

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this “Agreement”) is entered into as of October 10, 2014 (“Effective Date”) among **BUCKLEY BROADCASTING OF CALIFORNIA, LLC**, a Delaware limited liability company (“BBC”), **BUCKLEY COMMUNICATIONS, INC.**, a Delaware corporation (“BCI,” and collectively with BBC, “Seller”) and **ALPHA MEDIA LLC** and **ALPHA MEDIA LICENSEE LLC**, each a Delaware limited liability company (collectively, “Buyer”).

RECITALS

A. Seller owns and operates the following radio broadcast stations (the “Stations”) pursuant to certain authorizations issued by the Federal Communications Commission (the “FCC”):

Bakersfield Market:

KKBB(FM), Bakersfield, CA (FCC Facility ID No. 7720)
KLLY(FM), Oildale, CA (FCC Facility ID No. 7709)
KNZR(AM), Bakersfield, CA (FCC Facility ID No. 7715)
KNZR-FM, Shafter, CA (FCC Facility ID No. 8109)

Merced Market:

KHTN(FM), Planada, CA (FCC Facility ID No. 20334)
KUBB(FM), Mariposa, CA (FCC Facility ID No. 7707)

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

AGREEMENT

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

ARTICLE 1

SALE AND PURCHASE

1.1 Station Assets. On the terms and subject to the conditions hereof, on the Closing Date (defined below), Seller shall sell, assign, transfer, convey and deliver to Buyer, and Buyer shall purchase and acquire from Seller, all right, title and interest of Seller in and to all assets, properties, interests and rights of Seller, real and personal, tangible and intangible, that are used or held for use in the operation of the Stations, except the Excluded Assets (defined below) (the “Station Assets”), including without limitation the following:

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

(b) all of Seller’s equipment, transmitters, antennas, cables, towers, vehicles, furniture, fixtures, spare parts and other tangible personal property of every kind and description that are used or held for use in the operation of the Stations together with any replacements thereof, except for any permitted retirements or dispositions thereof made between the Effective Date and Closing subject to the limitations set forth in Section 4.1 (the “Tangible Personal Property”), including without limitation those items listed on *Schedule 1.1(b)*, except for those items listed in *Schedule 1.2*;

(c) all of Seller’s owned or leasehold interest in real property used or held for use in the operation of the Stations (including any appurtenant easements and improvements located thereon), including without limitation those listed on *Schedule 1.1(c)* (the “Real Property”);

(d) all (i) agreements entered into in the ordinary course of business for the sale of advertising time on the Stations at usual and customary rates for the times in question that are cancelable without penalty on thirty (30) days prior notice that exist at Closing, (ii) contracts, agreements and leases that are used in the operation of the Stations and listed on *Schedule 1.1(d)*, and (iii) all other contracts, agreements and leases entered into between the Effective Date and Closing subject to the limitations set forth in Section 4.1(f) (the “Assumed Contracts”);

(e) all of Seller’s rights in and to the Stations’ call letters and Seller’s rights in and to the trademarks, trade names, service marks, copyrights, domain names, websites, web content, computer software, programs and programming material, jingles, slogans, logos, Facebook, Twitter and other social media accounts, and other intangible property used or held for use in the operation of the Stations, including without limitation those listed on *Schedule 1.1(e)* (the “Intangible Property”);

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

(g) Seller’s rights in and to all the files, documents, records, and books of account (or copies thereof) relating to the operation of the Stations, including the Stations’ local public files, programming information and studies, blueprints, technical information and engineering data, advertising studies, marketing and demographic data, sales correspondence, lists of advertisers, credit and sales reports, and logs (but excluding records related to the Excluded Assets) and

(h) all claims (including warranty claims), deposits, and prepaid expenses (to the extent Seller receives a credit therefor under Section 1.7), and Seller's goodwill in, and the going concern value of, the Stations.

The Station Assets shall be transferred to Buyer free and clear of liens, claims and encumbrances ("Liens") except for (i) the Assumed Obligations (defined below), (ii) statutory liens for taxes not yet due and payable, (iii) mechanics', carriers', workers', repairers' or any Liens that will be released at or prior to Closing, (iv) with respect to the Real Property Leases, any Liens granted by any lessor under any Real Property Lease (including, if applicable, the rights of any lessor thereunder), and (v) with respect to the Owned Real Property, such encroachments, easements, rights of way, building and use restrictions and other exceptions now of record that do not materially detract from the value of the property subject thereto or impair the use thereof in the ordinary course of business and operation of the Stations (collectively, "Permitted Liens").

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

(a) all cash and cash equivalents of Seller, including without limitation certificates of deposit, commercial paper, treasury bills, marketable securities, money market accounts and all such similar accounts or investments;

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

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

(d) Seller's trade names not exclusive to the operation of the Stations, charter documents, and books and records relating to the organization, existence or ownership of Seller, duplicate copies of the records of the Stations, and all records not relating to the operation of the Stations;

(e) except as provided by Section 5.4, all contracts of insurance, and all insurance proceeds and claims made thereunder, and all rights in connection therewith, including without limitation rights arising from any refunds due with respect to insurance premium payments to the extent related to such insurance policies;

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

(g) the Stations' accounts receivable existing prior to the time of Closing (the "A/R");

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

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

(j) all deposits and prepaid expenses (and rights arising therefrom or related thereto), except to the extent Seller receives a credit therefor under Section 1.7;

(k) computers and other similar assets and any other operating systems and related assets that are used in the operation of multiple stations or other business units, except for any such items that are specifically set forth as included in the Station Assets on the Schedules hereto; and

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

1.3 Assumed Obligations. On the Closing Date, Buyer shall assume (i) the obligations of Seller arising after the Closing under the Assumed Contracts, (ii) the obligations of Buyer described in Section 5.7, and (iii) any other liabilities of Seller for which Buyer receives a credit under Section 1.7 (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 any agreement, instrument or document delivered pursuant to or in connection with this Agreement or otherwise by reason of the consummation of the transactions contemplated hereby to have assumed, any liabilities, obligations or commitments of Seller of any kind, whether or not disclosed to Buyer, including without limitation any liability, obligation or commitment of Seller under any contracts not included in the Assumed Contracts (the “Retained Obligations”).

1.4 Purchase Price. The purchase price to be paid for the Station Assets shall be the sum of Five Million Eight Hundred Thousand Dollars (\$5,800,000), subject to adjustment pursuant to Section 1.7 (the “Purchase Price”). The Purchase Price shall be paid at Closing in cash in immediately available funds pursuant to the written instructions of Seller to be delivered by Seller to Buyer at least three (3) business days prior to Closing.

1.5 Letter of Credit. Within one (1) business day of the Effective Date, Buyer shall (a) cause U.S. Bank National Association (“LC Bank”) to issue a letter of credit in the amount of Three Hundred Thousand Dollars (\$300,000) (“Escrow Amount”) in favor of Seller (the “Letter of Credit”), and (b) deliver the Letter of Credit to Deutsche Bank Trust Company Americas (the “Escrow Agent”) pursuant to the terms of an Escrow Agreement (the “Escrow Agreement”) of even date herewith among Seller, Alpha Media LLC and the Escrow Agent. At Closing, the Letter of Credit shall be returned to Buyer upon payment of the Purchase Price. If this Agreement is terminated by Seller pursuant to Section 10.1(c), then the Seller shall be entitled to receive as liquidated damages pursuant to Section 10.3, the Escrow Amount. If this Agreement is terminated for any

other reason, the Letter of Credit shall be returned to Buyer. The applicable parties to the Escrow Agreement shall each instruct the Escrow Agent to disburse the Escrow Deposit to the party or parties entitled thereto and shall not, by act or omission, delay or prevent any such disbursement. At Closing, Seller will execute and deliver to Buyer the LC Bank's customary letter directing the LC Bank to cancel the Letter of Credit. Seller shall cause the Letter of Credit to remain in full force and effect (including extending the term if required) until the first to occur of: (i) the Closing, (ii) the date the LC Bank delivers the Escrow Amount to Seller if Seller terminates this Agreement under Section 10.(c), or (iii) the date this Agreement terminates for any reason other than on account of Seller's termination under Section 10.1(c).

1.6 Post-Closing Escrow. On the Closing Date, Buyer shall wire Eight Hundred Seventy Thousand Dollars (\$870,000) of the Purchase Price (the "Post-Closing Escrow Deposit") to the Escrow Agent pursuant to the Escrow Agreement in order to secure in part Seller's post-closing obligations under this Agreement. If, after the Closing, Buyer is entitled to a payment under this Agreement, then when such payment is due, unless otherwise paid by Seller, the parties shall give joint written instructions to the Escrow Agent to disburse the amount thereof from the Post-Closing Escrow Deposit to Buyer. On the date nine (9) months after the Closing Date, a portion of the Post-Closing Escrow Deposit shall be disbursed to Seller in an amount equal to the difference between (i) fifty percent (50%) of the then-existing balance of the Post-Closing Escrow Deposit and (ii) the amount to which Buyer shall have, prior to such date, made a claim pursuant to the procedures set forth in Article 9 and for which the obligations to indemnify shall not have been satisfied by such date. On the date eighteen (18) months after the Closing Date, the remaining balance of the Post-Closing Escrow Deposit shall be disbursed to Seller, except for the amount to which Buyer shall have, prior to such date, made a claim pursuant to the procedures set forth in Article 9 and for which the obligations to indemnify shall not have been satisfied by such date (the "Outstanding Escrow Claims"). Buyer further agrees that promptly after the Outstanding Escrow Claims are resolved pursuant to the procedures set forth in Article 9 it shall instruct the Escrow Agent to release any remaining Post-Closing Escrow Deposit held by the Escrow Agent pursuant to the terms of the Escrow Agreement to Seller. The parties shall from time to time instruct the Escrow Agent to disburse the Post-Closing Escrow Deposit as required by this Section, and shall not, by any act or omission, delay or prevent any such disbursement. All interest earned on the Post-Closing Escrow Deposit shall be for the benefit of Seller.

1.7 Prorations.

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

(b) Such prorations shall include all real and personal property taxes (except transfer taxes as provided by Section 11.1), music and other license fees, FCC regulatory fees, utility expenses, rent and other amounts under Assumed Contracts, and similar prepaid and deferred items. Seller shall receive a credit for all of the Stations' deposits and prepaid expenses to the extent the benefit of the same is transferred to Buyer. Payment of sales commissions owed to employees of the Stations for the sale of advertisements broadcast on the Stations prior to Closing shall be the responsibility of and paid for by Seller, and payment of sales commissions owed to employees of the Stations for the sale of advertisements broadcast on the Stations after Closing shall (i) with respect to Transferred Employees be the responsibility of and paid by Buyer and (ii) with respect to Non-Transferred Employees be the responsibility of and paid by Seller. Prorations and adjustments shall be made prior to the Closing, if feasible, and a final proration and adjustment shall be made within sixty (60) days after Closing. In the event Buyer and Seller are unable to agree on the final prorations and adjustments to the Purchase Price, the parties shall pay the amounts which are not in dispute as provided herein and such disputed amounts shall be determined by a certified public accountant mutually acceptable to the parties whose determination shall be final. Buyer and Seller shall each be responsible for one-half of the cost of such certified public accountant.

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

(d) If between the Closing Date and December 31, 2016 (i) Buyer receives a credit to its ASCAP or BMI royalties due with respect to the Stations, then to the extent such credit is based on an overpayment of royalties by Seller with respect to the Stations prior to Closing, Buyer shall pay the amounts of such credits to Seller, and (ii) Buyer must pay additional royalties to ASCAP or BMI with respect to the Stations, then to the extent such payment is based on an underpayment of royalties by Seller with respect to the operation of the Stations prior to Closing, then Seller shall promptly reimburse such amounts to Buyer.

1.8 Allocation. Within sixty (60) days after Closing, Buyer and Seller shall allocate the Purchase Price for tax purposes in accordance with the respective fair market values of the Station Assets and the goodwill being purchased and sold in accordance with the requirements of Section 1060 of the Internal Revenue Code of 1986, as amended (the "Code"). Each of Buyer and Seller shall file a tax return reflecting its allocation as and when required under the Code. If the parties cannot agree on an allocation of the Purchase Price, the parties shall hire Bond and Pecaro, Inc. to determine such allocation, which shall be binding on the parties. The parties shall mutually agree on such an appraiser and shall instruct the appraiser to deliver his report within ninety (90) days after

his appointment. Buyer and Seller shall each be responsible for one-half of the cost of such appraisal.

1.9 Closing. The consummation of the sale and purchase of the Station Assets pursuant to this Agreement (the "Closing") shall take place within ten (10) business days after the issuance of the FCC Consent (defined below), provided, however, if any petitions to deny or informal objections are filed against the FCC Application (defined below), Closing will occur five (5) business days after the date that the FCC Consent becomes Final (as defined in Section 5.10). In any case, Closing shall be subject to the satisfaction or waiver of the last of the conditions required to be satisfied or waived pursuant to Articles 6 or 7 below (other than those requiring a delivery of a certificate or other document, or the taking of other action, at the Closing). The date on which the Closing is to occur is referred to herein as the "Closing Date."

1.10 FCC Consent. Within five (5) business days after the date of this Agreement, Buyer and Seller shall file an application (the "FCC Application") requesting FCC consent to the assignment of the FCC Licenses from Seller to Buyer without the imposition of any non-standard condition(s) that may adversely affect any of the Stations or Buyer's ownership or operation of any of the Stations (the "FCC Consent"). Seller and Buyer shall diligently prosecute the FCC Application and use commercially reasonable efforts to obtain the FCC Consent as expeditiously as possible. Each party shall promptly provide the other with a copy of any pleading, order or other document served on it relating to the FCC Application, and shall furnish all information required by the FCC. Buyer and Seller shall notify each other of all documents filed with or received from any governmental agency with respect to this Agreement or the transactions contemplated hereby. Buyer and Seller shall furnish each other with such information and assistance as the other may reasonably request in connection with their preparation of any governmental filing hereunder. Neither Buyer nor Seller shall take any intentional action that would, or intentionally fail to take such action the failure of which to take would, reasonably be expected to have the effect of materially delaying the issuance of the FCC Consent. Seller shall, at its expense, timely take any action requested by the FCC with respect to any pending FCC enforcement or other matters related to the Stations, including, without limitation, entering into a tolling agreement, establishing an escrow or making other arrangements satisfactory to the FCC provided that the action requested by the FCC is commercially reasonable.

ARTICLE 2:
SELLER REPRESENTATIONS AND WARRANTIES

Seller represents and warrants to Buyer as follows:

2.1 Organization. Seller is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and is qualified to do business in the State of California. Seller has the requisite power and authority to own and operate the Stations, to carry on the Stations' business as now conducted by it, and to execute, deliver and perform this Agreement and the documents to be made pursuant hereto.

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

2.3 No Conflicts. The execution, delivery and performance by Seller of this Agreement and the documents to be made pursuant hereto does not conflict with any organizational documents of Seller or any law, judgment, order, or decree to which Seller is subject, and does not require the consent, approval or authorization, or filing with, any third party or any court or governmental authority, except the FCC Consent, and except for counter-party consent to assign those Assumed Contracts designated on *Schedule 1.1(d)*.

2.4 FCC Licenses. Seller holds the FCC Licenses listed and described on *Schedule 1.1(a)*. Such FCC Licenses constitute all of the authorizations required under the Communications Act of 1934, as amended (the “Communications Act”), or the rules, regulations and policies of the FCC for the present operation of the Stations. The FCC Licenses are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated and have not expired. There is not pending or, to Seller’s Knowledge (as defined in Section 2.17 below), threatened any action by or before the FCC to revoke, suspend, cancel, rescind or adversely modify any of the FCC Licenses (other than proceedings relating to FCC rules of general applicability) and there is no order to show cause, notice of violation, notice of apparent liability, or notice of forfeiture or complaint pending or, to Seller’s Knowledge, threatened against Seller or the Stations by or before the FCC. Seller and the Stations are in compliance in all material respects with the FCC Licenses, the Communications Act and the rules, regulations and policies of the FCC. All material reports and filings required to be filed with, and all regulatory fees required to be paid to, the FCC by Seller with respect to the Stations (including without limitation all required equal employment opportunity reports) have been filed and no amounts currently due remain unpaid. All such reports and filings are accurate and complete in all material respects. Seller maintains public files for the Stations in all material respects as required by FCC rules. Seller and the Station Assets are in compliance in all material respects with all rules and regulations of the Federal Aviation Administration applicable to the Stations. The operation of the Stations does not expose workers or others to levels of radio frequency radiation in excess of the “Radio Frequency Protection Guides” recommended in ANSI Standards C95.1-1992 or any subsequently adopted standards to the extent the same are required to be met under applicable law. 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 Taxes. Seller has filed all foreign, federal, state, county and local income, excise, property, sales, use, franchise, employment and other tax returns and reports which are required to have been filed by it under applicable law in connection with the Stations' business, and has paid all taxes which have become due pursuant to such returns or pursuant to any assessments which have become payable.

2.6 Personal Property. *Schedule 1.1(b)* contains a list of all material items of Tangible Personal Property included in the Station Assets. Except for the Tangible Personal Property listed on *Schedule 2.6* (being the "Excepted Property") or otherwise noted on *Schedule 1.1(b)*, each item of material Tangible Personal Property is in good operating condition (ordinary wear and tear excepted), is free from material defect or damage, is functioning in the manner and purposes for which it was intended and those material; items of Tangible Personal Property constituting transmitting and studio equipment have been maintained in accordance with industry standards. In consideration of a price reduction for the Station Assets (which reduction is reflected in the Purchase Price, the parties agree that the Excepted Property will be transferred to Buyer at Closing in AS-IS, WHERE-IS condition, with all faults.

2.7 Real Property. *Schedule 1.1(c)* contains a description of all real property used or held for use in the business or operation of the Stations. Seller owns fee simple title to the owned Real Property on *Schedule 1.1(c)* ("Owned Real Property") free and clear of Liens other than Permitted Liens. *Schedule 1.1(c)* includes a description of any lease or similar agreement under which Seller is lessee or licensee of, or holds, uses or operates, any real property in the business or operation of the Stations (the "Real Property Leases"). The Owned Real Property includes (or Seller has easements for), and the Real Property Leases provide, sufficient access to the Stations' facilities without need to obtain any additional access rights. No part of any Real Property is subject to any pending or, to Seller's Knowledge, threatened suit for condemnation or other taking by any public authority. All buildings and other improvements included in the Real Property are in good operating condition and are not in need of material repair (ordinary wear and tear excepted) and free from material defect or damage and comply in all material respects with applicable zoning, health and safety laws and codes. The Stations' towers, guy wires and anchors, ground systems and other facilities and improvements do not encroach upon any adjacent premises, and no facilities from adjacent premises encroach upon the Stations' properties. Seller has delivered to Buyer true and complete copies of all deeds, title insurance policies, title insurance commitments and surveys in its possession that are applicable to the Owned Real Property.

2.8 Contracts. *Schedule 1.1(d)* contains a list of all Assumed Contracts (other than ordinary course time sales agreements for cash at usual and customary rates for the times in question that are cancelable without penalty on thirty (30) days prior notice.) Each of the Assumed Contracts (including without limitation each Real Property Lease) is in effect and is 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). Seller has performed its obligations under each of the Assumed Contracts in all material respects, and is not in

material default thereunder, and to Seller's Knowledge, no other party to any of the Assumed Contracts is in default thereunder in any material respect. There are no Assumed Contracts between Seller and any affiliate of Seller. Seller has delivered to Buyer true and complete copies of each Assumed Contract (including each Real Property Lease), together with all amendments thereto.

2.9 Environmental. Except as set forth on *Schedule 2.9*, to Seller's Knowledge, no hazardous or toxic substance or waste (including without limitation petroleum products) or other material regulated under any applicable environmental, health or safety law is located or has been generated, stored, transported or released on, in, from or to the Real Property or the Station Assets. Seller has complied and is in compliance in all material respects with all environmental, health and safety laws applicable to the Stations or the Station Assets. Seller has not received in respect of the Stations or Station Assets any notice or claim to the effect that it is or may be liable under any environmental, health or safety law. To Seller's Knowledge, neither the Stations nor any Station Assets are the subject of any investigation by any governmental authority with respect to a violation of any environmental, health or safety law. Seller has delivered to Buyer true and complete copies of all environmental reports and assessments in its possession that are applicable to the Real Property or the Stations.

2.10 Intangible Property. Seller has all right, title and interest in and to all trademarks, service marks, trade names, copyrights, domain names and all other intangible property necessary to the conduct of the Stations as presently operated. *Schedule 1.1(e)* contains a description of all material Intangible Property. Seller's use of the Intangible Property does not infringe upon any third party rights, and Seller has received no notice of any claim that any Intangible Property or the use thereof conflicts with, or infringes upon, any rights of any third party (and there is no basis for any such claim of conflict). No Intangible Property is the subject of any pending, or, to Seller's Knowledge, threatened legal proceedings claiming infringement or unauthorized use. To Seller's Knowledge, no Station programming or other material used or broadcast by the Stations infringes upon any copyright, patent or trademark of any other party.

2.11 Employees.

(a) *Schedule 2.11* contains a true and complete list of all employees (including, without limitation, all Station employees who are inactive due to short term or long term disability or similar permitted absence) who perform services for the Stations (each, a "Station Employee"), including their position, title, and the rate of compensation (including wages, salaries, and commission rates). *Schedule 2.11* lists all of Seller's employment agreements with respect to the Stations. Seller has provided Buyer with a description of all employee benefit plans for the Stations' employees.

(b) Seller has complied and is in compliance with all labor and employment laws, rules and regulations applicable to the Stations' business, including without limitation those which relate to prices, wages, hours, discrimination in employment and collective bargaining, and is not liable for any arrears of wages or any taxes or penalties for failure to comply with any of the foregoing. There is no unfair

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

2.12 Station Assets. Except for the Excluded Assets, the Station Assets constitute all the assets used or held for use in the business or operation of the Stations. The Station Assets (but excluding the Excluded Assets) are sufficient to permit Buyer to operate the Stations as currently conducted by Seller. Seller has good and marketable title to the Station Assets, free and clear of Liens, except for Permitted Liens and liens which will be released at or prior to Closing. At Closing, Seller will transfer to Buyer good and marketable title to the Station Assets, free and clear of Liens, except for Permitted Liens. Seller maintains sufficient insurance policies with respect to the Stations and the Station Assets and will maintain such policies in full force and effect until Closing.

2.13 Compliance with Law. Except as set forth in *Schedule 2.13*, (a) Seller has complied and is in compliance in all material respects with all laws, regulations, rules, writs, injunctions, ordinances, franchises, decrees or orders of any court or of any foreign, federal, state, municipal or other governmental authority which are applicable to the Stations or the Station Assets, (b) there is no action, suit or proceeding pending or, to Seller's Knowledge, threatened against Seller in respect of the Stations or the Station Assets, and (c) to Seller's Knowledge, there are no complaints, claims or investigations pending or threatened against Seller in respect of the Stations or the Station Assets. Seller has all material permits, licenses and other governmental authorizations necessary to conduct the business and operation of the Stations as currently conducted by it.

2.14 No Finder. Except for Richard A. Foreman Associates, Inc., no broker, finder or other person is entitled to a commission, brokerage fee or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Seller or any party acting on Seller's behalf. Payment of fees owed to Richard A. Foreman Associates, Inc. by Seller shall be Seller's sole cost and expense.

2.15 Financial Statements. Seller has delivered to Buyer true and complete copies of the following un-audited financial statements from Seller's internal reporting system relating to the operation of the Stations (such financial statements are collectively, the "Financial Statements"): (a) the unaudited balance sheet as of the fiscal year ended December 31, 2013 (which includes the fiscal year ending 2012), (b) the un-audited statements of operations for the same period, and (c) monthly internal operating statements of the Stations for 2013 and 2014 (for all months ending prior to the Effective Date). The Financial Statements have been derived from the books and records of Seller relating to the Stations and fairly present the financial position and results of operations of the Stations as of the dates thereof and for the periods indicated therein in conformity with GAAP. All of the assets reflected on the Financial Statements as Station Assets are

assets of the Stations. Except (i) as set forth in the most recent balance sheet included in the Financial Statements, (ii) other current obligations of similar kind and amount incurred in the ordinary course of business since the date of such balance sheet, (iii) the Retained Obligations, (iv) the Assumed Obligations and (v) Seller's obligations under this Agreement, there are no liabilities associated with the business of the Stations. Since December 31, 2013, there has been no Material Adverse Change in the financial condition or the results of operations of the Stations.

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

2.17 Knowledge. As used herein, the phrase "to Seller's Knowledge," and phrases of similar import, mean the actual knowledge of the president and executive vice president of Seller as well as the general manager of each Station and what each such person should have known after due inquiry.

ARTICLE 3: BUYER REPRESENTATIONS AND WARRANTIES

Buyer represents and warrants to Seller as follows:

3.1 Organization. Buyer is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and if such qualification is necessary, is (or will be at Closing) qualified to do business in each jurisdiction in which the Station Assets are located. Buyer has the requisite power and authority to execute, deliver and perform this Agreement and the documents to be made pursuant hereto.

3.2 Authority. The execution, delivery and performance of this Agreement and the documents to be made pursuant hereto have been, or will be prior to Closing, duly authorized and approved by all necessary action of Buyer (the "Buyer Authorization") and will not at Closing require any further authorization or consent of Buyer. This Agreement and the documents to be made pursuant hereto are legal, valid and binding agreements of Buyer enforceable in accordance with their respective terms, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

3.3 No Conflicts. The execution, delivery and performance by Buyer of this Agreement and the documents to be made pursuant hereto does not conflict with any organizational documents of Buyer or any law, judgment, order, or decree to which Buyer is subject, and does not require the consent, approval or authorization, or filing with, any third party or any court or governmental authority that has not been obtained or will not be obtained prior to Closing, except the FCC Consent.

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

3.5 No Finder. Except as previously disclosed by Buyer to Seller, no broker, finder or other person is entitled to a commission, brokerage fee or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Buyer or any party acting on Buyer's behalf. Payment of any broker engaged by Buyer shall be Buyer's sole cost and expense.

ARTICLE 4: SELLER COVENANTS

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

(a) operate the Stations in the ordinary course of business consistent with past practice and keep its books and accounts, records and files in the ordinary course, and preserve the business and goodwill of the Stations and the Station Assets (including, without limitation, using commercially reasonable efforts to retain employees, advertisers, customers and vendors);

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

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

(d) upon reasonable written advance notice, provide Buyer and its representatives reasonable access at reasonable, mutually agreed-upon times during normal business hours to the Station Assets, and furnish Buyer with information relating to the Station Assets that Buyer may reasonably request, including, without limitation ratings, financial information, and information related to Assumed Contracts, provided, that such access rights shall not be exercised in a manner that materially interferes with

the operation of the Stations, and otherwise provide such reasonable assistance and cooperation as may be requested by Buyer from time to time prior to the Closing Date to reasonably facilitate the transition of the Station Assets to Buyer upon Closing;

(e) within twenty (20) days after the end of each calendar month between the date hereof and the earlier of the Closing or the termination of this Agreement, deliver to Buyer statements of income or loss, broadcast cash flow, unaudited balance sheets and related statements of retained earnings and cash flow for the Stations for the preceding month, each in accordance with GAAP;

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

(i) sell, lease or otherwise dispose of any Station Assets except for non-material dispositions in the ordinary course of business of items which are replaced by assets of comparable or superior kind, condition and value;

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

(iii) increase the compensation or benefits payable to any employee of the Stations (including, wages, salaries and bonuses) except normal annual increases in compensation in the ordinary course of business consistent with Seller's existing business practice (not to exceed three percent (3%) with respect to any employee);

(iv) enter into any employment, labor or union agreement or plan (or amendments of any such existing agreements or plan) that will be binding upon Buyer after Closing;

(v) make any payment or commitment to pay severance or a stay bonus to any employee of the Stations that will be binding upon Buyer after Closing;

(vi) modify any of the FCC Licenses;

(vii) amend or terminate any of the Assumed Contracts;

(viii) make any change in any method of accounting or accounting practice utilized in the preparation of the Financial Statements except for any such change required by reason of a concurrent change in GAAP; or

(ix) enter into any contract, lease or agreement with respect to the Stations except for agreements entered into in the ordinary course of business consistent with past practice that (a) will be paid and fully performed prior to the Closing or (b) contracts, leases or agreements with a term of one (1) year or less and that involve cash receipts of \$25,000 or less individually or \$100,000 in the aggregate, or (c) contracts,

leases or agreements with a term of sixty (60) days or less and that involve cash payments of \$10,000 or less individually or \$40,000 in the aggregate.

ARTICLE 5:
JOINT COVENANTS

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

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

5.3 Control. Consistent with FCC rules, 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.

5.4 Risk of Loss. Seller shall bear the risk of any loss of or damage to any of the Station Assets at all times prior to the Closing, and Buyer shall bear the risk of any such loss or damage thereafter. If prior to Closing, any item of Tangible Personal Property is damaged or destroyed or otherwise not in the condition described in Section 2.6 in any material respect (other than as disclosed in *Schedule 1.1(b)* hereto), then Seller shall use commercially reasonable efforts to repair or replace such item, but if such repair or replacement is not completed prior to Closing and such damage and destruction would not reasonably be expected to result in a Material Adverse Change (as defined in Section 7.6), then the parties shall proceed to Closing, and as Buyer's sole remedy, the proceeds of any insurance covering such damage or destruction shall be assigned to Buyer at Closing, and to the extent such proceeds are not sufficient to cover the cost of such repair or replacement, the Purchase Price shall be reduced by an amount equal to the deficiency, and Seller's representations and warranties, and Buyer's pre-Closing termination rights and post-Closing indemnification rights, with respect to the affected Station Assets will thereby be deemed qualified solely to the extent necessary to take into account such damage or destruction and its remedy; provided, however, Seller shall not be obligated to repair or replace items if the uninsured portion of such repairs or replacement would exceed \$300,000 in the aggregate, in which case Buyer may, in its sole discretion upon written notice to Seller, (i) terminate this Agreement (in which case the parties shall

jointly instruct the Escrow Agent to return the Letter of Credit to Buyer), or (ii) proceed to Closing and Seller shall assign all insurance proceeds covering such damage or destruction to Buyer and to the extent such proceeds are not sufficient to cover the cost of such repair or replacement as set forth above, the Purchase Price shall be reduced by the amount of the deficiency, but not to exceed \$300,000, and Seller's representations and warranties, and Buyer's pre-Closing termination rights and post-Closing indemnification rights, with respect to the affected Station Assets will thereby be deemed qualified solely to the extent necessary to take into account such damage or destruction and its remedy. If such damage and destruction will result in a Material Adverse Change, then Buyer may delay Closing until five (5) business days after the repair or replacement of such item(s).

5.5 Broadcast Interruption. If prior to Closing any 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 such 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 twenty-four (24) hours, then Buyer may postpone Closing until the date five (5) business days after such Station returns to the air and prior coverage is restored in all material respects, subject to Section 10.1.

5.6 Consents. Prior to Closing Seller shall obtain the Required Consents (as defined below) in a form reasonably acceptable to Buyer. Prior to Closing, Seller shall use commercially reasonable efforts to obtain the other consents noted on *Schedule 1.1(c)* and *Schedule 1.1(d)* hereto (which shall not require any payment to any such third party, except as required by the terms of the applicable Assumed Contract or Real Property Lease) and customary estoppel certificates (in a form reasonably acceptable to Buyer) from the lessors of the Real Property Leases ("Estoppel Certificates"). To the extent reasonably requested by Seller, Buyer shall use commercially reasonable efforts to cooperate to obtain such consents (including Required Consents) and Estoppel Certificates (which shall not require Buyer to pay any consideration to any such third party). To the extent that any Assumed Contract may not be assigned without the consent of any third party, and such consent is not obtained prior to Closing, this Agreement and any assignment executed at Closing pursuant hereto shall not constitute an assignment thereof, but to the extent permitted by law shall constitute an equitable assignment by Seller and assumption by Buyer of Seller's rights and obligations under the applicable Assumed Contract, with Seller making available to Buyer the benefits thereof and Buyer paying any monies owed and performing and complying with the obligations thereunder on Seller's behalf; provided, however, that *Schedule 1.1(c)* and *Schedule 1.1(d)* identify those consents the receipt of which is a condition precedent to Buyer's obligation to close under this Agreement (the "Required Consents").

5.7 Employees.

(a) Seller has provided Buyer a list showing employee positions and certain compensation information for employees of the Stations who are available to Buyer for hire. Buyer may, but is not obligated to, offer post-Closing employment to such employees. With respect to each such employee, within thirty (30) days after the

date of this Agreement, Buyer shall notify Seller in writing whether or not it will offer employment to each such employee upon Closing.

(b) With respect to employees of the Stations hired by Buyer (“Transferred Employees”), Seller shall be responsible for all compensation and benefits arising prior to the Closing (in accordance with Seller’s employment terms), and Buyer shall be responsible for all compensation and benefits arising from and after the Closing (in accordance with Buyer’s employment terms). At or prior to Closing, Seller will pay each Transferred Employee for all unused vacation time and sick leave accrued as of the Closing, and Buyer shall have no obligation to provide or give credit for such time or leave to such employees.

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

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

(e) The terms of this Agreement are solely for the benefit of (and may be enforced only by) the parties hereto and their respective successors and permitted assigns. Without limiting the foregoing, nothing in this Agreement gives any rights to any employee, and no employee may enforce any provision of this Agreement against any of the parties hereto.

5.8 Receivables. Prior to or on the Closing Date, Seller shall provide to Buyer a true and complete list of the A/R as of the Closing Date and the aging therefor. The A/R shall remain the property of Seller, and Buyer shall not acquire any right or interest therein. During the ninety (90) day period following Closing (the “Collection Period”), Buyer shall use commercially reasonable efforts to collect the A/R, consistent with its usual collection practices. For each month during the Collection Period, Buyer shall remit to Seller any payments relating to the A/R together with a written accounting thereof (identifying the debtor, the amount outstanding, and the amount collected, etc.) within ten (10) business days after the end of each calendar month during the Collection

Period. Seller shall not attempt to collect any of the A/R during the Collection Period. If Seller receives a payment from an account debtor of the Station that relates to A/R earned prior to Closing, Seller shall retain such payment and Seller shall promptly notify Buyer thereof. Any payment received by Buyer during the Collection Period (other than payments specifically designated in writing as a payment of a particular invoice) shall be presumptively applied by Buyer to the oldest customer invoice outstanding at that time. At the end of the Collection Period, Buyer shall turn back to Seller any uncollected A/R. Seller may thereafter pursue collections of any outstanding A/R and Buyer shall have no further obligation with respect to the A/R.

5.9 Real Property. Within sixty (60) days after the Effective Date, Buyer may, at its expense, obtain customary title commitments, Phase I site assessments, and surveys with respect to the Owned Real Property. Seller shall cooperate with any reasonable requests by the title company or environmental consultant and shall provide access for such surveys or site assessments upon reasonable prior notice. Buyer shall notify Seller of any Lien or encroachment disclosed on the survey or title commitment for the Owned Real Property that is not a Permitted Lien promptly after Buyer becomes aware of such fact. To the extent the Phase I assessment identifies a potential environmental hazard that would could cause Seller's representations in this Agreement to be untrue with respect to any parcel of Owned Real Property, Buyer may conduct such Phase II assessment, at Buyer's sole cost and expense, upon the prior written consent of Seller, such consent not to be unreasonably withheld or delayed, within thirty (30) days after Buyer receives such consent of Seller. The parties agree that Seller may reasonably withhold its consent if Seller determines in good faith, after consultation with Buyer and upon the reasonable judgment and advice of an independent third party experienced in such environmental matters, that a Phase II assessment is reasonably likely to result in a material adverse effect on Seller or the Station Assets, taken as a whole. Seller shall provide Buyer written notice of its consent or failure to give consent within ten (10) days of receipt of the results of the Phase I assessment. If Seller does not grant such consent on a timely basis as determined above, Buyer shall have the right to terminate this Agreement.

In the event that any Phase I (or Phase II, if obtained) environmental audit identifies one or more conditions requiring remediation under applicable federal, state or local environmental law, regulation or ordinance, notwithstanding anything to the contrary set forth in this Agreement, if the reasonably estimated cost to remedy all such conditions is:

(i) less than \$125,000 ("Remediation Amount"), then Seller, shall remediate such condition(s) in all material respects; or

(ii) \$125,000 or more, then Seller may (but is not obligated to) elect to remediate such condition(s) in all material respects by written notice to Buyer within ten (10) business days after completion of all assessments and determination of remediation costs, and if Seller does not make such election within such time then Buyer, in its sole discretion, shall have the right to (a) terminate this Agreement (in which case the parties shall jointly instruct the Escrow Agent to return the Letter of Credit to Buyer) or (b) agree in writing that it will pay for all remediation above the Remediation Amount and at

Closing, the Purchase Price will be reduced by the Remediation Amount and this Agreement shall be modified to exclude any representation, warranty, indemnity or other obligation with respect to such condition(s).

If remediation is required under clause (i) above or elected by Seller under clause (ii), then Closing shall be postponed until such remediation is complete in all material respects, subject to Section 10.1.

5.10 Final Order.

(a) For purposes of this Agreement, the term “Final” shall mean that action shall have been taken by the FCC (including action duly taken by the FCC’s staff, pursuant to delegated authority) which shall not have been reversed, stayed, enjoined, set aside, annulled or suspended; with respect to which no timely request for stay, petition for rehearing, appeal or certiorari or *sua sponte* action of the FCC with comparable effect shall be pending; and as to which the time for filing any such request, petition, appeal, certiorari or for the taking of any such *sua sponte* action by the FCC shall have expired or otherwise terminated.

(b) If Closing occurs prior to such Final FCC Consent, and prior to becoming Final the FCC Consent is reversed or otherwise set aside, and there is a Final order of the FCC (or court of competent jurisdiction) requiring the re-assignment of the FCC Licenses to Seller, then the purchase and sale of the Station Assets shall be rescinded. In such event, Buyer shall reconvey to Seller the Station Assets, and Seller shall repay to Buyer the Purchase Price and reassume the contracts and leases assigned and assumed at Closing.

(c) Any such rescission shall be consummated on a mutually agreeable date within thirty days of such Final order (or, if earlier, within the time required by such order). In connection therewith, Buyer and Seller shall each execute such documents (including execution by Buyer of instruments of conveyance of the Station Assets to Seller and execution by Seller of instruments of assumption of the contracts and leases assigned and assumed at Closing) and make such payments (including repayment by Seller to Buyer of the Purchase Price) as are necessary to give effect to such rescission.

5.11 Actions. After Closing, for a period of twelve (12) months, (i) Buyer shall use commercially reasonable efforts to cooperate with Seller in the investigation, defense or prosecution of any action which is pending or threatened against Seller or its affiliates with respect to the Stations, whether or not any party has notified the other of a claim for indemnification with respect to such matter, and (ii) Seller shall preserve, in accordance with Seller’s normal document retention procedures and practices, all books and records related to the Station Assets and shall afford to Buyer, and its counsel, accountants, and other authorized agents and representatives, at Buyer’s expense, during normal business hours, reasonable access to the books, records and other data relating to the Station Assets, the Assumed Obligations, and the Transferred Employees in its possession with respect to the periods prior to Closing, and the right to make copies and extracts therefrom, to the extent that such access may be reasonably required by Buyer

(a) to facilitate the investigation, litigation and final disposition of any claims which may be made against Buyer, (b) for the preparation of tax returns and audits and (c) for any other reasonable and proper business purpose. Without limiting the generality of the foregoing, the parties hereto shall use commercially reasonable efforts to make available its employees to give depositions or testimony and shall use commercially reasonable efforts to preserve and furnish all documentary or other evidence that such other party may reasonably request.

ARTICLE 6:
SELLER CLOSING CONDITIONS

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

6.1 Bringdown.

(a) Each of the representations and warranties of Buyer contained in this Agreement was true and correct in all material respects as of the date when made and is deemed to be made again at Closing and is then true and correct in all material respects as of Closing except to the extent that the failure of any representation or warranty of Buyer to be so true and correct at and as of the Closing has not resulted in a material adverse effect on the ability of Buyer to perform its obligations under this Agreement.

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

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

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

6.3 FCC Consent. The FCC Consent shall have been granted and, if applicable pursuant to Section 1.10, shall have become Final.

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

ARTICLE 7:
BUYER CLOSING CONDITIONS

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

7.1 Bringdown.

(a) Each of the representations and warranties of Seller contained in this Agreement was true and correct in all material respects as of the date when made and is deemed to be made again at Closing and is then true and correct in all material respects as of Closing except to the extent that the failure of any representation or warranty of Seller to be so true and correct at and as of the Closing has not resulted in, individually or in the aggregate, a Material Adverse Change (provided that for purposes of this Section 7.1, qualifications as to materiality within such representations and warranties shall be disregarded).

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

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

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

7.3 FCC Consent. The FCC Consent shall have been granted and, if applicable pursuant to Section 1.10, shall have become Final.

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

7.5 Title Policy. Buyer shall have received (at its sole cost) a standard form ALTA owner’s title policy from a reputable national title company insuring fee simple title to each parcel of Owned Real Property free and clear of Liens with no exceptions other than Permitted Liens.

7.6 Material Adverse Change. There shall have been no Material Adverse Change in the Station Assets, or in the business, operations or condition of the Stations. For purposes of this Agreement, “Material Adverse Change” shall mean a material adverse change in the financial condition, assets, or results of operations of the Stations taken as a whole or Seller’s ability to perform its obligations under this Agreement, but shall specifically exclude any material adverse change caused by changes in laws, general economic, financial, market or political conditions affecting the radio broadcasting industry as a whole (whether directly or as part of the larger United States economy), the announcement of this Agreement or legal, accounting, governmental, regulatory, competitive or other factors affecting the radio broadcasting industry generally.

ARTICLE 8: CLOSING DELIVERIES

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

- formation;
- (a) good standing certificates issued by Seller's jurisdiction of formation;
 - (b) a certified copy of the Seller Authorization;
 - (c) the Seller Bringdown Certificate;
 - (d) an Assignment of FCC Licenses assigning the FCC Licenses from Seller to Buyer ("FCC Assignment");
 - (e) an Assignment and Assumption of Assumed Contracts assigning the Assumed Contracts from Seller to Buyer ("Contract Assignment");
 - (f) an Assignment and Assumption of Real Property Leases assigning the Real Property Leases from Seller to Buyer ("Lease Assignment");
 - (g) an Assignment and Assumption of Intangible Property assigning the Intangible Property from Seller to Buyer ("IP Assignment");
 - (h) a "grant deed" as described in California Civil Code section 1092 for each parcel of Owned Real Property to Buyer, together with any additional documents (such as, without limitation, an affidavit of title or residency certification) requested by Buyer's title company;
 - (i) domain name transfers assigning the Stations' domain names from Seller to Buyer following customary procedures of the domain name administrator;
 - (j) endorsed vehicle titles conveying the vehicles included in the Tangible Personal Property (if any) to Buyer;
 - (k) a bill of sale conveying all Station Assets to Buyer;
 - (l) the Required Consents;
 - (m) any additional consents to assignment and Estoppel Certificates obtained by Seller;
 - (n) customary payoff letters and other appropriate documents necessary to release all Liens (if any) (except for Permitted Liens) on the Station Assets;
 - (o) the LC Bank's customary direction letter pursuant to Section 1.5;
- and
- (p) any other documents and instruments of conveyance, assignment and transfer that may be reasonably necessary to convey, transfer and assign the Station Assets (including trademarks) to Buyer, free and clear of Liens, except for Permitted Liens.

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

- (a) good standing certificates issued by Buyer's jurisdiction of formation;
- (b) the Purchase Price in accordance with the terms of this Agreement;
- (c) a certified copy of the Buyer Authorization;
- (d) the Buyer Bringdown Certificate;
- (e) the Contract Assignment;
- (g) the Lease Assignment;
- (h) the IP Assignment;
- (i) domain name transfers assigning the Stations' domain names from Seller to Buyer following customary procedures of the domain name administrator; and
- (j) any other documents and instruments of assumption that may be reasonably necessary to assume the Assumed Obligations.

ARTICLE 9:
SURVIVAL AND INDEMNIFICATION

9.1 Survival. The representations and warranties in this Agreement shall survive Closing for a period of eighteen (18) months from the Closing Date at which time they shall expire and be of no further force or effect, except (a) those with respect to title to the Stations Assets, which shall survive indefinitely, and (b) that if within such applicable period the indemnified party gives the indemnifying party written notice of a claim for breach thereof describing in reasonable detail the nature and basis of such claim, then such claim shall survive until the resolution of such claim. The covenants and agreements in this Agreement shall survive Closing until performed. No investigation by the parties made heretofore or hereafter shall affect the representations and warranties of the parties contained in or made pursuant hereto.

9.2 Indemnification.

(a) From and after Closing, Seller shall defend, indemnify and hold harmless Buyer and its affiliates and their respective employees, officers, directors, successors and assigns (each a "Buyer Indemnified Party") from and against any and all losses, costs, damages, liabilities and expenses, including reasonable attorneys' fees and expenses ("Damages") incurred by Buyer arising out of or resulting from:

- (i) any breach by Seller of its representations and warranties under this Agreement (without reference to any materiality exceptions);

(ii) any default by Seller of its covenants and agreements under this Agreement (without reference to any materiality exceptions);

(iii) the Retained Obligations; and

(iv) without limiting the foregoing, the business or operation of the Stations prior to Closing (including any third party claim arising from such operations, any liability with respect to any employee benefit plan, any liability with respect to any station employee other than liabilities with respect to Transferred Employees that are specifically assumed in accordance with Section 5.7 hereof, any liability with respect to matters disclosed on *Schedule 2.13* hereof, and any liability that is the subject of a tolling or similar agreement entered into with the FCC pursuant to Section 1.10 hereof).

Notwithstanding the foregoing or anything else herein to the contrary (except as otherwise specifically set forth below), after Closing, (i) Seller shall have no liability to any Buyer Indemnified Party under Section 9.2(a)(i) until Buyer and all Buyer Indemnified Parties' aggregate Damages exceed \$40,000 ("Basket") (at which point Seller shall be liable for all Damages incurred by Buyer Indemnified Parties, including the Basket) and (ii) the maximum aggregate liability of Seller under Section 9.2(a)(i) shall be an amount equal to 15% of the Purchase Price. Further, notwithstanding anything herein to the contrary, Buyer shall not be entitled to make any Claim for Damages after the Closing as a result of a breach by Seller of Seller's representations or warranties as to the operating condition of the Excepted Property described in *Schedule 2.6*.

(b) From and after Closing, Buyer shall defend, indemnify and hold harmless Seller its affiliates and their respective employees, officers, directors, successors and assigns (each a "Seller Indemnified Party") from and against any and all Damages incurred by any Seller Indemnified Party arising out of or resulting from:

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

(ii) any default by Buyer of its covenants and agreements under this Agreement;

(iii) the Assumed Obligations; and

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

Notwithstanding the foregoing or anything else herein to the contrary (except as otherwise specifically set forth below), after Closing, (i) Buyer shall have no liability to any Seller Indemnified Party under Section 9.2(b)(i) until Seller and all Seller Indemnified Parties' aggregate Damages exceed the Basket (at which point Buyer shall be liable for all Damages incurred by Seller Indemnified Parties, including the Basket)

and (ii) the maximum aggregate liability of Buyer under Section 9.2(b)(i) shall be an amount equal to 15% of the Purchase Price.

(c) Neither party shall have any liability to the other party for punitive, special, indirect, exemplary, or consequential damages or lost profits, whether or not foreseeable.

9.3 Procedures.

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

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

(c) Notwithstanding anything herein to the contrary:

(i) the indemnified party shall have the right, at its own cost and expense, to participate in the defense, opposition, compromise or settlement of any Claim, and shall have the right to consult with the indemnifying party and its counsel concerning any Claim, and the indemnifying party and the indemnified party shall cooperate in good faith with respect to any Claim; and

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

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

ARTICLE 10: TERMINATION AND REMEDIES

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

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

- (b) by written notice of Buyer to Seller if Seller:
 - (i) does not perform or comply with any of the obligations to be performed or complied with by it under this Agreement within the Cure Period (defined below); or
 - (ii) breaches any of its representations or warranties contained in this Agreement which have not been cured within the Cure Period;
- (c) by written notice of Seller to Buyer if Buyer:
 - (i) does not perform or comply with any of the obligations to be performed or complied with by it under this Agreement within the Cure Period; or
 - (ii) breaches any of its representations or warranties contained in this Agreement which breach has not been cured within the Cure Period;
- (d) by written notice of Buyer to Seller, or by Seller to Buyer, if the FCC denies the FCC Application;
- (e) by written notice of Buyer to Seller, or by Seller to Buyer, if the Closing does not occur on or before one (1) year after the Effective Date; or
- (f) by written notice of Buyer to Seller if Buyer elects to terminate this Agreement under Sections 5.4 or 5.9.

The term “Cure Period” as used herein means a period commencing the date Buyer or Seller receives from the other written notice of breach or default hereunder and continuing until the earlier of (i) fifteen (15) days thereafter or (ii) the Closing Date determined under Section 1.10; provided, however, that if the breach or default is non-monetary and cannot reasonably be cured within such period but can be cured before the Closing Date determined under Section 1.9, and if diligent efforts to cure promptly commence, then the Cure Period shall continue as long as such diligent efforts to cure continue, but not beyond the Closing Date determined under Section 1.10. Termination of this Agreement shall not relieve any party of any liability for breach or default under this Agreement prior to the date of termination. Notwithstanding anything contained herein to the contrary, Sections 1.5 (Letter of Credit), 5.1 (Confidentiality), 5.2 (Announcements), 10.3 (Liquidated Damages), 10.4 (Attorney’s Fees) and 11.1 (Expenses) shall survive any termination of this Agreement.

10.2 Specific Performance. In the event of a breach or threatened breach by Seller of any representation, warranty, covenant or agreement under this Agreement, at Buyer’s election, Buyer shall be entitled to an injunction restraining any such breach or threatened breach and to enforcement of this Agreement by a decree of specific performance requiring Seller to fulfill its obligations under this Agreement. In the event that this Agreement is terminated as a result of the breach of its terms by Buyer, then Seller’s sole remedy for Buyer’s breach of this Agreement shall be termination of this Agreement and receipt of the liquidated damages amount pursuant to Section 10.3.

10.3 Liquidated Damages. If this Agreement is terminated by Seller pursuant to Section 10.1(c), Seller shall be entitled to receive the Escrow Amount in readily available funds, which amount shall serve as liquidated damages and be the sole and exclusive remedy of Seller for a breach by Buyer of this Agreement. Payment of the Escrow Amount made be paid in readily available funds by Buyer or by presentment of the Letter of Credit to the LC Bank to be drawn in full. In the event there is a shortfall between the Escrow Amount and the proceeds drawn from the Letter of Credit, Buyer may pay Seller the difference in readily available funds. The parties acknowledge and agree that payment of such amount shall constitute payment of liquidated damages and is not a penalty and that the liquidated damages amount is reasonable in light of the substantial but indeterminate harm anticipated to be caused by Buyer's material breach or default under this Agreement, the difficulty of proof of loss and damages, the inconvenience and non-feasibility of otherwise obtaining an adequate remedy, and the value of the transactions to be consummated hereunder.

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

ARTICLE 11:
MISCELLANEOUS.

11.1 Expenses. Each party shall be solely responsible for all costs and expenses incurred by it in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement, except that (a) Buyer shall bear all cost associated with the Letter of Credit, (b) Seller shall be solely responsible for all governmental taxes, fees and charges required to be paid to transfer title of the Station Assets (including the Owned Real Property) and (c) Buyer and Seller shall share the fees required to be paid to the FCC for the FCC Application.

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

11.3 Assignment. Neither party may assign this Agreement without the prior written consent of the other party hereto, provided, however, that Buyer may assign its rights hereunder to an affiliate of Buyer upon written notice to, but without consent of, Seller, provided that (i) any such assignment does not delay processing of the FCC Application, grant of the FCC Consent or Closing, (ii) any such assignee delivers to Seller a written assumption of this Agreement, (iii) Buyer shall remain liable for all of its obligations hereunder, and (iv) Buyer shall be solely responsible for any third party consents necessary in connection therewith (none of which are a condition to Closing). 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 and shall be deemed delivered on the date of personal delivery or confirmed facsimile transmission 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:

Buckley Broadcasting of California, LLC
Buckley Communications, Inc.
166 West Putnam Ave.
Greenwich, CT 06830
Attention: Joseph M. Bilotta
Facsimile: (203) 622-7341

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

Wilkinson Barker Knauer LLP
2300 N Street NW, Suite 700
Washington, DC 20037
Attention: David Oxenford
Paige Fronabarger
Facsimile: (202) 783-5851

if to Buyer, then to:

Alpha Media LLC
1015 Eastman Drive
Bigfork, MT 59911
Attention: Larry Wilson, Chairman
Facsimile: (406) 837-5393

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

Alpha Media LLC
1211 SW 5th Avenue, Suite 750
Portland, OR 97204
Attention: Donna Heffner, CFO
Facsimile: (503) 517-6501

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

Wiley Rein, LLP
1776 K Street NW
Washington, DC 20006
Attention: Kathleen A. Kirby
Facsimile: (202) 719-7049

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

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

11.7 Miscellaneous. No amendment or waiver of compliance with any provision hereof or consent pursuant to this Agreement shall be effective unless in a writing signed by the party against whom enforcement of such amendment, waiver, or consent is sought. This Agreement constitutes the entire agreement and understanding of the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings with respect to the subject matter hereof. No party makes any representation or warranty with respect to the transactions contemplated by this Agreement except as expressly set forth in this Agreement. Without limiting the generality of the foregoing, Seller makes no representation or warranty to Buyer with respect to any projections, budgets or other estimates of the Stations' revenues, expenses or results of operations, except as expressly set forth in Article 2. Nothing in this Agreement expressed or implied is intended or shall be construed to give any rights to any person or entity other than the parties hereto and their respective successors and permitted assigns. This Agreement may be executed in separate counterparts, each of which shall be deemed to be an original and all of which together constitute one and the same agreement.

[SIGNATURE PAGE FOLLOWS]

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

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

BUYER: **ALPHA MEDIA LLC**

By: 
Name: Lawrence R. Wilson
Title: Chairman

ALPHA MEDIA LICENSEE LLC

By: 
Name: Lawrence R. Wilson
Title: Chairman

SELLER: **BUCKLEY BROADCASTING OF CALIFORNIA, LLC**

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

BUCKLEY COMMUNICATIONS, INC.

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

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

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

BUYER: **ALPHA MEDIA LLC**

By: _____
Name:
Title:

ALPHA MEDIA LICENSEE LLC

By: _____
Name:
Title:

SELLER: **BUCKLEY BROADCASTING OF CALIFORNIA, LLC**

By: 
Name: Joseph M. Bilotta
Title: President and CEO

BUCKLEY COMMUNICATIONS, INC.

By: 
Name: Joseph M. Bilotta
Title: President and CEO

Schedules

Schedule 1.1(a) - FCC Licenses

Schedule 1.1(b) - Tangible Personal Property

Schedule 1.1(c) – Real Property

Schedule 1.1(d) – Assumed Contracts

Schedule 1.1(e) – Intangible Property

Schedule 1.2 – Excluded Assets

Schedule 2.6 – Excepted Property

Schedule 2.9 – Exceptions to Environmental Representation

Schedule 2.11 – Employee Matters

Schedule 2.13 – Compliance with Law