ARTICLE 9: SURVIVAL AND INDEMNIFICATION

9.1 Survival. The representations and warranties in this Agreement shall survive Closing for a period of twelve (12) months from the Closing Date at which time they shall expire and be of no further force or effect, except that if within such applicable period the indemnified party gives the indemnifying party written notice of a claim for breach thereof describing in reasonable detail the nature and basis of such claim, then such claim shall survive until the resolution of such claim. The covenants and agreements in this Agreement shall survive Closing until performed.

9.2 Indemnification.

(a) From and after Closing, Seller shall defend, indemnify and hold harmless Buyer from and against any and all losses, costs, damages, liabilities and expenses, including reasonable attorneys' fees and expenses ("Damages") incurred by Buyer arising out of or resulting from:

- (i) any breach by Seller of its representations and warranties under this Agreement;
- (ii) any default by Seller of its covenants and agreements under this Agreement;
- (iii) the Retained Obligations; and
- (iv) without limiting the foregoing, the business or operation of the Station prior to Closing (including any third party claim arising from such operations).

(b) From and after 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 by Buyer of its representations and warranties under this Agreement;
- (ii) any default by Buyer of its covenants and agreements under this Agreement;
- (iii) the Assumed Obligations; and
- (iv) without limiting the foregoing, the business or operation of the Station after Closing (including any third party claim arising from such operations).

(c) Notwithstanding the foregoing or anything else herein to the contrary, after Closing, (i) Seller shall have no liability to Buyer under Section 9.2(a)(i) until

Buyer's aggregate Damages exceed \$20,000 and Buyer shall have no liability to Buyer under Section 9.2(b)(i) until Seller's aggregate Damages exceed \$20,000, and (ii) Seller's maximum liability under Section 9.2(a)(i), and Buyer's maximum liability under Section 9.2(b)(i), will be the Two Million Four Hundred Thousand Dollars (\$2,400,000).

9.3 Procedures.

(a) The indemnified party shall give prompt written notice to the indemnifying party of any demand, suit, claim or assertion of liability by a third party that is subject to indemnification hereunder (a "Claim"), but a failure to give such notice or delaying such notice shall not affect the indemnified party's rights or the indemnifying party's obligations, except to the extent the indemnifying party's ability to remedy, contest, defend or settle with respect to such Claim is thereby prejudiced.

(b) The indemnifying party shall have the right to undertake the defense or opposition to such Claim with counsel reasonably satisfactory to the parties. In the event that the indemnifying party does not undertake such defense or opposition in a timely manner, the indemnified party may undertake the defense, opposition, compromise or settlement of such Claim with counsel selected by it at the indemnifying party's cost, provided, however, that except as permitted by Section 9.3(c), there shall be no settlement or compromise with respect to such claim without the prior written consent of the indemnifying party, which shall not be unreasonably withheld, delayed or conditioned.

(c) 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;

(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; and

(iii) the indemnified party shall not, without the indemnifying party's written consent, settle or compromise any Claim or consent to entry of any judgment which does not include a release of the indemnifying party from all liability in respect of such Claim.

ARTICLE 10: TERMINATION AND REMEDIES

10.1 Termination. This Agreement may be terminated prior to Closing as follows:

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

(b) by written notice of Buyer to Seller if Seller:

(i) does not perform or comply with any of the obligations to be performed or complied with by it under this Agreement within the Cure Period (defined below) except where the performance or failure to comply with such covenant or agreement (x) is no longer possible, and (y) has not had and is not reasonably expected to have, a Material Adverse Effect; or

(ii) breaches any of its representations or warranties contained in this Agreement which have not been cured within the Cure Period, other than a failure or breach (excluding those set forth in Section 2.4, 2.9, 2.11 and 2.15) that has not had, and is not reasonably be expected to have, a Material Adverse Effect;

(iii) by written notice of Seller to Buyer if Buyer:

(i) does not perform or comply with any of the obligations to be performed or complied with by it under this Agreement within the Cure Period except where the failure to perform or comply with such covenant or agreement has not and would not reasonably be expected to preclude Buyer from consummating the transaction on the terms provided in the Agreement; or

(ii) breaches any of its representations or warranties contained in this Agreement which breach has not been cured within the Cure Period except where such failure or breach has not, and would not reasonably be expected to preclude Buyer from consummating the transaction on the terms provided in the Agreement;

(c) by written notice of Buyer to Seller, or by Seller to Buyer, if the FCC denies the FCC Application; or

(e) by written notice of Buyer to Seller, or by Seller to Buyer, if the Closing does not occur on or before January 30, 2015.

The term "Cure Period" as used herein 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) calendar days thereafter or (ii) the Closing Date determined under Section 1.8; provided, however, that if the breach or default is non-monetary and cannot reasonably be cured within such period but can be cured before the Closing Date determined under Section 1.8, and 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 determined under Section 1.8. 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. Notwithstanding anything contained herein to the contrary, Sections 1.5 (Deposit), 5.1 (Confidentiality), 5.2 (Announcements), 10.3 (Liquidated Damages), 10.4 (Attorneys' Fees) and 11.1 (Expenses) shall survive any termination of this Agreement.

10.2 Specific Performance. In the event of a material breach by Seller of any representation, warranty, covenant or agreement under this Agreement, at Buyer's

election, Buyer shall be entitled to an injunction restraining any such breach or threatened breach and to enforcement of this Agreement by a decree of specific performance requiring Seller, after receipt of all required governmental consents, 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. In the event that this Agreement is terminated as a result of the breach of its terms by Buyer, including Buyer's wrongful refusal to close, then Seller's sole remedy for Buyer's breach of this Agreement shall be termination of this Agreement and receipt of the liquidated damages amount pursuant to Section 10.3, except for any failure by Buyer to comply with its obligations related to the Deposit or Sections 1.9, 5.1, 5.2 or 5.3, as to which Seller shall be entitled to all available rights and remedies, including specific performance

10.3 Liquidated Damages. If this Agreement is terminated by Seller pursuant to Section 10.1(c), then upon written notice by Seller to Buyer, Buyer shall pay Seller an amount equal to One Hundred Twenty Thousand Dollars (\$120,000) plus interest accrued on the Deposit, by wire transfer of immediately available funds (which shall be satisfied by disbursement of the Deposit by the Escrow Agent to Seller under Section 1.5) and such funds shall constitute liquidated damages and except as provided in Section 10.2 above, be the sole remedy of Seller for a breach by Buyer of this Agreement. The parties acknowledge and agree that payment of such amount shall constitute payment of liquidated damages and is not a penalty and that the liquidated damages amount is reasonable in light of the substantial but indeterminate harm anticipated to be caused by Buyer's material breach or default under this Agreement, the difficulty of proof of loss and damages, the inconvenience and non-feasibility of otherwise obtaining an adequate remedy, and the value of the transactions to be consummated hereunder.

10.4. Attorneys' Fees. In any proceeding brought under the terms of this Agreement, the party that substantially prevails on the merits shall be entitled to receive, in addition to the receipt of any damages or other relief as set forth herein, reasonable attorneys' fees and costs incurred in bringing such action.

ARTICLE 11: MISCELLANEOUS.

11.1 Expenses. Each party shall be solely responsible for all costs and expenses incurred by it in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement, except that (i) Buyer shall be responsible for all governmental taxes, fees and charges required to be paid to transfer title of the Station Assets (but excluding Seller's income taxes) and (ii) Buyer and Seller shall share the fees required to be paid to the FCC for the FCC Application.

11.2 Further Assurances. After Closing, each party hereto shall execute all such instruments and take all such actions as any other party may reasonably request, to effect the transactions contemplated by this Agreement, including the execution and delivery of confirmatory and other transfer documents in addition to those to be delivered at Closing.

11.3 Assignment. This Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective successors and permitted assigns. Seller may not assign any of its rights or delegate any of its obligations hereunder, and any such attempted assignment or delegation without such consent shall be void. So long as an assignment does not delay obtaining the FCC Consent, Buyer may assign its right to acquire the Station Assets (in whole or in part) without Seller's consent, but any such assignment shall not relieve Buyer of any obligations under this Agreement.

11.4 Notices. Any notice pursuant to this Agreement shall be in writing and shall be deemed delivered on the date of confirmed delivery by a nationally recognized overnight courier service, and shall be addressed as follows (or to such other address as any party may request by written notice):

if to Seller, then to:

Buckley Broadcasting of California, LLC
166 West Putnam Ave.
Greenwich, CT 06830
Attention: Joseph M. Bilotta

with a copy (which shall not constitute notice) to:

Wilkinson Barker Knauer LLP
2300 N Street NW, Suite 700
Washington, DC 20037
Attention: David Oxenford

if to Buyer, then to:

Lotus Fresno Corp.
3301 Barham Boulevard
Suite 200
Fresno, California 90068
Attention: Howard A. Kalmenson

with a copy (which shall not constitute notice) to:

Jaspan Schlesinger LLP
300 Garden City Plaza
Garden City, New York 11530
Attention: Eileen Breslin

11.5 Severability. If any court or governmental authority holds any provision in this Agreement invalid, illegal or unenforceable under any applicable law, then, so long as no party is deprived of the benefits of this Agreement in any material respect, 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.

11.6 Governing Law. The construction and performance of this Agreement shall be governed by the laws of the State of Delaware, without giving effect to the choice of law provisions thereof.

11.7 Miscellaneous. No amendment or waiver of compliance with any provision hereof or consent pursuant to this Agreement shall be effective unless in a writing signed by the party against whom enforcement of such amendment, waiver, or consent is sought. This Agreement constitutes the entire agreement and understanding of the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings with respect to the subject matter hereof. No party makes any representation or warranty with respect to the transactions contemplated by this Agreement except as expressly set forth in this Agreement. Without limiting the generality of the foregoing, Seller makes no representation or warranty to Buyer with respect to any projections, budgets or other estimates of the Station's revenues, expenses or results of operations, except as expressly set forth in Article 2. Nothing in this Agreement expressed or implied is intended or shall be construed to give any rights to any person or entity other than the parties hereto and their respective successors and permitted assigns. This Agreement may be executed in separate counterparts, each of which shall be deemed to be an original and all of which together constitute one and the same agreement. Unless the context of this Agreement otherwise requires, (i) words of any gender include each other gender; (ii) words using the singular or plural number also include the plural or singular number, respectively; (iii) the terms "hereof," "herein," "hereby" and derivative or similar words refer to this entire Agreement; (iv) the terms "Article" or "Section" refer to the specified article or section of this Agreement; (v) the terms "Exhibit," "Appendix," and "Schedule," whether or not capitalized, refer to the exhibits, appendices and schedules to this Agreement; (vi) the word "or" will be deemed to include both its disjunctive and conjunctive meanings; and (vii) the term "including" and similar or derivative words will be deemed to be followed by the words "without limitation." Whenever this Agreement refers to a number of days, that number will refer to calendar days unless business days are specified. As used herein, (x) "business day" means any day other than Saturday, Sunday or any day on which banks located in Washington, D.C., Los Angeles, California or New York City are authorized or obligated to close, and (y) "affiliate" means, with respect to any natural person or entity, any other natural person or entity that controls, is controlled by, or is under common control with, such natural person or entity.

[SIGNATURE PAGE FOLLOWS]

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

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

BUYER:

LOTUS FRESNO CORP.

By: 

Name: ~~Howard A. Kalmenson~~

Title: ~~President~~

*James Kalmenson
First Senior Vice President*

SELLER:

BUCKLEY COMMUNICATIONS, INC.

By: _____

Name: Joe M. Bilotta

Title: President and CEO

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

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

BUYER:

LOTUS FRESNO CORP.

By: _____
Name: Howard A. Kalmenson
Title: President

SELLER:

BUCKLEY COMMUNICATIONS, INC.

By:  _____
Name: Joe M. Bilotta
Title: President and CEO

Schedules

Schedule 1.1(a) - FCC Licenses

Schedule 1.1(b) - Tangible Personal Property

Schedule 1.1(c) – Real Property Leases

Schedule 1.1(d) – Assumed Contracts

Schedule 1.1(e) – Intangible Property

Schedule 1.2 – Excluded Assets

Schedule 2.11 – Employee Matters