

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is made as of the date set forth below by and between Bear Valley Broadcasting, Inc. ("Seller") and Bear Valley Broadcasting, LLC ("Buyer").

Recitals

A. Seller owns and operates the following low power television/translator broadcast station (the "Station") pursuant to certain authorizations issued by the Federal Communications Commission (the "FCC"):

K06MU, Big Bear Lake, California (Facility ID 63149)

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 (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 (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 used or held for use in the operation of the Station, except the Excluded Assets (defined below) (the "Station Assets"), including without limitation the following:

(a) all licenses, permits, applications, and other authorizations issued to Seller by the FCC with respect to the Station (the "FCC Licenses"), including any renewals or modifications thereof between the date hereof and Closing (defined below), and all licenses, permits and authorizations issued by any federal, state or local governmental authority other than the FCC, including without limitation, including those described on *Schedule 1.1(a)*;

(b) Seller's transmitter and other tangible personal property only as listed on *Schedule 1.1(b)* (the "Tangible Personal Property");

(c) Reserved.



(d) all of Seller's rights in and to the Station's call sign listed on *Schedule 1.1(d)* attached hereto (the "Intangible Property");

(e) Seller's rights in and to all the files, documents, records, and books of account (or copies thereof) relating to the operation of the Station which Seller is required by the FCC to maintain, including the Station's technical information and engineering data, and logs; and

The Station Assets shall be transferred to Buyer free and clear of liens, claims and encumbrances ("Liens") except for statutory liens for taxes not yet due and payable (collectively, "Permitted Encumbrances").

1.2 Excluded Assets. Notwithstanding anything to the contrary contained herein, the Station Assets shall not include contracts, leases, programming content and programming agreements, equipment other than listed on *Schedule 1.1(b)*, cash on hand, cash equivalents, insurance policies, and accounts receivable except to the extent that any of such cash or cash equivalents (including letters of credit) are pre-payments, deposits or similar assets relating to the Station Assets which are Assumed Obligations (the "Excluded Assets").

1.3 Retained Liabilities. 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 to any private party, whether or not disclosed to Buyer, including, without limitation, any liability or obligation of Seller under any contracts.

1.4 Purchase Price. The purchase price to be paid for the Station Assets shall be the sum of Seventy-Five Thousand Dollars (\$75,000), subject to adjustment pursuant to Section 1.6 (the "Purchase Price") The Purchase Price shall be paid in full at the Closing (defined below) in cash in immediately available funds pursuant to the written instructions of Seller to be delivered by Seller to Buyer at least three (3) business days prior to Closing. The parties will agree upon an allocation of the Purchase Price prior to Closing.

1.5 Escrow Deposit. On the date hereof, Buyer shall provide by wire transfer of immediately available federal funds for deposit into escrow with Fletcher, Heald & Hildreth, P.L.C. ("Escrow Agent"), the sum of Seven Thousand Five Hundred Dollars (\$7,500.00) (the "Escrow Deposit"), pursuant to an Escrow Agreement, a copy of which is appended hereto as Attachment A, executed by Buyer, Seller and Escrow Agent and incorporated herein by reference. The Escrow Deposit shall be credited against the Purchase Price but shall under no circumstances be refundable either in whole or part to Buyer except as follows: If the transaction does not close because of the sole default of Seller or because Seller has terminated pursuant to Section 10.2(e), then Seller may retain only the amount of its legal expenses incurred in pursuing this transaction and shall instruct the Escrow Agent to refund the remainder to Buyer.

1.6 Prorations.

(a) The operation of the Station and the income and operating expenses attributable thereto until 11:59 p.m. on the date preceding the day of Closing (the "Adjustment Time") shall be for 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 property taxes (except transfer taxes as provided by Section 11.1), music and other license fees, utility expenses, rent, annual regulatory fees payable to the FCC and similar prepaid and deferred items. Sales commissions related to the sale of advertisements broadcast on the Station prior to Closing shall be the responsibility of Seller, and sales commissions related to the sale of advertisements broadcast on the Station after Closing shall be the responsibility of Buyer. 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 ninety (90) calendar days after Closing.

1.7 Closing. The consummation of the sale and purchase of the Station Assets pursuant to this Agreement (the "Closing") shall take place on the date five (5) business days after the date that the FCC Consent either (at Buyer's option) is initially granted or becomes Final (defined below), in any case, subject to 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."

1.8 Governmental Consents.

(a) Within three (3) business days after the date on which both parties have executed this Agreement, 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"). Provided however, that the parties may mutually agree upon an earlier filing date for the FCC Application. Seller and Buyer shall take all commercially reasonable steps to prosecute the FCC Application diligently. 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. Neither party shall be required to file a request for judicial review of any FCC action dismissing or denying the FCC Application, nor shall either party be required to participate in a trial-type hearing in any forum.

(b) 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. The FCC Consent is referred to as the “Governmental Consents.”

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 do not require the consent, approval or authorization, or filing with, any third party or any court or governmental authority, except the Governmental Consents,

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. Except as described on Schedule 1.1(a), there is not pending or threatened any action by or before the FCC to revoke, suspend, cancel, rescind or 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 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. All filings required to be filed with, and all regulatory fees required to be paid to, the FCC by Seller with respect to the



Station have been filed and paid, except as noted in Schedule 1.1(a). All such reports and filings are accurate and complete in all material respects.

2.5 Reserved.

2.6 Personal Property. *Schedule 1.1(b)* contains a list of material items of Tangible Personal Property included in the Station Assets. Except as set forth on *Schedule 1.1(b)*, Seller has good and marketable title to the Tangible Personal Property free and clear of liens, claims and encumbrances (“Liens”) other than Permitted Liens (defined below). Except as set forth on *Schedule 1.1(b)*, all material items of Tangible Personal Property are in operating condition, ordinary wear and tear excepted but are being sold “as is, where is”. As used herein, “Permitted Liens” means, collectively, the Assumed Obligations, liens for taxes not yet due and payable, liens that will be released at or prior to Closing.

2.7 Reserved.

2.8 Reserved.

2.9 Station Assets. Seller has good and marketable title to the Station Assets, free and clear of Liens, except for Permitted Encumbrances. At Closing, Seller will transfer to Buyer good and marketable title to the Station Assets, free and clear of Liens, except for Permitted Encumbrances. 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.

2.10 Environmental. No hazardous or toxic substance or waste (including without limitation petroleum products) or other material regulated under any applicable environmental, health or safety law (each a “Contaminant”) has been generated, stored, transported or released (each a “Release”) on, in, from or to the assets or properties of the Station except de minimis amounts used in the ordinary course of business in compliance with applicable law. Neither the Station nor any of the assets or properties of the Station are subject to any order from or agreement with any governmental authority or private party regarding any Contaminant or Release. Seller has not received in respect of the Station or any assets or properties of the Station any notice or claim to the effect that it is or may be liable as a result of the Release of a Contaminant. To Seller’s knowledge, neither the Station nor any of its assets or properties is the subject of any investigation by any governmental authority with respect to a Release of a Contaminant.

2.11 Compliance with Law. Seller has complied in all material respects with all laws, regulations, rules, writs, injunctions, ordinances, 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 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.



2.12 No Finder. 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 any broker engaged by Seller shall be Seller's sole cost and expense.

2.13 Disclosure. This Agreement and the documents made pursuant hereto do not and will not contain any untrue statement of material fact or omit to state a material fact required to be made in order to make the statements herein and therein not misleading in light of the circumstances in which they are made.

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 the jurisdiction of its organization, and is qualified to do business in the State 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 do not conflict with any organizational documents of Buyer or any law, judgment, order, or decree to which Buyer is subject, and do not require the consent, approval or authorization, or filing with, any third party or any court or governmental authority, except the Governmental Consents.

3.4 Qualification. To Buyer's knowledge, Buyer is qualified to hold the FCC Licenses under the Communications Act and the rules, regulations and policies of the FCC as they exist on the date of this Agreement.

3.5 No Finder. 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 any broker engaged by Buyer shall be Buyer's sole cost and expense.

ARTICLE 4: SELLER AND BUYER COVENANTS

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

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

(b) operate the Station in all material respects 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.

(c) not, without the prior written consent of Buyer, do or fail to do anything that would cause any representation or warranty set forth in Article 2 to become untrue or inaccurate in any material respect; and

(d) cooperate with Buyer to file an application with the FCC seeking a minor modification of the Station's facility. The minor modification application will be defined as the "Mod Application." Seller shall file the Mod Application within three(3) business days of Buyer's request and delivery of a complete technical section of the FCC application form. Likewise, Seller shall promptly file any subsequent amendments that may be requested by Buyer, provided that Buyer shall bear all expenses associated with such filings and any amendments. Seller's obligation to cooperate in filing the Mod Application shall be conditioned on the Mod Application proposing a transmitter site that at least twenty-five (25) miles from the Station's site as of the date of this Agreement. Buyer may choose whether the Mod Application will be filed in Seller's name or Buyer's name.

4.2 Buyer's Covenant-not-to-Compete. For a period of five (5) years from and after the Closing Date, Buyer shall not transmit any broadcast signal from any location within twenty-five (25) miles of the Station's transmitter site as of the date of this Agreement and also shall not provide any programming (broadcast or otherwise) for distribution by any terrestrial video program distribution serving paid or unpaid customers in Big Bear Lake, California. This covenant shall not require preventing customers from accessing Buyer's content via the Internet. It is understood and agreed that Seller may continue to produce and provide programming for distribution in Big Bear Lake and surrounding areas by means other than the Station.

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. Prior to Closing, 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 such party is so obligated by law, in which case such party shall give advance notice to the other, and the parties shall cooperate to make a mutually agreeable announcement. It is understood and agreed that public notice of the FCC Application will be given in accordance with FCC regulations.

5.3 Control. Consistent with FCC rules, control, supervision and direction of the operation of the Station prior to Closing shall remain the sole responsibility of Seller as the holder of the FCC License and shall be the sole responsibility of Buyer after Closing. The facilities specified in the Mod Application shall be constructed at Buyer's sole cost and expense, and operation prior to Closing shall be limited to equipment tests pursuant to 47 CFR § 74.13..

5.4 1031 Exchange. To facilitate 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 Station 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 reasonably cooperate therewith. All costs and expenses of the qualified intermediary shall be paid solely by Buyer.

5.5 Final Order. 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.

5.6 Risk of Loss. Seller shall bear the risk of any loss of or damage to any of the Station Assets at all times until the 12:01a.m. on the day of Closing, and Buyer shall bear the risk of any such loss or damage thereafter.



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. The representations and warranties of Buyer made in this Agreement shall be true and correct in all material respects as of Closing, Buyer shall have performed the obligations to be performed by it under this Agreement at or prior to Closing in all material respects, and Seller 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 this section 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.

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. The representations and warranties of Seller made in this Agreement shall be true and correct in all material respects as of Closing, Seller shall have performed the obligations to be performed by it under this Agreement at or prior to Closing in all material respects, and Buyer shall have received a certificate dated as of Closing from Seller (executed by an authorized officer) to the effect that the conditions set forth in this section 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 (unless Buyer in its sole discretion waives the requirement for a Final Order).

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

7.5 Consents. Seller shall have obtained all material consents, if any, required for the transfer of the Station Assets.



ARTICLE 8: CLOSING DELIVERIES

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

- (a) a certified copy of the Seller Authorization;
- (b) the Seller Bringdown Certificate;
- (c) an Assignment of FCC Licenses assigning the FCC Licenses to Buyer;
- (d) Reserved.
- (e) a Bill of Sale conveying all Station Assets to Buyer; and
- (f) 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 Encumbrances.

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

- (a) the Purchase Price in accordance with the terms of this Agreement;
- (b) a certified copy of the Buyer Authorization;
- (c) the Buyer Bringdown Certificate; and
- (d) 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. All representations, warranties, covenants and agreements contained in this Agreement, or in any document made pursuant hereto, shall survive (and not be affected in any respect by) the Closing, any investigation conducted by any party hereto and any information which any party may receive for twelve (12) months after the Closing, provided that notice of any claim of breach must be given to the other party within thirteen (13) months after the Closing.

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 or default by Seller under this Agreement;



(ii) the Retained Liabilities; or

(iii) 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 or default by Buyer under this Agreement;

(ii) the Assumed Obligations; or

(iii) without limiting the foregoing, the business or operation of the Station after Closing (including any third party claim arising from such operations).

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.

(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 with no payment required by the indemnified party; and



(iii) because Buyer is a newly formed entity, it agrees to remain the owner of record of the Station Assets for the Survival period specified in Section 9.1 to ensure it has the resources to satisfy a Claim made under this Section 9.

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 from Buyer to Seller if Seller:

(i) does not perform the obligations to be performed by it under this Agreement and 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 contained in this Agreement and such breach or default is not cured within the Cure Period (defined below);

(c) by written notice from Seller to Buyer if Buyer:

(i) does not perform the obligations to be performed by it under this Agreement and 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 contained in this Agreement and such breach or default is not cured within the Cure Period (defined below); or

(d) by written notice from Buyer to Seller at any time six (6) months or more after the FCC Application was filed if the FCC has not prior to the notice date approved the FCC Application or if FCC approval has not become a Final Order by eight (8) months after the FCC Application was filed.

(e) by written notice from Seller to Buyer at any time eight (8) months or more after the FCC Application was filed if the FCC has not prior to the notice date approved the FCC Application or if FCC approval has been granted but Buyer has declined to close because the FCC approval has not become a Final Order.

Upon termination of this Agreement by either Buyer or Seller pursuant to this Section 10, Seller shall (i) withdraw the Mod Application if it has not been granted or (ii) cancel the issued construction permit if the Mod Application has been granted within three (3) business days of receipt of Buyer's written request.

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) fifteen (15) calendar days thereafter or (ii) the Closing Date, provided, however, that in the case clause (ii) applies, the Closing Date shall be postponed so as to provide at least five (5) business days to cure the breach or default from the date of the written notice. 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, 5.1 (Confidentiality), 5.2 (Announcements), and 11.1 (Expenses) shall survive any termination of this Agreement.

10.2 Buyer's Remedy of Specific Performance. Each party acknowledges and agrees that the Station is a unique asset, so that in the event of breach of this Agreement by Seller, Buyer may not have adequate remedies at law. Therefore, the obligations of Seller under this Agreement shall be enforceable by a decree of specific performance issued by any court of competent jurisdiction in the event of a breach or threatened breach of any representation, warranty, covenant or agreement under this Agreement, but specific performance shall be in lieu of any other remedy available to Buyer and shall include full payment of the Purchase Price.

10.3 Seller's Remedies. In the event that the transaction contemplated by this Agreement does not close because of the default of the Buyer, Seller shall be entitled to bring suit for the full amount of the purchase; or alternatively, Seller may elect to retain the full amount of the Escrow Deposit as liquidated damages, in which case Buyer shall cooperate in promptly directing the Escrow Agent to release the Escrow Deposit to Seller. Buyer and Seller agree that Seller's actual damages would be difficult to ascertain and that the Escrow Deposit would be a fair measure of such damages.

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 the filing fee associated with the FCC Application and any fees associated with any other filing relating to the FCC Licenses shall be paid by the Buyer.

11.2 Broker Fee. Each party will indemnify and hold the other harmless against any claim by any brokers alleging to have worked on behalf of the indemnifying party in connection with the proposed transaction.

11.3 Further Assurances. After Closing, each party hereto shall execute all such instruments and take all such actions as any other party may reasonably request, without payment of further consideration, to effectuate the transactions contemplated by this Agreement, including without limitation the execution and delivery of confirmatory and other transfer documents in addition to those to be delivered at Closing.



11.4 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. Buyer may assign its right to acquire the Station Assets, but only to an entity under common majority control with Buyer, without Seller's consent, but any such assignment shall not relieve Buyer of any obligations under this Agreement.

11.5 Notices. Any notice pursuant to this Agreement shall be in writing and shall be deemed delivered on the date of personal delivery or on the fourth (4th) business day after prepaid mailing by certified U.S. mail, return receipt requested, and shall be addressed as follows (or to such other address as any party may request by written notice):

if to Buyer, then to:

Bear Valley Broadcasting, LLC
PMB 410
P.O. Box 6848
Big Bear Lake, CA 92315
Attention:

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

Wiley Rein LLP
1776 K Street, N.W.
Washington, D.C. 20006
Attention: Joan Stewart
Facsimile: 202.719.7049

if to Seller, then to:

Bear Valley Broadcasting, Inc.
P.O. Box 1866
Big Bear Lake, CA 92315
Attn: J.P. Montero

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

Fletcher, Heald & Hildreth, PLC
1300 N. 17th Street
11th Floor
Arlington, VA 22209-3801
Attn: Peter Tannenwald

11.6 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, provided, however, that Buyer remains able to acquire the Station and Seller remains entitled to the full amount of the Purchase Price.

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. 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.

11.8 Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of California, but without regard to the choice of law provisions thereof, and any action or proceeding arising out of this Agreement shall be brought and maintained in San Bernardino County, California, without any regard to any conflict of law provisions. Buyer and Seller consent to the jurisdiction of courts located in California. BUYER AND SELLER HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING IN ANY WAY TO THIS AGREEMENT, INCLUDING ANY COUNTERCLAIM MADE IN SUCH ACTION OR PROCEEDING, AND AGREE THAT ANY SUCH ACTION OR PROCEEDING SHALL BE DECIDED SOLELY BY A JUDGE.

Dated as of: June 15, 2015

[SIGNATURE PAGE FOLLOWS]



SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

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

BUYER:

Bear Valley Broadcasting, LLC

By: 
Name: Brian Holton
Title: Manager

SELLER:

Bear Valley Broadcasting, Inc.

By: _____
Name: J. P. Montero
Title: President

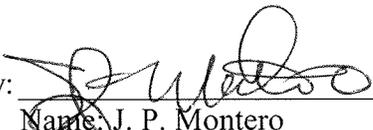
SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

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

BUYER: Bear Valley Broadcasting, LLC

By: _____
Name:
Title:

SELLER: Bear Valley Broadcasting, Inc.

By:  _____
Name: J. P. Montero
Title: President

Schedule 1.1(a)

FCC Licenses

| <u>DESCRIPTION</u> | <u>FILE NUMBER/TYPE</u> | <u>EXPIRATION DATE</u> |
|---------------------------|--------------------------------|-------------------------------|
| Full Station License | BLTVL-20030814AJL | (not applicable) |
| Renewal of License | BRTVL-20140717AAW | December 1, 2022 |



Schedule 1.1(b)

Tangible Personal Property

[Describe transmitter]



Schedule 1.1(d)

Intangible Property

Call Sign: K06MU

