

## **ASSETT PURCHASE AGREEMENT**

May **THIS ASSETT PURCHASE AGREEMENT** (this "Agreement") is made this 6<sup>th</sup> day of May, 2011 (the "effective date") by and between Gadsden Radio Media, Inc., an Alabama corporation (hereinafter "GRM"); and WAY Media Inc., a Florida non-profit corporation (hereinafter "WAY-FM") each a "Party" and collectively the "Parties".

### **RECITALS:**

- A. WAY-FM holds the license for translator station W261BL with Facility ID #142703 (hereinafter "WAY-FM Translator")
- B. With FCC Consent, WAY-FM desires to assign to GRM, and GRM desires to acquire from WAY-FM the license for the WAY-FM Translator in accordance with all the terms and subject to the conditions set forth in this agreement.

**NOW THEREFORE**, in consideration of the Recitals and mutual covenants, conditions and agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed as follows:

### **ARTICLE I** **DEFINITIONS**

- 1.1 **Definitions:** Except as specified otherwise, when used in this agreement, the following terms shall have the meanings specified:

"Agreement" shall mean this Asset Purchase Agreement, together with the Schedules and Exhibits attached hereto, as the same shall be amended from time to time in accordance with the terms hereof;

"Closing" shall mean the conference to be held at 10:00 AM Eastern Time, and at such a place as WMG selects on the Closing Date at which time the transactions contemplated by this Agreement shall be consummated as indicated herein;

"Closing Date" shall mean (1) the date designated by WAY-FM upon at least (5) five days prior written notice to GRM which is no later than (10) ten business days after the last of the FCC approvals of the assignments as contemplated by the Agreement have become a Final Order; or (2) such other date as the Parties shall agree upon in writing. The Closing shall be deemed effective at 12:01AM on the first day subsequent to the Closing Date;

"FCC" shall mean the Federal Communications Commission;

"FCC Consent" for or related to the WAY-FM translator license shall be action by the FCC granting its consent to the assignment of the licenses from WAY-FM to GRM.

"Final Order" shall mean an FCC approval or grant of the assignments as contemplated in this Agreement with respect to which no action, request for stay, petition for rehearing or reconsideration, appeal or review by the FCC on its own motion is pending and as to which the time for filing or initiation of any such request, petition, appeal, or review has expired;

"Lien" shall mean any mortgage, deed of trust, pledge, hypothecation, security interest, encumbrance, claim, lien, lease (including any capitalized lease) or charge of any kind, whether voluntarily incurred or arising by operation of law or otherwise, including any agreement to give or grant any of the foregoing, any conditional sale or other title retention

agreement and the filing of or agreement to give any financing statement under the Uniform Commercial Code of the States of Alabama or Georgia or comparable law of any jurisdiction;

"Person" shall mean any natural person, general or limited partnership, corporation, limited liability company, or other entity;

"Schedules" shall mean those schedules referred to in this Agreement which have been delivered concurrently with the execution of this Agreement;

"WAY-FM Licenses" shall mean the permit or authorizations issued by the FCC to WAY-FM for the operation of the WAY-FM Translator as listed in Schedule A;

"WAY-FM Equipment" shall mean any item listed in Schedule B.

"WAY-FM Purchased Assets" shall mean the right, title and interest of WAY-FM in and to certain assets used or usable in the operation of the WAY-FM Translator, limited to (a) the WAY-FM Licenses, (b) any WAY-FM Equipment, and (c) the WAY-FM Records, excluding all of WAY-FM's cash and accounts receivable; and

"WAY-FM Records" shall mean files and records, including technical information and engineering data, and FCC logs relating to the WAY-FM Translator; provided, however, that the WAY-FM Records shall not include the financial records of WAY-FM or records of other businesses or activities of WAY-FM.

- 1.2 **Singular / Plural – Gender:** Where the context so requires or permits, the use of the singular from includes the plural, and the use of the plural form includes the singular, and the use of the gender includes any and all genders. Except as specifically set forth herein, all Section and Article references are to Sections and Articles of this agreement.

## **ARTICLE II** **PURCHASE AND SALE**

- 2.1 **Purchase and Sale:** At the Closing on the Closing Date, and upon all of the terms and subject to all of the conditions of this Agreement, WAY-FM shall sell, assign, convey, transfer and deliver to GRM, and GRM shall purchase all of WAY-FM's right, title and interest, legal and equitable, in and to the WAY-FM Purchased assets.
- 2.2 **Consideration:** The monetary consideration for the assets shall be as follows:
- (a) Upon the execution of this agreement, GRM will pay to WAY-FM the amount of \$3,160 (three thousand, one hundred sixty dollars) by bank draft, transfer or certified check.
  - b) On the Closing Date, GRM will pay to WAY-FM the amount of \$28,440 (twenty-eight thousand, four hundred forty dollars) by bank draft, transfer or certified check.
- 2.3 **Closing Date Deliveries for WAY-FM:** At the Closing on the Closing Date, WAY-FM shall deliver, or cause to be delivered, to GRM properly executed and delivered as of the Closing Date: (i) an FCC assignment of the WAY-FM Licenses, (ii) FCC Consummation notice(s), (iii) transfer of FCC FRN from WAY-FM to GRM and (iv) assignment of tower leases, if any.

#### 2.4 Adjustments to Purchase Price:

- (a) Prorations: At the Closing the parties shall make all necessary prorations included but not limited to taxes, rent and utility charges
- (b) Disputes: In the event of any disputes between the parties as to any adjustments under this Section, the amounts not in dispute will be paid at the time provided herein and the dispute will be resolved by an independent Certified Public Accountant ("CPA") who shall be jointly selected by the parties within (30) thirty days after the Closing or after the final settlement on prorations, as the case may be. The decision of the CPA will be binding on each of the parties and enforceable by a court of competent jurisdiction. The fees and expenses of the CPA will be paid one-half by GRM and one-half by WAY-FM.

- 2.5 **Non-Assumption of Liabilities of WAY-FM:** GRM does not and shall not assume or become obligated to pay any debt, obligation of any kind or nature of WAY-FM or the WAY-FM Translator, except for the assumed liabilities or other such obligations, debts or charges as are specifically allocated to GRM elsewhere in this Agreement.

### **ARTICLE III** **GOVERNMENTAL APPROVALS AND CONTROL OF STATION**

- 3.1 **FCC Consent:** It is specifically understood and agreed by the Parties that the Closing shall be in all respects subject to, and conditioned upon, the receipt of prior FCC Consent. The Parties shall prepare and file with the FCC as soon as is practicable but in no event later than (5) five business days after the execution of this Agreement, all requisite applications and other necessary instruments and documents to request the FCC Consent. The Parties shall prosecute such applications with all reasonable diligence and take all steps necessary to obtain the requisite FCC Consent.

### **ARTICLE IV** **REPRESENTATIONS AND WARRANTIES OF GRM**

GRM represents and warrants to WAY-FM (which representations and warranties shall survive the Closing for a period of (12) twelve months from the Closing Date) as follows:

- 4.1. **Organization:** GRM is incorporated in the State of Alabama. GRM has the power and authority to own, lease and operate the WAY-FM Purchased Assets and to conduct business as it is now being conducted. GRM has the full corporate power to purchase the WAY-FM Purchased Assets pursuant to this agreement.
- 4.2. **Authorization; Enforceability:** The execution, delivery and performance of this Agreement and all of the documents and instruments required hereby by GRM are within the power of GRM. This Agreement is, and the other documents and instruments required hereby will be, when executed and delivered by GRM, the valid and binding obligations of GRM, enforceable against GRM in accordance with their respective terms, subject only to bankruptcy, insolvency, reorganization, moratoriums or similar laws at the time in effect effecting the enforceability or rights of creditors generally and by general equitable principles which may limit the right to obtain equitable remedies.
- 4.3. **Representations as of the Closing Date:** GRM's representations and warranties set forth in this Agreement shall be true and correct on and as of the Closing Date, as though such representation and warranties were made as of a specific date, which need only be true as of such date or as otherwise provided by this Agreement.

**ARTICLE V**  
**REPRESENTATIONS AND WARRANTIES OF WAY-FM**

WAY-FM represents and warrants to GRM (which representations and warranties shall survive the Closing for a period of (12) twelve months from the Closing Date) as follows:

- 5.1 **Organization:** WAY-FM is incorporated in the State of Florida. WAY-FM has the power and authority to own, lease and operate the WAY-FM Purchased Assets and to conduct the business of the WAY-FM License as it is now being conducted.
- 5.2 **Authorization; Enforceability:** The execution, delivery and performance of this Agreement and all of the documents and instruments required hereby by WAY-FM are within the power of WAY-FM. This Agreement is, and the other documents and instruments required hereby will be, when executed and delivered by WAY-FM, the valid and binding obligations of WAY-FM, enforceable against WAY-FM in accordance with their respective terms, subject only to bankruptcy, insolvency, reorganization, moratoriums or similar laws at the time in effect effecting the enforceability or rights of creditors generally and by general equitable principles which may limit the right to obtain equitable remedies.
- 5.3 **Title to Purchased Assets; Liens and Encumbrances:** WAY-FM owns good and marketable title in all of the WAY-FM Purchased Assets free and clear of any and all liens and liabilities.
- 5.4 **Governmental Authorizations:** WAY-FM holds, and on the Closing Date WAY-FM will hold, all valid licenses or licenses from the FCC to operate or construct the WAY-FM Translator. Schedule B includes a true and complete list of the WAY-FM License(s). The WAY-FM License is in full force and effect and WAY-FM is the authorized legal holder thereof. As of the date hereof, no action or proceeding is pending or threatened before the FCC or any other governmental authority to revoke, refuse to renew or modify such WAY-FM License or other authorizations of the WAY-FM Translator.
- 5.5 **Representations as of the Closing Date:** WAY-FM's representations and warranties set forth in this Agreement shall be true and correct on and as of the Closing Date, as though such representation and warranties were made as of a specific date, which need only be true as of such date or as otherwise provided by this Agreement.

**ARTICLE VI**  
**CERTAIN MATTERS PENDING THE CLOSING**

From and after the date of this Agreement and until the Closing (unless otherwise provided herein):

- 6.1 **WAY-FM Operations Pending Closing:** WAY-FM shall, after the date hereof and prior to Closing:
  - (a) hold the WAY-FM License in accordance with all applicable FCC requirements, rules and regulations; and
  - (b) Not sell, lease, mortgage, pledge or otherwise dispose of any of the WAY-FM Purchased Assets except for transactions in the ordinary and regular course of the operation of the WAY-FM Translator.
- 6.2 **Consents:** GRM shall obtain all consents and approvals required from third Persons, whose consent or approval is required in order to assign any lease for tower sites from WAY-FM prior to the Closing Date. WAY-FM shall obtain all consents and approvals required from third Persons, whose consent or approval is required in order to assign any lease for tower sites to GRM prior to the Closing Date.

- 6.3 **Cooperation:** GRM and WAY-FM will cooperate in all respects in connection with: (a) securing any non-governmental approvals, consents and waivers required of third Parties, and (b) giving notices to any governmental authority, or securing the permission, approval, determination, consent or waiver of any governmental authority, required by law in connection with the transfer of the WAY-FM Purchased Assets from WAY-FM to GRM, and (c) making modification to the licensed facility as requested by GRM.

**ARTICLE VII**  
**CONDITIONS PRECEDENT TO THE OBLIGATIONS OF WAY-FM**

Each and every obligation of WAY-FM to be performed on the Closing Date shall be subject to the satisfaction prior to or at the Closing of the following express condition precedent:

- 7.1 **Compliance with Agreement:** GRM shall have performed and complied in all material respects with all of its obligations under this Agreement which are to be performed or complied with prior to or at the Closing.
- 7.2 **Representations and Warranties:** The representations and warranties made by GRM in this Agreement shall be true and correct in all material respects as of the closing date with the same force and effect as though such warranties and representations were made on the Closing Date, except for changes permitted or contemplated by this Agreement.
- 7.3 **Deliveries at Closing:** GRM shall have delivered or cause to be delivered to WAY-FM any closing documents, each properly executed and dated as of the Closing Date as required pursuant to Section 2.4 (as applicable).

If any of the conditions set forth in this Article VII have not been satisfied, WAY-FM may in its sole discretion nevertheless, may elect to proceed with the consummation of the transactions contemplated hereby.

**ARTICLE VII**  
**CONDITIONS PRECEDENT TO THE OBLIGATIONS OF GRM**

Each and every obligation of GRM to be performed on the Closing Date shall be subject to the satisfaction prior to or at the Closing of the following express condition precedent:

- 8.1 **Compliance with Agreement:** WAY-FM shall have performed and complied in all material respects with all of its obligations under this Agreement which are to be performed or complied with prior to or at the Closing.
- 8.2 **Representations and Warranties:** The representations and warranties made by WAY-FM in this Agreement shall be true and correct in all material respects as of the closing date with the same force and effect as though such warranties and representations were made on the Closing Date, except for changes permitted or contemplated by this Agreement.
- 8.3 **Deliveries at Closing:** WAY-FM shall have delivered or cause to be delivered to GRM any closing documents, each properly executed and dated as of the Closing Date as required pursuant to Section 2.3.

**8.4 Absence of Investigations and Proceedings:** Except for governmental investigations relating to the broadcast industry, generally there shall be no decree, judgment, order, or litigation at law or in equity, no arbitration proceedings, and no proceedings before or by any commission, agency or other administrative or regulatory body or authority pending to which WAY-FM is a party and to which the WAY-FM Translator or WAY-FM Purchased Assets are subject, including any with respect to condemnation, zoning, use or occupancy, which would materially adversely affect the ability of GRM to operate the WAY-FM Translator or to use or acquire the WAY-FM Purchased Assets in the same manner as operated and used by WAY-FM. Without limiting the generality of the foregoing, no action or proceeding shall be pending before the FCC or any governmental authority to revoke, modify in any material respect or refuse to renew the WAY-FM License. No suit, action or other proceeding shall be pending before any court or governmental authority in which it is sought to restrain or prohibit, or obtain any damages or other relief in connection with, this Agreement or the consummation of the transactions contemplated hereby.

**8.5 Governmental Consents:** The FCC Consent shall have been issued, and shall, at Closing, be a Final Order, unless waived by GRM, and in full force and effect and shall contain no provision materially adverse to GRM. All other authorizations, consents and approvals of any kind and all governmental regulatory authorities necessary in conjunction with the consummation of the transactions contemplated by this Agreement shall have been obtained and be in full force and effect.

If any of the conditions set forth in this Article VII have not been satisfied, GRM may in its sole discretion nevertheless, may elect to proceed with the consummation of the transactions contemplated hereby.

## **ARTICLE IX**

### **TERMINATIONS; MISCELLANEOUS**

**9.1 Entire Agreement; Amendment; and Waiver:** This Agreement and the documents required to be delivered pursuant hereto constitute the entire agreement between the Parties pertaining to the subject matter hereof, and supersede all prior and contemporaneous agreements, understandings, negotiations and discussions of the parties, whether oral or written, and there are no warranties, representations or other agreements between the parties in connection with the subject matter hereof, except as specifically set forth or referenced herein. No amendment, supplement, modification, waiver or termination of this Agreement shall be binding unless executed in writing by the party to be bound thereby. No waiver of any of the provisions of this Agreement shall be deemed or constitute a waiver of any other provision of this Agreement, whether or not similar, unless expressly provided.

**9.2 Expenses:** Except as otherwise specifically provided herein, whether or not the transactions contemplated by this Agreement are consummated, each of the Parties shall pay the fees and expenses of its respective counsel, accountants and other experts incident to the negotiation, drafting and execution of this Agreement and consummation of the transactions contemplated hereby.

**9.3 Benefit; Assignment:** This Agreement shall be binding upon and endure to the benefit of and shall be enforceable by WAY-FM and GRM and their respective proper successors and assigns. This Agreement (and any rights, obligations or liabilities hereunder) may not be assigned or delegated in whole or in part by any party without the prior written consent of the other party. Provided, however, either Party may assign this Agreement to an entity wholly owned by such party, provided such party continues to be fully obligated hereunder.

expenses of its respective counsel, accountants and other experts incident to the negotiation, drafting and execution of this Agreement and consummation of the transactions contemplated hereby.

3. **Benefit; Assignment:** This Agreement shall be binding upon and endure to the benefit of and shall be enforceable by WAY-FM and GRM and their respective proper successors and assigns. This Agreement (and any rights, obligations or liabilities hereunder) may not be assigned or delegated in whole or in part by any party without the prior written consent of the other party. Provided, however, either Party may assign this Agreement to an entity wholly owned by such party, provided such party continues to be fully obligated hereunder.

4. **Notices:** All communications or notices required or permitted under this Agreement shall be in writing and deemed to have been given (i) on the date of personal delivery to an officer of the other party, or (ii) if sent by telecopy or facsimile machine to the number shown below, on the date of such confirmed telecopy or facsimile transmission, provided a copy is also sent by commercial overnight delivery service, prepaid, at the address and facsimile number below, unless such address or number is changed by written request:

**If to WAY-FM:** Robert D. Augsburg, President  
WAY Media, Inc  
5475 Tech Center Drive, Suite 210  
Colorado Springs, CO 80919

**If to GRM:** Jeff Beck, Managing Member  
Gadsden Radio Media, LLC  
P.O. Box 863  
455 AL Hwy 75 North  
Albertville, AL 35950

5. **Counterparts; Headings:** This Agreement may be executed in several counterparts, each of which shall be deemed an original, but such counterparts shall together constitute but one of the same Agreement. This agreement may be executed and delivered in counterpart signature pages executed and delivered by facsimile transmission, and any such counterpart executed and delivered via facsimile transmission shall be deemed an original for all intents and purposes. The Table of Contents and Article and Section headings in this Agreement are inserted for convenience of reference only and shall not constitute a part thereof.
6. **Judicial Interpretation:** Should any provision of this Agreement require judicial interpretation, the parties hereto agree that the court interpreting or construing the same shall not apply a presumption that the terms hereof shall be more strictly construed against one party by the reason of the rule of construction that a document is to be construed more strictly against the party which itself or through its agent prepared the same, it is being agreed that the agents of each party have participated in the preparation hereof.
7. **Saturdays, Sundays and Legal Holidays:** If the time period by which any acts or payments required hereunder must be performed or paid expenses on a Saturday, Sunday or Legal Holiday, then such time period shall be automatically extended to the close of business on the next regularly scheduled business day.
8. **Governing Law:** This Agreement shall be construed and interpreted according to the laws of

the State of Colorado, without regard to the conflict of law principles thereof.

9. **Cure Period:** No breach shall become a material breach unless the breaching party files to remedy such breach within (5) five days of written notice of breach.

- SIGNATURE PAGE FOLLOWS -

**IN WITNESS WHEREOF**, the parties have executed this agreement as of the day and year first above written.

**WAY-FM Media Group, Inc.**

By: \_\_\_\_\_

Robert D. Augsburg, President

**Gadsden Radio Media, LLC**

By: \_\_\_\_\_

Jeff Beck, Managing Member

Witness: Christie Hogg  
my commission expires 3-14-15



**Schedule A**  
**WAY-FM Translator Licenses**

The license for translator station W261BLwith Facility ID #142703

**Schedule B**  
**WAY-FM Equipment**

This application is for the license and other intrinsic value of the facility apart from physical equipment.