

**ASSET PURCHASE AGREEMENT**

**THIS ASSET PURCHASE AGREEMENT** (this “**Agreement**”) is made as of May \_\_, 2019 (the “**Execution Date**”) by and among KXOS Radio LLC, a California limited liability company (“**Asset Buyer**”) and KXOS Radio Holdings LLC, a California limited liability company (“**License Buyer**” and, together with Asset Buyer, “**Buyer**”), 93.9 Holdings, Inc., a Delaware corporation (“**Asset Seller**”) and 93.9 License, LLC, a Delaware limited liability company (“**License Seller**”, and together with Asset Seller, “**Seller**”).

**RECITALS**

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

KXOS, Los Angeles, California (FCC Facility ID 59987), and

KXOS-FM1, Santa Clarita, California (FCC Facility ID 170041).

B. Seller programs the Stations under a Local Programming and Marketing Agreement (the “**LMA**”) made as of August 23, 2012 among Seller and Grupo Radio Centro LA, LLC (“**GRC LA**”) and the assets of GRC LA used in the operation of the LMA (the “**LMA Assets**”) will be sold to Buyer under a separate agreement (the “**LMA Purchase Agreement**”) to be effective as of the Closing (as defined below).

C. 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 and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, hereby agree as follows:

**ARTICLE 1. SALE AND PURCHASE**

**Section 1.1 Station Assets.** On the terms and subject to the conditions hereof, at the Closing, 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 the following (collectively, the “**Station Assets**”):

- (a) all licenses, permits, applications, and other authorizations issued to Seller by the FCC with respect to the Stations (the “**FCC Licenses**”), including any renewals or modifications thereof between the date hereof and Closing, and all licenses, permits, and

authorizations issued by any federal, state, or local governmental authority other than the FCC, including those described on Schedule 1.1(a), to the extent such licenses, permits and authorizations may be transferred under applicable law;

(b) subject to Section 1.2(d), all of Seller's equipment, towers, transmitters, antennas, cables, computers and other tangible personal property that are used or held for use in the ownership or operation of the Stations including the items listed on Schedule 1.1(b), together with replacements thereof, additions and alterations thereto, and substitutions therefor (except to the extent such property is designated as an Excluded Asset as defined in Section 1.2 hereto), made between the date hereof and the Closing (the "**Tangible Personal Property**");

(c) all of Seller's rights in and to the Stations' call letters and specific computer software as listed on Schedule 1.1(c) (the "**Intangible Property**");

(d) the real property leases, subleases and licenses that are listed on Schedule 1.1(d) ("**Real Property Leases**");

(e) [Intentionally Omitted];

(f) subject to Section 1.2(e), the contracts, agreements and leases listed on Schedule 1.1(f) and all contracts, agreements and leases that relate exclusively to the operation of the Stations that are entered into by Seller in the normal course of business after the date hereof but prior to the Closing in accordance with Section 4.1 (collectively, "**Station Contracts**");

(g) all files, documents, records, and books of account (or copies thereof), including programming information, technical information, and engineering data and logs, in each case, relating exclusively to the operation of the Stations and in the possession or control of Seller, but (i) only to the extent transferable in accordance with applicable law and (ii) excluding all (A) sales and use tax, income tax and other tax records, (B) all files, documents, records, and books of account the transfer of which is prohibited by applicable law, and (D) items described in Section 1.2 below;

(h) all of Seller's rights, claims, credits, causes of action or rights of setoff against third parties, including with respect to unliquidated rights under manufacturers' and vendors' warranties, with respect to or arising under the other Station Assets, in each case only to the extent Buyer incurs Losses (as defined below) relating thereto arising after the Closing; and

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

Subject to the terms of this Agreement, the Station Assets shall be transferred to Buyer free and clear of liens, mortgages, pledges, security interests or other encumbrances (collectively, "**Liens**"), except for Permitted Liens. For purposes of this Agreement, "**Permitted Liens**" means, as to any property or asset of the Stations, (i) Liens for taxes, assessments and governmental

charges not yet due and payable or which are being contested in good faith by appropriate proceedings; (ii) terms and conditions of any leases in effect as of the date hereof; (iii) zoning laws and ordinances and similar laws that are not materially violated by any existing improvement or that do not prohibit the use of any real property as currently used in the Stations' business; (iv) any right reserved to any governmental authority to regulate the affected property (including restrictions stated in any permits); (v) in the case of any leased asset, (A) the rights of any lessor under the applicable lease agreement or any Lien granted by any lessor, (B) any statutory Lien for amounts that are not yet due and payable or are being contested in good faith, (C) any subleases listed in any schedule hereto and (D) the rights of the grantor of any easement or any Lien granted by such grantor on such easement property; (vi) easements, rights of way, restrictive covenants and other encumbrances, encroachments or other similar matters affecting title that do not materially adversely affect title to the property subject thereto or materially impair the continued use of the property in the ordinary course of the business of the Stations; (vii) inchoate materialmen's, mechanics', workmens', repairmens' or other like Liens arising in the ordinary course of business for amounts that are not yet due and payable or that are being contested in good faith by appropriate proceedings; (viii) Liens that will be discharged prior to or simultaneously with Closing; (ix) the Assumed Liabilities (as defined below); and (x) this Agreement.

**Section 1.2 Excluded Assets.** Other than the Station Assets subject to Section 1.1, Buyer expressly understands and agrees that it is not purchasing or acquiring, and Seller is not selling or assigning, any other assets or properties of Seller, and all such other assets and properties shall be excluded from the Station Assets (the "**Excluded Assets**"). Excluded Assets include the following assets and properties of Seller:

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

(b) all of the Seller's accounts receivables and any other rights to payment or of cash consideration for goods or services sold to or provided prior to the Closing Date (as defined below) or otherwise arising under or attributable to any period prior to the Closing Date;

(c) those deposits and prepaid expenses (and rights arising therefrom or related thereto) for which Seller does not receive a credit under Section 1.6;

(d) all tangible personal property of Seller retired or disposed of between the date of this Agreement and the Closing in accordance with Section 4.1;

(e) any Station Contracts that are terminated or expire prior to Closing in accordance with Section 4.1, and all of the Stations' cash and barter time sales agreements set forth on Schedule 1.2(e); provided that Buyer shall not have any obligations with respect to such agreements after the Closing Date;

(f) all contracts and agreements that are not Station Contracts;

- (g) all intellectual property other than the Intangible Property;
- (h) corporate and trade names not exclusive to the operation of the Stations, the corporate seals, organizational documents, minute books, stock books, tax returns, books of account or other records having to do with the corporate organization of Seller, all employee-related or employee benefit-related files or records, and any other books and records which Seller is prohibited from disclosing or transferring to Buyer under applicable law;
- (i) all bonds held, contracts or policies of insurance (including claims and proceeds thereunder and all rights in connection therewith) and prepaid insurance with respect to such contracts or policies;
- (j) all records prepared in connection with or relating to the sale or transfer of the Stations, including bids received from others and analyses relating to the Stations and the Station Assets;
- (k) all benefit, retirement, severance, vacation, paid time off, welfare and fringe-benefit agreements, plans, policies and programs in effect for Station Employees and trusts or other assets attributable thereto;
- (l) all claims of Seller or any affiliate of Seller with respect to any tax refunds or to any prepayments (to the extent Seller does not receive a credit for the prepayment under Section 1.6);
- (m) all of Seller's rights, claims, credits, causes of action or rights of setoff against third parties, including with respect to unliquidated rights under manufacturers' and vendors' warranties, with respect to or arising under the other Station Assets, in each case, to the extent arising or attributable to any period prior to the Closing Date;
- (n) all assets, properties and rights Buyer will acquire at closing under the LMA Purchase Agreement; and
- (o) the rights which accrue or will accrue to Seller under this Agreement.

**Section 1.3 Assumed Liabilities.** At the Closing, Buyer shall assume and be obligated for, and shall pay, perform and discharge in accordance with their terms, the following obligations and liabilities of Seller, whether direct or indirect, known or unknown, absolute or contingent (the "**Assumed Liabilities**");

- (a) all liabilities and obligations arising out of (i) the operation of the Stations on or after the Closing Date, (ii) the ownership or use of or performance under the Station Assets on or after the Closing Date; and (iii) any liability or obligation to the extent of the amount of credit received by Buyer under Section 1.6; and
- (b) all liabilities and obligations with respect to the Hired Employees (as defined below) arising on or after the Closing Date.

Buyer shall not assume any liabilities or obligations of Seller other than the Assumed Liabilities (all such other liabilities and obligations, the “**Retained Liabilities**”), and the Retained Liabilities shall remain the sole obligation and responsibility of Seller.

**Section 1.4 [Intentionally Omitted].**

**Section 1.5 Purchase Price.** The purchase price to be paid for the Station Assets shall be Thirty Four Million Dollars (\$34,000,000) on the allocation of an additional One Million Dollars (\$1,000,000) for the LMA Assets, subject to adjustment pursuant to Section 1.6 (the “**Purchase Price**”). The Purchase Price shall be paid as follows:

(a) Within one (1) Business Day (as defined below) after the execution and delivery of this Agreement, the sum of Five Million Dollars (\$5,000,000) (the “**Escrow Deposit**”) will be deposited by Buyer as an earnest money deposit, by means of wire transfer of immediately available funds, into a separate account (the “**Escrow Account**”) maintained by:

Commerce Escrow Company (“**Escrow Agent**”)  
c/o Raul Zuniga

1055 Wilshire Boulevard, Suite 1000, Los Angeles, CA 90017  
O. 213.484.0855 | F. 213.201.5191  
[rzuniga@comescrow.com](mailto:rzuniga@comescrow.com)

acting as escrow agent for Seller and Buyer, pursuant to the terms of that certain Escrow Agreement, dated as of the date hereof, in substantially the form attached hereto as Exhibit A (the “**Escrow Agreement**”). The Escrow Deposit shall be released (in accordance with the Escrow Agreement) to Seller at the Closing as partial payment of the Purchase Price. In the event this Agreement is terminated prior to Closing (i) in accordance with Section 10.1(c) or Section 10.1(d), then the Escrow Deposit shall be released to Seller, (ii) in accordance with Section 10.1(e)(i), then \$3,500,000 of the Escrow Deposit shall be released to Seller and \$1,500,000 of the Escrow Deposit shall be released to Buyer, or (iii) other than as described in the preceding clause (i) or (ii), the Escrow Deposit shall be released to Buyer, in all cases, in accordance with the Escrow Agreement. Seller and Buyer shall provide the Escrow Agent with joint instructions as and to the extent required by the Escrow Agreement in order to effect the release of the Escrow Deposit (and all earnings thereon) in accordance with this Section 1.5(a). Buyer and Seller acknowledge and agree that (y) Seller’s damages resulting from Buyer’s breach of the Agreement prior to closing will be difficult to estimate and prove; and (z) the amount of the Escrow Deposit is the parties’ good faith estimate of the damages Seller would incur as a result of Buyer’s breach of this agreement prior to Closing. Seller agrees to accept the Escrow Deposit as liquidated damages upon the termination of this Agreement as described in this Section 1.5(a). These liquidated damages shall be Seller’s sole and exclusive remedy for the termination of this Agreement prior to Closing as a result of Buyer’s breach hereof. Each party shall be responsible for fifty percent (50%) of the fees charged and expenses incurred by the Escrow Agent for its services under the Escrow Agreement.

(b) The portion of the Purchase Price in excess of the Escrow Deposit shall be paid by Buyer to Seller through wire transfer at the Closing in cash in immediately available funds pursuant to the written instructions of Seller to be delivered by Seller to Buyer at least two (2) Business Days prior to the Closing Date. For purposes of this Agreement, a “**Business Day**” is any day other than Saturday, Sunday or a day on which banking institutions in Los Angeles, California, are permitted or obligated by law to remain closed.

**Section 1.6 Prorations.**

(a) The operation of the Stations and the income and operating expenses attributable thereto until 11:59 p.m. Pacific time on the day preceding the Closing Date (the “**Adjustment Time**”) shall be for the account of Seller and thereafter for the account of Buyer, and such income and expenses shall be prorated between Seller and Buyer as of the Adjustment Time in accordance with United States generally accepted accounting principles as in effect as of the date hereof (“**GAAP**”), and the Purchase Price shall be adjusted accordingly.

(b) Such prorations shall include all property taxes (except transfer taxes, which shall be the sole responsibility of Buyer), music and other license fees, utility expenses, rent, annual regulatory fees payable to the FCC, and similar prepaid and deferred items, to the extent such items are included as Station Assets. Sales commissions related to the Seller’s sale of advertisements broadcast on the Stations prior to Closing shall be the responsibility of Seller, and sales commissions related to the sale of advertisements broadcast on the Stations after Closing shall be the responsibility of Buyer. 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.

**Section 1.7 Allocation of Purchase Price.** Seller shall allocate the Purchase Price (including the Assumed Liabilities, to the extent properly taken into account under Section 1060 of the Internal Revenue Code (the “**Code**”) among the Station Assets in accordance with Section 1060 of the Code (the “**Allocation**”) and shall deliver to Buyer a copy of such Allocation (IRS Form 8594) promptly after such determination, but in no event later than 10 days prior to the Closing Date. Buyer shall have the right to review and raise any objections in writing to the Allocation during the five-day period after its receipt thereof. The parties shall work in good faith to agree on the Allocation prior to the Closing, but the failure to agree on the Allocation shall not delay or prevent the Closing from occurring. If the parties are unable to agree on the Allocation within 30 days after the commencement of such good faith negotiations (or such longer period as Seller and Buyer may mutually agree in writing), then a third party accountant mutually acceptable to the parties (the “**Accountant**”) shall be engaged at that time to review the Allocation, and shall make a determination as to the resolution of such Allocation. The determination of the Accountant regarding the Allocation shall be delivered as soon as practicable following engagement of the Accountant, but in no event more than 60 days thereafter, and shall be final, conclusive and binding upon Seller and Buyer, and Seller shall revise the Allocation accordingly. Buyer and Seller shall each cause to be filed Form 8594 and any amended Form 8594 with the IRS. Seller, on the one hand, and Buyer on the other hand, shall each pay one-half of the cost of the Accountant. The Allocation shall be adjusted in accordance with the procedure in this Section 1.7 to account for

any adjustment to the Purchase Price pursuant to Article 9 (*Survival and Indemnification*).

**Section 1.8 Closing.** The consummation of the sale and purchase of the Station Assets, and assumption of the Assumed Liabilities, pursuant to this Agreement (the “**Closing**”) shall take place on a date that is not later than the later of (a) the 5th Business Day after grant of the FCC Consent (as defined in Section 4.3(b)) and (b) the date on which the conditions required to be satisfied or waived pursuant to Article 6 or Article 7 below (other than those requiring a delivery of a certificate or other document, or the taking of other action, at the Closing) have been so satisfied; provided however if a petition to deny or informal objection is filed against the FCC Application (as defined below), Buyer and Seller may mutually elect to postpone Closing to a date five business days after grant of the FCC Consent becomes a final non-appealable order. The date on which the Closing is to occur is referred to herein as the “**Closing Date.**”

**Section 1.9 Closing Deliverables.**

- (a) At the Closing, Seller shall deliver to Buyer the following:
  - (i) a bill of sale in substantially the form of Exhibit B hereto (the “**Bill of Sale**”) duly executed by Seller, transferring the Station Assets (other than the Real Property Leases, and the FCC Licenses) to Buyer;
  - (ii) an assignment of contracts in substantially the form of Exhibit C hereto (the “**Assignment of Station Contracts**”) duly executed by Seller;
  - (iii) an assignment and assumption agreement in substantially the form of Exhibit D hereto (the “**Assignment and Assumption Agreement**”) duly executed by Seller, transferring the Assumed Liabilities;
  - (iv) a duly executed assignment for the Intangible Property, if any owned and registered Intangible Property is included in the Station Assets;
  - (v) with respect to each Real Property Lease, an Assignment and Assumption of Lease in substantially the form of Exhibit E (each, an “**Assignment and Assumption of Lease**”), duly executed by Seller and, if necessary, Seller’s signature shall be witnessed or notarized;
  - (vi) an assignment of the FCC Licenses from Seller in substantially the form of Exhibit F hereto (the “**Assignment of the FCC Licenses**”) duly executed by Seller, assigning to Buyer the FCC Licenses;
  - (vii) joint instructions to Escrow Agent (“**Joint Instructions**”) executed by Seller directing release of the Escrow Deposit;
  - (viii) the Seller Bringdown Certificate (as defined below); and
  - (ix) such other customary instruments of transfer, assumption, filings or

documents, in form and substance reasonably satisfactory to Buyer, as may be required to give effect to this Agreement (items (i) to (vii), collectively, the “**Ancillary Agreements**”).

(b) At the Closing, Buyer shall deliver to Seller the Purchase Price in accordance with Section 1.5(b) and the following:

(i) the Assignment and Assumption Agreement, duly executed by Buyer;

(ii) with respect to each Real Property Lease, an Assignment and Assumption of Lease, duly executed by Buyer and, if necessary, Buyer’s signature shall be witnessed or notarized;

(iii) the Joint Instructions executed by Buyer;

(iv) the Buyer Bringdown Certificate (as defined below); and

(v) such other customary instruments of transfer, assumption, filings or documents, in form and substance reasonably satisfactory to Seller, as may be required to give effect to this Agreement.

**Section 1.10 Further Assurances.**

(a) Each of Seller and Buyer shall, at any time or from time to time after the Closing, at the request and expense of the other, execute and deliver to the other all such instruments and documents or further assurances as the other may reasonably request in order to (i) vest in Buyer all of Seller’s right, title and interest in and to the Station Assets as contemplated hereby, (ii) effectuate Buyer’s assumption of the Assumed Liabilities and (iii) grant to each party all rights contemplated herein to be granted to such party under this Agreement; provided, however, that after the Closing, apart from such customary further assurances, neither Seller nor Buyer shall have any other obligations except as specifically set forth herein or in the Ancillary Agreements.

(b) Without limiting Section 4.6, to the extent that Seller’s rights under any Station Contract, or other assets (except the FCC Licenses), the transfer of which may not be assigned without the approval, consent or waiver of a third party and Seller has not obtained such approval, consent or waiver prior to the Closing, this Agreement shall not constitute an agreement to assign the same if an attempted assignment would constitute a breach thereof or be unlawful. If any such approval, consent or waiver shall not have been obtained prior to the Closing, Seller shall (a) use its commercially reasonable efforts to assist and cooperate with Buyer in order for Buyer to obtain all necessary approvals, consents and waivers to the assignment and transfer thereof; provided, that neither Seller nor any of its affiliates shall be required to pay money to any third party, commence any action, suit or proceeding or offer or grant any accommodation (financial or otherwise) to any third party in connection with such efforts; and (b) until any such approval, consent or waiver is obtained and the related Station

Contract or related asset is transferred and assigned to Buyer or Buyer's designee, use its commercially reasonable efforts to provide to Buyer substantially comparable benefits thereof and enforce, at the request of and for the account of Buyer, any rights of Seller arising under any such Station Contract or asset against any third party. To the extent that Buyer is provided with benefits of any such Station Contract or asset, Buyer shall perform the obligations of Seller thereunder and such obligations shall be Assumed Liabilities.

## **ARTICLE 2. SELLER REPRESENTATIONS AND WARRANTIES**

Seller represents and warrants to Buyer as follows, with each such representation and warranty subject to such exceptions, if any, as are set forth in the Schedules attached to this Agreement; provided, that Seller may update the Schedules during the thirty (30) day period following the Execution Date so long as such update does not have a Material Adverse Effect (as defined below). Disclosures in any section or paragraph of such Schedules are made generally and shall not only address the corresponding section or paragraph of this Agreement, but also other sections or paragraphs of this Agreement to the extent that it is reasonably apparent from the face of such disclosure that such disclosure is applicable to such other sections or paragraphs. As used in this Agreement, the term "Seller's Knowledge" or "Knowledge of Seller" means the actual knowledge of the persons identified on Schedule 2 without the requirement for inquiry.

**Section 2.1 Organization.** Each of Asset Seller and License Seller is duly organized, validly existing and in good standing under the laws of the state of Delaware. Asset Seller has requisite corporate power and authority to own the Station Assets (other than the FCC Licenses), to transact the business of operating the Stations in which it is currently engaged with respect to such Stations and to enter into this Agreement and the Ancillary Agreements to which it is a party, to perform its obligations hereunder and to consummate the transactions contemplated hereby and thereby. License Seller has requisite limited liability company power and authority to hold FCC Licenses and enter into this Agreement and the Ancillary Agreements to which it is a party, to perform its obligations hereunder and to consummate the transactions contemplated hereby and thereby. Each of Asset Seller and License Seller is duly qualified to do business in each jurisdiction in which the nature of the business conducted by Seller with respect to the Stations requires such qualification, except where the failure to be so qualified would not reasonably be expected to have a material adverse effect on the ability of such party to perform its obligations under this Agreement and the Ancillary Agreements and consummate the transactions contemplated hereby and thereby ("**Material Adverse Effect**").

**Section 2.2 Authorization.** The execution, delivery, and performance of this Agreement and the Ancillary Agreements have been duly and validly authorized and approved by all necessary corporate action of Asset Seller and all necessary limited liability company action of License Seller. This Agreement constitutes, and each Ancillary Agreement to which a Seller will be a party, when executed and delivered by such Seller, will constitute (assuming the due authorization, execution and delivery by Buyer) the valid and legally binding obligation of such Seller, enforceable against such Seller in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium or similar laws of general application affecting or relating to the enforcement of creditors' rights generally, and subject to equitable principles of general applicability, whether considered in a proceeding at law or in equity (the

“**Enforceability Exceptions**”).

**Section 2.3 No Conflicts.** Except with respect to the Assignment of FCC Licenses:

(a) The execution, delivery, and performance by each of Asset Seller and License Seller of this Agreement and the Ancillary Agreements to which such Seller will be a party do not and will not (i) violate the organizational documents of such Seller, (ii) subject to obtaining the FCC Consent, violate any law or any judgment, order or decree of a governmental authority to which such Seller or the Station Assets are subject, or (iii) subject to obtaining the Consents (as defined below) referred to in Section 2.3(b), violate, breach or constitute a default under or result in the termination of any Station Contract that is necessary for the operation of the Stations, except, in the case of (ii) or (iii), for such violations, breaches, defaults or terminations that would not have a Material Adverse Effect.

(b) The execution, delivery, and performance by each of Asset Seller and License Seller of this Agreement and the Ancillary Agreements to which such Seller will be a party do not require the consent, approval, or authorization, or filing with (each, a “**Consent**”), any third party or any court or other governmental authority, except for (i) the FCC Consent, (ii) those consents the failure to obtain or make would not reasonably be expected to have a Material Adverse Effect or (iii) those Consents identified on Schedule 2.3, including, but not limited to, the lease consents.

**Section 2.4 FCC Licenses.** License 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. The FCC Licenses have not been revoked, suspended, canceled, rescinded, or terminated and have not expired. To Seller’s Knowledge, 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 Stations by or before the FCC. Since the grant of each Station’s most recent license renewal application, Seller and the Stations have been and are in material compliance with the FCC Licenses, the Communications Act, and the rules, regulations and policies of the FCC, except as otherwise set forth on Schedule 1.1(a). All filings required to be filed with, and all regulatory fees required to be paid to, the FCC by Seller with respect to the Stations have been filed and paid, except as noted in Schedule 1.1(a). All such reports and filings are materially accurate and complete.

**Section 2.5 Tangible Personal Property.** All material items of Tangible Personal Property are in good operating condition and repair in all material respects for the uses to which they are currently employed (ordinary wear and tear excepted), and have been maintained by Seller in accordance with normal industry practice.

**Section 2.6 Intangible Property.**

(a) Seller is the owner of, or otherwise has the right to use, the Intangible Property free and clear of Liens other than Permitted Liens. To Seller's Knowledge, the unexpired Intangible Property is valid and subsisting. The Intangible Property together with the Intangible Property identified in the LMA Asset Purchase Agreement, includes all material intellectual property used in the operation of the Stations.

(b) To Seller's Knowledge, the operation of the Stations as operated currently conducted by Seller does not infringe any third party's intellectual property rights. To Seller's Knowledge, as of the date hereof, no action, suit or proceeding is pending or threatened against Seller (i) based upon, challenging or seeking to deny or restrict the use of any of the Intangible Property that is the subject of a registration issued by (or application therefor filed with) the U.S. Patent and Trademark Office or the U.S. Copyright Office, or (ii) alleging that Seller's operation of the Stations infringes the intellectual property rights of any third party.

**Section 2.7 Real Property Leases.** Seller has valid leasehold estates or, as the case may be, valid leasehold interests, in all the real property subject to the Real Property Leases. As of the date hereof, to Seller's Knowledge, Seller has not received written notice of any condemnation by any governmental authority pending or threatened, in each case with respect to any such real property. Correct and complete copies of each Real Property Lease, together with all amendments thereto, have been delivered to Buyer by Seller.

**Section 2.8 Contracts.** Each of the Station Contracts is in effect and is binding upon Seller and, to Seller's Knowledge, the other parties thereto, subject to the Enforceability Exceptions. Seller has performed its obligations under each of the Station Contracts in all material respects, and is not in material default thereunder. Complete and correct copies of each material Station Contract, together with all amendments thereto, have been delivered to Buyer by Seller.

**Section 2.9 Title to Station Assets.** Seller has good and marketable title to, or valid contract rights in, the Station Assets, free and clear of Liens other than Permitted Liens. This Section 2.9 does not apply to Intangible Property or the Real Property Leases, which are covered by Section 2.6 and Section 2.7, respectively.

**Section 2.10 Litigation.** As of the date hereof, except as set forth in Schedule 2.10, there is no action, suit or proceeding pending or, to Seller's Knowledge, threatened, or any order, injunction or decree of a governmental authority outstanding, against Seller or any of its affiliates that would reasonably be expected to prevent the consummation of the transactions contemplated by this Agreement.

**Section 2.11 Compliance with Law.** Except as set forth on Schedule 2.11, Seller, with respect to the operation of the Stations, is and during the past three years has been in compliance with all applicable laws, except for such noncompliance that would not reasonably be expected to have a Material Adverse Effect. This Section 2.11 does not address FCC matters, which are addressed only in Section 2.4.

**Section 2.12 Taxes.** Seller has, in respect of the Stations' business, filed all material tax returns required to have been filed by it under applicable law and has paid all taxes that have become due pursuant to such tax returns or pursuant to any assessments which have become payable.

**Section 2.13 Employees.** To Seller's Knowledge, Seller has complied in all material respects with all labor and employment laws applicable to the operation of the Stations. There is no unfair labor practice charge or complaint, or equal employment opportunity complaint, pending or, to Seller's Knowledge, threatened before any governmental authority. Seller is not party to any collective bargaining or similar agreement with respect to any of the employees of Seller at the Stations, and to Seller's Knowledge no union represents or claims to represent, or is attempting to organize, such employees.

**Section 2.14 Financial Statements.** Seller has provided to Buyer copies of its statements of operations for the Stations (the "**Statements**") for two (2) prior fiscal years of its operations. Such Statements have been prepared in accordance with GAAP, and present fairly in all material respects the results of operations of the Stations as operated by Seller for the respective periods covered thereby.

**Section 2.15 Sufficiency of Assets.** Except for the Excluded Assets, the Station Assets and the LMA Assets constitute all of the assets (a) used or held for use by Seller and GRC LA in, and (b) necessary for, the business or operation of the Stations as currently conducted.

**Section 2.16 No Additional Finder.** Apart from Jorgenson Broadcast Brokerage, Inc., whose fees shall be paid by Seller at Closing, 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.

### **ARTICLE 3. BUYER REPRESENTATIONS AND WARRANTIES**

Buyer represents and warrants to Seller as follows:

**Section 3.1 Organization.** Each of Asset Buyer and License Buyer is duly organized, validly existing and in good standing under the laws of the state of California. Asset Buyer has requisite limited liability company power and authority to own the Station Assets (other than the FCC Licenses), to transact the business of operating the Stations and to enter into this Agreement and the Ancillary Agreements to which it is a party, to perform its obligations hereunder and to consummate the transactions contemplated hereby and thereby. License Buyer has requisite limited liability company power and authority to hold FCC Licenses and enter into this Agreement and the Ancillary Agreements to which it is a party, to perform its obligations hereunder and to consummate the transactions contemplated hereby and thereby. Each of Asset Buyer and License Buyer is duly qualified to do business in each jurisdiction in which the nature of the business conducted by the Stations requires such qualification, except where the failure to be so qualified would not have a Material Adverse Effect.

**Section 3.2 Authority.** The execution, delivery, and performance of this Agreement and the Ancillary Agreements to which such Buyer will be a party have been duly and validly authorized and approved by all necessary limited liability company action of Asset Buyer and of License Buyer. This Agreement constitutes, and each Ancillary Agreement to which such Buyer will be a party, when executed and delivered by such Buyer, will constitute (assuming the due authorization, execution and delivery by Seller) the valid and legally binding obligation of such Buyer, enforceable against such Buyer in accordance with its terms, subject to the Enforceability Exceptions.

**Section 3.3 No Conflicts.** Except with respect to the Assignment of FCC Licenses:

(a) The execution, delivery, and performance by each of Asset Buyer and License Buyer of this Agreement do not and will not (i) violate the organizational documents of such Buyer, (ii) subject to obtaining the FCC Consent, violate any law or any judgment, order or decree of a governmental authority to which such Buyer is subject, or (iii) subject to obtaining the Consents referred to in Section 3.3(b), violate, breach or constitute a default under or result in the termination of any contract to which such Buyer is a party or by which its assets are bound, except, in the case of (ii) or (iii), for such violations, breaches, defaults or terminations that would not have a Material Adverse Effect.

(b) The execution, delivery, and performance by each of Asset Buyer and License Buyer of this Agreement and the Ancillary Agreements to which such Buyer is a party do not require the Consent of any third party or any court or other governmental authority, except for (i) the FCC Consent, (ii) those consents the failure to obtain or make would not have a Material Adverse Effect or (iii) those Consents identified on Schedule 3.3.

**Section 3.4 Qualifications.** Buyer is legally, financially and otherwise qualified to be the licensee of, acquire, own and operate the Stations under the Communications Act and the rules, regulations and policies of the FCC, including the provisions relating to media ownership and attribution foreign ownership and control, and character qualifications. There are no facts or circumstances that would, under the Communications Act and the existing rules, regulations, policies and procedures of the FCC, disqualify Buyer as an assignee of the FCC Licenses or as the owner and operator of the Stations. No waiver of or exemption from any provision of the Communications Act or the rules, regulations and policies of the FCC is necessary for the FCC Consent to be obtained. There are no facts or circumstances that might reasonably be expected to (a) result in the FCC's refusal to grant the FCC Consent or otherwise disqualify Buyer, (b) materially delay obtaining the FCC Consent or (c) cause the FCC to impose a material condition or conditions on its granting of the FCC Consent.

**Section 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.

**Section 3.6 Independent Investigation.** Buyer has conducted its own independent investigation, review and analysis of the Stations and the Station Assets, and acknowledges that it

has been provided adequate time prior to Closing for access to the personnel, properties, assets, premises, books and records, and other documents and data of Seller for such purpose. Buyer acknowledges and agrees that: (a) in making its decision to enter into this Agreement and to consummate the transactions contemplated hereby, Buyer has relied solely upon its own investigation and the express representations and warranties of Seller set forth in Article 2 of this Agreement (including related portions of referenced schedules); and (b) neither Seller nor any other person has made any representation or warranty as to Seller, the Stations, the Station Assets, this Agreement, the accuracy or completeness of any information regarding the Stations or the Station Assets furnished or made available to Buyer and its representatives or as to the future revenue, profitability or success of the Stations, except as expressly set forth in Article 2 of this Agreement (including the related portions of referenced schedules), and Buyer has not relied on any such other representation or warranty.

**Section 3.7 Financial Capacity; Solvency.** Buyer has sufficient financial capacity and access to sufficient liquid funds to pay the Purchase Price at Closing. Immediately after giving effect to the transactions contemplated hereby, Buyer will be solvent and shall: (a) be able to pay its debts as they become due; (b) own property that has a fair saleable value greater than the amounts required to pay its debts (including a reasonable estimate of the amount of all contingent liabilities); and (c) have adequate capital to carry on its business. No transfer of property is being made and no obligation is being incurred in connection with the transactions contemplated hereby with the intent to hinder, delay or defraud either present or future creditors of Buyer. In connection with the transactions contemplated hereby, Buyer has not incurred, nor plans to incur, debts beyond its ability to pay as they become absolute and matured.

**Section 3.8 Litigation.** As of the date hereof, there is no action, suit or proceeding pending or, to Buyer's knowledge, threatened, or any order, injunction or decree of a governmental authority outstanding, against Buyer or any of its affiliates that would reasonably be expected to prevent the consummation of the transactions contemplated by this Agreement.

#### **ARTICLE 4. PRE-CLOSING COVENANTS**

**Section 4.1 Conduct of Business Prior to Closing.** From the date hereof until the earlier of the Closing and the termination of this Agreement in accordance with Section 10.1 (the "**Pre-Closing Period**"), Seller shall:

- (a) maintain the FCC Licenses in full force and effect;
- (b) operate the Stations in the ordinary course of business consistent with past practice, and in all material respects in accordance with the FCC Licenses, the Communications Act, the FCC rules, and all other applicable laws;
- (c) timely file and prosecute any necessary FCC applications for the Stations;
- (d) subject to force majeure events, preserve intact the Station Assets (except as permitted under clause (h)(i) below) and maintain in effect its current insurance policies with respect to the Stations and the Station Assets;

(e) not, other than in the ordinary course of business, enter into, or extend or renew, any trade or barter agreements, or other agreements for the sale of advertising time other than for cash consideration, nor make any material change in the customary advertising load of the Stations;

(f) notify Buyer of the expiration of, or exercisable renewal options arising under, any Station Contracts, and exercise such renewal options if reasonable necessary for the continued operation of the Stations as currently conducted and requested by Buyer;

(g) use its commercially reasonable efforts to have existing trade and barter agreements concluded prior to Closing; and

(h) not, without the prior written consent of Buyer (such consent not to be unreasonably withheld, conditioned or delayed):

(i) sell, lease, or otherwise dispose of any Station Assets except for dispositions in the ordinary course of business; or

(ii) enter into any contract, lease, or agreement with respect to the Stations or terminate any Station Contract, except for agreements entered into in the ordinary course of business.

**Section 4.2 Access to Information.** During the Pre-Closing Period, Seller shall, (a) provide Buyer reasonable access during normal business hours to all facilities of the Stations upon reasonable advance notice to Seller, under the supervision of Seller's personnel and in such a manner as not to interfere with the operation of the Stations or any other businesses of Seller, and (b) provide Buyer all other information concerning the Stations as Buyer may reasonably request. All requests by Buyer for access pursuant to this Section 4.2 shall be submitted or directed exclusively to Asset Seller's director, Juan Aguirre, at [juanaguirreabdo@gmail.com](mailto:juanaguirreabdo@gmail.com) or such other individuals as Seller may designate in writing from time to time. Notwithstanding anything to the contrary in this Agreement, Seller shall not be required to disclose any information to Buyer pursuant to this Section 4.2 if such disclosure would, in Seller's sole discretion: (x) cause significant competitive harm to Seller and its businesses, including the Stations, if the transactions contemplated by this Agreement are not consummated; (y) jeopardize any attorney-client or other privilege; or (z) contravene any applicable law, fiduciary duty or binding agreement entered into prior to the date of this Agreement. Prior to the Closing, subject to the prior written consent of Seller, which may be withheld for any reason, Buyer shall not contact any suppliers to, or customers of, the Stations. No information provided by Seller to Buyer pursuant to this Section may be used by Buyer in any action, suit or proceeding against Seller or any of their respective affiliates.

**Section 4.3 Efforts; FCC Application.**

(a) Subject to the terms and conditions of this Agreement, Seller and Buyer will each use its reasonable best efforts to take, or cause to be taken, all actions, and to do, or cause

to be done, all things reasonably necessary or desirable under applicable law to consummate the transactions contemplated by this Agreement.

(b) In furtherance and not in limitation of Section 4.3(a), Seller and Buyer shall each prepare and file with the FCC as soon as practicable but in no event later than five (5) Business Days after the date hereof (or the first Business Day thereafter on which the FCC is accepting applications for filing) the requisite applications (the “**FCC Application**”) and other necessary instruments or documents requesting the FCC Consent and thereupon diligently prosecute such applications to obtain the requisite consent by the FCC to the assignment of the FCC Licenses from License Seller to Buyer (the “**FCC Consent**”) as expeditiously as possible; provided, however, except as provided in the following sentence, neither Buyer nor Seller shall be required to pay consideration to any third party to obtain the FCC Consent. Buyer shall pay the FCC filing fees relating to the transactions contemplated hereby, and Seller shall reimburse Buyer one-half of the FCC filing fees within five (5) business days after the FCC Application is accepted for filing.

(c) Buyer and Seller shall each oppose any petitions to deny or other objections filed with respect to the FCC Application to the extent such petition or objection relates to such party, with all reasonable diligence, in order to obtain the FCC Consent promptly and in order to carry out the provisions of this Agreement. Neither Seller nor Buyer shall take any intentional action that would, or intentionally fail to take any action the failure of which to take would, reasonably be expected to have the effect of materially delaying the receipt of the FCC Consent. If any FCC Consent imposes any condition upon any party hereto, such party shall use all commercially reasonable efforts to comply with such condition.

(d) In connection with the efforts referenced in Section 4.3(a), Section 4.3(b) and Section 4.3(c) to obtain the FCC Consent, Seller and Buyer shall (i) reasonably cooperate with each other in connection with any filing or submission and in connection with any investigation or other inquiry, including any proceeding initiated by a private party, (ii) make available to the other party, promptly after the filing thereof, copies of all reports filed by it or its affiliates on or prior to the Closing Date with the FCC in respect of the transactions contemplated by this Agreement; (iii) keep the other party informed in all material respects of any material communication received by such party from, or given by such party to, the FCC or any other governmental authority and of any material non-confidential portions of any communication received or given in connection with any proceeding by a private party; (iv) permit the other party to review any material non-confidential portions of any communication given by it to, and consult with each other in advance of and be permitted to attend any meeting or conference with, the FCC or any such other governmental authority or, in connection with any proceeding by a private party, with any other person, in each case regarding any of the transactions contemplated by this Agreement; (v) promptly provide the other with a copy of any pleading, order, or other document served on it relating to the FCC Applications, and shall furnish all information required by the FCC; and (vi) notify the other party hereto in the event it is or becomes aware of any facts or circumstances that would reasonably be expected to delay or otherwise adversely affect the FCC approval process or the transactions contemplated by this Agreement.

**Section 4.4 Intentionally Omitted.**

**Section 4.5 Control; Risk of Loss.** Consistent with FCC rules (but subject to the terms and conditions of the LMA), control, supervision, and direction of the operation of the Stations prior to Closing shall remain the responsibility of Seller as the holder of the FCC Licenses. The risk of loss of or damage to any of the Station Assets, and the risk of any interruption in the Stations' normal broadcast transmissions, shall remain with Seller at all times until 12:00 a.m. Pacific time on the day of Closing.

**Section 4.6 Consents.** During the Pre-Closing Period, Seller and Buyer shall use commercially reasonable efforts to obtain any third party consents necessary for the assignment of any Station Contracts or Real Property Leases; provided, however, that Seller shall not have any obligation to offer or pay any consideration in order to obtain any such consents, including, with respect to Seller, any obligation to amend, modify or otherwise alter the terms of any contract or agreement with any such party that is not included in the Station Assets. Buyer shall provide to landlords of Real Property Leases such customary financial and organizational documents and guaranties as reasonably required by landlord to evaluate Buyer as an assignee to the Real Property Leases. The parties acknowledge and agree that such third party consents to assignment of Station Contracts, other than the Real Property Leases on Mt. Wilson, are not conditions to Closing.

**ARTICLE 5. ADDITIONAL COVENANTS**

**Section 5.1 Confidentiality.**

(a) All Confidential Information provided previously or to be provided in the future by one party (or its directors, officers, employees, representatives or affiliates, including persons holding attributable interests per 47 CFR Sect. 73.3555) (collectively, the "**Disclosing Party**") to any other party (or its directors, officers, employees, representatives or affiliates, including persons holding attributable interests per 47 CFR Sect. 73.3555) (collectively, the "**Receiving Party**") shall be subject to and treated in accordance with the terms of this Section 5.1.

(b) "**Confidential Information**" means any confidential information concerning the business or property of the Disclosing Party including: (i) information relating to the Disclosing Party's technology, products, and services, including, without limitation, technical data, trade secrets, know-how, research, product or service plans, ideas or concepts, software, inventions, techniques, processes, developments, algorithms, formulas, designs, schematics, drawings, and engineering information, and (ii) information relating to the Disclosing Party's operations, business, financial plans or strategies, including, but not limited to, customers, customer lists, markets, financial statements, projections, pricing, and marketing, financial and other strategic business plans or information, directly or indirectly disclosed by the Disclosing Party to the Receiving Party whether orally or visually. "Confidential Information" does not include any of the foregoing that: (y) is or becomes generally available to the public, other than as a result of a disclosure by the Receiving Party in violation of this Agreement; or (z) is either (i) known to the Receiving Party prior to being furnished by the Disclosing Party, or (ii) becomes available to the Receiving Party on a non-confidential basis from a source other than the Disclosing Party; provided that the source was

not prohibited by any legal, contractual, or fiduciary obligation to the Disclosing Party or any third party from disclosing the Confidential Information.

(c) Upon the Closing, the provisions of this Section 5.1 shall expire and be of no further force and effect with respect to Buyer's Disclosure of Confidential Information relating solely to the Stations, the Station Assets or the Assumed Liabilities; provided, however, such expiration shall in no way prejudice or adversely affect a Disclosing Party's ability after the Closing to seek damages, or any other available remedy, with respect to a violation by a Receiving Party of this Section 5.1 prior to the Closing.

(d) During the period ending five (5) years after the Closing Date, all Confidential Information obtained by Seller (or its directors, officers, employees, representatives or affiliates) from Buyer (or its directors, officers, employees, representatives or affiliates) and all Confidential Information relating solely to the Stations, the Station Assets and the Assumed Liabilities shall be deemed to be Confidential Information disclosed by Buyer to Seller for purposes of this Section 5.1 and shall be used by Seller solely as required to perform its obligations or exercise or enforce its rights under this Agreement, to comply with applicable law or its financial or tax reporting requirements or in connection with any action, suit or proceeding to enforce its rights under this Agreement (each, a "**Permitted Purpose**"), and for no other purpose.

(e) During the period ending five (5) years after the Closing Date, all Confidential Information obtained by Buyer (or its directors, officers, employees, representatives or affiliates) from Seller (or its directors, officers, employees, representatives or affiliates) other than Confidential Information relating solely to the Stations, the Station Assets and the Assumed Liabilities shall be used by Buyer solely for Permitted Purposes, and for no other purpose.

(f) During the period ending five (5) years after the Closing Date, a Receiving Party shall not disclose, or permit the disclosure of, a Disclosing Party's Confidential Information to any third party except those persons or entities to whom such disclosure is necessary in connection with a Permitted Purpose and who are directed to maintain the confidentiality of the Disclosing Party's Confidential Information.

(g) In the event a Receiving Party is legally compelled to disclose Confidential Information of a Disclosing Party, the Receiving Party shall promptly notify the Disclosing Party of each such requirement so that the Disclosing Party may seek a protective order or other appropriate remedy and/or waive compliance with the confidentiality provisions of this Agreement. In any such event, the Receiving Party will only disclose such Confidential Information that it is advised by counsel is legally required to be so disclosed and exercise reasonable efforts to obtain assurance that confidential treatment will be accorded to such Confidential Information.

(h) The covenants in this Section 5.1 shall survive closing for a period of five (5) years. The parties agree that monetary damages may not suffice to remedy a breach of their mutual confidentiality obligations and agree that this Section 5.1 may be enforced through injunctive relief.

(i) Nothing in this Section 5.1 shall be construed as preventing or in any way inhibiting either party from complying with applicable law governing activities and obligations undertaken pursuant to this Agreement in any manner which it reasonably deems appropriate.

**Section 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, and provided that each party may communicate with governmental authorities and, solely with respect to Seller and its affiliates, with customers, suppliers, distributors or other third parties engaged in the operation of the Stations, regarding this Agreement, the Ancillary Agreements and the transactions contemplated hereby or thereby, including in order to obtain consents of or from any such third parties necessary or desirable to effect the consummation of the transactions contemplated hereby or thereby.

**Section 5.3 No Solicitation.** From the date hereof, until the earlier of the Closing Date or the termination of this Agreement, Seller and its affiliates will not, directly or indirectly, encourage, solicit, or engage in discussions or negotiations with, or provide any information to, any person (other than Buyer and its representatives) concerning any sale or disposition of all, or substantially all, of the Station Assets, including the FCC Licenses. Seller shall inform Buyer of any such inquiries.

**Section 5.4 Access Following the Closing.** On and after the Closing Date, upon reasonable advance notice, Seller and Buyer will afford promptly to the other and its agents reasonable access to its books of account, financial and other records (including accountant's work papers), information, employees and auditors, at the sole cost and expense of the requesting party, to the extent reasonably required by the requesting party in connection with any audit, investigation, dispute or litigation or any other reasonable business purpose relating to the Stations; provided, however, that any such access by the requesting party shall not unreasonably interfere with the conduct of the businesses or operations of the party providing such access. Notwithstanding anything to the contrary in this Agreement, a party shall not be required to disclose any information to any other party pursuant to this Section 5.4 if such disclosure would, in the disclosing party's sole discretion: (x) jeopardize any attorney-client or other privilege; or (y) contravene any applicable law, fiduciary duty or binding agreement entered into by the disclosing party. No information provided by a party to any other party pursuant to this Section may be used by the requesting party in any action, suit or proceeding against any other party or any of such other party's affiliates.

**Section 5.5 LMA Purchase Agreement.** Buyer agrees that it will perform its obligations under the LMA Purchase Agreement in all material respects and will close on the transactions contemplated in the LMA Purchase Agreement simultaneously with the Closing on this Agreement.

**Section 5.6 Accounts Receivable and Payable.**

(a) **Accounts Receivable.** The parties acknowledge and agree that all of Seller's accounts and notes receivable with respect to the operation of the Stations consist of amounts owed Seller under the LMA and that no action by Buyer is required in connection with collection of these items.

(b) **Accounts Payable.** In the event that, subsequent to the Closing, Buyer or an affiliate of Buyer receives any invoices from any third party with respect to any account payable of Seller outstanding prior to the Closing, then Buyer shall, within fifteen (15) days after receipt of such invoice, provide such invoice to Asset Seller. In the event that, subsequent to the Closing, Seller or any of its affiliates receives any invoices from any third party with respect to any account payable of Buyer or any of its affiliates for any period after the Closing, then Seller shall, within fifteen (15) days after receipt of such invoice, provide such invoice to Buyer.

**Section 5.7 Station Employees.** Not less than five (5) Business Days prior to the Closing Date, Seller shall provide Buyer with a list of Seller's employees who are engaged solely in the operation of the Stations (the "**Station Employees**"). Buyer may extend offers of employment, to be effective at the Closing, to each Station Employee, who Buyer or any of its affiliates wishes to employ on and after the Closing; provided, however, that Buyer shall be under no obligation to offer employment to any of the Station Employees. Seller shall be under no obligation to guaranty the acceptance by any Station Employee of an offer of employment made by Buyer. Not less than two (2) Business Days prior to the Closing Date, Buyer shall provide Seller, an accurate and complete list of the Station Employees to which it has made employment offers, and which identifies which employees were hired ("**Hired Employees**").

**Section 5.8 Certain Tax Matters.**

(a) **Bulk Sales.** Seller and Buyer hereby waive compliance with the provision of any applicable bulk sales law and no representations, warranty or covenant contained in this Agreement shall be deemed to have been breached as a result of such noncompliance.

(b) **Transfer Taxes and Apportioned Obligations.**

(i) All amounts payable hereunder are exclusive of all recordation, transfer, documentary, excise, sales, value added, use, stamp, conveyance or other similar taxes imposed or levied by reason of, in connection with or attributable to this Agreement or the transactions contemplated hereby (collectively, "**Transfer Taxes**"). Buyer and Seller shall be equally responsible for the payment of all Transfer Taxes, and the party with primary responsibility under applicable law for the payment of any particular Transfer Tax shall prepare and file the relevant tax return and notify the other party in writing of the Transfer Taxes shown on such tax return. Such other party shall pay an amount equal to one-half of the amount of such Transfer Taxes shown on such tax return.

(ii) All personal property and similar ad valorem obligations levied with respect to the Station Assets for a taxable period which includes (but does not end on) the Closing Date (collectively, the “**Apportioned Obligations**”) shall be apportioned between Seller, on the one hand, and Buyer, on the other hand, based on the number of days of such taxable period ending on the day prior to the Closing Date (such portion of such taxable period, the “**Pre-Closing Tax Period**”) and the number of days of such taxable period on and after the Closing Date (such portion of such taxable period, the “**Post-Closing Tax Period**”). Seller shall be liable for the proportionate amount of such Apportioned Obligations that is attributable to the Pre-Closing Tax Period, and Buyer shall be liable for the proportionate amount of such Apportioned Obligations that is attributable to the Post-Closing Tax Period.

(iii) Apportioned Obligations and Transfer Taxes shall be timely paid, and all applicable filings, reports and returns shall be filed, as provided by applicable law. To the extent that the paying Party has not received a credit pursuant to Section 1.6, the paying Party shall be entitled to reimbursement from the non-paying Party in accordance with Section 5.8(b)(i) or Section 5.8(b)(ii), as the case may be. Upon payment of any such Apportioned Obligation or Transfer Tax, the paying Party shall present a statement to the non-paying Party setting forth the amount of reimbursement to which the paying Party is entitled under Section 5.8(b)(i) or Section 5.8(b)(ii), as the case may be, together with such supporting evidence as is reasonably necessary to calculate the amount to be reimbursed. The non-paying Party shall make such reimbursement promptly but in no event later than five (5) Business Days after the presentation of such statement.

(c) **Cooperation and Exchange of Information.** Each of Seller and Buyer shall (i) provide the other with such assistance as may reasonably be requested by the other (subject to reimbursement of reasonable out-of-pocket expenses) in connection with the preparation of any tax return, audit or other examination by any taxing authority or judicial or administrative proceeding relating to liability for taxes in connection with the Stations or the Station Assets, (ii) retain and provide the other with any records or other information that may be relevant to such tax return, audit or examination, proceeding or determination and (iii) inform the other of any final determination of any such audit or examination, proceeding or determination that affects any amount required to be shown on any tax return of the other for any period.

(d) **Survival of Covenants.** The covenants contained in this Section 5.8 shall survive until 30 days after the expiration of the applicable statute of limitations (including extensions thereof).

## ARTICLE 6. SELLER CLOSING CONDITIONS

The obligation of Seller to consummate the Closing is subject to satisfaction, or waiver by Seller (to the extent permitted by applicable law), of the following conditions at or prior to Closing:

**Section 6.1 Bringdown Certificate.** The representations and warranties of Buyer made in Article 3 shall be true and correct (disregarding any materiality qualifications within such representations and warranties) in all material respects as of the Closing Date as if made as of such date (except that those representations and warranties that address matters only as of a particular date need only be true and correct in all material respects as of such date); 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 the Closing Date from Buyer (executed by an authorized officer) to the effect that the conditions set forth in this Section 6.1 have been satisfied (the “**Buyer Bringdown Certificate**”).

**Section 6.2 Proceedings.** Neither Seller nor Buyer shall be subject to any law or any court or governmental order or injunction restraining, prohibiting or making illegal the consummation of the transactions contemplated hereby.

**Section 6.3 FCC Consent.** The FCC Consent shall have been granted.

**Section 6.4 Deliveries.** Buyer shall have made the deliveries required to be made by it under Section 1.9(b).

## ARTICLE 7. BUYER CLOSING CONDITIONS

The obligation of Buyer to consummate the Closing is subject to satisfaction, or waiver by Buyer (to the extent permitted by applicable law), of the following conditions at or prior to the Closing:

**Section 7.1 Bringdown Certificate.** The representations and warranties of Seller made in Article 2 shall be true and correct (disregarding any materiality qualifications within such representations and warranties) in all material respects as of the Closing Date as if made as of such date (except that those representations and warranties that address matters only as of a particular date need only be true and correct in all material respects as of such date); 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 the Closing Date from Seller (executed by an authorized officer) to the effect that the conditions set forth in this Section 7.1 have been satisfied (the “**Seller Bringdown Certificate**”).

**Section 7.2 Proceedings.** Neither Seller nor Buyer shall be subject to any law or any court or governmental order or injunction restraining, prohibiting or making illegal the consummation of the transactions contemplated hereby.

**Section 7.3 FCC Consent.** The FCC Consent shall have been granted.

**Section 7.4 Deliveries.** Seller shall have made the deliveries required to be made by it under Section 1.9(a).

**Section 7.5 LMA Purchase Agreement.** The LMA Purchase Agreement has not been terminated for material breach on the part of GRC LA.

With respect to the conditions to Buyer's and Seller's respective obligations to consummate the Closing as provided hereunder and each such party's right to terminate this Agreement as provided in Section 10.1, neither Seller nor Buyer may rely on the failure of any condition set forth in Article 6 or Article 7, as applicable, to be satisfied if such failure was caused by such party's failure to act in good faith or to use reasonable best efforts to cause the condition to be satisfied to the extent required by Section 4.3.

## **ARTICLE 8. RESERVED.**

## **ARTICLE 9. SURVIVAL AND INDEMNIFICATION**

**Section 9.1 Survival.** All representations, warranties, covenants (except as otherwise provided herein), and agreements contained in this Agreement, or in any document made pursuant hereto, shall survive the Closing until 5:00 p.m., Pacific time, on the first anniversary of the Closing Date. Any obligation of a party to indemnify any other person or entity entitled to indemnification under this Article 9 in respect of any breach of any covenant or agreement to be fully performed during the Pre-Closing Period shall survive the Closing until 5:00 p.m., Pacific time, on the first anniversary of the Closing Date. Any obligation of a party to indemnify any other person or entity entitled to indemnification under this Article 9 in respect of any breach of any covenant or agreement which is to be performed following the Closing shall survive until the earlier of performance of the covenant or agreement and the applicable statute of limitations, except as otherwise specified herein.

### **Section 9.2 Indemnification.**

(a) Subject to this Article 9 and Section 11.12, from and after Closing, Seller shall defend, indemnify, and hold harmless Buyer and its affiliates, and their respective officers, directors, employees and agents (collectively, "**Buyer Indemnitees**") from and against, and compensate and reimburse the Buyer Indemnitees for any and all losses, damages, assessments, judgments, fines, penalties, amounts paid in settlement and reasonable costs and expenses incurred in connection therewith, including reasonable costs and expenses of suits and proceedings, and reasonable fees and disbursements of counsel ("**Losses**") incurred by any Buyer Indemnitee arising out of or resulting from:

- (i) any breach of any representations or warranties of Seller contained in this Agreement for a period of 12 months following Closing;
- (ii) any breach or nonfulfillment of any agreement or covenant of Seller under this Agreement; and

(iii) the Retained Liabilities.

(b) Subject to this Article 9 and Section 11.12~~Section 11.11~~, from and after Closing, Buyer shall defend, indemnify, and hold harmless Seller and its affiliates, and their respective officers, directors, employees and agents (collectively, “**Seller Indemnitees**”) from and against, and compensate and reimburse the Seller Indemnitees for any and all Losses incurred by any Seller Indemnitee arising out of or resulting from:

- (i) any breach of any representations or warranties of Buyer contained in this Agreement;
- (ii) any breach or nonfulfillment of any agreement or covenant of Buyer under this Agreement;
- (iii) any liability or losses related to the operation by Buyer of the Station Assets arising after Closing; and
- (iv) the Assumed Liabilities.

### **Section 9.3 Procedures.**

(a) Except as provided in Section 9.3(b) through Section 9.3(d) with respect to Third Party Claims (as defined below), in the event of a claim made by a Buyer Indemnitee or a Seller Indemnitee (the “**Indemnified Party**”), the Indemnified Party shall give reasonably prompt written notice to Seller (in the case of a Buyer Indemnitee) or Buyer (in the case of a Seller Indemnitee) (the “**Indemnifying Party**”), which notice (an “**Indemnification Certificate**”) shall: (i) state that the Indemnified Party has paid or properly accrued or reasonably anticipates that it will have to pay or accrue Losses that are subject to indemnification by the Indemnifying Party pursuant to Section 9.2(a) or Section 9.2(b), as applicable, and (ii) specify in reasonable detail the individual items and amounts of such Losses, the date each such item was paid or properly accrued, or the basis for such anticipated Loss, and a description of the basis of such Indemnified Party’s claim for indemnification; provided, however, that the failure to give reasonably prompt notice shall not relieve the applicable Indemnifying Party of its indemnification obligations under this Agreement except to the extent that the Indemnifying Party is materially prejudiced by any delay in receiving such notice. In the event that the Indemnifying Party agrees to or is determined to have an obligation to reimburse the Indemnified Party for Losses as provided in this Article 9, the Indemnifying Party shall, subject to the provisions of Section 9.4, promptly (but, in any event, within thirty (30) days) pay such amount to the Indemnified Party by wire transfer of immediately available funds to the account specified in writing by the Indemnified Party. The Indemnifying Party may defer making such payment if it objects in a written statement to the claim made in the Indemnification Certificate and delivers such statement to the Indemnifying Party prior to the expiration of such thirty (30)-day period. An Indemnifying Party’s failure to object within such thirty (30)-day period to any claim set forth in an Indemnification Certificate shall be deemed to be the Indemnifying Party’s acceptance of, and waiver of any objections to, such claim. If an Indemnifying Party shall so object in writing to any claim or claims made

in any Indemnification Certificate, the Indemnifying Party and the Indemnified Party shall attempt in good faith for a period of twenty (20) days following the Indemnified Party's receipt of such objection notice to agree upon the respective rights of the parties with respect to each of such claims. If no such agreement can be reached after such twenty (20)-day period of good faith negotiation, either the Indemnifying Party or the Indemnified Party may pursue dispute resolution for purposes of having the matter settled in accordance with the terms of this Agreement.

(b) An Indemnified Party shall give prompt written notice (such notice, a "**Claim 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 "**Third Party 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 Third Party Claim is thereby prejudiced. The Claim Notice shall be accompanied by reasonable supporting documentation submitted by the third party making such Third Party Claim and shall describe in reasonable detail (to the extent known by the Indemnified Party) the facts constituting the basis for such Third Party Claim and the amount of the claimed damages.

(c) The Indemnifying Party shall have the right, exercisable by delivering written notice to the Indemnified Party within thirty (30) days following receipt of a Claim Notice, to undertake the defense or opposition to such Third Party 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 Third Party Claim with counsel selected by it at the Indemnifying Party's cost.

(d) Notwithstanding anything herein to the contrary:

(i) the party not controlling the defense, opposition, compromise, or settlement of a Third Party Claim (the "**Non-Controlling Party**") shall have the right, at its own cost and expense, to participate in the defense, opposition, compromise, or settlement of such Third Party Claim, and shall have the right to reasonably consult with the party controlling the defense, opposition, compromise, or settlement of a Third Party Claim (the "**Controlling Party**") and its counsel concerning such Third Party Claim, and the Controlling Party and the Non-Controlling Party and the indemnified party shall cooperate in good faith with respect to any such Third Party Claim;

(ii) the Controlling Party shall keep the Non-Controlling Party reasonably advised of the status of such Third Party Claim and the defense, opposition, compromise or settlement thereof;

(iii) the Non-Controlling Party shall furnish the Controlling Party with such information as it may have with respect to such Third Party Claim

(including copies of any summons, complaint or other pleading that may have been served on such party and any written claim, demand, invoice, billing or other document evidencing or asserting the same) and shall otherwise cooperate with and assist the Controlling Party in the defense of such Third Party Claim; provided, that neither the Controlling Party nor the Non-Controlling Party will be required to furnish any such information which would (in the reasonable judgment of such party upon advice of counsel) be reasonably likely to (1) waive any privileges, including the attorney-client privilege, held by such party or any of its affiliates or (2) breach any duty of confidentiality owed to any third party (whether such duty arises contractually, statutorily or otherwise) or any contract with any third party or violate any applicable law (provided, that such Party shall use reasonable best efforts to obtain any required consents and take such other reasonable action (such as the entry into a joint defense agreement or other arrangement to avoid loss of attorney-client privilege) to permit such access).

(iv) Controlling Party shall not, without the Non-Controlling Party's prior written consent (which consent shall not be unreasonably withheld, conditioned or delayed), settle or compromise any Third Party Claim or consent to entry of any judgment with respect to any Third Party Claim which (A) does not include a release of the Non-Controlling Party from all liability in respect of such Third Party Claim and (B) includes any remedy other than the payment of money.

#### **Section 9.4 Limitations.**

(a) The provisions for indemnity under Section 9.2(a) or Section 9.2(b) shall be effective only when the aggregate amount of all Losses for which indemnification is sought from any Indemnifying Party exceeds \$50,000, in which case the Indemnified Party shall be entitled to indemnification of the Indemnified Party's Losses in excess thereof. In no event shall Seller have liability for indemnification under (i) 0 or Section 9.2(b)(i), as applicable, or (ii) under 0 or Section 9.2(b)(i), as applicable, in either case in clause (ii), with respect to any failure to perform or any breach of any covenant or agreement to be fully performed during the Pre-Closing Period, for any amount exceeding, in the aggregate, the Refundable Deposit. The aggregate amount of all Losses for which a party may be liable pursuant to Section 9.2 shall not exceed \$2,500,000.

(b) Payments by an Indemnifying Party pursuant to Section 9.2(a) or Section 9.2(b) in respect of any Loss shall be limited to the amount of the Loss that remains after deducting therefrom any insurance proceeds and any indemnity, contribution or other similar payment received or reasonably expected to be received by the Indemnified Party in respect of any such claim. If any such proceeds or payments are received after payment by the Indemnifying Party of the full amount otherwise required to be paid to an Indemnified Party pursuant to this Article 9, the Indemnified Party shall repay to the Indemnifying Party, promptly after such receipt, any amount that the Indemnifying Party would not have had to

pay pursuant to this Article 9 had such amounts been received prior to such payment. The Indemnified Party shall use its commercially reasonable efforts to recover under insurance policies or indemnity, contribution or other similar agreements for any Losses prior to seeking indemnification under this Agreement.

(c) The Indemnified Party shall take, and cause its affiliates to take, all reasonable steps to mitigate any Loss upon becoming aware of any event or circumstance that would be reasonably expected to, or does, give rise thereto, including incurring costs only to the minimum extent necessary to remedy the breach that gives rise to such Loss.

(d) In no case shall Seller have any obligations under Section 9.2 with respect to any Losses resulting from or arising out of any actions or inactions of GRC LA or any of its affiliates under the LMA.

**Section 9.5 Tax Treatment of Indemnification Payments.** All payments made pursuant to this Article 9 shall be treated as adjustments to the Purchase Price for all tax purposes, unless otherwise required by applicable law

**Section 9.6 Exclusive Remedy.** Subject to Section 11.12, each party acknowledges and agrees that, following the Closing, the remedies provided for in this Article 9 shall be the sole and exclusive remedies for claims and damages available to the parties and their respective affiliates arising out of or relating to this Agreement and the transactions contemplated hereby; provided, however, injunctive relief may be had for violations of the agreements set forth in Section 5.1. This Section 9.6 shall not affect either party's ability to exercise any rights or remedies available to such party under any Ancillary Agreement with respect to claims arising under such Ancillary Agreement.

## **ARTICLE 10. TERMINATION AND REMEDIES**

**Section 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 (i) there has been a material breach by Seller of a representation or warranty of Seller contained in this Agreement or (ii) there shall be a material breach by Seller of any covenant, agreement or obligation of Seller in this Agreement, and such breach described in clause (i) or (ii) would result in the failure of a condition set forth in Section 7.1 (subject to the terms of such section) that has not been waived by Buyer, or in the case of a breach of any covenant or agreement, is not cured within the Cure Period (as defined below); provided, that Buyer may not terminate this Agreement pursuant to this Section 10.1(b) if Buyer is in material breach of this Agreement;
- (c) by written notice from Seller to Buyer if (i) there has been a material breach by Buyer of a representation or warranty of Buyer contained in this Agreement or (ii) there shall be a material breach by Buyer of any covenant, agreement or obligation of Buyer in this

Agreement, and such breach described in clause (i) or (ii) would result in the failure of a condition set forth in Section 6.1 that has not been waived by Seller, or in the case of a breach of any covenant or agreement, is not cured within the Cure Period; provided, that Seller may not terminate this Agreement pursuant to this Section 10.1(c) if Seller is in material breach of this Agreement;

(d) by written notice from Seller to Buyer if the FCC Consent is affirmatively denied by the FCC; or

(e) by written notice from either Seller or Buyer to the other if:

(i) the Closing shall not have occurred by the date that is six months from the Execution Date (the “**Termination Date**”) so long as the terminating party is not then in breach of any of its representations, warranties, covenants or agreements contained in this Agreement to the extent that would give the other party the right not to proceed with the Closing pursuant to Section 10.1(b) or Section 10.1(c), as the case may be. The Termination Date shall be extended by up to ninety (90) days if an objection to FCC Consent is pending; or

(ii) any law is enacted or the FCC or any other governmental authority adopts a rule or regulation having the force of law that makes consummation of the transactions contemplated by this Agreement illegal or otherwise prohibited.

(f) The term “**Cure Period**” as used herein means a period commencing the date Buyer or Seller receives from the other written notice of breach hereunder and continuing until the earlier of (i) 5:00 p.m., Pacific time, on the fifteenth (15th) calendar day thereafter and (ii) the fifth (5th) Business Day prior to the Closing Date. The Cure Period shall not include failure to pay money when due.

**Section 10.2 Effect of Termination.** Any notice of termination given pursuant to Section 10.1 shall state the termination provision in this Agreement that such terminating party is claiming provides a basis for termination of this Agreement. Termination of this Agreement pursuant to the provisions of Section 10.1 shall be effective upon and as of the date of delivery of such written notice as determined pursuant to Section 11.3. In the event of the termination of this Agreement pursuant to Section 10.1 by Buyer or Seller, this Agreement shall be terminated and have no further effect, and there shall be no liability hereunder on the part of Seller, Buyer or any of their respective affiliates, except that Section 1.5(b) (*Escrow Release*), Section 5.1 (*Confidentiality*), Section 5.2 (*Announcements*), this Section 10.2 (*Effect of Termination*), Section 10.3 (*Withdrawal of Certain Filings*), Section 10.4 (*Seller’s Termination Remedy*), and Article 11 (*Miscellaneous*) shall survive any termination of this Agreement. For the avoidance of doubt, in the event of termination of this Agreement pursuant to Section 10.1, the Parties shall not enter into or deliver any of the agreements or documents to be entered into or delivered at Closing or have any obligations thereunder.

**Section 10.3 Withdrawal of Certain Filings.** As soon as practicable following a termination of this Agreement for any reason, but in no event more than thirty (30) days after such termination, Buyer or Seller shall, to the extent practicable, withdraw all filings, applications and other submissions relating to the transactions contemplated by this Agreement filed or submitted by or on behalf of such party, to or with any governmental authority or other person or entity.

**Section 10.4 Seller's Termination Remedy-LIQUIDATED DAMAGES.** THE PARTIES ACKNOWLEDGE THAT SELLER'S DAMAGES IN THE EVENT OF BUYER'S FAILURE TO CLOSE ON THE TRANSACTIONS SET OUT IN THIS AGREEMENT ARE DIFFICULT TO DETERMINE AND AGREE THAT LIQUIDATED DAMAGES IN THE SUM OF THE ESCROW DEPOSIT ARE A REASONABLE ESTIMATE OF THE DAMAGES TO SELLER RESULTING FROM SUCH A BREACH BY BUYER. SELLER ACKNOWLEDGES AND AGREES THAT ITS RIGHT TO RECEIVE THE ESCROW DEPOSIT AS LIQUIDATED DAMAGES UPON THE TERMINATION OF THIS AGREEMENT AS DESCRIBED IN SECTION 1.5(A) SHALL BE SELLER'S SOLE AND EXCLUSIVE REMEDY FOR THE PRE-CLOSING TERMINATION OF THIS AGREEMENT AS A RESULT OF BUYER'S BREACH HEREOF.

Seller 

Buyer 

**ARTICLE 11. MISCELLANEOUS.**

**Section 11.1 Expenses.** Whether or not the Closing occurs, 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 as provided in Section 4.3(b).

**Section 11.2 Assignment.** This Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective successors and permitted assigns. Notwithstanding the foregoing, no party may assign its rights or obligations under this Agreement without the prior written consent of the other party, which such consent shall not be unreasonably withheld, conditioned or delayed, except any party may, without such consent, (a) assign its rights and obligations under this Agreement to an entity under common control with such party, *i.e.*, an entity to which such party could assign or transfer a FCC radio station authorization using FCC Form 316, provided, however, such assignment, whether before or after the Closing, shall not release Buyer from its obligations hereunder. Buyer shall promptly provide to Seller such information about any proposed assignee that Seller may reasonably request.

**Section 11.3 Notices.** Any notice, request, demand, waiver, consent, approval or other communication permitted or required under this Agreement (each, a "**Notice**") shall be in writing and shall be sent and deemed delivered on the date of personal delivery or e-mail transmission confirmed by the named recipient or confirmed delivery by a nationally recognized overnight courier service, or on the third 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 Seller, then to:

c/o 93.9 Holdings, Inc.  
2600 West Olive Avenue, Ste. 850  
Burbank, CA 91505

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

if to Buyer, then to:

c/o Meruelo Media LLC  
2600 West Olive Avenue, Ste. 800  
Burbank, CA 91505  
Attn: General Manager

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

Meruelo Group LLC  
9550 Firestone Blvd., Ste. 105  
Downey, CA 90241  
Attn: General Counsel

**Section 11.4 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.

**Section 11.5 Entire Agreement; Amendment.** This Agreement and the Ancillary Agreements constitute the entire agreement and understanding of the parties hereto with respect to the subject matter hereof, and supersede all prior agreements and understandings, both written and oral, with respect to the subject matter hereof. 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 or waiver or consent is sought. The waiver by a party of any right hereunder or of the failure to perform or of a breach by any other party shall not be deemed a waiver of any other right hereunder or of any other breach or failure by said other party whether of a similar nature or otherwise.

**Section 11.6 No Third Party Beneficiary.** 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, their respective successors and permitted assigns and the Seller Indemnitees and Buyer Indemnitees (to the extent of their respective rights under Article 9).

**Section 11.7 Counterparts.** 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. Delivery of an executed counterpart of a signature page of this Agreement by .pdf attachment to an e-mail, facsimile or other electronic transmission shall be effective as delivery of a manually executed original counterpart of this Agreement.

**Section 11.8 Interpretation.** For purposes of this Agreement, (a) the words “include,” “includes” and “including” shall be deemed to be followed by the words “without limitation”; (b) except where the context otherwise requires, (i) the word “or” is not exclusive, (ii) wherever used, the singular includes the plural, and the plural the singular, and (iii) “extent” in the phrase “to the extent” means the degree to which a subject or other thing extends, and such phrase does not mean simply “if”; and (c) the words “herein,” “hereof,” “hereby,” “hereto” and “hereunder” refer to this Agreement as a whole. Unless the context otherwise requires, references herein: (x) to Articles, Sections, Schedules and Exhibits mean the Articles and Sections of, and Schedules and Exhibits attached to, this Agreement; (y) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof and (z) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. The Schedules and Exhibits referred to herein shall be construed with, and as an integral part of, this Agreement to the same extent as if they were set forth verbatim herein. References in this Agreement to monetary amounts are denominated in United States Dollars.

**Section 11.9 Headings.** The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

**Section 11.10 Governing Law.** This Agreement shall be construed in accordance with and governed by the laws of the State of California, excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of this Agreement to the substantive law of another jurisdiction. Subject to Section 11.11, the Parties hereby irrevocably and unconditionally (a) consent to the exclusive jurisdiction of the courts of the State of California and the United States District Court for the Central District of California (the “**Chosen Courts**”) for any action, suit or proceeding (other than appeals therefrom) arising out of or relating to this Agreement, and agree not to commence any action, suit or proceeding (other than appeals therefrom) related thereto except in such courts; and (b) waive any objection to the laying of venue of any action, suit or proceeding (other than appeals therefrom) arising out of or relating to this Agreement in the Chosen Courts, and hereby further irrevocably and unconditionally waive and agree not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

**Section 11.11 Equitable Relief.** The parties agree that the Station Assets are unique, that irreparable damage would occur to Buyer in the event that any of the provisions of this Agreement was not performed in accordance with its terms or was otherwise breached (including if Seller did not convey the Station Assets to Buyer in accordance with the terms of this Agreement), and that monetary damages, alone, would not compensate Buyer for Seller’s breach of this Agreement. It is accordingly agreed that Buyer shall be entitled to an injunction or injunctions to prevent breaches

of this Agreement and to enforce specifically the terms and provisions of this Agreement in any court of the United States or any state having jurisdiction, this being Buyer's sole remedy for Seller's pre-Closing breach of this Agreement. As to any action for specific performance, Seller hereby waives the defense that a remedy at law would be adequate.

**Section 11.12 Damages Waiver.** TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, NEITHER BUYER NOR SELLER SHALL BE LIABLE TO THE OTHER, OR THEIR AFFILIATES, FOR ANY CLAIMS, DEMANDS OR SUITS FOR CONSEQUENTIAL, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE, INDIRECT OR MULTIPLE DAMAGES, INCLUDING LOSS OF PROFITS, REVENUE OR INCOME, DIMINUTION IN VALUE OR LOSS OF BUSINESS OPPORTUNITY (WHETHER OR NOT FORESEEABLE AT THE EXECUTION DATE), CONNECTED WITH OR RESULTING FROM THIS AGREEMENT, ANY BREACH OF THIS AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREBY OR ANY ACTIONS UNDERTAKEN IN CONNECTION WITH OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY, INCLUDING ANY SUCH DAMAGES WHICH ARE BASED UPON BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE AND MISREPRESENTATION), BREACH OF WARRANTY, STRICT LIABILITY, STATUTE, OPERATION OF LAW OR ANY OTHER THEORY OF RECOVERY.

**Section 11.13 Joint and Several Obligations.** All representations and warranties and obligations of Seller and Buyer under this Agreement shall be joint and several as between each person constituting Seller or Buyer, as applicable.

[SIGNATURE PAGE FOLLOWS]

**SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT**

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

**ASSET BUYER:**

By:   
Name: Alex Mervelo  
Title: Manager

**LICENSE BUYER:**

By:   
Name: Alex Mervelo  
Title: Manager

**ASSET SELLER:**

By:   
Name: Rafael Marquez Aguirre  
Title: Director

**LICENSE SELLER:**

By:   
Name: Rafael Marquez Aguirre  
Title: Director