

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is made as of October 12, 2016, by and between Spectrum Radio Fairmont, LLC, ("Seller") and Laurel Highland Total Communications, Inc., ("Buyer").

Recitals

A. Seller owns and operates the following Radio Broadcast Stations (the "Stations") pursuant to certain authorizations issued by the Federal Communications Commission (the "FCC"):

WZST (FM), Westover, West Virginia (FCC Facility ID No. 68305)
WRLF (FM), Fairmont, West Virginia (FCC Facility ID No. 20460)
WTCS (AM), Fairmont, West Virginia (FCC Facility ID No. 20461)
WMMN (AM), Fairmont, West Virginia (FCC Facility ID No. 21171)

B. Seller previously entered into a financing arrangement with NewTek Business Services, Inc., hereinafter referred to as Bank, whereby the purchase of the Stations by the Seller was effected.

C. Pursuant to the terms and subject to the conditions set forth in this Agreement, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, the Stations Assets (defined below).

Agreement

NOW, THEREFORE, taking the foregoing into account, and in consideration of the mutual covenants and agreements set forth herein, the parties, intending to be legally bound, hereby agree as follows:

ARTICLE 1: SALE AND PURCHASE

1.1 Stations Assets. On the terms and subject to the conditions hereof, on the Closing Date (defined below), Seller shall sell, assign, transfer, convey and deliver to Buyer, and Buyer shall purchase and acquire from Seller, all right, title and interest of Seller in and to all assets, properties, interests and rights of Seller, real and personal, tangible and intangible, that are used in the operation of the Stations, except the Excluded Assets (defined below) (the "Stations Assets"), including, without limitation, the following:

(a) all licenses, permits and other authorizations issued to Seller by the FCC with respect to the Stations (the "FCC Licenses"), including those described on *Schedule 1.1(a)*, including any renewals or modifications thereof between the date hereof and Closing (defined below);

(b) Seller's equipment, transmitters, antennas, cables, towers, vehicles, furniture, fixtures, spare parts and other tangible personal property of every kind and

description that are used in the operation of the Stations (the “Tangible Personal Property”) as listed on *Schedule 1.1(b)*;

(c) Seller’s real property leases used in the operation of the Stations (including any appurtenant easements and improvements located thereon), as listed on *Schedule 1.1(c)* (the “Real Property Leases”);

(d) all contracts, agreements and leases that are used in the operation of the Stations and listed on *Schedule 1.1(d)* (the “Stations Contracts”);

(e) all of Seller’s rights in and to the Stations’ call letters and Seller’s rights in and to the trademarks, trade names, service marks, copyrights, domain names, websites, web content, computer software, programs and programming material, jingles, slogans, logos, Facebook, Twitter and other social media accounts, and other intangible property that is used in the operation of the Stations, including, without limitation, those listed on *Schedule 1.1(e)* (the “Intangible Property”);

(f) all interests of Seller in all programs and programming materials and elements of whatever form or nature used in the operation of the Stations, whether recorded on tape or any other substance or intended for live performance, and whether completed or in production, and all related common-law and statutory copyrights used or held for use in the operation of the Stations;

(g) Seller’s rights in and to all the files, documents, records, and books of account (or copies thereof) relating to the operation of the Stations, including the Stations’ local public files, programming information and studies, blueprints, technical information and engineering data, advertising studies, marketing and demographic data, sales correspondence, lists of advertisers, credit and sales reports, and logs; and

(h) all claims (including warranty claims), deposits, prepaid expenses, and Seller’s goodwill in, and the going concern value of, the Stations.

1.2 Liens. The Stations Assets shall be transferred to Buyer free and clear of liens, claims and encumbrances (“Liens”) except for (a) the Assumed Obligations (defined below), (b) statutory liens for taxes not yet due and payable, (c) those Liens set forth on *Schedule 1.2*, which shall be released on or prior to Closing. Items (a), (b) and (c) above are collectively referred to herein as the “Permitted Encumbrances.”

1.3 Excluded Assets. Notwithstanding anything to the contrary contained herein, the Stations Assets shall not include (a) Seller’s cash and cash equivalents and accounts receivable; (b) Seller’s insurance policies; (c) Seller’s employee benefit plans; (d) Seller’s corporate names; or (e) any asset set forth on *Schedule 1.3* (collectively, the “Excluded Assets”).

1.4 Assumed Obligations. On the Closing Date, Buyer shall assume the obligations of Seller arising after Closing under the Stations Contracts (the “Assumed Obligations”). Except for the Assumed Obligations, Buyer does not assume and will not be deemed by execution and delivery of this Agreement or any agreement, instrument or

document delivered pursuant to or in connection with this Agreement or otherwise by reason of the consummation of the transactions contemplated hereby, to have assumed, any liabilities, obligations or commitments of Seller of any kind, whether or not disclosed to Buyer, including, without limitation, any liability, obligation or commitment of Seller under any contracts not included in the Stations Contracts (the “Retained Liabilities”).

1.5 Purchase Price. The purchase price to be paid for the Stations Assets shall be Seven Hundred Thousand Dollars (\$700,000.00), if the Stations 2016 revenues are \$700,000.00 or greater; if under that revenue amount, the purchase price shall be adjusted downward to Six Hundred Fifty Thousand Dollars (\$650,000.00) (the “Purchase Price”). Revenues for the purpose of this section shall be defined as cash sales or cash equivalent sales. In the event of a dispute in the determination of the revenue figures, the Parties agree to hire (at joint cost) an independent certified public accounting firm to review said revenue figures. The determination of this independent accounting firm shall be accepted as the final revenue amount. The Purchase Price shall be paid at Closing in cash in immediately available funds pursuant to the written instructions of Seller to be delivered by Seller to Buyer, which amount shall be increased or decreased by the proration amount referred to in Section 1.8 below.

1.6 Accounts Receivable. For a period of ninety (90) days after Closing (the “Collection Period”), Buyer shall, without charge to Seller, use commercially reasonable efforts to collect the A/R in the ordinary course of business and shall apply all amounts collected from the Stations’ account debtors to the oldest account first, unless the advertiser disputes in good faith in writing an older account and designates the payment to a newer account. Any amounts relating to the A/R that are paid directly to Seller shall be retained by Seller. Buyer shall not discount, adjust or otherwise compromise any A/R and Buyer shall refer any disputed A/R to Seller. Within ten calendar days after the end of each month, Buyer shall deliver to Seller a report showing A/R collections for the prior month and Buyer shall make a payment, without offset, to Seller equal to the amount of all such collections. At the end of the Collection Period, any remaining A/R shall be returned to Seller for collection.

1.7 Escrow Deposit.

On the date of this Agreement, Buyer shall deliver the sum of One Hundred Thousand Dollars (\$100,000.00) (the “Escrow Deposit”) with the Seller’s attorney, John C. Trent, Esquire (“Escrow Agent”) pursuant to the terms of an Escrow Agreement (the “Escrow Agreement”), attached as **Exhibit B** among Buyer, Seller and the Escrow Agent. On the Closing Date, the Escrow Deposit shall be credited against the Purchase Price. If this Agreement is terminated by Seller pursuant to Section 10.1(c), the Escrow Deposit shall be paid to Seller, which shall serve as liquidated damages and be the sole and exclusive remedy of Seller. If this Agreement is terminated for any other reason, the Escrow Deposit shall be returned to Buyer. The applicable parties to the Escrow Agreement shall each instruct the Escrow Agent to disburse the Escrow Deposit to the party or parties entitled thereto and shall not, by any act or omission, delay or prevent any such disbursement.

1.8 Prorations and Adjustments.

(a) All prepaid and deferred income and expenses relating to the Stations Assets and arising from the operation of the Stations shall be prorated between Buyer and Seller in accordance with generally accepted accounting principles ("GAAP") as of 11:59 p.m. local time on the day immediately preceding the Closing Date (the "Effective Time").

(b) Such prorations shall include, without limitation, all ad valorem, real estate and other property taxes, FCC regulatory fees, music and other license fees, utility expenses, rent and other amounts under Stations Contracts and similar prepaid and deferred items. Seller shall receive a credit for all of the Stations' deposits. Prorations and adjustments shall be made at the Closing.

(c) Notwithstanding anything to the contrary contained herein, there shall be no adjustment for and Seller shall remain solely liable for any contracts or agreements not included in the Assumed Obligations.

1.9 Allocation. Before or at Closing, Buyer and Seller shall allocate the Purchase Price in accordance with the respective fair market values of the Stations Assets and the goodwill being purchased and sold in accordance with the requirements of Section 1060 of the Internal Revenue Code of 1986, as amended (the "Code"). The allocation shall be determined by mutual agreement of the parties. Buyer and Seller each further agrees to file its federal income tax returns and its other tax returns reflecting such allocation as and when required under the Code.

1.10 Closing. The consummation of the sale and purchase of the Stations Assets pursuant to this Agreement (the "Closing") shall take place within ten (10) days after the date that the FCC Consent (defined below) is initially granted or, in the event an objection to the FCC Application is filed, becomes a Final Order (defined below), in any case subject to the satisfaction or waiver of the last of the conditions required to be satisfied or waived pursuant to Articles 6 or 7 below (other than those requiring a delivery of a certificate or other document, or the taking of other action, at Closing). The date on which Closing is to occur is referred to herein as the "Closing Date."

1.11 FCC Consent. Within five (5) business days after the date of this Agreement, Buyer and Seller shall file an application (the "FCC Application") requesting FCC consent to the assignment of the FCC Licenses from Seller to Buyer (the "FCC Consent"). Seller and Buyer shall diligently prosecute the FCC Application. Each party shall promptly provide the other with a copy of any pleading, order or other document served on it relating to the FCC Application, and shall furnish all information required by the FCC. Buyer and Seller shall notify each other of all documents filed with or received from any governmental agency with respect to this Agreement or the transactions contemplated hereby. Buyer and Seller shall furnish each other with such information and assistance as the other may reasonably request in connection with their preparation of any governmental filing hereunder.

ARTICLE 2: SELLER REPRESENTATIONS AND WARRANTIES

Seller represents and warrants to Buyer as follows:

2.1 Organization. Seller is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and is qualified to do business in each jurisdiction in which the Stations Assets are located. Seller has the requisite power and authority to own and operate the Stations, to carry on the Stations' business as now conducted by it, and to execute, deliver and perform this Agreement and the documents to be made pursuant hereto.

2.2 Authorization. The execution, delivery and performance of this Agreement and the documents to be made pursuant hereto have been duly authorized and approved by all necessary action of Seller (the "Seller Authorization") and Bank and do not require any further authorization or consent of Seller and Bank. This Agreement and the documents to be made pursuant hereto are legal, valid and binding agreements of Seller enforceable in accordance with their respective 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).

2.3 No Conflicts. The execution, delivery and performance by Seller of this Agreement and the documents to be made pursuant hereto do not conflict with any organizational documents of Seller or any law, judgment, order, or decree to which Seller is subject, and do not require the consent, approval or authorization, or filing with, any third party or any court or governmental authority, except the FCC Consent, and except for counter-party consent to assign those Stations Contracts designated on *Schedule 1.1(d)*.

2.4 FCC Licenses. Seller holds the FCC Licenses listed and described on *Schedule 1.1(a)*. Such FCC Licenses constitute all of the authorizations required under the Communications Act of 1934, as amended (the "Communications Act"), or the rules, regulations and policies of the FCC for the present operation of the Stations. The FCC Licenses are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated and have not expired. There is not pending or, to Seller's knowledge, threatened any action by or before the FCC to revoke, suspend, cancel, rescind or modify any of the FCC Licenses (other than proceedings relating to FCC rules of general applicability), and to Seller's knowledge, there is no order to show cause, notice of violation, notice of apparent liability, or notice of forfeiture or complaint pending or threatened against Seller or the Stations by or before the FCC.

2.5 Taxes. Seller has filed all federal, state, county and local income, excise, property, sales, use, franchise, employment and other tax returns and reports which are required to have been filed by it under applicable law in connection with the Stations' business.

2.6 Personal Property. *Schedule 1.1(b)* contains a list of all material items of Tangible Personal Property included in the Stations Assets.

2.7 Real Property. *Schedule 1.1(c)* contains a description of all Real Property Leases included in the Stations Assets. All Leases between the Seller and any third party are fully assignable by the Seller to the Buyer without any conditions.

2.8 Contracts. *Schedule 1.1(d)* contains a list of all contracts of Seller used in the operation of the Stations. Each of the Stations Contracts is in effect and is binding upon Seller and, to Seller's knowledge, the other parties thereto (subject to bankruptcy, insolvency, reorganization or other similar laws relating to or affecting the enforcement of creditors' rights generally). Seller has performed its obligations under each of the Stations Contracts in all material respects, and is not in material default thereunder, and to Seller's knowledge, no other party to any of the Stations Contracts is in default thereunder in any material respect. Seller has delivered to Buyer true and complete copies of each Stations Contract (including the Option to Lease Real Estate), together with all amendments thereto.

2.9 Environmental. To the best of Seller's knowledge, no hazardous or toxic substance or waste (including, without limitation, petroleum products) or other material regulated under any applicable environmental, health or safety law is located or has been generated, stored, transported or released on, in, from or to the Real Property or the Stations Assets by Seller, or to Seller's knowledge by any third party. To Seller's knowledge, (i) there are no liabilities of or relating to the Stations or Seller with respect to the Stations of any kind whatsoever, whether accrued, contingent, absolute, determined, determinable or otherwise, arising under or relating to any environmental law (Federal, State or Local) and (ii) there are no facts, conditions, situations or sets of circumstances that could reasonably be expected to result in or be the basis for any such liability.

2.10 Intangible Property. Seller has all right, title and interest in and to all trademarks, service marks, trade names, copyrights and all other intangible property necessary to the conduct of the Stations as presently operated.

2.11 Employees. Seller has provided to Buyer a list of all of the Stations' employees and their position and rate of compensation, and a description of all of Seller's employee benefit plans. There are no employment agreements included in the Stations Contracts to be assigned. Seller has complied and is in compliance with all labor and employment laws, rules and regulations applicable to the Stations' business, including, without limitation, those which relate to prices, wages, hours, discrimination in employment and collective bargaining, and is not liable for any arrears of wages or any taxes or penalties for failure to comply with any of the foregoing. There is no unfair labor practice charge or complaint against Seller in respect of the Stations' business pending or threatened before any court or governmental authority, and there is no strike, dispute, request for representation, slowdown or stoppage pending or threatened in respect of the Stations' business. Seller is not party to any collective bargaining, union or

similar agreement with respect to the employees of Seller at the Stations, and no union represents or claims to represent or is attempting to organize such employees.

2.12 Stations Assets. Except for the Excluded Assets, the Stations Assets constitute all the assets used in the business or operation of the Stations. The Stations Assets will permit Buyer to operate the Stations as currently conducted by Seller. At Closing, Seller will transfer to Buyer good and marketable title to the Stations Assets, free and clear of Liens, except for Permitted Encumbrances. Seller maintains sufficient insurance policies with respect to the Stations and the Stations Assets and will maintain such policies in full force and effect until Closing.

2.13 Compliance with Law. Seller has complied and is in material compliance with all laws, regulations, rules, writs, injunctions, ordinances, franchises, decrees or orders of any court or of any federal, state, municipal or other governmental authority which are applicable to the Stations or the Stations Assets. There is no action, suit or proceeding pending or, to Seller's knowledge, threatened against Seller in respect of the Stations or the Stations Assets. To Seller's knowledge, there are no complaints, claims or investigations pending or threatened against Seller in respect of the Stations or the Stations Assets. Seller has all permits, licenses and other governmental authorizations necessary to conduct the business and operation of the Stations as currently conducted by it.

2.14 Litigation. There is no claim, litigation, arbitration, action, suit or proceeding pending or, to Seller's knowledge, threatened, against the Seller in respect of the Stations or the operation of the Stations except those affecting the industry generally.

2.15 Intentionally Left Blank.

2.16 No Finder. Buyer and Seller hereby mutually represent that there are no finders, consultants or brokers involved in the transaction other than Kalil & Co., and that neither Seller nor Buyer has agreed to pay any brokers, or finders fee in connection with this transaction other than the fee of Kalil & Co., the payment of which shall be the responsibility of Seller at Closing.

2.17 Disclosure. This Agreement and the documents made pursuant hereto do not and will not contain any untrue statement of material fact or omit to state a material fact required to be made in order to make the statements herein and therein not misleading in light of the circumstances in which they are made.

ARTICLE 3: BUYER REPRESENTATIONS AND WARRANTIES

Buyer represents and warrants to Seller as follows:

3.1 Organization. Buyer is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and if such qualification is necessary, is (or will be at Closing) qualified to do business in each jurisdiction in which the Stations Assets are located. Buyer has the requisite power and authority to execute, deliver and perform this Agreement and the documents to be made pursuant hereto.

3.2 Authority. The execution, delivery and performance of this Agreement and the documents to be made pursuant hereto have been duly authorized and approved by all necessary action of Buyer (the "Buyer Authorization") and will not at Closing require any further authorization or consent of Buyer. This Agreement and the documents to be made pursuant hereto are legal, valid and binding agreements of Buyer enforceable in accordance with their respective 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, delivery and performance by Buyer of this Agreement and the documents to be made pursuant hereto do not conflict with any organizational documents of Buyer or any law, judgment, order, or decree to which Buyer is subject, and do not require the consent, approval or authorization, or filing with, any third party or any court or governmental authority that has not been obtained or will not be obtained prior to Closing, except the FCC Consent.

3.4 Qualification. Buyer is qualified to hold the FCC Licenses under the Communications Act and the rules, regulations and policies of the FCC, as they exist on the date of this Agreement, including, but not limited to FCC multiple ownership restrictions. Prior to execution of this Agreement, Buyer has delivered to Seller a copy of an engineering study demonstrating compliance with Title 47 CFR Section 73.3555.

3.5 No Finder. Except as previously disclosed by Buyer to Seller, 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. Payment of any broker engaged by Buyer shall be Buyer's sole cost and expense.

ARTICLE 4: SELLER COVENANTS

4.1 Covenants. From the date hereof until Closing, Seller shall:

(a) operate the Stations in the ordinary course of business consistent with past practice and keep its books and accounts, records and files in the ordinary course, and preserve the business and goodwill of the Stations and the Stations Assets (including, without limitation, using commercially reasonable efforts to retain employees, advertisers, customers and vendors);

(b) operate the Stations in accordance with the terms of the FCC Licenses and in compliance in all material respects with the Communications Act, FCC rules, regulations and policies, and all other applicable laws, rules and regulations, and maintain the FCC Licenses in full force and effect;

(c) Seller shall not, without the prior written consent of Buyer:

(i) sell, lease or otherwise dispose of any Stations Assets except for non-material dispositions in the ordinary course of business of items which are replaced by assets of comparable or superior kind, condition and value;

(ii) create, assume or permit to exist any Liens on the Stations Assets, and not dissolve, liquidate, merge or consolidate with any other entity, except for Permitted Encumbrances and those Liens set forth on *Schedule 1.2* to be released on or prior to Closing;

(iii) increase the compensation or benefits payable to any employee of the Stations, or enter into any employment, labor or union agreement or plan (or amendments of any such existing agreements or plan) that will be binding upon Buyer after Closing, or make or commit to make any payment for severance or bonus to any employee of the Stations that will be binding upon Buyer after Closing;

(iv) modify any of the FCC Licenses; or

(v) (except for contracts for advertising) amend or terminate any of the Stations Contracts, or enter into any contract, lease or agreement with respect to the Stations.

(d) Notwithstanding the foregoing, Seller and Buyer acknowledge that they are concurrent with this Agreement entering into a Local Marketing Agreement ("LMA") scheduled to commence on or about October 15, 2016. Seller may, without causing a default or violation of any term or provision of this agreement, file a request with the FCC upon execution of this Agreement for silent authority ("Silent STA"). The Station may remain under Silent STA until such time as the LMA commences, at which time Seller will notify the FCC of resumption of licensed operations.

ARTICLE 5: JOINT COVENANTS

5.1 Confidentiality. Subject to the requirements of applicable law, all non-public information regarding the parties and their business and properties that is disclosed in connection with the negotiation, preparation or performance of this Agreement shall be confidential and shall not be disclosed to any other person or entity, except on a confidential basis to the parties' attorneys, accountants, investment bankers, investors and lenders, and their respective attorneys for the purpose of consummating the transaction contemplated by this Agreement.

5.2 Announcements. Prior to the filing of the FCC Application, no party shall, without the prior written consent of the other, issue any press release or make any other public announcement or disclose privately to any other person information concerning the transactions contemplated by this Agreement, except to the extent that such party is so obligated by law, in which case such party shall give advance notice to the other, and except as necessary to enforce rights under or in connection with this Agreement. Notwithstanding the foregoing, the parties acknowledge that this Agreement and the terms hereof will be filed with the FCC Application and thereby become public.

5.3 Control. Until the Closing, control, supervision and direction of the operation of the Stations prior to Closing shall remain the responsibility of Seller as the holder of the FCC Licenses.

5.4 Risk of Loss. The risk of loss of or damage to any of the Stations Assets shall remain with Seller at all times until 12:01 a.m. local time on the day of Closing, and prior to Closing, Seller shall repair and replace any and all lost or damaged Stations Assets.

5.5 Broadcast Interruption. If prior to Closing, any of the Stations are off the air or operating at a power level that results in a material reduction in coverage (a "Broadcast Interruption"), then Seller shall return such Station to the air and restore prior coverage as promptly as possible. Notwithstanding anything herein to the contrary, if prior to Closing there is a Broadcast Interruption in excess of twenty-four (24) hours, then Buyer may postpone Closing until the date five (5) business days after such Station returns to the air and prior coverage is restored in all material respects, subject to Section 10.1.

5.6 Consents. Prior to Closing, Seller shall obtain the Consents (defined below), each in a form reasonably acceptable to Buyer. To the extent that any Stations Contract may not be assigned without the consent of any third party, and such consent is not obtained prior to Closing, this Agreement and any assignment executed at Closing pursuant hereto shall not constitute an assignment thereof, but to the extent permitted by law shall constitute an equitable assignment by Seller and assumption by Buyer of Seller's rights and obligations under the applicable Stations Contract, with Seller making available to Buyer the benefits thereof and Buyer performing the obligations thereunder on Seller's behalf (the "Consents").

5.7 Employees.

Buyer may offer post-Closing employment to the employees of the Stations. With respect to employees of the Stations hired by Buyer ("Eligible Employees"), Seller shall be responsible for all compensation and benefits arising prior to Closing (in accordance with Seller's employment terms), and Buyer shall be responsible for all compensation and benefits arising after Closing (in accordance with Buyer's employment terms). At or prior to Closing, Seller shall pay each Eligible Employee for all unused vacation time accrued as of Closing, and Buyer shall have no obligation to provide or give credit for such time or leave to such employees.

5.8 Real Property. Buyer may, at its expense, obtain customary title commitments and surveys with respect to the Real Property. Seller shall cooperate with any reasonable requests by the title company and shall provide access for such surveys upon reasonable prior notice. If any title commitment or survey discloses an encroachment or a Lien that is not a Permitted Encumbrance, then Seller shall remove such encroachment or Lien by Closing.

5.9 Final Order-Unwinding of Transaction Under Certain Conditions.

(a) For purposes of this Agreement, the term “Final Order” shall mean that action shall have been taken by the FCC (including action duly taken by the FCC’s staff, pursuant to delegated authority) which shall not have been reversed, stayed, enjoined, set aside, annulled or suspended; with respect to which no timely request for stay, petition for rehearing, appeal or certiorari or *sua sponte* action of the FCC with comparable effect shall be pending; and as to which the time for filing any such request, petition, appeal, certiorari or for the taking of any such *sua sponte* action by the FCC shall have expired or otherwise terminated.

(b) If Closing occurs prior to a Final Order, and prior to becoming Final the FCC Consent is reversed or otherwise set aside, and there is a Final Order of the FCC (or court of competent jurisdiction) requiring the re-assignment of the FCC Licenses to Seller, then the purchase and sale of the Stations Assets shall be rescinded. In such event, Buyer shall reconvey to Seller the Stations Assets, in as good condition as on the Closing Date, reasonable wear and tear excepted, and Seller shall repay to Buyer the Purchase Price, terminate the Noncompete Covenant and reassume the Assumed Obligations.

(c) Any such rescission shall be consummated on a mutually agreeable date within thirty (30) days following such Final Order (or, if earlier, within the time required by such order). In connection therewith, Buyer and Seller shall each execute such documents (including execution by Buyer of instruments of conveyance of the Stations Assets to Seller and execution by Seller of instruments of assumption of the Assumed Obligations) and make such payments (including repayment by Seller to Buyer of the Purchase Price) as are necessary to give effect to such rescission.

ARTICLE 6: SELLER CLOSING CONDITIONS

The obligation of Seller to consummate Closing is subject to satisfaction of the following conditions at or prior to Closing:

6.1 Proceedings. Neither Seller nor Buyer shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

6.2 FCC Consent. The FCC Consent shall have been granted.

6.3 Deliveries. Buyer shall have made the deliveries to be made by it at Closing under this Agreement.

ARTICLE 7: BUYER CLOSING CONDITIONS

The obligation of Buyer to consummate Closing is subject to satisfaction of the following conditions at or prior to Closing:

7.1 Proceedings. Neither Seller nor Buyer shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

7.2 FCC Consent. The FCC Consent shall have been granted, or, in event that an objection was filed against the FCC Application, shall have become a Final Order.

7.3 Deliveries. Seller shall have made the deliveries to be made by it at Closing under this Agreement.

7.4 Consents. The Consents shall have been obtained. The Consents shall include, but not be limited to the Consents of the Bank, any secured creditor of the Seller, or any other creditor of the Seller.

7.5 Liens. Any Liens that are not Permitted Encumbrances shall have been released or payoff letters agreeing to release said Liens shall have been delivered by the lienholders.

7.6 Leases. Prior to Closing, Buyer shall have received Consents from any landlord under any lease of the Stations assigned to the Buyer or a new lease under terms acceptable to the Buyer.

ARTICLE 8: CLOSING DELIVERIES

8.1 Seller Deliveries. At Closing, Seller shall deliver or cause to be delivered to Buyer:

- (a) a copy of the Seller Authorization;
- (b) an Assignment of FCC Licenses assigning the FCC Licenses to Buyer;
- (c) an Assignment and Assumption of Contracts assigning the Stations Contracts to Buyer;
- (d) an Assignment and Assumption of the Leases and deeds of conveyance of title to the Real Property (if any);
- (e) domain name transfers assigning the Stations' domain names from Seller to Buyer following customary procedures of the domain name administrator;
- (f) endorsed vehicle title conveying the vehicle included in the Tangible Personal Property to Buyer (if any);

- (g) a bill of sale conveying the Stations Assets to Buyer;
- (h) The Consents shall have been obtained;
- (i) customary payoff letters and other appropriate documents necessary to release all Liens on the Stations Assets; and
- (j) any other documents and instruments of conveyance, assignment and transfer that may be reasonably necessary to convey, transfer and assign the Stations Assets to Buyer, free and clear of Liens.

8.2 Buyer Deliveries. At Closing, Buyer shall deliver to Seller:

- (a) the Purchase Price in accordance with the terms of this Agreement;
- (b) a copy of the Buyer Authorization;
- (c) an Assignment and Assumption of Contracts assuming the obligations arising after Closing under the Stations Contracts;
- (d) an Assignment and Assumption of the Leases (if any); and
- (e) any other documents and instruments of assumption that may be reasonably necessary to assume the Assumed Obligations.

ARTICLE 9: SURVIVAL AND INDEMNIFICATION

9.1 Survival. The representations and warranties in this Agreement shall survive Closing for a period of one (1) year from the Closing Date at which time they shall expire and be of no further force or effect, except (a) those with respect to title to the Stations Assets, which shall survive indefinitely, and (b) that if within such applicable period the indemnified party gives the indemnifying party written notice of a claim for breach thereof describing in reasonable detail the nature and basis of such claim, then such claim shall survive until the resolution of such claim. The covenants and agreements in this Agreement shall survive Closing until performed. No investigation by the parties made heretofore or hereafter shall affect the representations and warranties of the parties contained in or made pursuant hereto.

9.2 Indemnification.

(a) From and after Closing, and for eighteen (18) months thereafter, Seller shall defend, indemnify and hold harmless Buyer from and against any and all losses, costs, damages, liabilities and expenses ("Damages") incurred by Buyer arising out of or resulting from:

- (i) any material breach by Seller of its representations and warranties under this Agreement;

- (ii) any material default by Seller of its covenants and agreements under this Agreement;
- (iii) the Retained Liabilities; and
- (iv) without limiting the foregoing, the business or operation of the Stations prior to Closing (including any third party claim arising from such operations).

Notwithstanding the foregoing or anything else herein to the contrary, after Closing, (A) Seller shall have no liability to Buyer under Section 9.2(a)(i) until Buyer's aggregate Damages exceed \$10,000 (the "Basket") (at which point Seller shall be liable for all Damages incurred by Buyer Indemnified Parties, including the Basket) and (B) the maximum aggregate liability of Seller under Section 9.2(a)(i) shall be \$50,000 (the "Cap").

(b) From and after Closing, Buyer shall defend, indemnify and hold harmless Seller from and against any and all Damages incurred by Seller arising out of or resulting from:

- (i) any breach by Buyer of its representations and warranties under this Agreement;
- (ii) any default by Buyer of its covenants and agreements under this Agreement;
- (iii) the Assumed Obligations; and
- (iv) without limiting the foregoing, the business or operation of the Stations after Closing (including any third party claim arising from such operations).

Notwithstanding the foregoing or anything else herein to the contrary, after Closing, (A) Buyer shall have no liability to Seller under Section 9.2(b)(i) until Seller's aggregate Damages exceed the Basket (at which point Buyer shall be liable for all Damages incurred by Seller including the Basket) and (B) the maximum aggregate liability of Buyer under Section 9.2(b)(i) shall be an amount equal to the Cap.

9.3 Procedures.

(a) The indemnified party shall give prompt written notice to the indemnifying party of any demand, suit, claim or assertion of liability by a third party that is subject to indemnification hereunder (a "Claim").

(b) The indemnifying party shall have the right to undertake the defense or opposition to such Claim with counsel reasonably satisfactory to the parties. In the event that the indemnifying party does not undertake such defense or opposition in a timely manner, the indemnified party may undertake the defense, opposition,

compromise or settlement of such Claim with counsel selected by it at the indemnifying party's cost.

(c) Notwithstanding anything herein to the contrary:

(i) the indemnified party shall have the right, at its own cost and expense, to participate in the defense, opposition, compromise or settlement of any Claim, and shall have the right to consult with the indemnifying party and its counsel concerning any Claim, and the indemnifying party and the indemnified party shall cooperate in good faith with respect to any Claim; and

(ii) the indemnifying party shall not, without the indemnified party's written consent, settle or compromise any Claim or consent to entry of any judgment which does not include a release of the indemnified party from all liability in respect of such Claim.

ARTICLE 10: TERMINATION AND REMEDIES

10.1 Termination. This Agreement may be terminated prior to Closing as follows:

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

(b) by written notice of Buyer to Seller if Seller:

(i) does not perform the obligations required to be performed by it under this Agreement on the Closing Date; or

(ii) otherwise breaches in any material respect any of its representations or warranties or defaults in any material respect in the performance of any of its covenants or agreements contained in this Agreement and such breach or default is not cured within the Cure Period (defined below);

(c) by written notice of Seller to Buyer if Buyer:

(i) does not perform the obligations required to be performed by it under this Agreement on the Closing Date, all conditions to its obligation to do so having been satisfied or waived; or

(ii) otherwise breaches in any material respect any of its representations or warranties or defaults in any material respect in the performance of any of its covenants or agreements contained in this Agreement and such breach or default is not cured within the Cure Period;

(d) by written notice of Buyer to Seller, or of Seller to Buyer, if the FCC denies the FCC Application; or

(e) by written notice of Buyer to Seller, or of Seller to Buyer, if Closing does not occur by the date 180 days after the date of this Agreement.

The term “Cure Period” as used herein means a period commencing the date Buyer or Seller receives from the other written notice of breach or default hereunder and continuing until the earlier of (1) fifteen (15) days thereafter or (2) the Closing Date. 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. Notwithstanding anything contained herein to the contrary, Sections 1.7 (Deposit), 5.1 (Confidentiality), 5.2 (Announcements) and 11.1 (Expenses) shall survive any termination of this Agreement.

10.2 Specific Performance. In the event of a breach or threatened breach by Seller of any representation, warranty, covenant, obligation or agreement under this Agreement, as its exclusive remedy, Buyer shall be entitled to an injunction restraining any such breach or threatened breach and to enforcement of this Agreement by a decree of specific performance requiring Seller to fulfill its obligations under this Agreement, in each case without the necessity of showing economic loss or other actual damage and without any bond or other security being required.

ARTICLE 11: MISCELLANEOUS.

11.1 Expenses. Each party shall be solely responsible for all costs and expenses incurred by it in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement, except that all fees applicable to the request for FCC Consent shall be shared equally by Buyer and Seller.

11.2 Further Assurances. After Closing, each party hereto shall execute all such instruments and take all such actions as any other party may reasonably request, without payment of further consideration, to effectuate the transactions contemplated by this Agreement, including, without limitation, the execution and delivery of confirmatory and other transfer documents in addition to those to be delivered at Closing.

11.3 Assignment. This Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective successors and permitted assigns. Without the consent of the other party, neither party may assign any of its rights or delegate any of its obligations hereunder, to any other person and any such attempted assignment or delegation without such consent shall be void. Seller expressly consents to the assignment of any rights, contracts, and licenses to LHTC Media of West Virginia, Inc.

11.4 Notices. Any notice pursuant to this Agreement shall be in writing and shall be deemed delivered on the date of personal delivery or confirmed delivery by a nationally recognized overnight courier service, or on the third (3rd) day after prepaid mailing by certified U.S. mail, return receipt requested, and shall be addressed as follows (or to such other address as any party may request by written notice):

if to Seller:

Spectrum Radio Management, LLC
450 Leonard Ave
Fairmont, WV 26554

Attention: Nick Fantasia, General Manager

if to Buyer:

Laurel Highland Total Communications, Inc.
4157 Main Street
P.O. Box 168
Stahlstown, PA 15697
Attention: James J. Kail, Pres. & CEO

with a copy to:

McDonald Snyder, P.C.
1004 Ligonier Street
Latrobe, Pennsylvania 15650
Attention: Donald J. Snyder, Jr., Esquire

11.5 Severability. If any court or governmental authority holds any provision in this Agreement invalid, illegal or unenforceable under any applicable law, then, so long as no party is deprived of the benefits of this Agreement in any material respect, this Agreement shall be construed with the invalid, illegal or unenforceable provision deleted and the validity, legality and enforceability of the remaining provisions contained herein shall not be affected or impaired thereby.

11.6 Governing Law. The construction and performance of this Agreement shall be governed by the laws of the State of West Virginia without giving effect to the choice of law provisions thereof.

11.7 Miscellaneous. No amendment or waiver of compliance with any provision hereof or consent pursuant to this Agreement shall be effective unless in a writing signed by the party against whom enforcement of such amendment, waiver, or consent is sought. This Agreement constitutes the entire agreement and understanding of the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings with respect to the subject matter hereof. Nothing in this Agreement expressed or implied is intended or shall be construed to give any rights to any person or entity other than the parties hereto and their respective successors and permitted assigns. This Agreement may be executed in separate counterparts, each of which shall be deemed to be an original and all of which together constitute one and the same agreement.

11.8 Schedules. The parties agree that the Schedules shall be completed within thirty (30) days of the execution of this Agreement.

[SIGNATURE PAGE FOLLOWS]

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first set forth above.

SELLER:

SPECTRUM RADIO FAIRMONT, LLC

By: 

Name: Alan Michaels
Title: Managing Member

BUYER:

LAUREL HIGHLAND TOTAL
COMMUNICATIONS, INC.

By: 

Name: James J. Kail
Title: President & CEO