

# Asset Purchase Agreement

This Asset Purchase Agreement, is made and entered into this 30<sup>th</sup> day of **September, 2009**, by and among **Venture Television, LLC**, an Alabama limited liability company ("Seller"), **ACN Sports, Inc.** an Alabama corporation ("ACN"), (the "Buyer").

## 1. Recitals

**Whereas**, Seller is the sole owner of the licenses, permits and authorizations issued by the Federal Communications Commission ("FCC") relating to low power television station authorized to transmit on television channel 64 (WAXC) in Alabama, and television channel 39 (WETU) in Alabama; and,

**Whereas**, subject to the prior consent of the FCC, Buyer desires to acquire the Stations and all of the broadcast related assets and licenses used or useful in the operation of the Stations, and Seller desires to transfer such assets to Buyer.

**Now therefore**, in consideration of the Recitals, 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:

## 2. Purchase and Sale

**Licenses:** At the Closing, Seller will sell, assign, convey, transfer and deliver to Buyer, and Buyer will purchase and accept, the FCC low power television license and any other authorizations associated with the Stations which are by their terms transferable or assignable (collectively, the "Licenses") and all of Seller's right, title and interest in the call signs "WAXC" and "WETU".

**Other Assets:** At the Closing, Seller will sell, assign, convey, transfer and deliver to Buyer, and Buyer will purchase and accept the following:

- a) All tangible personal property of Seller used in the broadcasting operations of the Stations, including, but not limited to, all machinery, equipment, supplies, inventory, antenna installations, real property improvements, furniture, fixtures and furnishings. All property and equipment is sold AS IS, WHERE IS. This does not include any personal items or furnishings currently located at the Stations owned by someone other than Seller.
- b) All of Seller's trade accounts receivables relating to the Stations including all other rights to payment from customers of Seller and the full benefit of all security for such accounts or rights to payment, and any claim, remedy or other right related to any of the foregoing.
- c) All of Seller's right, title and interest in and to all service agreements, maintenance agreements, and express and implied warranties of third parties that are transferable and continue in effect with respect to any of the Assets.
- d) All books, records, manuals, files, correspondence, lists and reports of the Seller relating to the ~~Station, whether on hard copy or stored on computer media.~~
- e) Any tower lease, commercial lease, or other lease or contract, including, but not limited to, the fiber lease with Charter Cable, entered into or binding upon Seller.
- f) Notwithstanding anything herein to the contrary, the Assets shall not include the Seller's cash on hand as of the Closing Date and all other cash in the Seller's bank or savings accounts relating to

the Business (collectively, the "Excluded Assets"). Such Excluded Assets shall remain the property of Seller after the Closing.

**Purchase Price:** The purchase price for all of the Licenses and Assets to be sold and purchased hereunder will be one hundred and thirty-five thousand Dollars (**\$135,000**) (the "Purchase Price"), to be paid at the execution of this Agreement. This amount shall also be the non-refundable Earnest Money in the event Buyer does not close on this transaction.

**Bank Loan:** In addition to the Purchase Price listed above, Buyer agrees to assume or pay off the current two (2) bank loans at Aliant Bank, located in Alexander City. As of September 21, 2009, the balances on these loans are as follows:

- Loan 74003442: **\$86,771.94**
- Loan 74003443: **\$49,995.97**

If these loans are assumed, Buyer agrees to remove Michael Plaia from these loans as the personal guarantee.

### 3. Representations and Warranties of Seller

Seller only warrants and represents to Buyer that the following are true, correct and complete as of the date of this Agreement:

- a) **Licenses:** Seller is the sole holder of the Licenses. The Licenses constitute all of the licenses, permits and authorizations required for the Station to transmit on television channels 64 and 39 at the location and with the parameters set forth on the fact of the Licenses.
- b) **Call Signs:** Seller has the right to use the call signs WAXC and WETU pursuant to the rules and regulations of the FCC and Seller knows of no challenge or claim with respect to its use of that call sign.
- c) **Good Standing:** Seller is an FCC licensee in good standing, and there is no action or proceeding threatened before the FCC or any other governmental authority to revoke, refuse to renew or materially and adversely modify the Licenses.
- d) **Employees:** Buyer will have no responsibility to employ or other liability to, any employee of Seller after the Closing, except that if so specified by both parties.

### 4. Representation and Warranties of Buyer

Buyer represents and warrants that the following are true, correct and complete as of the date of this Agreement:

- a) **Qualifications:** ACN Sports, Inc. is a corporation organized and existing under the laws of the State of Alabama and has full power to purchase the Assets pursuant to the Agreement.
- ~~b) **Buyer's Power:** Buyer is not a party to any contract, lease or agreement and there is no litigation, court or administrative proceeding or investigation pending or, to Buyer's knowledge, threatened, that would in any way impair its ability to fulfill all of its obligations with this Agreement in a timely manner.~~

## 5. Management Agreement

Upon execution of this Agreement, Seller will send Buyer a letter confirming the agreement to allow Buyer to manage the operations of WAXC and WETU until Closing.

## 6. Application for FCC Approval

**Filing and Prosecution of Application:** Seller will, within ten (10) days from the execution of this Agreement, file an application with the FCC requesting its written consent to the assignment of the Licenses of the Station from Seller to Buyer. Seller and Buyer will each proceed with due diligence and promptly take all steps necessary to the expeditious prosecution of such application to a favorable conclusion, using their best efforts throughout.

**Expenses:** The Buyer will bear the expenses in connection with the assignment of the Licenses.

## 7. Closing

Subject to the terms and conditions herein stated, the consummation of the transactions contemplated herein (the "Closing") shall take place on **November 30, 2009**, or within ten (10) business days after the FCC order approving the assignment of the Licenses from Seller to Buyer becomes a Final Order, whichever is sooner. The Closing will take place at a time and place agreed to by both the Buyer and Seller.

## 8. Conditions Precedent

The obligation of Buyer to consummate the transactions herein contemplated at the Closing shall be subject to the fulfillment of all of the following conditions precedent:

- a) A Final Order of the FCC approving the assignment to Buyer of the Licenses.

If any of the foregoing Conditions Precedent are not met, Buyer may, in its discretion, upon written notice to Seller, at anytime prior to Closing, terminate this Agreement and the transactions contemplated herein.

## 9. Miscellaneous Provision

**Sales and Transfer Taxes:** All filing and recording fees and sales and other transfer taxes, if any, in connection with any instrument of conveyance or transfer delivered pursuant to this Agreement will be paid by Buyer.

**Default:** Both Seller and Purchaser agree that in event of default by Purchaser, Seller will retain the Earnest Money listed above as liquidated damages.

**Due Diligence:** Seller makes no representations or warranties other than those specifically laid out in paragraph 3. Buyer agrees that he has done his own due diligence in the Stations and is not relying on any projections, financials or any written or oral communication made by Seller other than this Agreement.

**Governing Law:** This Agreement will be governed by the laws of the State of Alabama, Jefferson County.

**Entire Agreement:** This Agreement contains the entire understanding of the parties with respect to the subject matter hereof. Any prior written or oral communication between the parties is void.

**Severability:** If any provision of this Agreement is declared unlawful or invalid by any authority of competent jurisdiction, the remainder of this Agreement will continue to be in effect, and this Agreement will be construed to effectuate the intent of the parties to the extent possible.

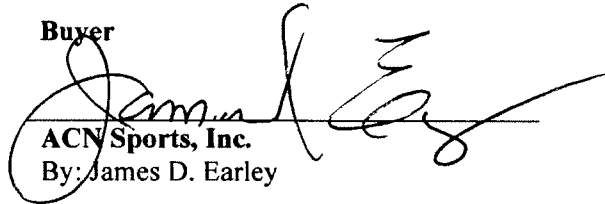
**In Witness Whereof,** the parties hereto have executed this Agreement as of the date first written above.

**Seller:**



**Venture Television, LLC**  
By: Michael Plaia

**Buyer**



**ACN Sports, Inc.**  
By: James D. Earley