

# **ASSET PURCHASE AGREEMENT**

*Entered into Between*

**RICARDO ESPINOSA *d/b/a* ESPINOSA RDAIO, LLC**  
[Buyer]

*and*

**NORSAN CONSULTING AND MANAGEMENT, INC.**  
[Seller]

*FOR THE PURCHASE AND SALE OF ASSETS  
PERTAINING TO*

**RADIO STATION  
WKGN (AM)  
KNOXVILLE, TENNESSEE**

December 15, 2010

*Putbrese Hunsaker & Trent, P.C.  
200 South Church Street  
Woodstock, Virginia 22664*

# ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT, made and entered into this 15<sup>th</sup> day of December, 2010 (this "Agreement") by and among, **Ricardo Espinosa d/b/a Espinosa Radio, LLC** ("Buyer") and **Norsan Consulting and Management, Inc.**, ("Seller"):

## WITNESSETH:

**WHEREAS**, Seller is the owner, operator, and licensee of Radio Station WKGN (AM), Knoxville, Tennessee, FCC Facility Identification Number 68146 (hereinafter the "Station"), pursuant to valid licenses issued by the Federal Communications Commission ("Commission"); and

**WHEREAS**, Buyer desires to acquire all of the property, assets and rights used in the business and operation of Station, to acquire certain other rights, privileges and immunities as set forth in this Agreement and to secure an assignment of the licenses and other authorizations issued by the Commission for the operation of Station, and Seller desires to sell, assign, transfer and convey the same to Buyer; and

**WHEREAS**, Seller and Buyer will not be able to consummate this Agreement and the FCC Licenses may not be assigned until after the Commission has granted its consent and approval to the transactions contemplated by this Agreement;

**NOW, THEREFORE**, in consideration of the premises and the mutual agreements, promises, covenants and warranties set forth below, the parties intending to be legally bound, agree as follows:

## ARTICLE 1. DEFINITIONS.

Unless otherwise stated in this Agreement, the following terms will have the following meanings:

**1.1 Agreement** means this Asset Purchase Agreement.

**1.2 Assignment Application** (or **Application**) refers to an application which the Parties (defined below) will join in and file with the Commission requesting its written consent to the terms of this Agreement and the assignment of the FCC Licenses from Seller to Buyer.

**1.3 Assumed Contracts** means those contracts, leases and agreements of Seller to be assumed by Buyer, as further described in Article 2 and **Appendix D** herein.

**1.4 Business Day** means any calendar day, excluding Saturdays or Sundays on which federally chartered banks in the city of Knoxville are regularly open for business.

**1.5 Buyer** means the **Ricardo Espinosa d/b/a Espinosa Radio, LLC** or its permitted assigns.

**1.6 Closing (or Closing Date)** means a date to be designated by the Parties; said date, subject to FCC approval shall be after January 30, 2011.

**1.7 Closing Place** means the offices of Seller or such other convenient place as Seller and Buyer mutually agree to, or through an exchange of documents by facsimile and overnight courier.

**1.8 Commission** (or "**FCC**") means the Federal Communications Commission, with offices in Washington, D.C.

**1.9 Excluded Assets** means the following assets of Seller which are not being acquired by Buyer pursuant to this Agreement: All of Seller's cash on hand or in bank accounts; Seller's Accounts Receivable (as defined hereinbelow); all of Seller's contracts, agreements or leases other than the Assumed Contracts; all of Seller's contracts of insurance for Station or the Station Assets and all real property associated with the Station

**1.10 Lien (or Liens)** means any lien at common law, or any statutory or judgment lien, including any tax lien or mechanic's lien, claim, charge, attachment, garnishment, security interest, encroachment, prescriptive easement or other encumbrance.

**1.11 Seller** means **Norsan Consulting and Management, Inc.**

**1.12 Station** means Radio Station WKGN (AM), Knoxville, Tennessee, FCC Facility Identification Number 68146, as licensed by the Commission to serve the community of Knoxville, as well as other communities within Station's service area.

**1.13 Station Assets** means the Assets to be sold and purchased pursuant to this Agreement, as further delineated in Article 2 below.

**1.14 FCC Licenses** means all licenses, construction permits, renewals, extensions, modifications, additions and other authorizations issued to or held by Seller from the Commission for the operation of Station, as it is presently operated, including any current auxiliary broadcast licenses or permits.

**1.15 Parties or Party** means Seller and/or Buyer unless otherwise delineated.

## **ARTICLE 2. PURCHASE AND SALE OF ASSETS.**

Seller, on the Closing Date at the Closing Place, will sell, assign, transfer, convey, and deliver to Buyer, all of the assets and properties of Seller, real and personal, tangible and intangible owned by Seller, used in the business and operation of Station, but excluding the Excluded Assets. Without limiting the generality of the foregoing, the Station Assets shall include:

**2.1 FCC Licenses.** All Station FCC Licenses necessary for the business or operation of the Station as it is currently operated and related Station applications, and all right, title and interest in and to the call letters "**WKGN (AM)**". A list of all FCC Licenses is set forth in *Appendix A*, attached hereto.

**2.2 Other Licenses.** Other Station licenses, permits and authorizations issued or granted by any other governmental or regulatory agency or authority which are necessary for the business or operation of the Station as it is presently operated.

**2.3 Real Property Lease.** The Parties shall enter into a Lease for tower site ("Tower Site Lease") for use by Buyer of the Real Property owned by Seller. A form of Real Property Lease is attached hereto in *Appendix B*, ("Real Property").

**2.4 Personal Tangible Assets.** All tangible personal property, physical assets, fixtures, leasehold improvements, furniture and equipment, including transmitting and studio equipment used in the operation of Station as listed in *Appendix C* attached to this Agreement ("Personal Tangible Assets").

**2.5 Assumed Contracts.** The Station leases, contracts, franchises and agreements of Seller (if any) that Buyer has reviewed and specifically agreed to assume, and that have been listed and described in *Appendix D*.

**2.6 Advertising Contracts** All contracts and agreements as of the date of this Agreement for the sale of time on Station that are for cash and at published rates and those contracts entered into between this date and the Closing Date in the usual and ordinary course of business for cash and at published rates that are cancelable on no more than thirteen (13) weeks notice to the extent unperformed as of the Closing Date.

**2.7 Intangible Assets.** All intangible property now owned or held by Seller, used by Seller for the operation of Station, including the property listed in *Appendix E*, attached hereto ("Intangible Assets").

**2.8 Public Inspection File.** A set of all documents maintained in the Station's Public Inspection File as of the Closing Date.

**2.9 Station Logs and Business Records.** The program, operating and maintenance logs of Station, together with such files and records pertaining to the operation of Station as Buyer may reasonably require, including advertiser lists, advertising studies, sales correspondence, analyses, reports and studies by consultants, promotional materials, credit and sales reports, copies of all advertising contracts and all other contracts to be assigned under the terms of this Agreement, programming information and studies, engineering studies or reports, technical information, engineering data and Proofs of Performance.

**2.10 Goodwill.** All of Seller's goodwill in, and going concern value of, the Station.

### **ARTICLE 3. LIABILITIES OF SELLER.**

**3.1 Assumed Liabilities.** The Station Assets shall be sold and conveyed to Buyer free and clear of all Liens, or other liabilities, except that on the Closing Date, Buyer shall assume and agree to pay and perform those obligations of Seller (the "Assumed Liabilities") that arise after the Closing Date under the Assumed Contracts.

**3.2 Excluded Liabilities.** Except as specifically set forth in this Agreement, Buyer does not assume and shall not be obligated to pay, perform or discharge any of Seller's obligations, liabilities, agreements or commitments not specifically assumed by Buyer.

#### **ARTICLE 4. CONSIDERATION.**

**4.1 Purchase Price.** The Purchase Price for all of the Station Assets to be acquired is the sum of \_\_\_\_\_ (\$ \_\_\_\_\_ .00), This Purchase Price has been prepaid by Buyer to Seller.

#### **ARTICLE 5. GOVERNMENTAL CONSENTS.**

**5.1 FCC Consent.** It is specifically understood and agreed that the consummation of this Agreement shall be subject to the prior consent of the Commission.

**5.2 Filing and Prosecution of Assignment Application.** Upon the execution of this Agreement, Seller and Buyer will, proceed expeditiously to prepare and file with the Commission the requisite Assignment Application to secure such consent, together with such other necessary instruments and documents as may be required.

**5.3 Legal Notice of Assignment Application.** Upon the filing of the Assignment Application, Seller shall be responsible for, and shall take the necessary steps, to provide such legal notice concerning the filing in timely fashion as required by the rules of the Commission.

**5.4 Possession and Control.** Between the date of this Agreement and the Closing Date, Buyer will not control the operation of Station, and Seller will remain responsible for such control. Effective as of the Closing Date and thereafter, Seller shall have no control over, nor right to intervene or participate in, the operation of Station.

#### **ARTICLE 6. REPRESENTATIONS AND WARRANTIES OF SELLER.**

Seller hereby represents and warrants to Buyer as follows:

**6.1 Organization and Standing.** Seller is a corporation duly organized, validly existing, and in good standing under the laws of the State of its incorporation.

**6.2 Authority.** Seller has full power and authority to enter into, and to consummate the transactions contemplated by, this Agreement.

**6.3 No Conflicts.** To Seller's knowledge, neither the execution nor the delivery of this Agreement by Seller, nor the performance by Seller of its obligations under this Agreement, nor the consummation of the transaction contemplated in this Agreement by Seller, either immediately or upon the giving of Notice or the lapse of time or both:

6.3.1 Violates, conflicts with, or constitutes a default or an event giving a right to terminate or to accelerate obligations under, the certificate of incorporation or the by-laws of Seller, or any law, statute, rule, regulation, ordinance, judgment, decree, order, contract, lease, commitment, agreement, license, permit, franchise, or indenture to which Seller is a party or by which Seller or the Station Assets are bound;

6.3.2 Results in the creation or imposition of any Lien, or gives any other person or entity any interest in, or rights to, the Station Assets.

**6.4 FCC Licenses.** Seller is the holder of the FCC Licenses as listed in *Appendix A*. The FCC Licenses constitute all of the licenses and authorizations required for and/or presently used in the operation of Station as normally operated, and the FCC Licenses are in full force and effect.

**6.5 Public Inspection File.** The public inspection file at Station is in order and has been maintained by Seller in compliance with FCC Rules and Regulations.

**6.6 Personal Tangible Assets.** *Appendix C* contains complete list of the Personal Tangible Assets.

**6.7 Intellectual Property.** *Appendix E* hereto (“Intangibles”) includes a complete list of all Intellectual Property.

**6.8 Real Property.** *Appendix B* contains form Real Property Tower Site Lease.

**6.9 Adequacy, Condition and Maintenance Equipment..** All of the Personal Tangible Assets and improvements on the Real Property are sold in an “as-is-where-is” condition.

**6.10 Insurance.** Seller now has in force adequate property damage, liability and other insurance with respect to the Station Assets.

**6.11 Litigation.** To Seller’s knowledge there are no judgments outstanding, nor any claim, litigation, proceeding or investigation pending, or to the knowledge of Seller, threatened which might result in any material adverse change in the business, condition or earnings of Station, or any of the Personal Tangible Assets or Real Property

**6.12 Contracts and Agreements.**

**6.12.1 Assumed Contracts.** To Seller’s knowledge, Seller is not in material default under any of the Assumed Contracts and all payments, services or other consideration due have been made by Seller. *Appendix D* is a list of all of the Assumed Contracts.

**6.13 Encumbrances.** Except as specifically disclosed in *Appendix L*, none of the Station Assets are, as of the date of this Agreement, mortgaged, pledged or subjected to Lien. At Closing, the Station Assets will be delivered free and clear of any and all Liens.

## **ARTICLE 7. REPRESENTATIONS AND WARRANTIES OF BUYER.**

Buyer represents and warrants to Seller the following:

**7.1 Organization and Standing.** Ricardo Espinosa is an individual doing business as Espinosa Radio, LLC.

**7.2 Authorization.** Buyer has full power and authority to enter into this Agreement and the Agreement constitutes a valid and binding obligation.

**7.3 FCC Qualifications.**

7.3.1 Buyer is qualified under the Act, and the rules, regulations and policies of the Commission, to be and become the licensee of Station.

7.3.2 Buyer knows of no facts and with exercise of reasonable diligence could know of no facts, which would cause the Commission to withhold its consent to the assignment of the FCC Licenses to Buyer.

9.4.3 No waiver of any Commission rule or policy is necessary for the Commission's consent to the transactions contemplated hereto to be obtained.

**7.4 Litigation.** To Buyer's knowledge, there is no action or outstanding judgment, or any pending claim, litigation, proceeding, or, to the knowledge of Buyer, any investigation or claim threatened against Buyer which might adversely affect Buyer's ability to carry out fully the transactions contemplated by this Agreement or which would encumber Seller's rights to the Purchase Price, and Buyer knows of no facts which would form the basis for such claim, litigation, proceeding or investigation.

## **ARTICLE 8. COVENANTS.**

**8.1 Affirmative Covenants of Seller.** Seller shall, through the Closing Date, with respect to Station:

8.1.1 *Representations and Warranties.* Take such steps as are necessary to ensure that all representations and warranties of the Seller set forth in this Agreement remain correct up to and including the Closing Date.

8.1.2 *Continued Operation.* Continue to carry on its business and operation, maintain its facilities and equipment, and keep its books of account, records, and files in the ordinary and usual course of business.

8.1.3 *Maintenance of Business.* Use its best efforts to preserve the business organization of Station intact.

8.1.4 *Insurance.* Maintain in full force and effect through the Closing Date adequate property damage, liability, and other insurance with respect to the Station Assets providing coverage against such risks in at least the amounts provided for by the insurance policies maintained by Seller, as of the date of this Agreement.

8.1.5 *Consents and Approvals.* Use best efforts to obtain any and all consents, transfers, authorizations, or approvals required for the consummation of the transactions contemplated hereby.

8.1.6 *Removal of Liens.* Take such steps as are necessary to transfer, assign, deliver and convey the Station Assets free from Liens which are not part of the Assumed Liabilities shall be removed on or before the Closing Date, and that all documents required to be filed with governmental authorities to record such removal, have been, or will be filed on or before the Closing Date.

8.2 *Negative Covenants of Seller.* Prior to the Closing Date, Seller will not, without the prior written consent of Buyer:

8.2.1 *No Alienation of Station Assets.* Sell, lease, transfer, or agree to sell, lease, or transfer any material Station Assets without Notice to Buyer and without replacement of such Asset with a substantially equivalent asset of substantially equivalent kind, condition, and value.

8.2.2 *No Adverse Permits.* Apply to the FCC for any construction permit or modification of license which would materially restrict the Station's present operation, or make any material change in the Station's buildings, leasehold improvements or fixtures.

8.2.3 *No Negotiations for Sale.* Hold out Station for sale, entertain an offer to purchase the Station Assets.

8.2.4 *No New Encumbrances.* Create or assume any new mortgage, security interest or pledge, or subject to Lien any of the Station Assets, whether now owned or later acquired.

8.2.5 *No Violation of Law.* Violate, or remain in violation of any law, statute, rule, governmental regulation or order of any court or governmental regulatory authority (whether Federal, State or Local) known to Seller relating to the operation and ownership of the Station.

8.3 *Buyer's Covenants.* Between the date hereof, and the Closing Date, Buyer shall:

8.3.1 *Fulfill Conditions.* Use best efforts to fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement and to cause the transactions contemplated by this Agreement to be fully carried out, and not take any action that conflicts with its obligations hereunder or that causes its representations and warranties to become untrue in any material respect.

## ARTICLE 9. CONDITIONS.

9.1 *Conditions Precedent to Buyer's Obligations.* The obligation of Buyer to consummate the transactions contemplated by this Agreement is subject to the fulfillment prior to or at the Closing Date of each of the following conditions:

9.1.1 *Commission Approval.* That the Commission shall have consented to the Assignment Application.

9.1.2 *Representations and Warranties.* That the representations and warranties of the Seller contained in this Agreement are correct.

9.1.3 *Performance.* That Seller shall have performed and complied with the terms of this Agreement.

9.1.4 *Closing Deliveries.* That Seller shall have made all deliveries to Buyer at Closing required under this Agreement.



**9.2 Conditions Precedent to Seller's Obligations.** The obligation of Seller to consummate the transactions contemplated by this Agreement is subject to the fulfillment prior to or at the Closing Date of each of the following conditions:

**9.2.1 Commission Approval.** Subject to Buyer's right to waive finality as set forth in Section 1.6, that the Commission shall have consented to the Assignment Application without any condition or qualification materially adverse in Seller's reasonable judgment to Seller.

**9.2.2 Representations and Warranties.** That the representations and warranties of the Buyer contained in this Agreement, or in any related document attached or delivered pursuant to it, shall be correct as of the Closing Date, except for changes expressly permitted by the terms of this Agreement.

**9.2.3 Performance.** That the Buyer shall have performed and complied with, in all material respects, all covenants, agreements and conditions required by this Agreement to be performed or complied with by it prior to or at the Closing Date, or earlier if otherwise required.

**9.2.4 Closing Deliveries.** That Buyer shall have made all deliveries to Seller at Closing required under this Agreement.

## **ARTICLE 10. RIGHTS AND REMEDIES OF PARTIES.**

**10.1 Risk of Loss.** The risk of loss, damage or destruction to any of the property or assets to be transferred to the Buyer from fire or other casualty or cause shall be borne by Seller at all times up to the Closing Date.

## **ARTICLE 11. SURVIVAL.**

**11.1 Survival of Representations and Warranties.** All representations and warranties made in this Agreement shall survive the Closing Date for ninety (90) days.

## **ARTICLE 12. CLOSING DELIVERIES.**

**12.1 Seller's Deliveries at Closing.** On the Closing Date, Seller shall, upon receipt of Buyer's documentation required by this Agreement, duly execute and deliver or cause to be delivered to Buyer the following:

**12.1.1** A copy of a Resolution of Seller's Board of Directors authorizing the execution, delivery and performance of this Agreement.

**12.1.2** A Certificate signed by an officer of Seller that the representations and warranties of Seller contained in this Agreement, or in any related document attached or delivered pursuant to this Agreement, are true and correct as of the Closing Date, and that Seller has performed and complied with in all material respects all covenants, agreements and conditions required by this Agreement to be performed or complied with by it prior to or at the Closing Date.

12.1.3 An Assignment to Buyer of the FCC Licenses for Station, together with any and all other related authorizations, including all of Seller's right, title and interest in and to the Call Letters, "WKGN" and other governmental licenses and authorizations.

12.1.4 Tower Site Lease.

12.1.5 One or more Bills of Sale assigning, transferring and conveying to Buyer free and clear title to all of the Personal Tangible Assets.

12.1.6 An Assignment and Assumption Agreement, assigning to Buyer the Assumed Contracts.

12.1.7 An Assignment of all Intangibles Assets owned or held by Seller.

12.1.8 The files, records, logs and books of account of Station.

12.1.9 Such other assignments, bills of sale or other instruments of transfer, assignment or conveyance as may be reasonably required by Buyer to effectuate the assignment, transfer and conveyance to Buyer of all the Station Assets.

**12.2 Buyer's Deliveries at Closing.** On the Closing Date, Buyer shall, upon receipt of Seller's releases, assurances and other documentation provided for by this Agreement (including receipt of evidence that any and all mortgages, security interests or encumbrances of any kind in and to all of the assets to be acquired by Buyer have been removed) duly execute and deliver or cause to be delivered to Seller the following:

12.2.1 A Certificate that the representations and warranties of Buyer contained in this Agreement or related documents attached or delivered pursuant to it, are true and correct as of the Closing Date, and that Buyer has performed and complied with in all material respects all covenants, agreements and conditions required by this Agreement to be performed or completed with it prior to or at the Closing Date.

12.2.2 The Assignment and Assumption Agreement for the Assumed Contracts.

12.2.3 Tower Site Lease.

12.2.4 Such other assignments, bills of sale or other instruments of transfer, assignment or conveyance as may be reasonably required by Seller to effectuate the assignment, transfer and conveyance to Seller of all the Station Assets.

### **ARTICLE 13. TAXES, FEES AND EXPENSES.**

**13.1 Expenses.** Except as otherwise expressly set forth in this Agreement, each Party shall be solely responsible for all costs and expense incurred by it in connection with the negotiation and preparation of the Agreement and the transactions contemplated thereby.

**13.2 Transfer Taxes and Similar Charges.** Recordation, transfer and documentary taxes and fees, and any excise, sales or use taxes imposed by reason of the transfer of the Assets in accordance with this Agreement shall be borne by Buyer.

**13.3 Governmental Filing or Grant Fees.** Any filing or grant fees imposed by any governmental authority the consent of which is required to the transactions contemplated hereby shall be borne equally by Buyer and Seller.

#### **ARTICLE 14. MISCELLANEOUS.**

**14.1 Finders, Consultants and Brokers.** The parties agree that these are no brokers involved in this transaction.

**14.2 Confidentiality.** Seller and Buyer each promise, represent and warrant to the other that they will not reveal or disclose to any Unauthorized Person any financial information, account lists, trade secrets, plans of operation (including those relating to format), marketing or sales information, details of their negotiations or information regarding the agreements reached in connection with the proposed purchase and sale of Station. The term "Unauthorized Person" means any person other than the Parties, their officers, directors, stockholders, managers, members, key employees, agents or representatives (including legal counsel, accountants, consultants and financiers) who require such information in connection with their employment or professional responsibilities and obligations to the Federal Communications Commission or other agency, as required by law. Nothing in this provision shall restrict the Parties from complying with any legal filing requirement, public file requirement or similar disclosure requirement.

**14.3 Notices.**

14.3.1 Any Notices required or permitted to be given under this Agreement by either party to the other may be effected by certified mail, postage prepaid with return receipt requested, or by USPS Express air service, overnight air courier service or same day delivery service, and addressed as follows:

<b>IF TO BUYER:</b>	<b>IF TO SELLER:</b>
Ricardo Espinosa d/b/a Espinosa Radio, LLC _____ _____	Norberto Sanchez, Chairman and CEO Norsan Consulting and Management, Inc. P.O. Box 2148 Tucker, GA 30085-2148
_____	_____
_____	_____

14.3.2 Notice shall be deemed to have been given three (3) business days after mailing if sent by registered or certified mail, or on the next business day if sent by USPS express mail, overnight air courier, or on the same day delivered by a same day delivery service.

**14.4 Benefit.** This Agreement shall be binding upon and inure to the benefit of the Parties, their successors and permitted assigns.

**14.5 Other Documents.** The Parties shall execute such other documents as may be necessary or desirable to the implementation and consummation of this Agreement.

**14.6 Further Assurances.** The Parties each pledge to the other that they shall take whatever steps are reasonably necessary, in good faith, and use their best efforts to carry out their obligations under this Agreement in order that the transactions contemplated may be consummated in a complete and expeditious manner.

**14.7 Appendices.** All Appendices and Schedules attached to this Agreement shall be deemed to be part of this Agreement and incorporated in it, where applicable, as if fully set forth in the body of this Agreement. If any provision in any Appendix or Schedule conflicts with or is not consistent with the provisions of this Agreement, the terms of this Agreement shall govern.

**14.8 Counterparts.** This Agreement may be signed by any number of counterparts with the same effect as if the signature of each such counterpart were upon the same instrument. Faxed copies of this Agreement and faxed signature pages shall be binding and effective as to all parties and may be used in lieu of the original Agreement, and, in particular, in lieu of original signature pages, for any purpose whatsoever.

**14.9 Headings.** The headings of the Articles, Sections and paragraphs of this Agreement are inserted as a matter of convenience and for reference purposes only and in no way define, limit or describe the scope of this Agreement nor the intent of any Section or paragraph.

**14.10 Time of the Essence.** Time is deemed to be of the essence with respect to this Agreement.

**14.11 Entire Agreement.** This Agreement and all Appendices attached hereto and the ancillary documents provided for herein, constitute the entire agreement and understanding of the Parties hereto relating to the matters provided for herein and supersede any and all prior agreements, arrangements, negotiations, discussions and understandings relating to the matters provided for herein.

**14.12 Amendment.** This Agreement may not be amended except by an instrument in writing signed on behalf of each of the Parties hereto.

**14.13 Waivers.** No waiver of any right under this Agreement or waiver of a breach of it shall be effective unless in writing and signed by the Party or Parties waiving such right or breach. No waiver of any right or waiver of any breach shall constitute a waiver of any other or similar right or breach and no failure to enforce any right under this Agreement shall preclude or affect the later enforcement of such right.

**14.14 Severability.** In the event that any one or more of the provisions contained in this Agreement or in any other instrument referred to herein, shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, then to the maximum extent permitted by law, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement or any other such

instrument, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision or provisions had not been contained herein.

**14.15 Number and Gender.** Whenever required by the context, the singular number shall include the plural and the masculine, feminine, or neuter gender shall include all genders.

**14.16 Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the State of Tennessee, without giving effect to the choice of law provisions thereof.

**14.17 Choice of Forum.** Any action, suit or other proceeding with respect to this Agreement may be brought in the courts of the State of Georgia.

**14.18 Attorneys' Fees.** Should any Party hereto institute any action or proceeding at law or in equity to enforce any provision of this Agreement, including an action for declaratory relief, or for damages by reason of an alleged breach of any provision of this Agreement, or otherwise in connection with this Agreement, or any provision hereof, the prevailing Party shall be entitled to recover from the losing Party or Parties its costs and expenses, including reasonable attorneys' fees and costs for services rendered to the prevailing party in such action or proceeding.

**16.23 Force Majeure.** Either Party's failure to perform its covenants or agreements, in whole or part, due to any Act of God, strikes or threats thereof, *force majeure*, or any other cause beyond the reasonable control of that Party shall not constitute a breach of this Agreement, and Buyer or Seller, as the case may be, will not be liable to the other Party therefore, provided that the failing Party uses reasonable diligence to correct such failure or impairment as soon as reasonably possible.

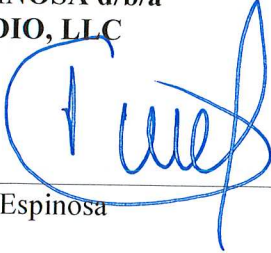
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**IN WITNESS WHEREOF**, the parties have duly executed this Agreement as of the date and year first above written.

BUYER

**RICARDO ESPINOSA d/b/a  
ESPINOSA RADIO, LLC**

By:   
Ricardo Espinosa

SELLER:

**NORSAN CONSULTING AND MANAGEMENT,  
INC.**

By:   
Norberto Sanchez, Chairman and CEO

## APPENDICES

# TOWER SITE LEASE AGREEMENT

This Tower Site Lease AGREEMENT ("Lease") made as of the \_\_\_\_ day of \_\_\_\_, 2011 by and between **Norsan Consulting and Management, Inc.**, ("Lessor") and **Ricardo Espinosa d/b/a Espinosa Radio, LLC** ("Lessee").

## WITNESSETH:

**WHEREAS**, pursuant to the terms of an Asset Purchase Agreement ("Purchase Agreement") dated December 15, 2010, Lessee is to acquire certain assets and licenses associated with Radio Station WKGN (AM), Knoxville, Tennessee ("WKGN (AM)").

**WHEREAS**, as part of that Purchase Agreement, Lessee shall from Lessor's the AM tower associated with WKGN (AM), the transmitter building and studio building trailer all located on the Real Property owned by the Lessor (Tower Site Property"); and

**NOW THEREFORE**, in consideration of the mutual covenants, terms and conditions contained in this Lease, the parties intending to be legally bound, agree as follows:

**1. LEASEHOLD INTEREST.** Lessor lets to Lessee, and the Lessee leases from Lessor the following:

(a) The entire Tower Site Property, including use of studio building trailer, AM tower, transmitter building, antenna system, transmission lines, cables, wires, devices, appliances and such related equipment as is required for the efficient and effective operation of Radio Station WKGN (FM).

(b) Lessee shall operate WKGN (AM) in full compliance with all FCC Rules and Regulations.

(c) In the event the Lessee wishes to modify its present broadcasting system, it must obtain prior written consent of the Lessor. It is agreed and understood that Lessor may require Lessee to undertake a tower study/ engineering study prior to any approval of said modification. All changes must be in full compliance with FCC Rules and Regulations.



2. **TERM OF LEASE.** The term of this lease shall be for five (5) years commencing on the \_\_\_\_ day of \_\_\_\_\_, 2011. The Lease is renewable for an additional one (1) year term at the same rent the prior term.

3. **RENT.** Lessee shall pay the Lessor rent in the amount set forth in Attachment A.

4. **ASSIGNMENT.** The Lessee shall have the right to assign this Lease and its rights under the Lease to any affiliate or subsidiary of the Lessee, without prior written approval of the Lessor. In the event of a Purchase of the WKGN (AM) to any other party this Lease is assignable with prior written approval of Lessor, such approval will not be unreasonably withheld.

5. **REPAIRS AND MAINTENANCE.** Lessor shall be responsible for all maintenance and repair of the Studio, the Tower and the Tower supporting structures. Lessee shall reimburse Lessor for any costs expended.

6. **PAYMENT OF TAXES.** Lessor shall be responsible for the personal property taxes imposed against the Studio, the Tower, supporting structures. Lessee shall be responsible for the payment of any personal property taxes imposed against the fixtures or equipment on the leased premises owned by Lessee. The Lessee shall also reimburse Lessor for any taxes paid.

7. **UTILITIES.**

(a) Lessor shall pay when due all Studio and Tower lighting or other electric utility charges made against the Leased Premises during the term of this Lease.

(b) Lessee shall reimburse Lessor for all utilities paid.

8. **INSURANCE.** Lessor shall maintain adequate insurance coverage against fire, storm or other casualty loss or damage to Lessor's property, as well as liability insurance against personal injury or property damage. Lessee shall maintain adequate insurance coverage against fire, storm or other casualty loss or damage to Lessee's property, as well as general liability insurance against personal injury of not less than Five Hundred Thousand Dollars (\$500,000). Lessee shall reimburse Lessor for any insurance premiums paid.

9. **EMINENT DOMAIN.** If the Tower location shall be appropriated or taken under the power of eminent domain by any public or quasi-public authority, this Lease shall be terminated as of the date of such taking and Lessee shall thereupon be released from any further liability

hereunder. The date of such taking shall be the date on which legal title shall vest in the condemning authority.

**10. ACCESS TO TOWER SITE PROPERTY.** Lessor and Lessee shall have the right to full and unrestricted access to the Tower Site Property.

**11. INDEMNIFICATION OF PARTIES.**

(a) Lessee shall be liable to Lessor and shall indemnify Lessor for any loss or damage to Lessor's studio, equipment and the tower, arising from any act or failure to act by Lessee, its agents or employees.

(b) Lessor shall be liable to Lessee and shall indemnify Lessee for any loss or damage to Lessee's equipment, arising from any act or failure to act by Lessor, its agents or employees.

**12. AUTHORIZATION.** Lessor and Lessee respectively represent and warrant to the other that all necessary corporate action has been duly taken to authorize the execution and delivery of this Lease and the performance or observance of the provisions of this Lease.

**13. NO WAIVER.** Failure or delay on the part of either Lessor or Lessee to exercise any right, power, or privilege hereunder shall not operate as a waiver thereof.

**14. NOTICE.** Any and all notices, demands or other communications required by this Lease or by law, or desired to be given hereunder, by any party shall be in writing and shall be validly given or made to another party if served either personally or if deposited in the United States mail, certified, postage prepaid, return receipt requested. If such notice, demand or other communication be given by mail, such shall be conclusively deemed given as of the date shown on the return receipt if the same is deposited in the United States mail addressed to the party to whom such notice, demand or other communication is to be given as hereinafter set forth:

<b>IF TO LESSEE:</b>  Ricardo Espinosa d/b/a Espinosa Radio, LLC   	<b>IF TO LESSOR:</b>  Norberto Sanchez, Chairman and CEO Norsan Consulting and Management, Inc. P.O. Box 2148 Tucker, GA 30085-2148
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Any party hereto may change its address for the purpose of receiving notice, demands and other communications as herein provided by a written notice given in the manner aforesaid to the other party or parties hereto.

**15. AGENTS AND PARTIES.** From time to time Lessor or Lessee by notice as aforesaid may appoint one or more agents to act for them.

**16. BENEFIT.** The parties hereto understand and agree that this Lease shall be binding on and inure to the benefit of the parties hereto, their successors and assigns.

**17. OTHER DOCUMENTS.** The parties shall execute such other documents as may be necessary and desirable to the implementation and consummation of this Lease.

**18. ATTACHMENTS, SCHEDULES AND EXHIBITS.** All Exhibits, Appendices and Schedules attached to this Lease shall be deemed part of this Lease and incorporated herein, where applicable, as if fully set forth herein. Each page of each Exhibit or other attachment hereto shall be initialed by the parties to this Lease. If any provision in any Exhibit conflicts with or is not consistent with the provisions of this Lease, the terms of this Lease shall govern.

**19. DEFAULT.** In the event that either party hereto defaults in the performance of any of its obligations hereunder, and shall fail to cure said default within ten (10) days after receiving written notice of such default, the complaining party may terminate the Lease, and seek appropriate legal and equitable remedies.

**20. DEFAULT AND ATTORNEYS' FEES.** In the event that either party hereto default in the performance of any of its obligations hereunder, and shall fail to cure said default within ten (10) days after receiving written notice of such default by the complaining party, and should the complaining party thereafter refer such matter to an attorney, then whether or not suit or action is instituted with respect to such matter, the other party shall be entitled to reasonable attorneys' fees and costs incurred in connection with such matter, provided the other party is not also in material breach of this Lease.

Attachment A

1. Rent Payment Initial Term: \$ 1500. per month due and payable by the 1<sup>st</sup> day of each month.
2. Rent Payment Renewal Term: \$ 2000. per month due and payable by the 1<sup>st</sup> day of each month.

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21. **COUNTERPARTS.** This Lease may be signed by any number of counterparts with the same effect as if the signature of each such counterpart were upon the same instrument.

22. **HEADINGS.** The headings of the paragraphs of this Lease are inserted as a matter of convenience and for reference purposes only and in no way define, limit or describe the scope of this Lease or the intent of any paragraph hereof.

23. **ENTIRE AGREEMENT.** This Lease is the only Agreement between the parties hereto and contains all of the terms and conditions agreed upon with respect to the subject matter hereof.

24. **MODIFICATION OR AMENDMENT.** No amendment, change or modification of this Lease shall be effective unless in writing stating that it amends this document and signed by each of the parties hereto.

25. **GOVERNING LAW.** This Agreement shall be construed in accordance with the laws of the State of Georgia.

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

**LESSOR:**

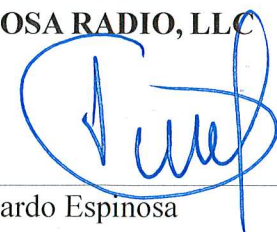
**NORSAN CONSULTING AND MANAGEMENT, INC.**

By:  \_\_\_\_\_  
Norberto Sanchez, Chairman and CEO

 \_\_\_\_\_  
Witness

**LESSEE:**

**RICARDO ESPINOSA D/B/A  
ESPINOSA RADIO, LLC**

By:  \_\_\_\_\_  
Ricardo Espinosa

 \_\_\_\_\_  
Witness



Bank of North Georgia

1490 Distribution Drive  
Suwanee, GA 30024  
Phone 770-476-6200  
www.bankofnorthgeorgia.com

December 31, 2010

Mr. Norberto Sanchez (the "Borrower")  
Norsan Group, Inc.  
P.O. Box 957058  
Duluth, GA 30095

Re: WKGN (AM), Knoxville, TN, ("WKGN") including all tangible and intangible assets (the "Property") currently pledged to Bank of North Georgia, a Division of Synovus Bank (the "Lender"). The property will include all collateral pledged to the Lender under certain Deed(s) to Secure Debt, Assignment of Rents and Security Agreement, and any other agreements between the Borrower and the Lender regarding the Property outlined in certain collateral documents recorded on behalf of the lender in the States of Georgia and Tennessee respectively.

Dear Norberto:

This letter will serve to memorialize our agreement approved by management with the Lender regarding the Lender's release of liens related only to the Property listed above. This is to confirm our receipt of a principal payment of \$233,000.00 and that said payment shall be applied towards the outstanding indebtedness owed by the Borrower to the Lender. Lender will cause all of its liens associated with the WKGN Property to be released. Copies of the evidence of such release filings, including UCC Partial Terminations and Mortgage Satisfaction, shall be provided to you and your counsel.

Should there be any questions regarding this matter, please contact the undersigned. We appreciate your business and our relationship with you.

Sincerely,

John Reynolds, Vice President

cc: John C. Trent, Esquire