

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is made as of May 22, 2013 between Buckley Communications, Inc., a Delaware corporation ("Seller") and Mount Wilson FM Broadcasters, Inc., a California corporation ("Buyer").

Recitals

A. Seller owns and operates the following radio broadcast station (the "Station") pursuant to certain authorizations issued by the Federal Communications Commission (the "FCC");

KYZZ (FM), 97.9 MHz, Salinas, California (Facility ID 15197)

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 primarily used or held for use in the operation of the Station, except the Excluded Assets (defined below) (the "Station Assets"), as specifically listed in the schedules set out below (it is recognized by the parties that Seller operates other radio stations which share some assets with the Station and that only the assets specifically listed in the schedules hereto will be conveyed to Buyer):

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

(b) Seller's equipment, transmitters, antennas, cables, towers, vehicles, furniture, fixtures, spare parts and other tangible personal property of every kind and description that are primarily used or held for use in the operation of the Station (collectively, the "Tangible Personal Property"), as specifically listed on *Schedule 1.1(b)* attached hereto;

(c) Seller's lease or license for use of a portion of a communications tower as the transmitter site of the Station (including any appurtenant easements and use of improvements located at the tower site), as listed on *Schedule 1.1(c)* attached hereto (the "Real Property");

(d) all Station contracts, agreements and leases that are used in the operation of the Station and listed on *Schedule 1.1(d)* attached hereto (collectively, the "Station Contracts"), provided, however, that Seller shall not convey any agreements relating to the programming or sales of the Station;

(e) all of Seller's rights in and to the Station's call letters;

(f) Seller's rights in and to all the technical records (or copies thereof) relating to the operation of the Station, including the Station's local public file, blueprints, technical information and engineering data, and FCC required logs; and

(h) all claims (including warranty claims), deposits, and prepaid expenses that are associated with the Station Assets set forth above.

The Station Assets shall be transferred to Buyer free and clear of liens, claims and encumbrances ("Liens") except for the obligations of Seller arising after Closing under the Station Contracts or any other liabilities of Seller for which Buyer receives a credit under Section 1.6 (collectively, the "Assumed Obligations"), and statutory liens for taxes not yet due and payable and, with respect to the Real Property, those easements, reservations and restrictions now of record which do not materially impair the use of such Real Property in the operation of the Station (collectively, "Permitted Encumbrances").

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

(a) Seller's cash and cash equivalents;

(b) all of the Station's accounts receivable existing at Closing and any other rights to payment of cash consideration for goods or services sold or provided prior to Closing or otherwise arising during or attributable to any period prior to the time of Closing (the "A/R");

(c) all contracts of insurance, all coverages and proceeds thereunder and all rights in connection therewith;

(d) all pension, profit sharing plans and trusts and the assets thereof and any other employee benefit plan or arrangement and the assets thereof, if any, and all collective bargaining agreements maintained by Seller;

(e) Seller's corporate name, charter documents, books and records relating to the organization, existence or ownership of Seller, and all records not relating to the operation of the Station.

(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 Station, 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 Station;

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

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

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

(j) those items of personal property listed on *Schedule 1.2 (f)*; and

(k) all assets not listed on a schedule hereto used in connection with any of Seller's other broadcast stations, including but not limited to, the main studio currently used by the Station.

1.3 Retained Liabilities. Except for the Assumed Obligations, Buyer does not assume and will not be deemed by execution and delivery of this Agreement or any agreement, instrument or document delivered pursuant to or in connection with this Agreement or otherwise by reason of the consummation of the transactions contemplated hereby, to have assumed any liabilities, obligations or commitments of Seller of any kind, whether or not disclosed to Buyer, including without limitation any liability or obligation of Seller under any contracts not included in the Station Contracts (the "Retained Liabilities").

1.4 Purchase Price. At Closing, and upon the terms and subject to the conditions contained in this Agreement, and in consideration of the sale of the Station Assets, Buyer shall pay to Seller the sum of One Million One Hundred Fifty Thousand Dollars (\$1,150,000) (the "Purchase Price"). The Purchase Price shall be paid at Closing in cash or 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 Deposit. Contemporaneously with the execution of this Agreement, Buyer shall deposit the sum of One Hundred Thousand Dollars (\$100,000.00) (the "Earnest Money Deposit") with WashingtonFirst Bank (the "Escrow Agent") pursuant to an Escrow Agreement (the "Escrow Agreement") of even date herewith among Buyer, Seller and the Escrow Agent, and attached hereto as *Exhibit A*. At Closing, the Earnest Money Deposit

shall be disbursed to Seller and applied to the Purchase Price (and any interest accrued thereon shall be disbursed to Buyer).

1.6 Prorations.

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

(b) Such prorations shall include all property taxes (except transfer taxes as provided by Section 11.1), music and other license fees, FCC regulatory fees, utility expenses, rent and other amounts under Station Contracts and similar prepaid and deferred items. Sales commissions related to the sale of advertisements broadcast on the Station prior to Closing shall solely be the responsibility of Seller.

(c) If between the Closing Date and December 31, 2016, Buyer receives a credit to its ASCAP or BMI royalties due with respect to the Station, to the extent such credit is based on an overpayment of royalties by Seller with respect to the Station prior to the Closing, then Buyer shall pay the amount of such credit to Seller.

1.7 Allocation/Covenant Not to Compete. Prior to Closing, Seller and Buyer shall negotiate in good faith an allocation of the Purchase Price 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 and each party shall file returns with the Internal Revenue Service consistent therewith. Provided, however, to the extent permitted by FCC rules and policies, the parties agree to allocate \$250,000 of the Purchase Price for Seller's covenant that Seller will not to compete with Buyer. Accordingly, for a three year (thirty-six months) period from and after the Closing Date, Seller agrees that except for the radio stations owned by Seller or its affiliates as of the date of this Agreement, Seller will not purchase or enter into an agreement to purchase any additional AM or FM radio stations licensed to or with coverage in the Monterey-Salinas designated market area.

1.8 Closing. The consummation of the sale and purchase of the Station Assets pursuant to this Agreement (the "Closing") shall take place no later than five (5) business days after the date that the FCC Consent (defined below) is granted, provided, however, that if a petition to deny or other formal or informal written objection is filed against the FCC Application (defined below), then Buyer at its option may elect to delay Closing until the date which is not later than five (5) business days after the date the FCC Consent becomes Final (defined below). 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."

1.9 FCC Consent. Within five (5) business days of 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 (the “FCC Consent”). Seller and Buyer shall diligently prosecute the FCC Application. 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.

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

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

2.3 No Conflicts. The execution, delivery and performance by Seller of this Agreement and the documents to be made pursuant hereto 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 counterparty consent to assign those Station Contracts designated on *Schedule 1.1(d)* (including the Real Property lease designated on *Schedule 1.1(c)*), and consent of Seller’s lender, which Seller shall use its best efforts to obtain prior to the Closing.

2.4 FCC Licenses. Except as disclosed on *Schedule 1.1(a)*:

(a) Seller holds the FCC Licenses listed and described on *Schedule 1.1(a)*. Such FCC Licenses constitute all of the authorizations required under the

Communications Act of 1934, as amended (the “Communications Act”), or the rules, regulations and policies of the FCC for the present operation of the Station. The FCC Licenses are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated and have not expired, provided, however, that the parties recognize that license renewal applications for the Station must be filed on or before August 1, 2013, and the main Station license is set to expire on December 1, 2013. If this Agreement is not consummated prior to August 1, Seller shall file the license renewal application for the Station. Except as set forth in *Schedule 1.1(a)*, there is not pending or, to Seller’s knowledge, threatened any action by or before the FCC to revoke, suspend, cancel, rescind or modify any of the FCC Licenses (other than proceedings relating to FCC rules of general applicability), and there is no order to show cause, notice of violation, notice of apparent liability, or notice of forfeiture or complaint pending or, to Seller’s knowledge, threatened against Seller or the Station by or before the FCC. Seller and the Station are in compliance in all material respects with the FCC Licenses, the Communications Act, and the rules, regulations and policies of the FCC, provided, however, that Seller is not conveying the main studio used in connection with the Station, and Buyer, subject to Section 5.8 herein, will be required to locate its own main studio to remain in compliance with FCC rules, regulations and policies.

(b) Seller and the Station Assets are in compliance in all material respects with all rules and regulations of the Federal Aviation Administration applicable to the Station. All material reports and filings required to be filed with, and all regulatory fees required to be paid to, the FCC by Seller with respect to the Station (including without limitation all required equal employment opportunity reports) have been filed and paid. All such reports and filings are accurate and complete in all material respects. Seller maintains public file for the Station as required by FCC rules.

(c) To the best of Seller’s knowledge, 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 Taxes. Seller has filed all foreign, federal, state, county and local income, excise, property, sales, use, franchise and other tax returns and reports which are required to have been filed by it under applicable law in connection with the Station’s business, and has paid all taxes which have become due pursuant to such returns or pursuant to any assessments which have become payable.

2.6 Personal Property. *Schedule 1.1(b)* contains a list of all material items of Tangible Personal Property included in the Station Assets.

2.7 Real Property. *Schedule 1.1(c)* contains a description of all real property to be conveyed to Buyer and used in the operation of the Station, except for the Station’s studio and offices (including the STL hop to the transmitter site) which are referenced at

Section 5.8 herein and in the Lease Agreement set forth at Exhibit B. *Schedule 1.1(c)* includes a description of any lease, easement 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 Station (the "Real Property Lease"). The Real Property Lease provides sufficient access to the Station's facilities without need to obtain any other access rights. To Seller's knowledge, no part of any Real Property is subject to any pending or threatened suit for condemnation or other taking by any public authority. To Seller's knowledge, all buildings and other improvements included in the Real Property are free from material defect or damage, and comply in all material respects with applicable zoning, health and safety laws and codes. Seller has delivered to Buyer copies of all title insurance policies, title commitments and surveys in its possession that are applicable to the Real Property.

2.8 Contracts. *Schedule 1.1(d)* contains a list of all contracts used in the operation of the Station and included in the Station Contracts. Each of the Station Contracts is in effect and is binding upon Seller and, to Seller's knowledge, the other parties thereto (subject to 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 Station Contracts in all material respects, and is not in material default thereunder, and to Seller's knowledge, no other party to any of the Station Contracts is in default thereunder in any material respect. Complete and correct copies of each Station Contract, together with all amendments thereto, have been delivered to Buyer by Seller.

2.9 Environmental. 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 has been generated, stored, transported or released on, in, from or to the Real Property included in the Station Assets by Seller or, to Seller's knowledge, by any other party. Seller has not received in respect of the Station or Station Assets any notice or claim to the effect that it is or may be liable under any environmental, health or safety law. To Seller's knowledge, neither the Station nor any Station Assets are the subject of any investigation by any governmental authority with respect to a violation of any environmental, health or safety law.

2.10 Employees. Seller will be responsible for all Station employees and any liability with respect thereto.

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 Station. Seller has good and marketable title to the Station Assets, free and clear of Liens, except for Permitted Encumbrances and Liens that will be released at Closing. At Closing, Seller will transfer to Buyer good and marketable title to the Station Assets, free and clear of Liens, except for Permitted Encumbrances. Seller maintains sufficient insurance policies in commercially reasonable amounts with respect to the Station and the Station Assets and will maintain such policies in full force and effect until Closing.

2.13 Compliance with Law. Seller has complied and is in compliance in all material respects with all laws, regulations, rules, writs, injunctions, ordinances,

franchises, decrees or orders of any court or of any foreign, federal, state, municipal or other governmental authority which are applicable to the Station or the Station Assets. There is no action, suit or proceeding pending or, to Seller's knowledge, threatened against Seller in respect of the Station or the Station Assets. To Seller's knowledge, there are no claims or investigations pending or threatened against Seller in respect of the Station or the Station Assets.

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

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. Buyer has the requisite power and authority to execute, deliver and perform this Agreement and the documents to be made pursuant hereto.

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

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

3.4 Qualification. Buyer is legally, financially and otherwise qualified to hold the FCC Licenses under the Communications Act and the rules, regulations and policies of the FCC as they exist on the date of this Agreement. Buyer is not aware of any facts related to Buyer that would, under existing law, disqualify Buyer as an assignee of the FCC Licenses or as the owner and operator of the Station. To Buyer's knowledge, 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. 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, however, shall be Buyer's sole cost and expense, as will be any defense to any claim of any broker or finder who alleges that such broker was engaged by Buyer.

3.6 Committed Funds. Buyer has committed funds available to pay the Purchase Price and is not relying on any equity or debt financing which as not already closed as of the date of this Agreement.

3.7 Operations. Buyer acknowledges that it is purchasing the Station with the intent to change the programming of the Station, and is acquiring no programming, sales agreements or other business assets of the Seller but for the Station's transmission facilities.

ARTICLE 4: SELLER COVENANTS

4.1 Covenants. From the date hereof until Closing, Seller shall, (as applicable):

(a) operate the Station in accordance with the terms of the FCC Licenses and in material 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;

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

(d) at the request of Buyer, from time to time give Buyer access during normal business hours to all of the Station's technical facilities, properties, deeds, title papers, insurance policies, licenses, agreements, contracts, commitments, records and files, equipment, machinery, fixtures, furniture and vehicles, to the extent such documents relate to the Station Assets, and provide Buyer all other information concerning the Station Assets as Buyer may reasonably request (any investigation or examination by Buyer shall not in any way diminish any representations or warranties of Seller made in this Agreement); and

(e) 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) amend or terminate any of the Station Contracts;
- (iv) modify the FCC Licenses; or
- (v) permit any representation or warranty set forth in Article 2 to become untrue or inaccurate in any material respect.

4.2 Deliveries. Subject to Section 5.10 herein, at Closing, Seller shall use commercially reasonable efforts to obtain and deliver to Buyer a customary written estoppel certificate (the "Estoppel Certificate") duly executed by the lessors under the Real Property Lease, in form and substance reasonably satisfactory to Buyer.

Buyer may, at Buyer's sole expense, obtain any UCC, judgment, fixture, and state and federal tax lien search reports as appropriate to confirm that no Liens are filed or recorded against the Station Assets in the public records of any applicable jurisdiction.

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 the lenders' affiliates, general partners, auditors and rating agencies, on a need to know and confidential basis), and their respective attorneys in furtherance of the consummation of the transaction contemplated by this Agreement.

5.2 Announcements. Prior to Closing, no party shall, without the prior written consent of the other, issue any press release or make any other public announcement concerning the transactions contemplated by this Agreement, except to the extent that such party is so obligated by law, in which case such party shall give advance notice to the other, and the parties shall cooperate to make a mutually agreeable announcement.

5.3 Control. Consistent with FCC rules, control, supervision and direction of the operation of the Station prior to Closing shall remain the responsibility of Seller as the holder of the FCC Licenses. The risk of loss of or damage to any of the Station Assets, and the risk of any interruption in the Station's normal broadcast transmission, shall remain with Seller at all times until 12:01 a.m. local time on the day of Closing, and prior to Closing Seller shall repair and replace any lost or damaged Station Assets and restore any interrupted transmission.

5.4 Consents. Prior to Closing, Seller shall obtain the Required Consents (defined below) and shall use commercially reasonable efforts to obtain the other consents

noted on *Schedule 1.1(c)* and *Schedule 1.1(d)*, provided, however, that Seller shall not be obligated to perform any obligation asserted by a third party to such contract that is not required under the contract. 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 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 Station Contract, with Seller making available to Buyer the benefits thereof and Buyer performing 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").

5.5 Employees.

(a) Buyer, from the date hereof through the first anniversary of the Closing Date, will not offer post-Closing employment to any employee of Seller or its affiliates.

(b) Buyer does not assume any of Seller's obligations to Station employees (including any severance obligations), all of which are Retained Liabilities and not Assumed Obligations.

(c) 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.

5.6 Final Order.

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

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

(c) Any such rescission shall be consummated on a mutually agreeable date within thirty (30) days of such 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.

5.7 Receivables. Buyer shall not acquire any right or interest in Seller's A/R and, accordingly, Seller shall be solely responsible for the collection of all A/R.

5.8 Post-Closing Lease Agreement. Buyer and Seller shall enter into a lease agreement for the use of Station's studios and offices and relay hop on the terms set forth in the lease attached hereto as Exhibit B (the "Lease Agreement"), providing two months free rent, and a rent of Six Hundred (\$600) per month thereafter. For so long as the Lease Agreement shall remain in effect, Buyer shall also have the right to maintain a relay link in the Station's studio transmitter link at the transmitter site of Seller's station KIDD(AM), at the location at which that link is current located.

ARTICLE 6: SELLER CLOSING CONDITIONS

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

6.1 Bringdown. The representations and warranties of Buyer made in this Agreement shall be true and correct in all material respects as of Closing, Buyer shall have performed the obligations to be performed by it under this Agreement at or prior to Closing in all material respects, and Seller shall have received a certificate dated as of Closing from Buyer (executed by an authorized officer) to the effect that the conditions set forth in this Section have been satisfied (the "Buyer Bringdown Certificate").

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

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

6.4 Deliveries. Buyer shall have made the deliveries to be made by it at Closing under Section 8.2 of this Agreement.

ARTICLE 7:
BUYER CLOSING CONDITIONS

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

7.1 Bringdown. The representations and warranties of Seller made in this Agreement shall be true and correct in all material respects as of Closing, Seller shall have performed the obligations to be performed by it under this Agreement at or prior to Closing in all material respects, and Buyer shall have received a certificate dated as of Closing from Seller (executed by an authorized officer) to the effect that the conditions set forth in this Section have been satisfied (the "Seller Bringdown Certificate").

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

7.3 FCC Consent. The FCC Consent shall have been granted without conditions materially adverse to Buyer.

7.4 Deliveries. Seller shall have made the deliveries to be made by it at Closing under Section 8.1 of this Agreement.

ARTICLE 8:
CLOSING DELIVERIES

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

- (a) a good standing certificate issued by the Seller's jurisdiction of incorporation;
- (b) a certified copy of the Seller Authorization;
- (c) the Seller Bringdown Certificate;
- (d) an Assignment of FCC Licenses assigning the FCC Licenses to Buyer;
- (e) an Assignment and Assumption of Contracts assigning the Station Contracts to Buyer;
- (f) an Assignment and Assumption of Leases assigning the Real Property Lease to Buyer;
- (g) the Lease Agreement executed by Seller;
- (h) a bill of sale conveying all Station Assets to Buyer;

(j) the Required Consents and Estoppel Certificate (if obtained),; and

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

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

- (a) the Purchase Price in accordance with the terms of this Agreement;
- (b) a good standing certificate issued by Buyer's jurisdiction of incorporation;
- (c) a certified copy of the Buyer Authorization;
- (d) the Buyer Bringdown Certificate;
- (e) an Assignment and Assumption of Contracts assuming the obligations arising after Closing under the Station Contracts;
- (f) an Assignment and Assumption of Leases assuming the obligations arising after Closing under the Real Property Leases;
- (g) the Lease Agreement executed by Buyer; and
- (h) any other documents and instruments of assumption that may be reasonably necessary to assume the Assumed Obligations.

ARTICLE 9: SURVIVAL AND INDEMNIFICATION

9.1 Survival. The representations and warranties in this Agreement shall survive Closing for a period of twelve (12) months from the Closing Date whereupon they shall expire and be of no further force or effect, except (i) those under Section 2.5 (Taxes) and Section 2.9 (Environmental), which shall survive until the expiration of any applicable statute of limitations, (ii) those with respect to title to the Station Assets, which shall survive indefinitely, and (iii) 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 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) From and after Closing, subject to Section 9.2(c), 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;

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

(iii) the Retained Liabilities; or

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

(b) From and after Closing, subject to Section 9.2(c), 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;

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

(iii) the Assumed Obligations; or

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

(c) Notwithstanding the foregoing or anything else herein to the contrary, after Closing, (i) neither party shall have any liability to the other under clause (i) of Section 9.2(a) or 9.2(b), as applicable, until such party's aggregate Damages exceed \$25,000, after which such threshold amount shall be included in, not excluded from, any calculation of Damages, and (ii) the maximum aggregate liability of a party to the other under clause (i) of Section 9.2(a) or 9.2(b), as applicable, shall be \$100,000.

9.3 Procedures.

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

(b) The indemnifying party shall have the right to undertake the defense or opposition to such Claim with counsel reasonably satisfactory to the parties. In the event that the indemnifying party does not undertake such defense or opposition

(c) Notwithstanding anything herein to the contrary:

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

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

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

(iv) neither party shall have any liability to the other under any circumstances for special, indirect, consequential, punitive or exemplary damages or lost profits or similar damages of any kind, whether or not foreseeable.

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 the obligations to be performed by it under this Agreement on the Closing Date; or

(ii) otherwise breaches in any material respect any of its representations or warranties or defaults in any material respect in the performance of any of its covenants or agreements contained in this Agreement and such breach or default is not cured within the Cure Period (defined below);

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

(i) does not perform the obligations to be performed by it under this Agreement on the Closing Date; or

(ii) otherwise breaches in any material respect any of its representations or warranties or defaults in any material respect in the performance of any of its covenants or agreements contained in this Agreement and such breach or default is not cured within the Cure Period;

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

(e) by written notice of Buyer to Seller, or by Seller to Buyer, if the Closing does not occur by the date one (1) year after the release date of the FCC public notice accepting the FCC Application for filing.

The term "Cure Period" as used herein means a period commencing the date Buyer or Seller receives from the other written notice of breach or default hereunder and continuing until the earlier of (i) fifteen (15) calendar days thereafter or (ii) the Closing Date. Except as provided in Section 10.3, termination of this Agreement shall not relieve any party of any liability for breach or default under this Agreement prior to the date of termination. Notwithstanding anything contained herein to the contrary, Sections 1.5 (Deposit), 5.1 (Confidentiality), 5.2 (Announcements), 10.3 (Liquidated Damages), 10.4 (Return of Earnest Money Deposit) 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, in addition to any other remedy available to it, 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 each case without the necessity of showing economic loss or other actual damage and without any bond or other security being required.

10.3 Liquidated Damages. If this Agreement is terminated by Seller pursuant to Section 10.1(c), then the Earnest Money Deposit (and any interest accrued thereon) shall be disbursed to Seller as liquidated damages. In addition, Seller shall be entitled to recover from Buyer reasonable attorney's fees incurred by Seller in the enforcement of Section 10.1(c) if Seller prevails in any such action. Such remedies shall be the sole and exclusive remedies of Seller. Seller hereby waives all other legal and equitable remedies it may otherwise have as a result of any breach or default by Buyer under this Agreement.

10.4 Return of Earnest Money Deposit. If this Agreement is terminated for a reason other pursuant to Section 10.1(c), the Earnest Money Deposit and any interest accrued thereon shall be disbursed to Buyer. The parties shall each instruct the Escrow Agent to disburse the Earnest Money Deposit and all interest accrued thereon to the party or parties entitled thereto and shall not, by any act or omission, delay or prevent any such disbursement.

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 each of Buyer and Seller shall pay one-half of any filing fee charged by the FCC for the request for FCC Consent, and

Seller shall pay all other governmental taxes, fees and charges applicable to the transfer of the Station Assets under this Agreement.

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

11.4 Notices. Any notice pursuant to this Agreement shall be in writing and shall be deemed delivered on the date of personal delivery or confirmed facsimile transmission or confirmed delivery by a nationally recognized overnight courier service, or on the third (3rd) 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 Communications, Inc.
166 West Putnam Avenue
Greenwich, CT 06830
Attention: Joe Bilotta
Facsimile: (203) 622-7341

with a copy (which shall not constitute notice to:

Wilkinson Barker Knauer, LLP
2300 N Street, N.W.
Suite 700
Washington, D.C. 20037
Attention: David Oxenford
Facsimile: (202) 783-5851

if to Buyer, then to:

Mount Wilson FM Broadcasters, Inc.
1500 Cotner Avenue
Los Angeles, CA 90025
Attention: Saul Levine, President
Facsimile: (310) 444-3223

with a copy (which shall not constitute notice to:

Cohn and Marks LLP
1920 N Street, N.W., Suite 300
Washington, DC 20036
Attention: Richard A. Helmick

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 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 (together with the Schedules and Exhibits hereto) constitutes the entire agreement and understanding of the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings with respect to the subject matter hereof. Nothing in this Agreement expressed or implied is intended or shall be construed to give any rights to any person or entity other than the parties hereto and their respective successors and permitted assigns. The construction and performance of this Agreement shall be governed by the laws of the State of California without giving effect to the choice of law provisions thereof. 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.

SELLER:

BUCKLEY COMMUNICATIONS, INC.

By:


Joseph Bilotta, President and CEO

BUYER:

MOUNT WILSON FM BROADCASTERS, INC.

By:

Saul Levine, President

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

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

SELLER: BUCKLEY COMMUNICATIONS, INC.

By: _____
Joseph Bilotta, President and CEO

BUYER: MOUNT WILSON FM BROADCASTERS, INC.

By: *Saul Levine*
Saul Levine, President