

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this “Agreement”) is made as of August 26, 2020 among Potomac Radio Group, Inc., a Virginia corporation (“Seller”), iHeartMedia + Entertainment, Inc., a Nevada corporation (“iHM+E”) and iHM Licenses, LLC, a Delaware limited liability company (“iHM” and collectively with iHM+E, “Buyer”).

Recitals

A. Seller owns and operates the following radio station (the “Station”) pursuant to authorizations issued by the Federal Communications Commission (the “FCC”).

WUST(AM), Washington DC (FIN 48686)

B. Pursuant to the terms and subject to the conditions set forth in this Agreement, the parties desire to provide for the sale and purchase of the Station Assets (defined below).

Agreement

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

ARTICLE 1: SALE AND PURCHASE

1.1 Sale and Purchase. On the terms and subject to the conditions hereof, at Closing (defined below), Seller shall sell, assign, transfer, convey and deliver to Buyer, and Buyer shall purchase and acquire from Seller, all right, title and interest of Seller in and to all assets, properties and rights of Seller, real and personal, tangible and intangible, that are used or held for use in the operation of the Station (the “Station Assets”), except as set forth in Section 1.2. The Station Assets include without limitation all right, title and interest in and to the following:

(a) all licenses, permits and other authorizations issued by the FCC with respect to the Station (the “FCC Licenses”), including those described on *Schedule 1.1(a)*, including any renewals or authorized modifications thereof between the date hereof and Closing;

(b) all equipment, transmitters, antennas and other tangible personal property that is used or held for use in the operation of the Station, including without limitation those listed on *Schedule 1.1(b)* (the “Tangible Personal Property”);

(c) the Tower Site License Agreement described on *Schedule 1.1(c)* (the “Real Property Lease”);

(d) (i) the Tri-Plex Agreement described on *Schedule 1.1(d)* (the “Tri-

Plex Agreement”), and (ii) the other contracts and agreements that are used in the operation of the Station and listed on *Schedule 1.1(d)*, if any (the Tri-Plex Agreement and such other agreements, if any, collectively, the “Station Contracts”); and

(e) all files, documents and records relating to the foregoing Station Assets, including without limitation all engineering and technical information, and all files, documents and records required by the FCC to be kept by the Station, including the Station’s local public files.

The Station Assets shall be transferred to Buyer free and clear of liens, claims and encumbrances (“Liens”) except for Assumed Obligations (defined in Section 1.3), and liens for taxes not yet due and payable for which a proration in favor of Buyer is made under Section 1.5 (“Permitted Liens”).

1.2 Excluded Assets. Notwithstanding anything in this Agreement to the contrary, the Station Assets do not include Seller’s studio site or studio equipment (except any items listed on *Schedule 1.1(b)*) Seller’s cash and accounts receivable existing as of the earlier of Closing or the date the LMA commences, Seller’s programming, Seller’s ad sales orders, Seller’s contracts, leases, or agreements (unless listed on *Schedule 1.1(c) or 1.1(d)*), or any employee plans, employment obligations or insurance policies (the “Excluded Assets”).

1.3 Assumed Obligations. On the Closing Date (defined below), Buyer shall assume the obligations of Seller arising after Closing under the Station Contracts and Real Property Lease and any liabilities for which Buyer receives a credit under Section 1.5, if any (collectively, the “Assumed Obligations”). Except for the Assumed Obligations, Buyer does not assume, and will not be deemed by the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby to have assumed, any other liabilities or obligations of Seller or any liabilities or obligations arising from the operation of the Station before Closing (collectively, the “Retained Obligations”).

1.4 Purchase Price. The purchase price (the “Purchase Price”) to be paid for the Station Assets shall be the sum of One Million Two Hundred Thousand Dollars (\$1,200,000), subject to adjustment pursuant to Section 1.5. Subject to the conditions set forth herein, the Purchase Price shall be paid at Closing by wire transfer of immediately available funds pursuant to instructions to be provided by Seller to Buyer not later than three (3) business days before Closing.

1.5 Prorations. All income and expenses arising from the operation of the Station Assets shall be prorated between Buyer and Seller in accordance with generally accepted accounting principles as of 12:01 a.m. on the day of Closing or the day of commencement of the LMA, as applicable. Such prorations shall include without limitation FCC regulatory fees, utility expenses, amounts due under the Station Contracts, rent under the Real Property Lease, and similar prepaid and deferred items. Any prorations not made at Closing shall be made within sixty (60) calendar days after Closing.

1.6 Allocation. The parties shall each allocate the Purchase Price for tax

purposes in accordance with the respective fair market values of the Station Assets and the goodwill being purchased and sold in accordance with the requirements of Section 1060 of the Internal Revenue Code of 1986, as amended (the “Code”) and shall each file a tax return reflecting such allocation as and when required under the Code.

1.7 Closing.

(a) The consummation of the sale and purchase of the Station Assets provided for in this Agreement (the “Closing”) shall take place on a mutually agreeable date not later than on the tenth (10) business day after the date of initial grant of FCC Consent (defined below), subject to the satisfaction or waiver of the conditions set forth in Articles 6 and 7 below, and subject to 1.7(b) below. The date on which the Closing is to occur is referred to herein as the “Closing Date.”

(b) Seller owns a dish that is located at the Station’s transmitter site. Seller shall diligently attempt to remove such dish no later than the tenth business day after the date of initial grant of FCC Consent. If Seller makes such efforts but is unable to move such dish within such time, the time for Closing under this Agreement shall be extended to a mutually agreeable date not later than thirty (30) calendar days after the date of initial grant of FCC Consent, subject to satisfaction or waiver of the conditions set forth in Articles 6 and 7 below.

1.8 FCC Consent. Within five (5) business days after the date of this Agreement, the parties shall file an application with the FCC (the “FCC Application”) requesting FCC consent to the assignment of the FCC Licenses from Seller to iHM. FCC consent to the FCC Application by initial order without any material adverse conditions other than those of general applicability is referred to herein collectively as the “FCC Consent”. The parties shall diligently prosecute the FCC Application and otherwise use their commercially reasonable efforts to obtain the FCC Consent as soon as possible. The parties shall notify each other promptly of all documents filed with or received from the FCC with respect to this Agreement or the transactions contemplated hereby. The parties shall furnish each other with such information and assistance as the other may reasonably request in connection with their preparation and prosecution of the FCC Application.

1.9 LMA. Seller and iHM+E are currently entering into an agreement (the “LMA”) providing for certain programming and sales with respect to the Station prior to Closing.

ARTICLE 2: SELLER REPRESENTATIONS AND WARRANTIES

Seller makes the following representations and warranties to Buyer:

2.1 Organization. Seller is duly organized, validly existing and in good standing in the jurisdiction of its organization. Seller has the requisite power and authority to execute, deliver and perform this Agreement and all of the other agreements and instruments to be made by Seller pursuant hereto (collectively, the “Seller Ancillary Agreements”) and to consummate the transactions contemplated hereby.

2.2 Authorization. The execution, delivery and performance of this Agreement and the Seller Ancillary Agreements by Seller have been duly authorized and approved by all necessary action of Seller and do not require any further authorization or consent of Seller. This Agreement is, and each Seller Ancillary Agreement when made by Seller and the other parties thereto will be, a legal, valid and binding agreement of Seller enforceable in accordance with its terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

2.3 No Conflicts. The execution, delivery and performance by Seller of this Agreement and the Seller Ancillary Agreements and the consummation by Seller of the transactions contemplated hereby does not conflict with any organizational documents of Seller or any other contract or agreement to which Seller is a party or by which it is bound, or any law, judgment, order, or decree to which Seller is subject, or require the consent or approval of, or a filing by Seller with, any governmental or regulatory authority or any third party, except FCC Consent and any necessary consent under the Real Property Lease.

2.4 FCC Licenses.

(a) Seller validly holds the FCC Licenses, and all FCC Licenses are 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"), and the rules, regulations and policies of the FCC for the operation of the Station as presently operated. The FCC Licenses are in full force and effect, are not subject to any condition except for those conditions appearing on the face of the FCC Licenses and conditions applicable to broadcast radio station licenses generally, and have not been revoked, suspended, canceled, rescinded or terminated and have not expired. There is not pending or, to the knowledge of Seller, threatened any action by or before the FCC to revoke, suspend, cancel, rescind or modify any of the FCC Licenses, and there is no order to show cause, notice of violation, notice of apparent liability, or notice of forfeiture or complaint pending or, to the knowledge of Seller, threatened against Seller or the Station by or before the FCC. The Station is operating at full power in accordance with its FCC licensed parameters. Seller and the Station are in material compliance with the FCC Licenses, the Communications Act, and the rules and regulations of the FCC and the Federal Aviation Administration ("FAA").

(b) No applications are pending before the FCC relating to the Station. All reports and filings required to be filed with the FCC with respect to the Station (including without limitation all required equal employment opportunity reports) have been timely filed. All such reports and filings are accurate and complete in all material respects. The Station maintains public files as required by FCC rules, and the contents of such public files were placed in such public files at the appropriate times. No tolling agreement is currently applicable to the Station, no waiver of any statute of limitations has been made during which the FCC may assess any fine or forfeiture or take any other action, and Company has not agreed to

any extension of time with respect to any FCC investigation or proceeding. None of the Station's transmission facilities are co-located with any full power television ("TV"), Class A TV, low power TV or TV translator stations that were subject to repack by the FCC, and no application has been made with respect to the Station for any repack reimbursements from the FCC. The operation of the Station does not expose workers or others to levels of radio frequency radiation in excess of the "Radio Frequency Protection Guides" recommended in "American National Standard Safety Levels with Respect to Human Exposure to Radio Frequency Electromagnetic Fields 3 kHz to 300 GHz" (ANSI/IEEE C95.1 - 1992), issued by the American National Standards Institute, and renewal of the FCC Licenses would not constitute a "major action" within the meaning of Section 1.1301 *et seq.*, of the FCC's rules.

2.5 Personal Property. *Schedule 1.1(b)* contains a list of all material items of Tangible Personal Property included in the Station Assets. Seller owns and holds the Tangible Personal Property and other Station Assets free and clear of Liens other than Permitted Liens. All items of Tangible Personal Property are in good operating condition, ordinary wear and tear excepted.

2.6 Real Property. *Schedule 1.1(c)* includes a description of the Real Property Lease and any third party consent that is necessary to assign the Real Property Lease as contemplated by this Agreement. There is no other property, whether owned, leased, or licensed, that is used in the operation of the Station except Seller's studio site, which is an Excluded Asset. The Real Property Lease includes sufficient access to the Station's facilities without need to obtain any other access rights. The site leased under the Real Property Lease is not subject to any pending or, to Seller's knowledge, threatened suit for condemnation or other taking by any public authority. All towers, buildings and other improvements used by the Station at such site are in good operating condition and repair (ordinary wear and tear excepted) and free from material defect or damage and comply with applicable zoning, health and safety laws and codes. No hazardous or toxic substance or waste regulated under any applicable environmental, health or safety law has been generated, stored, transported or released on, in, from or to the Station's properties except in compliance with applicable laws. The Station, and Seller with respect to the Station, has complied in all material respects with all applicable environmental, health and safety laws.

2.7 Contracts. Seller has delivered to Buyer a complete list of all contracts and agreements used or held for use in the operation of the Station. *Schedule 1.1(d)* contains a list of all contracts and agreements that are included in the Station Contracts. The Station Contracts requiring the consent of a third party to assignment as contemplated by Agreement are identified on *Schedule 1.1(d)*. The Station Contracts and Real Property Lease are in effect and binding upon Seller and, to Seller's knowledge, the other parties thereto (subject to bankruptcy, insolvency, reorganization or other similar laws relating to or affecting the enforcement of creditors' rights generally). No party is in default under the Station Contracts or Real Property Lease. Seller has delivered to Buyer true and complete copies of the Station Contracts, including the Tower Site License Agreement and the Tri-Plex Agreement, and including all amendments thereto.

2.8 Compliance with Law. Seller has complied in all material respects with

all laws, rules and regulations applicable to the operation of the Station, and all decrees and orders of any court or governmental authority applicable to the operation of the Station. There are no governmental claims or investigations pending or, to Seller's knowledge, threatened regarding the Station except those affecting the industry generally. There is no action, suit or proceeding pending or, to Seller's knowledge, threatened that relates to the Station or the Station Assets or the transactions contemplated by this Agreement or that could materially adversely affect the ability of Seller to perform its obligations hereunder. Neither the Station nor Seller with respect to the Station is operating under or subject to any order, writ, injunction or decree of any court or governmental authority, other than those of general applicability.

2.9 Employees. The Station has complied in all material respects with all applicable laws, rules and regulations regarding employees. There is no labor agreement or collective bargaining agreement covering the Station or any employees of the Station. No unfair labor practice claim, charge or proceeding involving the Station or any employee of the Station is pending or, to the knowledge of the Seller, threatened before the National Labor Relations Board, any state labor relations board or any court or tribunal. There is no material strike or other material labor dispute pending or, to the knowledge of the Seller, threatened in respect of the Station.

2.10 No Undisclosed Liabilities. There are no liabilities or obligations with respect to the Station that will be binding upon Buyer other than the Assumed Obligations and other than any obligations for which Buyer receives a proration under Section 1.5. All tax returns and reports required under applicable law in connection with the operation of the Station have been or will be timely filed, and all taxes which have become due pursuant to such returns or pursuant to any assessments have been or will be timely paid.

2.11 No Finder. No broker, finder or other person is entitled to a commission, brokerage fee or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Seller or any party acting on Seller's behalf.

ARTICLE 3: BUYER REPRESENTATIONS AND WARRANTIES

Buyer hereby makes the following representations and warranties to Seller:

3.1 Organization. Buyer is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization. Buyer has the requisite power and authority to execute, deliver and perform this Agreement and all of the other agreements and instruments to be executed and delivered by Buyer pursuant hereto (collectively, the "Buyer Ancillary Agreements") and to consummate the transactions contemplated hereby.

3.2 Authorization. The execution, delivery and performance of this Agreement and the Buyer Ancillary Agreements by Buyer have been duly authorized and approved by all necessary action of Buyer and do not require any further authorization or consent of Buyer. This Agreement is, and each Buyer Ancillary Agreement when made by Buyer and the other parties thereto will be, a legal, valid and binding agreement of Buyer enforceable in

accordance with its terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

3.3 No Conflicts. The execution, delivery and performance by Buyer of this Agreement and the Buyer Ancillary Agreements and the consummation by Buyer of the transactions contemplated hereby does not conflict with any organizational documents of Buyer, any contract or agreement to which Buyer is a party or is by which it is bound, or any law, judgment, order or decree to which Buyer is subject, or require the consent or approval of, or a filing by Buyer with, any governmental or regulatory authority or any third party, except FCC Consent and any necessary consent under the Real Property Lease.

3.4 Litigation. There is no action, suit or proceeding pending or, to Buyer's knowledge, threatened against Buyer that relates to transactions contemplated by this Agreement or that could materially adversely affect the ability of Buyer to perform its obligations hereunder.

3.5 Qualification. iHM is legally, financially and otherwise qualified to be the licensee of, acquire, own and operate the Station under the Communications Act and the rules, regulations and policies of the FCC.

3.6 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, except Kalil & Co., whose fee is the sole responsibility of Buyer.

ARTICLE 4: SELLER COVENANTS

4.1 Seller Covenants. Between the date hereof and Closing, except as permitted by this Agreement or with the prior written consent of Buyer, Seller shall:

(a) operate the Station in the ordinary course of business and in all material respects in accordance with FCC and FAA rules and regulations and with all other applicable laws, regulations, rules and orders;

(b) not modify, and maintain in full force and effect, the FCC Licenses;

(c) not sell, lease or dispose of or agree to sell, lease or dispose of any Tangible Personal Property unless replaced with similar items of substantially equal or greater value and utility;

(d) not create, assume or permit to exist any Liens upon the Station Assets, except for Permitted Liens, and not dissolve, liquidate, merge or consolidate with any other entity;

(e) maintain the Tangible Personal Property in good operating condition, ordinary wear and tear excepted;

(f) upon reasonable notice, give Buyer and its representatives reasonable access during normal business hours to the Station Assets, and furnish Buyer with information relating to the Station Assets that Buyer may reasonably request, provided that such access rights shall not be exercised in a manner that interferes with the operation of the Station; and

(g) not enter into new leases or contracts that will be binding upon Buyer after Closing or amend or terminate any Station Contracts or Real Property Lease.

ARTICLE 5: JOINT COVENANTS

Buyer and Seller hereby covenant and agree as follows:

5.1 Confidentiality. Subject to the requirements of applicable law, all non-public information regarding the parties and their business and properties that is disclosed in connection with the negotiation, preparation or performance of this Agreement shall be confidential and shall not be used or disclosed except as reasonably necessary for purposes of consummating the transaction contemplated by this Agreement.

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

5.3 Control. Consistent with the Communications Act and the FCC rules and regulations, control, supervision and direction of the operation of the Station prior to Closing shall remain the responsibility of Seller as the holder of the FCC Licenses, and Buyer shall not, directly or indirectly, control, supervise or direct the operation of the Station prior to Closing.

5.4 Risk of Loss. Seller shall bear the risk of any loss of or damage to any of the Station Assets at all times until Closing, and Buyer shall bear the risk of any such loss or damage thereafter. If prior to Closing the Station is off the air or operating at a power level that results in a material reduction in coverage (a "Broadcast Interruption"), then Seller shall return the Station to the air and restore prior coverage as promptly as possible. Notwithstanding anything herein to the contrary, if prior to Closing there is a Broadcast Interruption in excess of 24 hours, then Buyer may postpone Closing until the date five (5) business days after the Station returns to the air and prior coverage is restored in all material respects, subject to Section 10.1.

5.5 Consents. The parties shall use commercially reasonable efforts to obtain (i) any third party consents necessary for the assignment of the Station Contracts and Real

Property Lease (which shall not require any payment to any third party), and (ii) execution of a customary estoppel certificate by the lessor under the Real Property Lease. Receipt of all consents, if any, that are necessary to assign to Buyer the Real Property Lease and Tri-Plex Agreement (the “Required Consents”) are conditions precedent to Buyer’s obligation to consummate the Closing under this Agreement. To the extent that any Station Contract may not be assigned without the consent of any third party, and such consent is not obtained prior to Closing, this Agreement and any assignment executed pursuant to this Agreement shall not constitute an assignment of such Station Contract; provided, however, with respect to each such Station Contract, Seller and Buyer shall cooperate to the extent feasible in effecting a lawful and commercially reasonable arrangement under which Buyer shall receive the benefits under the Station Contract from and after Closing, and to the extent of the benefits received, Buyer shall pay and perform Seller’s obligations arising under the Station Contract from and after Closing in accordance with its terms.

5.6 Employees. No employees of the Station will transfer to Buyer in connection with the transactions contemplated by this Agreement. Seller shall be solely responsible for (i) all notices to employees of the Station (whether required under the WARN Act or local law or otherwise), (ii) all severance and other obligations to employees of the Station who are terminated upon commencement of the LMA or Closing, (iii) all obligations under any employment agreements with employees of the Station, (iv) all compensation and benefits, including without limitation commissions and bonuses, to employees of the Station, and (v) all other employee obligations of Seller, all of the foregoing being Retained Obligations.

5.7 Accounts Receivable. Seller shall not collect any accounts receivable arising from the operation of the Station after the earlier of Closing or commencement of the LMA, and shall promptly pay over to Buyer any such receivables that it receives. Buyer shall not collect any accounts receivable arising from the operation of the Station before such time, and shall promptly pay over to Seller any such receivables that it receives.

5.8 Final Order. If Closing occurs prior to the date that the FCC Consent becomes a Final Order (defined below), and prior to that date the FCC Consent is reversed or otherwise set aside, and there is a Final Order of the FCC (or court of competent jurisdiction) requiring the re-assignment of the FCC Licenses to Seller, then the purchase and sale of the Station Assets shall be rescinded. In such event, Buyer shall reconvey to Seller the Station Assets free and clear of Liens other than Permitted Liens, and Seller shall repay to Buyer the Purchase Price and reassume the Station Contracts and Real Property Lease. Any such rescission shall be consummated on a mutually agreeable date within thirty days of such Final Order (or, if earlier, within the time required by such order). In connection therewith, Buyer and Seller shall each execute such documents (including execution by Buyer of instruments of conveyance of the Station Assets to Seller and execution by Seller of instruments of assumption of the Station Contracts and Real Property Lease) and make such payments (including repayment by Seller to Buyer of the Purchase Price) as are necessary to give effect to such rescission. For purposes of this Agreement, the term “Final Order” means action by the FCC which is not reversed, stayed, enjoined, set aside, annulled or suspended, and with respect to which action no timely request for stay, petition for rehearing, appeal or certiorari or *sua sponte* action of the FCC with comparable effect is pending, and as to which the time for filing any such

request, petition, appeal, certiorari or for the taking of any such *sua sponte* action by the FCC has expired or otherwise terminated.

ARTICLE 6: SELLER CLOSING CONDITIONS

The obligation of Seller to consummate the Closing hereunder is subject to satisfaction, at or prior to Closing, of each of the following conditions (unless waived in writing by Seller):

6.1 Representations and Covenants.

(a) The representations and warranties of Buyer made in this Agreement shall be true and correct in all material respects as of Closing except for changes permitted or contemplated by the terms of this Agreement.

(b) The covenants and agreements to be complied with and performed by Buyer at or prior to Closing shall have been complied with or performed in all material respects.

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

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

6.3 FCC Consent. The FCC Consent pursuant to the FCC's initial order shall have been obtained.

6.4 Deliveries. Buyer shall have complied with its obligations set forth in Section 8.2.

ARTICLE 7: BUYER CLOSING CONDITIONS

The obligation of Buyer to consummate the Closing hereunder is subject to satisfaction, at or prior to Closing, of each of the following conditions (unless waived in writing by Buyer):

7.1 Representations and Covenants.

(a) The representations and warranties of Seller made in this Agreement shall be true and correct in all material respects as of Closing except for changes permitted or contemplated by the terms of this Agreement.

(b) The covenants and agreements to be complied with and performed by Seller at or prior to Closing shall have been complied with or performed in all material respects.

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

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

7.3 FCC Consent. The FCC Consent pursuant to the FCC's initial order shall have been obtained.

7.4 Deliveries. Seller shall have complied with its obligations set forth in Section 8.1.

7.5 Consents. The Required Consents shall have been obtained.

ARTICLE 8: CLOSING DELIVERIES

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

- (i) the certificate described in Section 7.1(c);
- (ii) an assignment of the FCC Licenses from Seller to iHM;
- (iii) a bill of sale conveying the other Station Assets from Seller to iHM+E;
- (iv) an assignment and assumption of lease assigning the Real Property Lease from Seller to iHM+E (the "Lease Assignment and Assumption");
- (v) an assignment and assumption of contracts assigning the Station Contracts from Seller to iHM+E (the "Contract Assignment and Assumption"); and
- (vi) any other documents and instruments that may be reasonably necessary to consummate the transactions contemplated by this Agreement.

8.2 Buyer Documents. At Closing, Buyer shall deliver or cause to be delivered to Seller:

- (i) the portion of Purchase Price provided by Section 1.4;
- (ii) the certificate described in Section 6.1(c);

(iii) the Lease Assignment and Assumption signed by iHM+E;

(iv) the Contract Assignment and Assumption signed by iHM+E;

and

(v) any such other documents and instruments that may be reasonably necessary to consummate the transactions contemplated by this Agreement.

ARTICLE 9: SURVIVAL; INDEMNIFICATION

9.1 Survival. The representations and warranties in this Agreement shall survive for a period of twelve (12) months from the Closing Date, whereupon they shall expire and be of no further force or effect, except (i) those with respect to title, taxes and environmental matters, which shall survive until the expiration of any applicable statute of limitations, and (ii) that if within such applicable period the indemnified party gives the indemnifying party written notice of a claim for breach thereof, then such claim shall survive until the earlier of resolution of such claim or expiration of the applicable statute of limitations. The covenants and agreements in this Agreement shall survive Closing until performed.

9.2 Indemnification.

(a) Subject to Section 9.2(b), from and after Closing, Seller shall defend, indemnify and hold harmless Buyer from and against any and all losses, costs, damages, liabilities and expenses, including reasonable attorneys' fees and expenses ("Damages") incurred by Buyer arising out of or resulting from:

(i) any breach by Seller of its representations and warranties made under this Agreement; or

(ii) any default by Seller of any covenant or agreement made under this Agreement; or

(iii) the Retained Obligations.

(b) Notwithstanding the foregoing, after Closing (i) Seller shall have no liability to Buyer under clause (i) of Section 9.2(a) until Buyer's aggregate Damages exceed \$12,000, after which such threshold amount shall be included in, not excluded from, any calculation of Damages, and (ii) the maximum aggregate liability of Seller under clause (i) of Section 9.2(a) shall be an amount equal to the Purchase Price.

(c) From and after Closing, Buyer shall defend, indemnify and hold harmless Seller from and against any and all Damages incurred by Seller arising out of or resulting from:

(i) any breach by Buyer of its representations and warranties made under this Agreement; or

(ii) any default by Buyer of any covenant or agreement made under this Agreement; or
(iii) the Assumed Obligations.

9.3 Procedures.

(a) The indemnified party shall give prompt written notice to the indemnifying party of any demand, suit, claim or assertion of liability by third parties that is subject to indemnification hereunder (a “Claim”), but a failure to give such notice or delaying such notice shall not affect the indemnified party’s rights or the indemnifying party’s obligations except to the extent the indemnifying party’s ability to remedy, contest, defend or settle with respect to such Claim is thereby prejudiced and provided that such notice is given within the time period described in Section 9.1.

(b) The indemnifying party shall have the right to undertake the defense or opposition to such Claim with counsel selected by it. In the event that the indemnifying party does not undertake such defense or opposition in a timely manner, the indemnified party may undertake the defense, opposition, compromise or settlement of such Claim with counsel selected by it at the indemnifying party's cost.

(c) Anything herein to the contrary notwithstanding:

(i) the indemnified party shall have the right, at its own cost and expense, to participate in the defense, opposition, compromise or settlement of the Claim;

(ii) the indemnifying party shall not, without the indemnified party’s written consent, settle or compromise any Claim or consent to entry of any judgment which does not include the giving by the claimant to the indemnified party of a release from all liability in respect of such Claim; and

(iii) in the event that the indemnifying party undertakes defense of or opposition to any Claim, the indemnified party, by counsel or other representative of its own choosing and at its sole cost and expense, shall have the right to consult with the indemnifying party and its counsel concerning such Claim and the indemnifying party and the indemnified party and their respective counsel shall cooperate in good faith with respect to such Claim.

ARTICLE 10: TERMINATION AND REMEDIES

10.1 Termination. Subject to Section 10.3, this Agreement may be terminated prior to Closing as follows:

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

(b) by written notice of Buyer to Seller if Seller breaches its representations or warranties or defaults in the performance of its covenants contained in this

Agreement and such breach or default is material in the context of the transactions contemplated hereby and is not cured within the Cure Period (defined below);

(c) by written notice of Seller to Buyer if Buyer breaches its representations or warranties or defaults in the performance of its covenants contained in this Agreement and such breach or default is material in the context of the transactions contemplated hereby and is not cured within the Cure Period; or

(d) by written notice of Seller to Buyer or Buyer to Seller if Closing does not occur by the date one year after the date of this Agreement.

10.2 Cure Period. Each party shall give the other party prompt written notice upon learning of any breach or default by the other party under this Agreement. The term “Cure Period” as used herein means a period commencing on the date Buyer or Seller receives from the other written notice of breach or default hereunder and continuing until the earlier of (i) thirty (30) calendar days thereafter or (ii) the Closing Date.

10.3 Survival. Except as provided by Section 10.5, the termination of this Agreement shall not relieve any party of any liability for breach or default under this Agreement prior to the date of termination. Notwithstanding anything contained herein to the contrary, Sections 5.1 (Confidentiality), 10.5 (Liquidated Damages) and 11.1 (Expenses) shall survive any termination of this Agreement.

10.4 Specific Performance. In the event of failure or threatened failure by Seller to comply with the terms of this Agreement, Buyer shall be entitled to an injunction restraining such failure or threatened failure and, subject to obtaining any necessary FCC consent, to enforcement of this Agreement by a decree of specific performance requiring compliance with this Agreement.

10.5 Liquidated Damages. If this Agreement is terminated pursuant to Section 10.1(c) due to the material breach or default of Buyer, then Buyer shall pay Seller the sum of One Hundred Seventy Thousand Dollars (\$170,000), and such payment shall constitute liquidated damages and the sole remedy of Seller for a breach by Buyer of this Agreement. The parties acknowledge and agree that payment of such amount shall constitute payment of liquidated damages and is not a penalty and that the liquidated damages amount is reasonable in light of the substantial but indeterminate harm anticipated to be caused by material breach or default under this Agreement, the difficulty of proof of loss and damages, the inconvenience and non-feasibility of otherwise obtaining an adequate remedy, and the value of the transactions to be consummated hereunder.

ARTICLE 11: MISCELLANEOUS

11.1 Expenses. Each party shall be solely responsible for all costs and expenses incurred by it in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement, except that the parties shall share equally the filing fee for the FCC Application and any other transfer taxes applicable to the transfer of

Station Assets hereunder, if any.

11.2 Further Assurances. After Closing, each party shall from time to time, at the request of and without further cost or expense to the other, execute and deliver such other instruments of conveyance and assumption and take such other actions as may reasonably be requested in order to more effectively consummate the transactions contemplated hereby.

11.3 Assignment. Neither party may assign all or part of this Agreement without the prior written consent of the other party hereto, provided, however, that Buyer may assign to an affiliate its right to acquire assets under this Agreement upon written notice to (but without need for the consent of) Seller if such assignment does not delay Closing (any such assignment does not relieve Buyer of any obligations under this Agreement). The terms of this Agreement shall bind and inure to the benefit of the parties' respective successors and any permitted assigns, and no assignment shall relieve any party of any obligation or liability under this Agreement.

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

if to Seller:

Potomac Radio Group, Inc.
1001 White Sails Way
Corona del Mar, CA 92625
Attention: Brian Lane
Email: brian_lane@wmdt.com

if to Buyer:

iHeartMedia + Entertainment, Inc.
125 W. 55th Street
New York, New York 10019
Attention: Hartley Adkins, COO – Markets Group
Email: HartleyAdkins@iheartmedia.com

with copies (which shall not constitute notice) to:

iHeartMedia + Entertainment, Inc.
Legal Department
20880 Stone Oak Parkway
San Antonio, TX 78258
Attention: Christopher Cain
Email: ChristopherCain@iheartmedia.com

Wilkinson Barker Knauer LLP
1800 M Street, NW, Suite 800N
Washington, DC 20036
Attention: Doc Bodensteiner

11.5 Amendments. No amendment or waiver of compliance with any provision hereof or consent pursuant to this Agreement shall be effective unless evidenced by an instrument in writing signed by the party against whom enforcement of such amendment, waiver, or consent is sought.

11.6 Entire Agreement. This Agreement (including the Schedules hereto) and the LMA constitute the entire agreement and understanding among the parties hereto with respect to the subject matter hereof and thereof, and supersede all prior agreements and understandings with respect to the subject matter hereof and thereof.

11.7 Severability. If any court or governmental authority holds any provision in this Agreement invalid, illegal or unenforceable under any applicable law, then, so long as no party is deprived of the benefits of this Agreement in any material respect, this Agreement shall be construed with the invalid, illegal or unenforceable provision deleted and the validity, legality and enforceability of the remaining provisions contained herein shall not be affected or impaired thereby.

11.8 No Beneficiaries. Nothing in this Agreement expressed or implied is intended or shall be construed to give any rights to any person or entity other than the parties hereto and their successors and permitted assigns.

11.9 Governing Law. The construction and performance of this Agreement shall be governed by the laws of the State of Delaware without giving effect to the choice of law provisions thereof. The prevailing party in a lawsuit brought to enforce the performance or compliance of any provision of this Agreement may recover reasonable attorneys' fees and costs from the non-prevailing party.

11.10 Counterparts. This Agreement may be executed in separate counterparts, each of which will be deemed an original and all of which together will constitute one and the same Agreement. Delivery of an executed signature page of this Agreement by electronic transmission shall be effective as delivery of a manually executed original signature page.

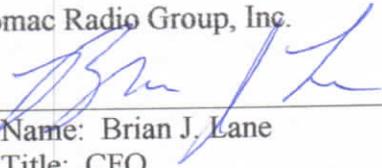
[SIGNATURE PAGE FOLLOWS]

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

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

Seller:

Potomac Radio Group, Inc.

By: 

Name: Brian J. Lane

Title: CFO

Buyer:

iHeartMedia + Entertainment, Inc.

By: _____

Name: Hartley Adkins

Title: COO-Markets Group

iHM Licenses, LLC

By: _____

Name: Hartley Adkins

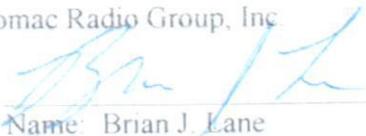
Title: COO-Markets Group

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