

## ASSET PURCHASE AGREEMENT

**THIS ASSET PURCHASE AGREEMENT** (the "Agreement") is entered into as of this 6th day of August, 2013 (the "Effective Date") by and between **EASTERN AIRWAVES, LLC**, a North Carolina limited liability company ("Buyer"), and **TRI-AD FAMILY NETWORK INCORPORATED**, a North Carolina non-profit corporation, doing business as Triad Family Network, Inc. ("Seller") (each a "Party" and, collectively, the "Parties").

### RECITALS

**WHEREAS**, Seller is the licensee and operator of FM Translator Radio Station W267AM, 101.3 MHz, Mocksville, NC, FCC Facility ID No. 87027 (the "Translator"), holding valid authorizations for the operation thereof from the Federal Communications Commission (the "FCC"), and Seller owns or leases all other assets used in connection with the operation of the Translator;

**WHEREAS**, Seller has filed a construction permit application with the FCC in FCC File No. BPFT-20130531AQY to modify the license of Translator, including to change the Translator's community of license to Winston-Salem, NC, which currently remains pending at the FCC (the "Permit Application"); and

**WHEREAS**, on the terms and conditions described herein, Seller desires to sell and Buyer desires to purchase certain of the assets owned or leased by Seller and used in connection with the operation of the Translator.

**NOW, THEREFORE**, taking the foregoing into account, and in consideration of the mutual covenants and agreements set forth herein, the sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound, hereby agree to the following terms and conditions:

### **ARTICLE 1: SALE AND PURCHASE**

1.1 **Translator Assets**. Subject to the terms and conditions herein contained, Seller shall grant, convey, sell, assign, transfer and deliver to Buyer on the Closing Date (as defined below) only the following assets, properties, interests and rights of Seller used exclusively in connection with the Translator (collectively, the "Translator Assets"):

(a) **Licenses and Authorizations**. All licenses, authorizations, permits and approvals issued with respect to the Translator by the FCC (the "FCC Authorizations"), as set forth on Schedule 1.1(a) attached hereto.

(b) **Books and Records**. All engineering and other books, papers, files, correspondence and records pertaining to the operations of the Translator, including the engineering records and copies of all filings and correspondence with the FCC which are in the possession of Seller; provided that Seller may retain copies thereof.

1.2 **Excluded Assets**. Seller will retain any assets not specified in Section 1.1 hereof.

1.3 **Liabilities.** The Translator Assets shall be transferred by Seller to Buyer free and clear of all debts, security interests, mortgages, trusts, claims, pledges, conditional sales agreements, equipment leases, and other liens, liabilities and encumbrances of every kind and nature (“Liens”). Buyer shall not assume and undertake any obligations or liability of Seller in connection with the Translator Assets.

1.4 **Purchase Price.**

(a) **Purchase Price.** The purchase price to be paid for the Translator Assets will be ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000.00) (the “Purchase Price”), payable by Buyer in cash at Closing by wire transfer of immediately available funds as follows:

(i) Buyer shall deposit in escrow pursuant to the Escrow Agreement attached as Exhibit A with the Escrow Agent named therein the sum of SEVEN THOUSAND FIVE HUNDRED DOLLARS (\$7,500.00) (the “Escrow Amount”) which shall be held and disbursed pursuant to the terms of the Escrow Agreement and this Agreement.

(ii) At the Closing, (i) Buyer shall pay Seller the sum of ONE HUNDRED FORTY TWO THOUSAND FIVE HUNDRED DOLLARS (\$142,500.00) by wire transfer of immediately available funds; and (ii) Escrow Agent shall deliver Seller the Escrow Amount.

## **ARTICLE 2: FCC CONSENT; CLOSING**

2.1 **FCC Consent; Assignment Application.** As soon as practicable (but in no event later than five (5) business days after the Effective Date), Buyer and Seller shall file an application with the FCC (the “Assignment Application”) requesting the FCC’s consent (the “FCC Consent”) to the assignment from Seller to Buyer of all FCC Authorizations pertaining to the Translator. Buyer and Seller shall take all reasonable steps to cooperate with each other and with the FCC in order to secure such FCC Consent without delay and to promptly consummate the transaction contemplated in this Agreement. Buyer shall pay any FCC filing fee paid in connection with the FCC application to the extent applicable. Each party shall be responsible for all of its other costs with respect to the preparation, filing and prosecution of the Assignment Application.

2.2 **Closing Date; Closing Place.** The closing (the “Closing”) of the transaction contemplated in this Agreement shall occur on the fifth (5th) business day after grant of the FCC Consent (the “Closing Date”); however, if an objection is filed against the Assignment Application, at Buyer’s option, the Closing shall occur on a date that is no more than five (5) business days following the date on which the FCC Consent shall have become a Final Order (as defined below); provided that in any case, the Closing shall not occur unless the other conditions to the Closing set forth in Articles 7 and 8 hereof shall have either been waived or satisfied; and Seller and Buyer agree to cooperate to the extent necessary to obtain the FCC's extension of the effectiveness of the FCC Consent as may be required. For purposes of this Agreement, the term “Final Order” means action by the FCC granting an FCC application, and such grant shall not have been reversed, stayed, enjoined, set aside, annulled, or suspended, and with respect to

which action no timely request for stay, petition for rehearing, petition for reconsideration, application for review, or notice of appeal is pending, and as to which the times for filing any such request, petition, application, notice, or appeal, or for reconsideration or review by the FCC on its own motion, shall have expired. The Closing shall be held by exchange of documents via facsimile or email, or as Seller and Buyer may otherwise agree.

### **ARTICLE 3: REPRESENTATIONS AND WARRANTIES OF SELLER**

Seller makes the following representations and warranties to Buyer:

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

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

3.3 **No Conflicts.** The execution and delivery by Seller of this Agreement and the Seller Ancillary Agreements and the consummation by Seller of the transactions contemplated hereby does not conflict with any organizational documents of Seller or any law, judgment, order, or decree to which Seller is subject or require the approval, consent, authorization or act of, or the making by Seller of any declaration, filing or registration with, any third party or any governmental authority, except the FCC Consent.

3.4 **FCC Authorizations and Other Licenses.** Schedule 1.1(a) hereto contains a true and complete list of the FCC Authorizations and all other licenses, permits, or other authorizations from governmental or regulatory authorities that are required for the construction and operation of the Translator. The FCC Authorizations are in full force and effect, unimpaired by any act or omission of Seller. Seller lawfully holds each of the FCC Authorizations and the other licenses, permits, and authorizations listed on Schedule 1.1(a). Seller is operating the Translator in material compliance with the FCC Authorizations, the Communications Act of 1934, as amended, and all regulations and published policies of the FCC. All material filings required to be filed with the FCC by Seller with respect to the operation of the Translator have been timely filed, and all such filings are accurate and complete in all material respects.

3.5 **Title Documents.** The instruments to be executed by Seller and delivered to Buyer at the Closing, conveying the Translator Assets to Buyer, will transfer good and marketable title to the Translator Assets, free and clear of all Liens.

3.6 **Litigation; Compliance with Law.** Except as otherwise set forth herein, Seller is not subject to any order, writ, injunction, judgment, arbitration, decision, or decree having a binding effect and affecting the Translator Assets or which restrains or enjoins, or purports to restrain or enjoin, or could reasonably be expected to restrain or enjoin, the transaction contemplated hereby, and to Seller's knowledge no such proceeding is pending. There is no material litigation pending by or against, or, to Seller's knowledge, threatened against, Seller which relates to the Translator. Seller, with respect to the Translator, has complied in all material respects with all applicable laws, regulations, orders, or decrees. The present uses by Seller of the Translator Assets do not violate any such laws, regulations, orders, or decrees in any material respect, and Seller has no knowledge of any basis for any claim for compensation or damage or other relief from any violation of the foregoing.

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

#### **ARTICLE 4: REPRESENTATIONS AND WARRANTIES OF BUYER**

Buyer represents and warrants to Seller:

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

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

4.3 **No Conflicts.** The execution and delivery by Buyer of this Agreement and the Buyer Ancillary Agreements and the consummation by Buyer of the transactions contemplated hereby does not conflict with any organizational documents of Buyer or any law, judgment, order or decree to which Buyer is subject, or require the approval, consent, authorization or act

of, or the making by Buyer of any declaration, filing or registration with, any third party or any governmental authority, except the FCC Consent.

4.4 **Buyer's Qualification.** Upon satisfaction of the conditions precedent to Closing set forth in Articles 7 and 8 below, Buyer will be legally, financially, and technically qualified to acquire, and to become the FCC licensee of, the Translator and to perform its obligations under this Agreement.

4.5 **Litigation.** Buyer is not subject to any order, writ, injunction, judgment, arbitration, decision, or decree having a binding effect and affecting the business of Buyer or which restrains or enjoins, or purports to restrain or enjoin, or could reasonably be expected to restrain or enjoin, the transaction contemplated hereby, and no such proceeding is pending. There is no material litigation pending by or against, or, to the knowledge of Buyer, or threatened against Buyer, that would prevent or materially impede the consummation by Buyer of the transaction contemplated by this Agreement.

4.6 **Broker.** 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, other than Robert L. Heymann, Jr., of Media Services Group, Inc., which commission Buyer will pay at the Closing.

## **ARTICLE 5: COVENANTS OF SELLER**

The following terms of this Article 5 shall apply from the Effective Date until the completion of the Closing (except as otherwise specified).

5.1 **FCC Compliance.** Seller shall continue to operate and maintain the Translator in accordance in all material respects with the terms of the FCC Authorizations and in material compliance with all applicable laws and FCC regulations and published policies. Seller will not file any application to the FCC requesting authority to modify the Translator's facilities without Buyer's prior written consent and Seller shall take all actions necessary to keep the FCC Authorizations, including all material permits and applications pending before the FCC, valid and in full force and effect.

5.2 **Disposition of Assets.** Prior to the Closing Date, Seller shall not, without the prior written consent of Buyer, sell, lease, or transfer, or agree to sell, lease, or transfer, any of the Translator Assets without replacement thereof with an asset of equivalent kind, condition, and value that satisfies industry standards for such assets, nor create any new Lien on the Translator Assets.

5.3 **Compliance with Law.** Seller shall comply in all material respects with all federal, state, and local laws, rules and regulations in connection with the operation of the Translator.

5.4 **Access to Facilities, Files and Records.** At the request of Buyer, Seller shall from time to time give or cause to be given to Buyer full access during normal business hours to the Translator Assets.

5.5 **Consummation of Agreement.** Seller shall use all commercially reasonable efforts to fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement, and to cause the transaction contemplated by this Agreement to be fully carried out.

5.6 **Permit Application.** At Buyer's option, Seller shall file an application for an amendment to the Permit Application, or otherwise for a new minor modification of the Permit, as reasonably requested by Buyer within fifteen days (15) of the Effective Date, provided that Buyer shall provide the engineering for such application, and pay any costs, fees or expenses associated therewith. The term "Permit Application" shall be deemed to include any amendments or modifications filed pursuant to this Section.

## **ARTICLE 6: COVENANTS OF BUYER**

Buyer covenants and agrees that from the date hereof until the completion of the Closing:

6.1 **Representations and Warranties.** Buyer shall give detailed written notice to Seller promptly upon learning of the occurrence of any event that would cause or constitute a breach or would have caused a breach had such event occurred or been known to Buyer prior to the date hereof, of any of the representations and warranties of Buyer contained in this Agreement. Buyer shall use commercially reasonable efforts to cure any such event.

6.2 **Consummation of Agreement.** Buyer shall use all commercially reasonable efforts to fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement, and to cause the transaction contemplated by this Agreement to be fully carried out.

## **ARTICLE 7: CONDITIONS TO THE OBLIGATIONS OF SELLER**

The obligations of Seller under this Agreement are subject to the fulfillment of the following conditions prior to or on the Closing Date. Upon the Closing, each such condition shall be deemed to have been satisfied.

### **7.1 Representations, Warranties and Covenants.**

(a) Each of the representations and warranties of Buyer contained in this Agreement was true and correct as of the date when made and is deemed to be made again on and as of the Closing Date and is then true and correct, except to the extent changes are permitted or contemplated pursuant to this Agreement.

(b) Buyer shall have performed and complied with each and every covenant and agreement required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

7.2 **Proceedings.** Neither Seller nor Buyer is subject to any restraining order or injunction (or similar action) restraining or prohibiting the consummation of the transaction contemplated hereby.

7.3 **FCC Authorizations.** The FCC Consent has been issued by the FCC.

7.4 **Deliveries.** Buyer has complied with each and every one of its obligations set forth in Section 9.2.

## **ARTICLE 8: CONDITIONS TO THE OBLIGATIONS OF BUYER**

The obligations of Buyer under this Agreement are subject to the fulfillment of the following conditions prior to or on the Closing Date. Upon the Closing, each such condition shall be deemed to have been satisfied.

### **8.1 Representations, Warranties and Covenants.**

(a) Each of the representations and warranties of Seller contained in this Agreement was true and correct as of the date when made and is deemed to be made again on and as of the Closing Date and is then true and correct, except to the extent changes are permitted or contemplated pursuant to this Agreement.

(b) Seller shall have performed and complied with each and every covenant and agreement required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

8.2 **Proceedings.** Neither Seller nor Buyer is subject to any restraining order or injunction (or similar action) restraining or prohibiting the consummation of the transaction contemplated hereby.

8.3 **FCC Authorizations.** The FCC Consent has been issued.

8.4 **Permit Application.** The Permit Application shall have been granted but, should a petition to deny or other objection have been filed against the Permit Application, at Buyer's option the Modification Application grant shall have become a Final Order.

8.5 **Deliveries.** Seller has complied with each and every one of the obligations set forth in Section 9.1.

8.6 **Liens.** No Liens are or have been filed or recorded against the Translator Assets in the public records of any jurisdiction in which the Translator Assets are located.

## **ARTICLE 9: ITEMS TO BE DELIVERED AT CLOSING**

9.1 **Deliveries by Seller.** At Closing, Seller shall deliver to Buyer, duly executed by Seller or such other signatory as may be required by the nature of the document:

(a) a bill of sale and assignment sufficient to sell, convey, transfer and assign the Translator Assets (including the FCC Authorizations) to Buyer free and clear of any Liens, in a form reasonably acceptable to Buyer and Seller (the “Bill of Sale and Assignment”);

(b) Certified copies of appropriate resolutions, duly adopted, which shall be in full force and effect at the time of the Closing, authorizing the execution, delivery and performance by Seller of this Agreement, and the consummation of the transaction contemplated hereby; and

(c) a certificate dated as of the Closing Date and duly executed by and officer Seller to the effect that the conditions set forth in Section 8.1 have been satisfied.

9.2 **Deliveries by Buyer.** At the Closing, Buyer shall deliver to Seller, duly executed by Buyer or such other signatory as may be required by the nature of the document:

(a) the payment of the Purchase Price in accordance with Section 1.4 (including the Escrow Amount);

(b) certified copies of resolutions, duly adopted, which shall be in full force and effect at the time of the Closing, authorizing the execution, delivery and performance by Buyer of this Agreement, and the consummation of the transaction contemplated hereby; and

(c) a certificate dated as of the Closing Date and duly executed by and officer Buyer to the effect that the conditions set forth in Section 7.1 have been satisfied.

## ARTICLE 10: SURVIVAL AND INDEMNITY

The rights and obligations of Buyer and Seller under this Agreement shall be subject to the following terms and conditions:

10.1 **Survival of Representations and Warranties.** The representations and warranties of Buyer and Seller contained in this Agreement shall survive the Closing for one (1) year from the Closing Date. Neither Seller nor Buyer shall have any liability whatsoever with respect to any representation or warranty unless a claim is made hereunder or an action at law or in equity is commenced prior to expiration of the 1-year survival period for such representation or warranty.

### 10.2 **General Agreement to Indemnify.**

(a) Seller on the one hand, and Buyer on the other hand, shall indemnify, defend and hold harmless each other and any employee, representative, agent, director, officer, affiliate or permitted assign of each other (each, an “Indemnified Party”) from and against any and all claims, claims, actions, suits, proceedings, liabilities, obligations, losses and damages, amounts paid in settlement, diminution of value, interest, costs and expenses (including reasonable attorneys’ fees, court costs and other out-of-pocket expenses incurred in investigating, preparing or defending the foregoing) (collectively, “Losses”) asserted against, incurred or suffered by any Indemnified Party as a result of, arising out of or relating to: (i) the

failure of any representation or warranty of the Indemnifying Party made in the Agreement to have been true and correct when made or as of the Closing Date as though such representation or warranty were made at and as of the Closing Date; or (ii) the breach by the Indemnifying Party of any covenant or agreement of such party contained in this Agreement or any collateral agreement to the extent not waived by the other party hereto.

(b) Seller further agrees to indemnify and hold harmless Buyer and any other Indemnified Party of Buyer from and against any Losses asserted against, incurred or suffered by Buyer or any other Indemnified Party of Buyer arising out of, resulting from, or relating to the operation of the Translator and ownership of the Translator Assets prior to the Closing.

(c) Buyer further agrees to indemnify and hold harmless Seller and any other Indemnified Party of Seller from and against any Losses asserted against, incurred or suffered by Seller or any other Indemnified Party of Seller arising out of, resulting from, or relating to the operations of the Translator and the Translator Assets after the Closing.

### 10.3 **General Procedures for Indemnification.**

(a) The Indemnified Party seeking indemnification under this Agreement shall promptly notify in writing the party or parties against whom indemnification is sought (the "Indemnifying Party") of the assertion and basis of any claim, or the commencement and basis of any action, suit or proceeding by any third party in respect of which indemnity may be sought hereunder (a "Third Party Claim") and will give the Indemnifying Party such information with respect thereto as the Indemnifying Party may reasonably request, but failure to give such notice shall not relieve the Indemnifying Party of any liability hereunder (unless the Indemnifying Party has suffered material prejudice by such failure). The Indemnifying Party shall have the right, but not the obligation, exercisable by written notice to the Indemnified Party within thirty (30) days of receipt of notice from the Indemnified Party of the commencement of a Third Party Claim, to assume the defense and control the settlement of such Third Party Claim that involves (and continues to involve) solely money damages. Failure by the Indemnifying Party to so notify the Indemnified Party shall be deemed a waiver by the Indemnifying Party of its right to assume the defense of such claim.

(b) Whether or not the Indemnifying Party chooses to defend or prosecute any Third Party Claim, the parties hereto shall cooperate in the defense or prosecution thereof and shall furnish such records, information and testimony, and attend such conferences, discovery proceedings, hearings, trials and appeals, as may be reasonably requested in connection therewith.

(c) The Indemnifying Party or the Indemnified Party, as the case may be, shall have the right to participate in (but not control), at its own expense, the defense of any Third Party Claim that the other is defending, as provided in this Agreement.

(d) The Indemnifying Party, if it has assumed the defense of any Third Party Claim as provided in this Agreement, shall not consent to, or enter into, any compromise or settlement of, or consent to the entry of any judgment arising from, any such Third Party Claim (which compromise, settlement, or judgment: (i) commits the Indemnified Party to take, or to

forbear to take, any action; or (ii) does not provide for a complete release by such Third Party of the Indemnified Party) without the Indemnified Party's prior written consent. If the conditions set forth herein are met but the Indemnified Party refused to settle any Third Party Claim, the Indemnifying Party may tender the settlement amount and be relieved of further liability.

(e) The Indemnifying Party shall not be entitled to require that any action be brought against any other person before action is brought against it hereunder by the Indemnified Party, but shall be subrogated to any right of action to the extent that it has paid or successfully defended against any Third Party Claim.

## **ARTICLE 11: TERMINATION**

11.1 **Termination.** This Agreement may be terminated at any time prior to Closing:

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

(b) by written notice of Seller to Buyer if Buyer: (i) does not satisfy the conditions or perform the obligations to be satisfied or performed by Buyer on or before the Closing Date in any material respect; (ii) breaches in any material respect any of Buyer's representations or warranties; or (iii) defaults in any material respect in the performance of any of Buyer's covenants or agreements under this Agreement; and in any of which events such breach or default is not cured within the Cure Period (as defined below), if applicable;

(c) by written notice of Buyer to Seller if Seller: (i) does not satisfy the conditions or perform the obligations to be satisfied or performed by Seller on or before the Closing Date in any material respect; (ii) breaches in any material respect any of Seller's representations or warranties; or (iii) defaults in any material respect in the performance of any of Seller's covenants or agreements under this Agreement; and in any of which events such breach or default is not cured within the Cure Period (as defined below), if applicable;

(d) by Buyer as provided in Section 12.6 (Risk of Loss);

(e) by written notice of Seller to Buyer, or Buyer to Seller: (i) if the Closing has not been consummated on or before the date nine (9) months after the Effective Date; provided, however, that the right to terminate this Agreement under this clause shall not be available to any Party whose breach of this Agreement has been the cause of, or resulted in, the failure of the Closing to occur on or before such date; (ii) if, for any reason, the FCC denies or dismisses the Assignment Application and the time for reconsideration or court review under the Communications Act with respect to such denial or dismissal has expired and there is not then pending with respect thereto a timely filed petition for reconsideration or request for review; or (iii) if, for any reason, the Assignment Application is designated for an evidentiary hearing.

11.2 **Cure Period.** The term "Cure Period" as used herein means a period commencing with the date that Buyer or Seller receives from the other Party written notice of breach or default hereunder and continuing until twenty (20) days thereafter; provided, however, that if the breach or default cannot reasonably be cured within such period but can be cured before the Closing Date, and if diligent efforts to cure promptly commence, then the Cure Period

shall continue as long as such diligent efforts to cure continue, but not beyond the Closing Date. Except as set forth below, the termination of this Agreement shall not relieve any Party of any liability for breach or default under this Agreement prior to the date of termination.

11.3 **Liability; Right to Terminate.** A termination of this Agreement shall not relieve any Party hereto of any liability for which it otherwise would be subject. Notwithstanding anything in this Agreement to the contrary, no Party that is in material breach of this Agreement shall be entitled to terminate this Agreement except with the written consent of the other Party.

11.4 **Payment of Escrow Amount.**

(a) **Buyer's Default.** Upon a termination of this Agreement by Seller pursuant to Section 11.1(b) above due to a breach by Buyer of any of its material obligations under this Agreement, Seller's sole remedy shall be delivery of the Escrow Amount, including all interest earned thereon, from the Escrow Agent, as liquidated damages. Seller and Buyer each acknowledge that these liquidated damages are reasonable in light of the anticipated harm that would be caused by Buyer's breach of any of its material obligations under this Agreement and the difficulty of ascertaining damages and proof of loss and that these damages are not a penalty.

(b) **Seller's Default.** Upon a termination of this Agreement by Buyer pursuant to Section 11.1(c) due to a breach by Seller of any of its material obligations under this Agreement, Buyer shall be entitled to the release of the Escrow Amount, including all interest earned thereon. Instead of terminating this Agreement upon a default by Seller, Buyer may seek specific performance as provided in Section 11.4(d) below.

(c) **Other Termination.** Upon a termination of this Agreement for any reason other than as a result of a breach by either Party of its material obligations under this Agreement, Buyer shall be entitled to the release of the Escrow Amount, including all interest earned thereon, and thereafter neither Party shall have any further obligation to the other under this Agreement.

(d) **Specific Performance.** Seller acknowledges that the Translator is a unique asset not readily obtainable on the open market and that, in the event that Seller fails to perform its obligation to consummate the transaction contemplated hereby, money damages alone will not be adequate to compensate Buyer for its injury. Therefore, Seller agrees and acknowledges that in the event of Seller's failure to perform its obligation to consummate the transaction contemplated hereby, Buyer's exclusive remedy shall be specific performance of the terms of this Agreement and of Seller's obligation to consummate the transaction contemplated hereby. If any action is brought by Buyer to enforce this Agreement, Seller shall waive the defense that there is an adequate remedy at law.

## ARTICLE 12: MISCELLANEOUS

12.1 **Governing Law.** The construction and interpretation of this Agreement shall at all times and in all respects be governed by the laws of North Carolina (exclusive of those relating to conflicts of laws). Any action at law, suit in equity or judicial proceeding arising

directly, indirectly, or otherwise in connection with, out of, related to or from this Agreement, or any provision hereof, shall be litigated only in the courts of North Carolina. The Parties hereby consent to the personal and subject matter jurisdiction of such courts and waive any right to transfer or change the venue of any litigation between them.

12.2 **Expenses.** Subject to Section 2.1, each Party hereto shall bear all of its expenses incurred in connection with the transaction contemplated by this Agreement, including without limitation, accounting, engineering and legal fees incurred in connection herewith.

12.3 **Entire Agreement; Amendment; No Waiver.** This Agreement, including the schedules and exhibits hereto, contain the entire agreement and understanding by and between the Parties, and no other representations, promises, agreements, or understanding, written or oral, not contained herein shall be of any force or effect. This Agreement may only be amended in a writing signed by the Parties. No oral agreement shall have any effect. No failure or delay in exercising any right hereunder shall be deemed or construed to be a waiver of such right, either prospectively or in the particular instance. This Agreement has been prepared by all of the Parties hereto, and no inference of ambiguity against the drafter of a document therefore applies against any Party hereto.

12.4 **Confidentiality.** Buyer and each Seller shall keep confidential all information obtained by it with respect to the other Parties in connection with this Agreement, except where such information is known through other lawful sources or where its disclosure is required in accordance with applicable law, including requirements of the FCC pursuant to the Assignment Application. If the transaction contemplated hereby is not consummated for any reason, Buyer and Sellers shall return to each other, without retaining a copy thereof in any medium whatsoever, any schedules, documents or other written information, including all financial information, obtained from the other in connection with this Agreement and the transaction contemplated hereby.

12.5 **Public Announcements.**

(a) Prior to the Closing Date, no Party shall, without the approval of the other Party hereto, make any press release or other public announcement concerning the transaction contemplated by this Agreement, except (i) to announce that the transaction has been entered into, and (ii) as and to the extent that such Party shall be so obligated by law, in which case such Party shall give advance notice to the other Party and the Parties shall use their best efforts to cause a mutually agreeable release or announcement to be issued.

(b) Notwithstanding the foregoing, the Parties acknowledge that the rules and regulations of the FCC require that local public notice of the transaction contemplated by this Agreement be made after the Assignment Application has been filed with the FCC.

12.6 **Risk of Loss.** The risk of loss to any of the Translator Assets on or prior to the Closing shall be upon Seller. Seller shall use all commercially reasonable efforts to repair or replace any damaged or lost Translator Assets.

12.7 **Successors and Assigns.** Neither party may assign this Agreement without the prior written consent of the other party hereto, provided, however, that Buyer may assign its

rights hereunder to an affiliate of Buyer upon written notice to, but without consent of, Seller. The terms of this Agreement shall bind and inure to the benefit of the parties' respective successors and any permitted assigns, and no assignment shall relieve any party of any obligation or liability under this Agreement.

12.8 **Notices.** All notices, requests, demands and other communications required or permitted under this Agreement shall be in writing (which shall include notice by facsimile transmission) and shall be deemed to have been duly made and received when personally served, or when delivered by Federal Express or a similar overnight courier service, expenses prepaid, or, if sent by facsimile communications equipment, delivered by such equipment, addressed as set forth below:

If to Seller, then to:

Philip T. Watson  
Triad Family Network, Inc.  
1249 Trade Street  
Winston-Salem, NC 27101

If to Buyer, then to:

Donald W. Curtis  
Eastern Airwaves, LLC  
3012 Highwoods Blvd., #201  
Raleigh, NC 27604

and to (which shall not constitute notice):

Coe W. Ramsey, Esq.  
Brooks, Pierce, McLendon, Humphrey & Leonard, L.L.P.  
P.O. Box 1800 (ZIP 27602)  
150 Fayetteville Street  
Suite 1600, Wachovia Capitol Center  
Raleigh, NC 27601  
Fax: (919) 839-0304  
Email: cramsey@brookspierce.com

Any Party may change the address to which communications are to be sent by giving notice of such change of address in conformity with the provisions of this Section providing for the giving of notice.

12.9 **Further Assurances.** From time to time prior to, on and after the Closing Date, each Party hereto will execute all such instruments and take all such actions as any other party shall reasonably request, without payment of further consideration, in connection with carrying out and effectuating the intent and purpose hereof and all transactions contemplated by this Agreement, including without limitation the execution and delivery of any and all confirmatory

and other instruments in addition to those to be delivered on the Closing Date, and any and all actions which may reasonably be necessary to complete the transaction contemplated hereby. The Parties shall cooperate fully with each other and with their respective counsel and accountants in connection with any steps required to be taken as part of their respective obligations under this Agreement.

12.10 **Partial Invalidity.** Wherever possible, each provision hereof shall be interpreted in such manner as to be effective and valid under applicable law, but in case any provision contained herein, or its application to any particular circumstance shall, for any reason, be held to be invalid or unenforceable by a court of competent jurisdiction, such provision or such application shall be ineffective to the extent of such invalidity or unenforceability in such jurisdiction, without invalidating the remainder of such provision or any other provisions hereof, or its application in any other circumstance, unless such a construction would be unreasonable, and without invalidating such provision or its application in any other jurisdiction.

12.11 **Facsimile; Counterparts.** This Agreement may be executed by facsimile or email transmission and in counterparts, each of which shall constitute an original but together will constitute a single document.

[Signatures Appear on Following Page]

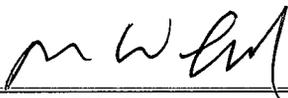
SIGNATURE PAGE TO W267AM ASSET PURCHASE AGREEMENT

IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the date first above written.

**SELLER:** **TRI-AD FAMILY NETWORK INCORPORATED**

By: \_\_\_\_\_  
Philip T. Watson  
President

**BUYER:** **EASTERN AIRWAVES, LLC**

By:   
\_\_\_\_\_  
Donald W. Curtis  
Manager

SIGNATURE PAGE TO W267AM ASSET PURCHASE AGREEMENT

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**SELLER:**

**TRIAD FAMILY NETWORK INCORPORATED**

By:   
Philip T. Watson  
President

**BUYER:**

**EASTERN AIRWAVES, LLC**

By: \_\_\_\_\_  
Donald W. Curtis  
Manager

**Exhibit A**  
**Escrow Agreement**  
**(Attached)**

# ESCROW AGREEMENT

AGREEMENT, effective as of the 6th day of August, 2013, by and among:

**BUYER:** Eastern Airwaves, LLC

**Address:** 3012 Highwoods Blvd., #201  
Raleigh, NC 27604  
Attention: Donald W. Curtis

**SELLER:** Tri-Ad Family Network Incorporated,  
doing business as Triad Family Network, Inc.

**Address:** 1249 Trade Street  
Winston-Salem, NC 27101  
Attention: Philip T. Watson

**ESCROW AGENT:** Media Services Group, Inc.  
**Address:** 402 Angell Street  
Providence, RI 02906

## WITNESSETH:

WHEREAS, Buyer and Seller have entered into an Asset Purchase Agreement with respect to the sale of FM Translator Radio Station W267AM, 101.3 MHz, Mocksville, NC, FCC Facility ID No. 87027, from Seller to Buyer, said Agreement dated the 6th day of August, 2013, being by reference incorporated herein and made a part hereof (hereinafter the "Purchase Agreement"), and

WHEREAS, the parties wish to provide for an orderly disposition of the funds deposited into escrow pursuant to said Purchase Agreement;

NOW, THEREFORE, in consideration of these premises, promises and mutual covenants contained herein, the parties do hereby agree as follows:

1. **DEPOSIT OF ESCROW FUNDS.** Upon the execution of this Escrow Agreement, buyer is delivering or causing to be delivered to the Escrow Agent, the sum of SEVEN THOUSAND FIVE HUNDRED DOLLARS (\$7,500.00).

2. **INVESTMENT OF ESCROW FUND.** The Escrow Agent shall invest and reinvest the escrow funds in the AIM Prime Reserve Fund or otherwise as Buyer shall instruct; provided, however, that the Escrow Agent shall not be required to invest in or hold any instrument in bearer form. The Escrow Agent shall not be held responsible for the failure of any financial institution or entity into which the escrow funds are deposited or for the loss of all or any part of the escrow funds, after they have been deposited with such financial institution or entity or as otherwise deposited or invested in accordance with the provisions herein. The Escrow Agent shall hold said

escrow funds together with all interest accumulated thereon and proceeds therefrom and dispose of the same as hereinafter provided.

3. **DISPOSITION OF ESCROW FUND.** The Escrow Agent shall distribute and dispose of the escrow funds, less any expense reimbursement due Escrow Agent, as follows:

(a) In the event the purchase and sale closes in the manner contemplated in the Purchase Agreement, the escrow funds shall be paid over at closing in accord with said Purchase Agreement. In such event, all interest earned and accumulated thereon and proceeds therefrom shall be paid over to Buyer at closing.

(b) In the event the purchase and sale does not close as contemplated in the Purchase Agreement due to the material breach by or default of the Buyer under the terms of the Purchase Agreement, then the escrow funds shall be paid over to Seller together with all interest earned and accumulated thereon and the proceeds therefrom.

(c) In the event the purchase and sale does not close as contemplated in the Purchase Agreement due to the material breach by or default of the Seller under the terms of the Purchase Agreement, then the escrow funds shall be paid over to Buyer together with all interest earned and accumulated thereon and the proceeds therefrom.

(d) In all other events, if the Purchase Agreement is terminated or if the transactions or closing contemplated thereby are not consummated, the escrow funds shall be returned to the Buyer together with all interest earned and accumulated thereon and the proceeds therefrom.

(e) If any provision of this Paragraph with respect to the disposition of the escrow fund is in conflict with any provision of the Purchase Agreement with respect to such disposition, then such provision in the Purchase Agreement shall control.

4. **CONTROVERSIES WITH RESPECT TO ESCROW FUND.** The Escrow Agent shall discharge his duties to dispose of the escrow fund in accord with the provisions of paragraph 3 above upon the joint written instructions of the Seller and Buyer or their duly designated representatives. If the Escrow Agent shall not have received such joint written instructions or a controversy shall exist between Buyer and Seller as to the correct disposition of the escrow funds, the Escrow Agent shall continue to hold the escrow funds and the income earned or accrued thereon until:

(a) The receipt by the Escrow Agent of the joint written instructions of the Seller and Buyer as to the disposition of the escrow funds; or

(b) The receipt by the Escrow Agent of a final order entered by a court of competent jurisdiction determining the disposition of the escrow funds and the income earned or accrued thereon; or

(c) The Escrow Agent shall have, at its option, filed an action or bill in interpleader, or similar action for such purpose, in a court of competent jurisdiction and paid the escrow funds and all income earned or accrued thereon into said court, in which event, the Escrow Agent's duties, responsibilities and liabilities with respect to the escrow fund, proceeds therefrom and this Agreement shall terminate.

5. **CONCERNING THE ESCROW AGENT.** The following shall control the fees, resignation, discharge, liabilities and indemnification of the Escrow Agent:

(a) The Escrow Agent shall charge no fees for its services hereunder, but shall be reimbursed for all reasonable expenses, disbursements and advancements incurred or made by the Escrow Agent in performance of his duties hereunder including but not limited to wire transfer fees and its attorney's fees; one-half (1/2) of any such expenses, disbursements and advances to be paid by Buyer and one-half (1/2) by the Seller upon Escrow Agents request, other than for expenses for investments authorized hereunder which shall be borne by Buyer.

(b) The Escrow Agent may resign and be discharged from its duties hereunder at any time by giving written notice of such resignation to the parties hereto, specifying the date when such resignation shall take effect. Upon such notice, a successor escrow agent shall be appointed with the unanimous consent of the parties hereto, and the service of such successor escrow agent shall be effective as of the date of resignation specified in such notice, which date shall not be less than thirty (30) days after giving such notice. If the parties hereto are unable to agree upon a successor agent within thirty (30) days after such notice, the Escrow Agent shall be authorized to appoint its successor. The Escrow Agent shall continue to serve until its successor accepts the escrow by written notice to the parties hereto and the Escrow Agent deposits the escrow fund with such successor escrow agent.

(c) The Escrow Agent undertakes to perform such duties as are specifically set forth herein and may conclusively rely, and shall be protected in acting or refraining from acting, on any written notice, instrument or signature believed by it to be genuine and to have been signed or presented by the proper party or parties duly authorized to do so. The Escrow Agent shall have no responsibility for the contents of any writing contemplated herein and may rely without any liability upon the contents thereof. Escrow Agent shall be under no obligation to refer to the Purchase Agreement or to any other documents between the parties related in any way to this Escrow Agreement, except as specifically provided herein

(d) The Escrow Agent shall not be liable for any action taken or omitted by it in good faith and believed by it to be authorized hereby or within the rights and powers conferred upon it hereunder, nor for action taken or omitted by it in good faith, or in accordance with advice of counsel (which counsel may be of the Escrow Agent's own choosing) and it shall not be liable for any mistake of fact or error of judgment or for any acts or omissions of any kind unless caused by its own misconduct or gross negligence.

(e) Each of the Buyer and Seller agrees to indemnify the Escrow Agent and hold it harmless against any and all liabilities incurred by it hereunder. Buyer and Seller agree jointly to indemnify the Escrow Agent and hold it harmless against any and all liabilities incurred by it hereunder, except in the case of liabilities incurred by the Escrow Agent resulting from its own misconduct or gross negligence.

(f) The Escrow Agent acts hereunder as a depository only, and is not responsible or liable in any manner for the sufficiency, correctness, genuineness or validity of any cash, letter of credit or security deposited with it.

## 6. MISCELLANEOUS.

(a) This Escrow Agreement shall be construed by and governed in accordance with the laws of the State of Florida, applicable to agreements executed and wholly to be performed therein.

(b) This Escrow Agreement shall be binding upon and shall inure to the benefit of the parties, their successors and assigns.

(c) This Escrow Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

(d) Paragraph headings contained in this Escrow Agreement have been inserted for reference purposes only, and shall not be construed as part of this Escrow Agreement.

(e) All notices, requests, demands and other communications hereunder shall be in writing, shall be given simultaneously to all parties hereunder and shall be deemed to have been duly given if delivered or mailed (certified mail, postage pre-paid, return receipt requested) as follows:

If to Seller: Triad Family Network, Inc.  
1249 Trade Street  
Winston-Salem, NC 27101

Attention: Philip T. Watson  
Email: \_\_\_\_\_

If to Buyer: Eastern Airwaves, LLC  
3012 Highwoods Blvd., #201  
Raleigh, NC 27604

Attention: Donald W. Curtis  
Email: dcurtis@curtismedia.com

If to Escrow Agent: Media Services Group, Inc.  
402 Angell Street  
Providence, RI 02906

Attention: Robert J. Maccini

or to such other addresses as any party may have furnished to the other in writing, in accord herewith.

7. TERMINATION. This Escrow Agreement shall automatically terminate upon the distribution of the escrow fund in accord with the terms hereof.

[Signatures Appear on Following Page]

IN WITNESS WHEREOF, the parties have caused their hands, or those of their duly authorized officers, and seals to be affixed as of the date first above written.

SELLER:

TRI-AD FAMILY NETWORK  
INCORPORATED

ATTEST:

By: \_\_\_\_\_  
Philip T. Watson

\_\_\_\_\_

BUYER:

EASTERN AIRWAVES, LLC

ATTEST:

By: \_\_\_\_\_  
Donald W. Curtis

\_\_\_\_\_

ESCROW AGENT:  
MEDIA SERVICES GROUP, INC.

ATTEST:

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

\_\_\_\_\_

IN WITNESS WHEREOF, the parties have caused their hands, or those of their duly authorized officers, and seals to be affixed as of the date first above written.

SELLER:

TRI-AD FAMILY NETWORK  
INCORPORATED

ATTEST:

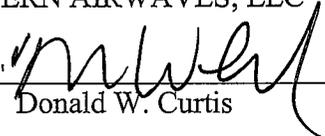
By: \_\_\_\_\_  
Philip T. Watson

\_\_\_\_\_

BUYER:

EASTERN AIRWAVES, LLC

ATTEST:

By:  \_\_\_\_\_  
Donald W. Curtis

\_\_\_\_\_

ESCROW AGENT:  
MEDIA SERVICES GROUP, INC.

ATTEST:

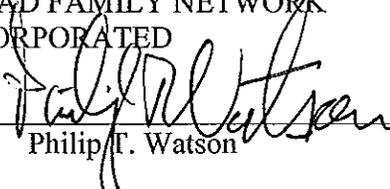
By: \_\_\_\_\_

\_\_\_\_\_

IN WITNESS WHEREOF, the parties have caused their hands, or those of their duly authorized officers, and seals to be affixed as of the date first above written.

SELLER:

TRI-AD FAMILY NETWORK  
INCORPORATED

By:   
Philip F. Watson

ATTEST:



BUYER:

EASTERN AIRWAVES, LLC

By: \_\_\_\_\_  
Donald W. Curtis

ATTEST:

\_\_\_\_\_

ESCROW AGENT:  
MEDIA SERVICES GROUP, INC.

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

ATTEST:

\_\_\_\_\_

**Schedule 1.1(a)**  
**FCC & Other Governmental Authorizations**

- W267AM, 101.3 MHz, Mocksville, NC, FCC Facility ID No. 87027, FCC File Number BLFT-20091201ARG, Expires 12/01/2019 (Main License)
- FCC File Number BPFT-20130531AQY, Accepted for filing 06/03/2013 (the “Permit Application”).