

July 28, 2011

Amy Dwyer  
Interim General Manager  
KRCL 90.9 FM  
1971 W No. Temple  
Salt Lake City, UT 84116

**Re: Radio Station KZCL(FM), Logan, Utah**

Dear Amy:

This asset purchase agreement (the "Agreement") sets forth our mutual agreement regarding the terms and conditions of the sale by LISTENERS COMMUNITY RADIO OF UTAH, INC., a Utah non-profit corporation ("Seller"), of certain assets of broadcast radio station KZCL(FM), FCC Facility Id. # 89301, licensed to Logan, Utah (the "Station") to the UNIVERSITY OF UTAH, a body politic and corporate of the State of Utah ("Buyer").

1. Assets. Subject to the terms and conditions hereof, upon the Closing (as defined herein) Seller agrees to sell or assign, and Buyer agrees to acquire or assume, the following assets used solely in the business and operations of the Station (collectively, the "Purchased Assets"):

(a) Tangible Personal Property. The tangible personal property that is described on Schedule 1(a) hereto;

(b) FCC Licenses. All licenses, permits and other authorizations which have been issued by the Federal Communications Commission (the "FCC") to Seller for the operation of the Station, all applications therefor, together with any renewals, extensions or modifications thereof and additions thereto as listed on Schedule 1(b) (the "FCC Licenses"), which schedule includes all Licenses, permits or other authorizations required to own and operate the Station under the parameters specified by the FCC.

(c) Assumed Contracts. The contracts for the Station that are described on Schedule 1(c) hereto (the "Station Contracts").

(d) Files and Records. Except as otherwise required by law, all engineering and other books, papers, logs, files and records pertaining solely and exclusively to the Purchased Assets, including all records required by the FCC to be kept at the Station; and

(e) Intellectual Property. All of Seller's Intellectual Property solely and exclusively used in, or solely and exclusively related to, the Station or Purchased Assets, including the call letters "KZCL" (the "Station Intellectual Property").

Buyer shall not acquire from Seller pursuant to this Agreement any assets not specifically identified as Purchased Assets in this Section 1.

2. Purchase Price. The consideration payable by Buyer to Seller for the Purchased Assets shall be (a) Two-Hundred Twenty-Five Thousand dollars (\$225,000) (the “Purchase Price”), and (b) the procurement, installation, and access to equipment that, together with certain of Seller’s existing equipment, is intended to enable Seller to resume operation of Station within Station’s FCC-authorized parameters (the “Signal Resumption Services”), provided however, that Buyer shall not be required to expend more than five-thousand dollars (\$5,000) in costs related to the Signal Resumption Services. The payment of the Purchase Price to Seller shall be payable by wire transfer or other method of immediately available funds (including, for example, a cashier’s check) as of the Closing. All taxes and assessments, utility bills and all other ongoing costs of usual operation of the Station shall be prorated to the Closing Date, and the prorated amount shall be credited against or added to the payment at Closing. The parties agree and acknowledge that Buyer is not required to pay any amount of the Purchase Price into escrow prior to the Closing, including but not limited to pursuant to any provision of that certain Letter of Intent entered into by and between the parties on or about June 6, 2011.

3. Assumption of Liabilities; Indemnification

3.1 For a period of twenty-four (24) months following the Closing, Seller will assume, pay, perform, discharge and indemnify and hold Buyer harmless from and against (a) all liabilities arising out of events occurring prior the Closing Date related to the businesses or operations of the Station or Seller’s ownership of the Purchased Assets, (b) all liabilities arising out of events arising prior to the Closing Date with respect to the FCC Licenses, and (c) all liabilities arising prior to the Closing Date under the Station Contracts, provided however, that Buyer may only seek indemnification from Seller once the total liabilities in the aggregate exceed five thousand dollars (\$5,000).

3.2 Buyer shall not assume any liabilities of Seller other than those pursuant to the assumption of obligations to be performed after the Closing date on the Station Contracts.

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

4.1 Organization of Seller. Listeners Community Radio of Utah, Inc. is a non-profit corporation duly organized, validly existing and in good standing under the laws of the State of Utah. Seller has the corporate power and authority to own, lease and operate the Purchased Assets, to carry on Seller’s business as now conducted, and to enter into and perform the terms of this Agreement, and the transactions contemplated hereby.

4.2 Authority of Seller. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by all necessary actions of Seller (none of which actions have been modified or rescinded and all of which actions are in full force and effect), and this Agreement constitutes a valid and binding agreement and obligation of Seller, enforceable in accordance with its terms. The execution, delivery and consummation of this Agreement by Seller does not conflict with or result in a breach or the terms, conditions or provisions of or constitute a default under its Articles of Incorporation, by-laws, or any other agreement, instruments, laws or regulations to which Seller is a subject.

4.3 No Encumbrances. Seller is the sole and exclusive legal and equitable owner of all right, title and interest in and has good and marketable title to the Purchased Assets, free and clear of any encumbrances, except for and subject only to (i) liens for real estate taxes not yet due and payable, (ii) easements on the public record or which do not materially impair the use of such property for the purposes contemplated hereunder, and (iii) those encumbrances which shall be removed or released prior to or contemporaneously with the Closing.

4.4 FCC Licenses. Seller is the holder of the licenses, permits and authorizations listed on Schedule 1(b), and except as set forth on such Schedule, (i) the FCC Licenses are valid, in good standing and in full force and effect, unimpaired by any act or omission of Seller, (ii) there is no condition imposed by the FCC as part of any FCC License which is neither set forth on the face thereof as issued by the FCC nor contained in the Rules and Regulations applicable generally to stations of the type, nature, class or location of the Station; (iii) the Station is being operated at full authorized power, in accordance with the terms and conditions of the FCC Licenses applicable to it and in accordance with the Rules and Regulations, except to the extent a failure to so comply would not constitute a material adverse condition; (iv) no application, action, or proceeding is pending, or, to Seller's actual knowledge is threatened, which may result in a material adverse effect on the Purchased Assets other than proceedings affecting the radio broadcasting industry in general; (v) Seller has complied in all material respects with all requirements to file reports, applications and other documents with the FCC with respect to the Station, and all such reports, applications and documents are complete and correct in all material respects; and (vi) the "Public Inspection File" of the Station is in substantial and material compliance with Section 73.3526 of the Rules and Regulations. Complete and accurate copies of all FCC Licenses are attached hereto as a part of Schedule 1(b).

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

5.1 Organization of Buyer. Buyer is the University of Utah, a body politic and corporate of the State of Utah, duly organized, validly existing and in good standing under the laws of the State of Utah. Buyer has the corporate power and authority to enter into and perform the terms of this Agreement, and the transactions contemplated hereby. The execution, delivery and consummation of this Agreement by Buyer does not conflict with or result in a breach or the terms, conditions or provisions of or constitute a default under any agreement, instruments, laws or regulations to which Buyer is a subject.

5.2 Authority of Buyer. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by all necessary actions of Buyer (none of which actions has been modified or rescinded, and all of which actions are in full force and effect). This Agreement constitutes a valid and binding agreement and obligation of Buyer, enforceable in accordance with its terms.

5.3 FCC Matters. With the exception of the need for the Main Studio Waiver (as defined below), (a) Buyer is, and pending Closing will remain, legally, financially and otherwise qualified under the Communications Act of 1934, as amended, and all rules, regulations and policies of the FCC to acquire and operate the Station, and (b) there are no proceedings, complaints, notices of forfeiture, claims, investigations pending or, to the actual

knowledge of Buyer, threatened against any of the broadcast stations licensed to Buyer or Buyer's affiliates that would materially impair the qualifications of Buyer to become a licensee of the Station or materially delay the FCC's processing of the application for the assignment of the FCC Licenses to Buyer (the "FCC Application"). Seller expressly acknowledges that Buyer intends to operate the Station from Buyer's existing studio location in Salt Lake City, Utah, and that such operation will not be possible without grant by the FCC of a waiver of its main studio rules, as described at 47 C.F.R. § 73.1125 (such waiver, the "Main Studio Waiver"). Buyer will use its commercially reasonable efforts to secure the Main Studio Waiver in connection with the FCC Application.

6. Covenants.

6.1 Operations Prior to the Closing Date; Normal Operation. Between the date hereof and the Closing Date, Seller shall operate the Station in the ordinary course of business. Consistent with the foregoing, Seller (a) shall keep and maintain the Purchased Assets in good operating condition and repair (ordinary wear and tear excepted), (b) pay and otherwise satisfy all obligations of the Station in the ordinary course of business, (c) maintain its books of account, records, and files in substantially the same manner as heretofore, (d) resume broadcast of a the Station's signal within FCC-authorized parameters immediately following completion of the Signal Resumption Services by Buyer, and timely provide the FCC required written notification of such resumption of service, and (e) cooperate in all respects with Buyer in Buyer's efforts to provide the Signal Resumption Services.

6.2 Dispositions. Pending and prior to the Closing, Seller will not, without the prior written approval of Buyer, sell, assign, lease or otherwise transfer or dispose of any of the Purchased Assets except in the ordinary course of business.

6.3 Access. During the period forty-five (45) days from the date of Seller's delivery of a fully executed Agreement to Buyer ("Buyer's Due Diligence Period"), Seller shall make available to Buyer and its representatives all books and records relating solely to the Station and the Purchased Assets and shall afford Buyer and its representatives reasonable access to the facilities and equipment used or held for use solely in connection with the business or operation of the Station during normal business hours following reasonable notice for purposes of Buyer's due diligence, provided however, that Buyer shall have unimpeded access to the Station facilities, transmitter site, and other properties related to the Station as may be necessary or appropriate with respect to Buyer's provision of the Signal Resumption Services. Seller also shall cooperate with Buyer's reasonable due diligence requests during Buyer's Due Diligence Period.

6.4 Regulatory Approvals. Within ten (10) business days of the date of Seller's delivery to Buyer of a fully executed Agreement, Seller and Buyer shall file the FCC Application with the FCC, which application shall include the request for the Main Studio Waiver. Seller and Buyer will diligently take or fully cooperate in the taking of all reasonable steps, and promptly provide any additional information reasonably requested in order to obtain a grant of the FCC Application.

7. Closing.

7.1 Closing Date. The closing of the purchase, sale and assignment of the Purchased Assets (the “Closing”) shall be held within ten (10) business days after the FCC consent to the assignment of the FCC Licenses to Buyer has become a Final Order (as defined herein) and shall be on a date and at a location mutually agreed by the parties (the date of the Closing referred to herein as the “Closing Date”).

7.2 Conditions Precedent to Buyer’s Obligation to Close. Buyer’s obligation to purchase the Purchased Assets and to proceed with the Closing shall be subject to the satisfaction (or waiver by Buyer) at or prior to the Closing of each of the following conditions:

(a) Representations and Covenants. The representations and warranties of Seller made herein shall be true and correct in all material respects on the Closing Date as though such representations and warranties were made on and as of the Closing Date. In addition, there shall have been no breach in any material respect by Seller in the performance of any of Seller’s covenants or agreements contained herein;

(b) Condition of the Purchased Assets. Since the date of Seller’s acceptance of this Agreement, there shall have been no material damage, destruction, loss of property or claim or condemnation or other taking which has a material adverse effect on the Purchased Assets;

(c) Delivery of Documents. Seller shall have furnished to Buyer such bills of sale and other documents and instruments of sale, assignment, conveyance and transfer, dated as of the Closing Date, as Buyer may reasonably deem necessary in order to carry out the purposes of this Agreement;

(d) FCC Order. The order or action of the FCC, or the Chief, Mass Media Bureau, acting under delegated authority, consenting to the assignment to Buyer of the FCC Licenses for the Station and the grant of the Main Studio Waiver to Buyer (the “FCC Order”) (i) shall have become a Final Order (as defined herein), (ii) shall not contain any conditions which are materially adverse to Buyer or which diminish in any material respect the operating rights with respect to the Purchased Assets, and (iii) any terms and conditions required as a result of such order shall have been satisfied. “Final Order” shall mean an FCC Order which has not been reversed, stayed, enjoined, set aside, annulled or suspended, and with respect to which action, no protest, petition to deny, petition for rehearing or reconsideration, appeal or request for stay is pending, and as to which action the time for filing of any such protest, petition, appeal or request and any period during which the FCC may reconsider or review such action on its own authority has expired;

(e) Full Force and Effect. The FCC Licenses shall be valid, in good standing and in full force and effect; and

(f) Legal Proceedings. No injunction or order which restrains, prohibits or invalidates the transactions contemplated by this Agreement shall be in existence.

(g) Performance. Seller shall have in all material respects performed and complied with all covenants, agreements and conditions required hereunder to be performed or complied with by it prior to and as of the Closing Date.

7.3 Conditions Precedent to Seller's Obligation to Close. Seller's obligation to proceed with the Closing shall be subject to the satisfaction (or waiver by Seller) at or prior to the Closing of each of the following conditions:

(a) Representations and Covenants. The representations and warranties of Buyer made herein shall be true and correct in all material respects on the Closing Date as though such representations and warranties were made on and as of the Closing Date. In addition, there shall have been no breach in any material respect by Buyer in the performance of any of Buyer's covenants or agreements contained herein;

(b) Delivery of Documents. Buyer shall have furnished to Seller such documents as Seller may reasonably determine necessary in order to effectuate the purposes of this Agreement;

(c) FCC Order. The FCC Order shall have been granted and shall be a Final Order;

(d) Legal Proceedings. No injunction or order which restrains, prohibits or invalidates the transactions contemplated by this Agreement shall be in existence; and

(e) Performance. Buyer shall have in all material respects performed and complied with all covenants, agreements and conditions required hereunder to be performed or complied with by it prior to and as of the Closing Date.

## 8. Termination.

8.1 This Agreement may be terminated at any time prior to the Closing by:

(a) the mutual consent of Seller and Buyer;

(b) Buyer or Seller, by written notice of termination delivered to the other party, if (i) the Closing has not occurred on or prior to the date that is twelve (12) months after the date of this Agreement, (ii) the FCC designates the FCC Application for an evidentiary hearing, or (iii) the FCC issues an order in connection with the FCC Application with conditions which are materially adverse to Buyer or Seller, provided however that the Party seeking to terminate this Agreement is not in material default hereunder; or

(c) Buyer, by written notice of termination delivered to Seller by no later than 5:00 p.m. (Salt Lake City local time) on the last day of Buyer's Due Diligence Period, if Buyer is not satisfied, in its reasonable discretion, with the results of its due diligence review of the Purchased Assets.

8.2 Effect of Termination. If this Agreement is terminated in accordance with Section 8.1(a) or 8.1(b), no party to this Agreement shall have any liability to any other party to this Agreement, and this Agreement in its entirety shall be deemed null, void and of no further force or effect, and the parties hereto shall be released from all future obligations hereunder with respect to the Station; provided, however, that the obligations of Buyer and Seller in Sections

8.2, 10 and 11 shall survive such termination, and provided further that Seller shall promptly reimburse Buyer for all costs incurred by Buyer in providing the Signal Resumption Services.

9. Assignment. This Agreement shall not, nor shall any interest hereunder be assigned or transferred by either party, whether voluntarily or involuntarily by operation of law, without the prior written consent of the other party hereto. Notwithstanding the foregoing, Buyer may in its sole and absolute discretion, assign all of its right, title, interest and obligation under this Agreement to any entity controlled by, or under common control with Buyer. In the event of any assignment as contemplated herein, Buyer shall remain jointly and severally liable along with assignee for any and all obligations required of it hereunder.

10. Transaction Expenses. Each party will be solely responsible for the payment of all costs and expenses of its attorneys, accountants and other professional advisers incurred in connection with the negotiations of this Agreement and the transactions contemplated hereby. Seller and Buyer shall share equally any FCC filing fees incurred in connection with the assignment of the FCC Licenses to Buyer.

11. Confidentiality. Subject to required disclosure to governmental agencies, and except as otherwise required by law, Seller and Buyer agree to maintain the confidentiality of this Agreement. Subject to the foregoing, Buyer further agrees to use its best efforts to maintain the confidentiality of all information and data provided to it by Seller, and Seller further agrees to use its best efforts to maintain the confidentiality of all information and data provided to it by Buyer. Seller is hereby informed that Buyer is a governmental entity and thus subject to the Government Records Access and Management Act of the Utah Code, Section 63G-2-101 *et seq.*, 1953, as amended (“GRAMA”). Pursuant to GRAMA, certain records with the Buyer’s possession or control (including, without limitation, this Agreement, but not including materials to which access is limited by the laws of copyright or patent) may be subject to public disclosure. Buyer hereby informs Seller that any person or entity that provides Buyer with records that such person or entity believes should be protected from disclosure for business reasons must, pursuant to Section 63G-2-309 of GRAMA, provide to Buyer, *with the record* a written claim of business confidentiality and a concise statement of reasons supporting such claim. Notwithstanding the foregoing, the parties acknowledge that they may decide to issue a press release after the FCC Application has been filed, which press release must be approved by each party prior to its release.

12. Governing Law. This Agreement, the rights and obligations of the parties hereto, and any claims or disputes relating thereto, shall be governed by and construed under and in accordance with the laws of the State of Utah, excluding the choice of law rules thereof.

13. Further Assurances. Subject to the terms and conditions herein provided, each of the parties hereto agrees to use its commercially reasonable efforts to execute, deliver and file or cause to be executed, delivered and filed such further documents and instruments and obtain such further consents (including governmental approvals), as may be necessary or reasonably requested in connection with the consummation of the transactions contemplated hereby.

14. Notices. All notices, requests, demands and other communications required or permitted under this Agreement shall be in writing 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 delivered by such equipment, addressed as set forth below:

If to Buyer:

John Greene  
KUER  
101 Wasatch Dr.  
Salt Lake City, UT 84112

With a copy to:

Matthew S. DelNero  
Covington & Burling LLP  
1201 Pennsylvania Ave., NW  
Washington, DC 20004-2401

If to Seller:

Amy Dwyer  
1971 W. No. Temple  
Salt Lake City, UT 84116

With a copy to:

John Crigler  
Garvey Schubert Barer  
1000 Potomac Street, NW  
Washington, DC 20007

or such other address as the addressee may indicate by written notice.

15. Miscellaneous. This Agreement may be executed in separate counterparts and by facsimile or scanned copies, none of which need contain the signatures of all parties, each of which shall be deemed to be an original and all of which taken together constitute one and the same instrument. The Agreement contains the entire agreement among the parties with respect to the subject matter hereof and supersede all prior oral or written agreements, commitments or understandings with respect to such matters. No amendment, modification or discharge of this Agreement shall be valid or binding unless set forth in writing and duly executed by the party against whom enforcement of the amendment, modification or discharge is sought.

\* \* \* \* \*

If the foregoing is in accordance with our mutual understanding and agreement, please so indicate by signing a copy of this Agreement in the place indicated and returning it to me.

Sincerely yours,

UNIVERSITY OF UTAH

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

  
Name: \_\_\_\_\_

7/29/11

Title:

Accepted and agreed to as of the date first written above.

LISTENERS COMMUNITY RADIO OF UTAH, INC.

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

  
Name: Amy Dwyer

Title: Interim General Manager