

## ASSET PURCHASE AGREEMENT

This **ASSET PURCHASE AGREEMENT** ("this Agreement") is made as of April 2, 2014, by and between **SUSAN CLINTON** ("Seller"), 1490 Bass Road, Prospect, TN 38477, and **STEEL CITY RADIO, INC.** ("Buyer"), 292 South Pine Street, Spartanburg, SC 29302 collectively, the "Parties."

**WHEREAS**, Seller is the permittee of a certain original FM Translator Construction Permit (the "CP") at Moosic, Pennsylvania, granted on April 24, 2013, currently assigned the call letters W288CL and having a facility identification number of 147323 (the "Station"), pursuant to one or more authorizations (the "Station's Authorizations") issued by the Federal Communications Commission ("FCC"); and,

**WHEREAS**, Buyer wishes to purchase and acquire from Seller, and Seller wishes to sell, assign and convey to Buyer, the Station's Authorizations, subject to the prior approval or consent of the FCC and the other terms and conditions set forth in this Agreement.

**NOW THEREFORE**, in consideration of the mutual benefits and covenants set forth below, the Parties hereby agree as follows:

### **1. Purchase and Sale of Assets.**

1.1 Purchased Assets. On the "Closing Date" (as defined in section 2 of this Agreement), Seller shall sell, assign and convey to Buyer, and Buyer shall purchase and acquire from Seller, all of Seller's rights and interests in and to the Station's Authorizations and the Station's call letters, as well as all good will, copyrights and trademarks, if any, which Seller currently may have in connection with the Station (collectively, the "Purchased Assets"). Buyer specifically acknowledges and agrees that Buyer's purchase of the Purchased Assets is on an "as-is" basis and without any representations or warranties by Seller except as expressly described in section 3 of this Agreement, and that after the "Closing" (as defined in section 2 of this Agreement): Seller then shall have no liability or obligation to Buyer whatsoever related hereto and Buyer then shall assume any and all risks related hereto, including without limit those associated with any failure by Buyer after the Closing to timely complete construction of the subject FM translator facility and file a license application with the FCC.

1.2 Liabilities. Buyer does not assume any of Seller's liabilities in connection with the Station arising during, or attributable to, any period of time prior to the Closing Date.

1.3 Purchase Price. The total purchase price to be paid by Buyer at the Closing for the Purchased Assets shall be Forty Thousand Dollars (\$40,000) (the "Purchase Price"), of which the partial sum of Five Thousand Dollars (\$5,000) as a down payment (the "Down Payment") shall be paid by Buyer concurrently with the filing of the contemplated FCC "Assignment Application" (as defined in section 6 of this Agreement). The Down Payment shall be credited towards the total Purchase Price payable by Buyer at the Closing and shall be non-refundable

unless Seller withdraws the Assignment Application or is responsible for the denial thereof due to a material breach of Seller's representations and warranties in this Agreement. Any and all payments by Buyer hereunder shall be delivered by one or more cashier's checks or wire transfers to Seller's designated agent Barry Skidelsky, Esq. ("Seller's FCC Counsel") or as he may otherwise direct.

## **2. Closing.**

The closing of the transactions contemplated in this Agreement (the "Closing") shall take place on a date that is mutually acceptable to the Parties but not more than seven (7) days after FCC Public Notice in its Daily Digest of the grant of "FCC Consent" (as defined in section 6 of this Agreement) by initial order (the "Closing Date"), provided that no timely objections were filed with respect to the contemplated FCC Assignment Application. If such objections were filed, Buyer may elect to delay Closing until the FCC Consent becomes a "Final Order" (as defined in section 11.1 of this Agreement); and, if such election is made, Closing shall take place on a mutually acceptable date not more than seven (7) days after such grant becomes a Final Order. Buyer shall assume any and all risks of its election, if any, to close after FCC Consent is granted but before it becomes a Final Order; and, in no event shall any refund of the Purchase Price paid in connection with any Closing that occurs before the FCC Consent becomes a Final Order be demanded or made. The Closing shall take place at such time, location and/or manner (including without limit by exchange of closing documents via PDF or overnight delivery service) as the Parties may reasonably agree.

**3. Seller's Representations and Warranties.** Seller hereby represents and warrants to Buyer as follows:

3.1 Organization, Authorization and Binding Obligation. Seller is an individual with full power and authority to own and operate the Station. Seller has full power and authority to enter into and perform this Agreement and the transactions contemplated hereby. The execution, delivery and performance of this Agreement by Seller have been duly and validly authorized by all necessary action on her part. This Agreement constitutes Seller's valid, legal and binding obligation, enforceable against Seller in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights generally, and subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

3.2 Absence of Conflicting Agreements or Required Consents. Seller's execution, delivery and performance of this Agreement: (a) does not require the consent of any third party, except for FCC Consent; (b) to the best of Seller's knowledge, will not violate any applicable law, judgment, order, injunction, decree, rule, regulation or ruling of any governmental authority; and, (c) will not, either alone or with the giving of notice or the passage of time or both, conflict with, constitute grounds for termination of, or result in a breach of the terms, conditions, or provisions of, or constitute a default under, any agreement to which Seller is a party.

3.3 Station's Authorizations. Seller is the authorized legal holder of the Station's Authorizations. To the best of Seller's knowledge or belief, subject to the Communications Act of 1934, as amended (the "Communications Act") and the rules and regulations promulgated thereunder (the "FCC Rules and Regulations"), the Station's Authorizations are assignable from Seller to Buyer. In accordance with 47 CFR §73.1150, Seller has no right of reversion and no right to reassignment of the Station's Authorizations, nor any right to use the facilities of the Station after the Closing.

3.4 Insolvency. No insolvency proceedings of any nature, including without limitation, bankruptcy, receivership, reorganization, composition, arrangement with creditors, voluntary or involuntary, affecting Seller are pending, and Seller has made no assignment for the benefit of creditors, nor, to its knowledge, has any person taken any action with a view to the institution of any insolvency proceedings.

3.5 Brokers. Seller has not retained any brokers or finders who are entitled to any commission or finder's fee in connection with the transactions contemplated hereunder.

3.6 Litigation. There is no judgment outstanding and, to the best of Seller's knowledge, no litigation, proceeding or investigation of any nature (other than that intended to affect substantial segments of the industry as a whole) pending or threatened which is likely to materially and adversely affect Seller's ability to timely consummate all of the transactions contemplated herein.

4. Buyer's Representations and Warranties. Buyer represents and warrants to Seller as follows:

4.1 Organization, Authorization and Binding Obligation. Buyer is a corporation duly organized, validly existing and in good standing under the laws of the State of South Carolina; and, it is also qualified or authorized to do business, and in good standing, under the laws of the State of Pennsylvania. Buyer has full power and authority to enter into and perform this Agreement and the transactions contemplated hereby. The execution, delivery and performance of this Agreement by Buyer have been duly and validly authorized by all necessary action on its part. This Agreement constitutes Buyer's valid, legal and binding obligation, enforceable against Buyer in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights generally, and subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

4.2 Absence of Conflicting Agreements or Required Consents. Buyer's execution, delivery and performance of this Agreement: (a) does not require the consent of any third party, except for the FCC Consent; (b) will not violate any provision of Buyer's Articles of Incorporation or Bylaws; (c) to the best of Buyer's knowledge, will not violate any applicable law, judgment, order, injunction, decree, rule, regulation or ruling of any governmental authority; and (d) will not, either alone or with the giving of notice or the passage of time or

both, conflict with, constitute grounds for termination of, or result in a breach of the terms, conditions, or provisions of, or constitute a default under any agreement to which Buyer is a party.

4.3 FCC Qualifications. Buyer has no knowledge of any facts which, under applicable law (including without limit the Communications Act and the FCC Rules and Regulations), would disqualify Buyer as an assignee of the Station's Authorizations. Between now and the Closing Date Buyer will not take, or unreasonably fail to take, any action which Buyer knows or has reason to know would cause such disqualification. Buyer is legally, financially and otherwise qualified to acquire, own and operate the Station under the Communications Act and the FCC Rules and Regulations.

4.4 Insolvency. No insolvency proceedings of any nature, including without limitation, bankruptcy, receivership, reorganization, composition, arrangement with creditors, voluntary or involuntary, affecting Buyer are pending, and Buyer has made no assignment for the benefit of creditors, nor, to its knowledge, has any person taken any action with a view to the institution of any insolvency proceedings.

4.5 Brokers. Buyer has not retained any brokers or finders who are entitled to any commission or finder's fee in connection with the transactions contemplated hereunder.

4.6 Litigation. There is no judgment outstanding and, to the best of Buyer's knowledge, no litigation, proceeding or investigation of any nature (other than that intended to affect substantial segments of the industry as a whole) pending or threatened which is likely to materially and adversely affect Buyer's ability to timely consummate all of the transactions contemplated herein.

## **5. Pre-Closing Covenants.**

5.1 Pre-Closing Covenants of Parties. Between the date hereof and the Closing Date, each of the Parties shall notify the other of any litigation or administrative proceeding pending or, to its knowledge, threatened against it which is likely to delay or interfere with Closing.

5.2 Pre-Closing Covenants of Seller. Between the date hereof and the Closing Date, except with the prior written consent of Buyer, not to be unreasonably withheld, delayed or conditioned, Seller shall not: (a) create, assume or permit to exist any mortgage, pledge, lien or other encumbrance affecting the Station's Authorizations; (b) sell, assign, lease or otherwise transfer or dispose of the Station's Authorizations; (c) waive any material right relating to the Station's Authorizations; (d) make any modification of the Station's Authorizations; or (e) negotiate or contract with any party other than Buyer concerning a sale of any of the Purchased Assets.

5.3 Pre-Closing Covenant of Buyer. Between the date hereof and the Closing Date, Buyer shall not directly or indirectly control, supervise or direct any operations of the Station.

Such operations, including complete control and supervision of all Station policies, programs, employees and finances shall be the sole responsibility of Seller.

**6. FCC Regulatory Matters.**

The assignment of the Station's Authorizations from Seller to Buyer as contemplated by this Agreement is subject to the prior consent and approval of the FCC (the "FCC Consent"), following the Parties' preparation and filing with the FCC of an assignment application (the "Assignment Application"). Buyer and Seller shall furnish each other with such information and assistance as the other may reasonably request in connection with their preparation and filing of the Assignment Application. The Assignment Application shall be filed by Seller and Buyer within seven (7) days after the date of this Agreement. The FCC filing fee for the Assignment Application shall be paid by Buyer. Buyer shall also arrange and pay for any and all FCC required local newspaper public notice related to this transaction, and Buyer shall also pay any and all FCC required regulatory fees due or payable with respect to the Station on or after the date of this Agreement, all as Seller shall reasonably direct. The Parties shall fully prosecute the Assignment Application with all diligence and shall otherwise use their reasonable best efforts to obtain the grant of such Assignment Application and to consummate the Closing as expeditiously as practicable. Buyer and Seller shall also notify each other of any and all documents filed with or received from any governmental agency with respect to this Agreement or the transactions contemplated hereby. Buyer specifically acknowledges and agrees that Seller does not currently own or lease the Station's transmitter site now specified in the Station's CP, that Buyer shall assume any and all risks in connection therewith; and, that Buyer, at its sole expense, shall obtain any and all necessary rights and FCC approvals in connection with a transmitter site for the Station and any primary station to be rebroadcast by the Station.

**7. Instruments of Conveyance and Transfer.**

At Closing: Seller shall execute and deliver to Buyer an assignment of Seller's rights and interests in and to the Station's Authorizations to be assigned pursuant to Section 1.1 of this Agreement, and the Parties shall execute and deliver to each other any other instruments or documents reasonably requested or necessary to effectuate the transactions contemplated under this Agreement, all in form and substance reasonably satisfactory to the Parties.

**8. Payment of Purchase Price.**

At Closing, Buyer shall take all actions necessary to pay the Purchase Price in accordance with Section 1.3 of this Agreement.

**9. Parties' Expenses.**

Except as specifically provided in this Agreement, each of the Parties shall pay all of her or its own legal, accounting and other expenses which each may incur in connection with

the transactions contemplated herein.

#### **10. Pre-Closing Remedy for Seller's Breach.**

In the event of a material default or material breach by Seller in the observance or performance of any term or covenant hereunder prior to the Closing Date, which default or breach is not cured within seven (7) days after written notice from Buyer, Buyer may, as its sole and exclusive remedy hereunder, bring an action to enforce the terms of this Agreement by decree of specific performance (subject to obtaining any necessary FCC Consent), it being agreed that the Station's Authorizations are unique property that cannot be readily obtained on the open market and that Buyer will be irreparably injured if this Agreement is not specifically enforced. Buyer agrees to waive the claim, and Seller agrees to waive the defense, in any such action for decree of specific performance that Buyer has an adequate remedy at law (including without limit any claim for damages), and Seller shall not interpose any opposition, legal or otherwise, as to the propriety of specific performance as Buyer's sole and exclusive remedy.

#### **11. Miscellaneous.**

11.1 Final Order. As used in this Agreement, the term "Final Order" means a written action or order issued by the FCC granting the FCC Consent and (a) which has not been reversed, stayed, enjoined, set aside, annulled or suspended, and (b) with respect to which (i) no requests have been filed for administrative or judicial review, reconsideration or appeal, and the periods provided by statute or FCC Rules and Regulations for filing any such requests and for the FCC to set aside the action on its own motion have expired, or (ii) in the event of any review, reconsideration or appeal, the FCC upholds the action or order granting the FCC Consent and the period provided by statute or FCC Rules and Regulations for any further review, reconsideration or appeal has expired.

11.2 Assignment. Neither of the Parties may voluntarily assign this Agreement, nor any of her or its rights or obligations hereunder, without the prior written consent of the other party. This Agreement shall be binding upon the Parties, as well as upon their respective heirs, executors, administrators, successors and assigns, if any.

11.3 Governing Law. Prior to the Closing Date, this Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Pennsylvania, without giving effect to any conflict of laws principles. Any action brought under this Agreement prior to the Closing Date shall be in either a state or federal court of competent jurisdiction located in Scranton, Pennsylvania.

11.4 Notices. All notices, demands, and requests required or permitted to be given hereunder shall be in writing and sent by USPS Express Mail, Federal Express or similar recognized overnight courier service, with all charges prepaid, and addressed as follows:

If to Seller: Susan Clinton  
1490 Bass Road  
Propsect, TN 38477

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

Barry Skidelsky, Esq.  
185 East 85th Street, 23D  
New York, NY 10028

If to Buyer: Steel City Radio, Inc.  
Attn.: Robert Wilkins, President  
292 South Pine Street  
Spartanburg, SC 29302

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

Peter Gutmann, Esq.  
Womble Carlyle Sandridge & Rice, LLP  
1200 19<sup>th</sup> Street, NW, 5<sup>th</sup> Floor  
Washington, DC 20036

or at such other address as either party shall specify by written notice to the other.

11.5 Counterparts. This Agreement may be executed and exchanged in one or more original, PDF or facsimile counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

11.6 Entire Agreement. This Agreement contains the entire agreement and understanding of the Parties with respect to its subject matter. It supersedes any and all prior agreements and understanding between the Parties with respect to the subject matter hereof, whether oral or written. It may not be changed or terminated orally, and no attempted change, amendment, or waiver of any of the provisions hereof shall be binding unless in writing and signed by both Parties. As this Agreement has been jointly negotiated and drafted, with each of the Parties being represented by counsel of her or its own choice, neither of the Parties shall be deemed the drafter of this Agreement and no presumption against any drafter shall apply.

11.7 No Waiver. Unless otherwise specifically agreed in writing to the contrary: (a) the failure of any party at any time to require performance by another party of any provision of this Agreement shall not affect such party's right thereafter to enforce the same; (b) no waiver by any party of any default by another party shall be taken or held to be a waiver by such party of any other preceding or subsequent default; and (c) no extension of time granted by any party for the performance of any obligation or act by another party shall be deemed to be an extension of time for the performance of any other obligation or act hereunder.

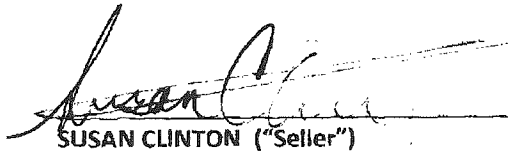
11.8 Captions. The captions and headings in this Agreement are for convenience and reference purposes only, and they shall not affect in any way the meaning or interpretation of this Agreement.

11.9 Further Assurances. Each of the Parties shall cooperate with each other, including without limit by executing and delivering such documents and taking such other actions, as either of the Parties may reasonably request or to effectuate the intent and provisions of this Agreement.

11.10 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.

11.11 Buyer's Signatory. The individual signatory for the Buyer below specifically represents and warrants that he is duly authorized and has legal capacity to execute and deliver this Agreement on behalf of the Buyer.

IN WITNESS WHEREOF, the Parties have authorized the execution, delivery and performance of this Asset Purchase Agreement as of the date first set forth above.

  
SUSAN CLINTON ("Seller")

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STEEL CITY RADIO, INC. ("Buyer")  
by: Robert Wilkins, President



11.8 Captions. The captions and headings in this Agreement are for convenience and reference purposes only, and they shall not affect in any way the meaning or interpretation of this Agreement.

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11.11 Buyer's Signatory. The individual signatory for the Buyer below specifically represents and warrants that he is duly authorized and has legal capacity to execute and deliver this Agreement on behalf of the Buyer.

IN WITNESS WHEREOF, the Parties have authorized the execution, delivery and performance of this Asset Purchase Agreement as of the date first set forth above.

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SUSAN CLINTON ("Seller")

  
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STEEL CITY RADIO, INC. ("Buyer")  
by: Robert Wilkins, President