

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT, is made this ____ day of May, 2011, by and between United States CP, LLC, a Delaware limited liability company ("Buyer"), and Exodus Broadcasting, LLC, a Colorado limited liability company ("Seller").

W I T N E S S E T H:

WHEREAS, Seller holds radio broadcast licenses issued by the Federal Communications Commission ("FCC") for, and is the owner of certain other assets used and useful in the operation of KIQN(FM), Pueblo, Colorado (Facility ID No. 25526), and KWRP(AM), Pueblo, Colorado (Facility ID No. 69871) (the "Stations"); and

WHEREAS, Seller desires to sell or assign all right, title and interest in the Stations and related assets, including but not limited to the assignment of the licenses of the Stations, to Buyer; and

WHEREAS, Buyer desires to acquire the Stations and certain related assets, including but not limited to the assignment of the licenses of the Stations under the terms and conditions stated herein; and

WHEREAS, Buyer and Seller have entered into a Time Brokerage Agreement ("TBA") for the Stations; and

WHEREAS, the consummation of this Agreement is subject to the prior consent of the FCC;

NOW, THEREFORE, in consideration of the mutual covenants and conditions herein contained, it is hereby agreed as follows:

SECTION 1 ASSETS TO BE SOLD

1.1 On the Closing Date (defined below), Seller shall sell, assign, transfer, convey, set over, and deliver to Buyer, and Buyer shall purchase and/or accept assignment of the following (hereinafter collectively the "Assets"):

1.1.1 **Authorizations.** All licenses, permits and authorizations issued or granted by the Commission for the operation of, or used in connection with the operation of the Stations (hereinafter "Commission Authorizations") as listed in Schedule 1.1.1.

1.1.2 **Tangible Personal Property.** All of Seller's rights in and to the fixed and tangible personal property used in the transmission of the Stations' signals and located at the Stations' transmitter sites and main studio (the "Sites"), including, but not limited to the physical assets and equipment, leasehold improvements, fixtures, receivers, transmitters, switches and related equipment listed in Schedule 1.1.2, together with replacements, additions and alterations,

and substitutions made between the date hereof and the Closing Date (hereinafter collectively the “Tangible Personal Property”).

1.1.3 Contracts and Leases. All Seller’s rights to and in the contracts and leases listed on Schedule 1.1.3, together with all amendments, extensions or renewals entered into by the Seller between the date hereof and the Closing Date in accordance with the terms and provisions of this Agreement.

1.1.4 Intangibles. All right, title and interest of Seller in and to the Stations’ call signs together with other intangible property of Seller used or useful in the operation of or otherwise pertaining to the Stations as set forth on Schedule 1.1.4 attached hereto and made a part hereof (hereinafter collectively the “Intangibles”).

1.1.5 Real Property. All of Seller’s real property used or held for use in the operation of the Stations (including any appurtenant easements and improvements located thereon), listed on Schedule 1.1.5 (the “Real Property”).

1.1.6 Business Records. All of Seller’s financial records, engineering reports, computing software, marketing data, ledger sheets, customer lists and business and personnel records relating solely to the business or operation of the Stations (hereinafter collectively “Business Records”) or to assets or agreements purchased by Buyer.

1.2 Excluded Assets. The Assets shall not include the following assets along with all rights, title and interest therein (hereinafter collectively “Excluded Assets”):

1.2.1 All cash, cash equivalents or similar type investments of Seller, such as certificates of deposit, Treasury bills and other marketable securities on hand and/or in banks.

1.2.2 All tangible and intangible personal property disposed of or consumed in the ordinary course of business between the date of this Agreement and the Closing Date, or as permitted under the terms hereof.

1.2.3 Any and all agreements of Seller with third parties other than the contracts and leases listed on Schedule 1.1.3.

1.2.4 Seller’s minute books, charter documents, stock record books and such other books and records as pertaining to the organization, of Seller, as well as any other records or materials relating to Seller generally and not involving specific aspects of the Stations’ operations.

1.2.5 Contracts of insurance, including the cash surrender value thereof, and all insurance proceeds or claims made by Seller relating to property or equipment repaired, replaced or restored by Seller prior to the Closing Date.

1.2.6 Any and all other claims made by Seller with respect to transactions prior to the Closing Date and the proceeds thereof to the extent the Stations has been made whole for

any loss or damage they or their assets may have suffered or incurred as a result of the item, event or occurrence giving rise to such claim.

1.2.7 All pension, profit sharing or cash or deferred (Section 401(k)) plans and trusts and the assets thereof and any other employee benefit plan or arrangement and the assets thereof, if any, maintained by Seller; and any employment contracts pertaining to Seller's employees

1.2.8 **Accounts Receivable.** Subject to the terms of the TBA, the Accounts Receivable of Seller for the Stations.

SECTION 2 CONSIDERATION

2.1 **Consideration.** In consideration of Seller's performance of this Agreement, the sale, assignment, transfer, conveyance, setting over, and delivery of the Assets as defined hereinabove to Buyer (the "Consideration"), on the Closing Date, as further detailed on Schedule 2.1, (i) Buyer will assume that certain loan owed by Seller to Metropolitan Radio Group, Inc. (Metropolitan Loan), identified in Schedule 2.1 and (ii) Seller shall be entitled to payments from Buyer equal to ten percent (10%) of all of the Buyers profits from the Stations after Buyer has had its capital plus eight percent (8%) on that capital returned to it as set forth in Schedule 2.1. Seller further agrees to cooperate in any Buyer efforts to negotiate the payoff the Metropolitan Loan. Seller shall be entitled to review and/or audit annually the profit and loss and books related to the Stations' operations.

2.2 **Allocation.** Prior to the Closing Date, the parties agree to allocate the Consideration in accordance with the requirements of Section 1060 of the Internal Revenue Code of 1986. In the event that the parties are unable to reach such an agreement prior to the Closing Date, they will select a qualified, independent and nationally recognized appraiser of broadcast properties and that firm's decision shall be binding upon the parties and the fees and expenses shall be borne equally by Buyer and Seller. The parties also agree to use such Consideration allocation in completing and filing Internal Revenue Code Form 8594 for federal income tax purposes.

SECTION 3 ADJUSTMENTS

3.1 **Adjustment Time.** The "Adjustment Time" as used herein shall be 12:01 A.M. current local time on the Closing Date.

3.2 **Adjustment Items.** The following items (the "Adjustment Items") shall be prorated as of the Adjustment Time, assuming a 365-day year or a 30-day or 31-day month, as appropriate, and monies shall be paid at Closing.

3.2.1 Rentals or other charges, payable or paid in respect to the any contracts or leases listed on Schedule 1.1.3.

3.2.2 Real and personal property taxes and assessments (including sewerage assessments and fees), levied or assessed against or otherwise paid or payable with respect to any of the Assets.

3.2.3 Charges for utilities (including but not limited to electricity or fuel used at the Sites.

3.2.4 Security deposits, if any.

3.2.5 If the amount of any real or personal property tax to be prorated is not known on the Closing Date, such tax shall be apportioned on the basis of the most recent tax assessment.

3.2.6 All FCC filing fees and regulatory fees.

3.3 **Adjustments After Closing Date.** If the amount of any items to be adjusted cannot be readily ascertained or agreed upon on the Closing Date, proration of such items shall be determined within thirty (30) days after the Closing Date and payment therefor shall be made to the party entitled thereto within five (5) days after notice of such determination thereof has been given to Buyer or Seller, as the case may be. In the event of any disputes between the parties as to adjustments, the amounts not in dispute shall nonetheless be paid at the time provided in this Section and such disputes shall be determined by an independent certified public accountant mutually acceptable to the parties. The accountant's resolution of the dispute shall be final and binding on the parties, and a judgment may be entered thereon in any court of competent jurisdiction. The fees and expenses of such accountant shall be paid one-half by Seller and one-half by Buyer.

SECTION 4 APPLICATION TO AND CONSENT BY COMMISSION

4.1 **Commission Consent.** Consummation of the purchase and sale provided for herein and the performance of the obligations of Seller and Buyer under this Agreement are subject to the condition that the Commission shall have given its consent in writing, without any condition materially adverse to Buyer or Seller, to the assignment of the Commission Authorizations and all other authorizations to Buyer. Such consent shall have become final (i.e. no longer subject to administrative or judicial review); provided, however, Buyer may waive finality as a precondition of Closing.

4.2 Application for Commission Consent.

4.2.1 Seller and Buyer agree to proceed expeditiously and with due diligence and to use their best efforts and to cooperate with each other in seeking the Commission's approval of the transactions contemplated hereunder. Within ten (10) days after the date of the execution of this Agreement, the parties shall jointly prepare and file with the Commission an application seeking Commission approval of the assignment including all information, data,

exhibits, resolutions, statements, and other materials necessary and proper in connection with such application (the "Assignment Application"). Each party further agrees expeditiously to prepare Assignment Application amendments whenever such amendments are required by the Commission or its rules.

4.2.2 Except as otherwise provided herein, each party will be solely responsible for the expenses incurred by it in the preparation, filing and prosecution of its respective portion of the Assignment Application. The filing fee for the Assignment Application shall be paid one-half by Seller and one-half by Buyer.

4.2.3 Each party agrees to comply with any condition imposed on it by the Commission, except that no party shall be required to comply with a condition that would have a material adverse effect upon it unless the condition was imposed as the result of a circumstance which constitutes a breach by that party of any of its representations, warranties, or covenants in this Agreement. Buyer and Seller shall oppose any efforts for reconsideration or judicial review of the grant by the Commission of the Assignment Application (but nothing in this Section shall limit any party's right to terminate this Agreement pursuant to Section 16 of this Agreement).

4.3 **Notice of Application.** Seller shall, at its expense, give due notice of the filing of the Assignment Application by broadcasting on the Stations, and by such other means as may be required by the rules and regulations of the Commission.

4.4 **Delay in Approval of Application.** Either party at its option may terminate this Agreement by five (5) business days prior written notice to the other party at any time after one (1) year after the date of this Agreement if Closing has not occurred within that time, provided that the party requesting termination is not the cause of the Commission failing to timely grant the Assignment Application. In the event of such termination, each party shall bear its own expenses.

SECTION 5 ASSUMPTIONS

5.1 **Buyer's Assumed Obligations.** Buyer will not assume or perform or be expected to assume or perform any agreement, contract or lease of Seller, other than those listed on Schedule 1.1.3, whether in writing or otherwise, and Seller indemnifies and holds Buyer harmless with respect to any claim arising under such a non-assumed agreement, contract or lease.

5.2 **Seller's Liability.** Seller shall remain liable for and covenants to pay, satisfy, or discharge, all liabilities, payments, obligations, and duties under (a) the contracts and leases listed on Schedule 1.1.3 accruing prior to or by reason of events occurring prior to the Closing Date, and (b) all agreements not being transferred to Buyer no matter when the obligations occur.

5.3 **Exceptions.** Except as expressly provided in this Agreement, Buyer is not assuming, and will not be liable for or pay, and Seller shall remain solely responsible for and shall pay or discharge, any and all claims for any payables, liabilities or other obligations of

Seller, existing or hereafter arising, fixed or contingent, including any liabilities to any governmental authority for taxes, interest or penalties of any kind, to any suppliers for inventory or equipment purchased by Seller or any product liability or similar claims. If any such liabilities are outstanding as of Closing, all of such amounts shall be paid by Seller in full simultaneously with Closing.

SECTION 6 REPRESENTATIONS AND WARRANTIES OF SELLER

6.1 Organization and Standing.

6.1.1 Seller is a limited liability company validly existing and in good standing under the laws of the State of Colorado. Seller has the full power to own the assets and to carry on the business of the Stations as it now is being conducted.

6.1.2 Seller has the full power and authority to enter into this Agreement and all of Seller's Closing Documents that require Seller's signature. The execution, delivery and performance of this Agreement (as of the date of execution of this Agreement and on the Closing Date) and the Seller's Closing Documents (on the Closing Date) are or will be authorized by all necessary action of Seller.

6.2 **Binding Effect of Agreement.** This Agreement constitutes a valid and binding obligation of Seller and is enforceable against Seller in accordance with the terms of this Agreement. Upon execution, the Seller's Closing Documents will constitute valid and binding obligations of Seller and be enforceable in accordance with their terms. The execution, delivery, and performance of this Agreement or any of the Closing Documents does not violate any provision of the Articles of Organization or By-laws of Seller, or any contract provision or other commitment to which Seller, or any of its officers or directors or the Stations is a party or under which it or its property is bound, or any judgment or order, and will not result in the creation or imposition of any lien, charge, security interest, or encumbrance of any nature whatsoever upon any of the Assets.

6.3 **Business Records and Financial Statements.** Seller has maintained the Business Records of the Stations in the usual, regular and ordinary manner in accordance with good business practices.

6.4 Tangible Personal Property.

6.4.1 **Schedule of Tangible Personal Property; Good Title.** Schedule 1.1.2 attached hereto accurately lists all the material Tangible Personal Property owned, leased, or otherwise held by the Stations and/or Seller, which is intended to be conveyed hereunder, except as disclosed in Schedule 1.1.2. Seller is the owner of, and at Closing will have good, clear, marketable, and indefeasible title to, all of the Tangible Personal Property listed in Schedule 1.1.2, free and clear of all liens, charges, encumbrances, restrictions, debts, demands, or claims of any kind or nature whatsoever.

6.4.2 Lien Search Reports. Within thirty (30) days prior to the Closing Date, Seller will provide to Buyer UCC, judgment and state and federal tax lien search reports (showing searches in the names of Seller and the call letters of the Stations) for the Secretary of State of Colorado showing that there are no liens outstanding against Seller or the Assets (the “Lien Search Reports”). Buyers attorney will process these reports.

6.4.3 Condition of Tangible Personal Property. The Tangible Personal Property listed in Schedule 1.1.2 is now or will at Closing be in satisfactory condition and repair consistent with its current use and available for use in the conduct of business and operations of the Stations.

6.5 Contracts and Leases. Schedule 1.1.3 accurately describes the all contracts and leases that Buyer is assuming. These contracts and leases are in full force and effect and are valid, binding, and enforceable in accordance with their terms, and Seller has duly performed all of its material obligations under such contracts and leases. To the best of Seller’s knowledge, there is no default by or claim of default against Seller or any other party to such contracts or leases, or any event or circumstance that with the passage of time or the giving of notice or both would result in a default by Seller or any other party, or any notice of termination existing with respect to any of such contracts or leases. The contracts and leases are assignable to Buyer on the same terms and conditions as Seller now enjoys.

6.6 Authorizations.

6.6.1 Seller is the holder of all licenses, permits, and authorizations necessary to operate the business of the Stations as it now is being conducted, including, without limitation, all Commission Authorizations listed in Schedule 1.1.1. All such Commission Authorizations are validly existing authorizations for the operation of the facilities described therein under the Communications Act of 1934, as amended. Except as noted in Schedule 6.6.1, there is no action pending nor to Seller’s knowledge, threatened, before the Commission or other body to revoke, refuse to renew, suspend or modify any of the Commission Authorizations, or any action which may result in the denial of any pending applications, the issuance of any cease and desist orders, or the imposition of any administrative sanctions whatsoever with respect to the Stations or its operation, except as required to transfer same to Buyer.

6.6.2 All material reports, applications and other documents required to be filed by Seller with the Commission or any other administrative body with respect to the Stations or its operations have been filed and all such reports, applications and documents are true and correct in all material respects. There are no matters that might result in the suspension or revocation of any Commission Authorizations or any other authorization pertaining to the Stations.

6.7 Litigation; Compliance With Law. The Stations is in compliance in all material respects with all applicable federal, state and local laws, ordinances and regulations, including compliance with the Communications Act and all rules and regulations issued thereunder. Except as noted in Schedule 6.7, other than proceedings affecting the broadcasting industry in general, there is no complaint, claim, litigation, investigation, or judicial, administrative, or other

proceeding of any nature, including, without limitation, a grievance, arbitration, or insolvency or bankruptcy proceeding, pending, or to the best of Seller's knowledge, threatened, against the Stations, Seller, or any of the Assets being sold or transferred to Buyer, including, without limitation, any proceeding which may (a) adversely affect the Assets or the Commission Authorizations to be assigned hereunder, or the operation of the Stations, or the ability of Buyer to own and operate the Stations, or the use, ownership, or operation of any of the Assets by Buyer, (b) restrain or enjoin the Closing or the consummation of the transactions contemplated hereby, or (c) result in the revocation, modification or suspension of the Commission Authorizations, or the issuance or imposition of any administrative sanction that might adversely affect the Assets or the Commission Authorizations, or the operation of the Stations or the ability of Buyer to own and operate the Stations or the use, ownership, or operation of any of the Assets by Buyer. In addition, to Seller's knowledge, no such litigation, investigation, or proceeding has been threatened. Seller will give Buyer prompt notice of its discovery of any such basis or the institution or the threat of any such litigation, investigation, or proceeding. Seller is not in default in respect to any judgment, order, writ, injunction, decree, rule, or regulation of any applicable court or governmental body, which default could have a materially adverse effect on the Assets or the Stations.

6.8 Employees. Buyer shall have no obligation to employ any of Seller's employees. Seller indemnifies and holds Buyer harmless with respect to any claims brought against Buyer by Seller's employees for loss of wages, unlawful discharge, back pay, vacation pay, benefits of any type, unemployment compensation or any other matter related to such employee or employees' employment by the Stations, or their discharge from employment.

6.9 Taxes and Other Matters.

6.9.1 Payment of Taxes. All returns and reports concerning franchise taxes, unemployment insurance, withholding and payroll taxes, sales taxes, personal property taxes, license taxes, social security taxes, and all other reports required to have been filed by the Seller relating to the Assets, the Stations, and/or their operation pursuant to any law or regulation have been duly filed, and all taxes, interest, assessments, and penalties which are due to any taxing authority, federal, state, or local, with respect to any tax period ending on or prior to the making of this warranty have been duly paid.

6.9.2 Insolvency Proceedings. No insolvency proceedings of any kind, including without limitation bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary, affecting Seller or the Purchased Assets are pending or threatened. Seller has not made an assignment for the benefit of creditors or taken any action with a view to, or that would constitute a valid basis for, the institution of any such insolvency proceedings.

6.9.3 No Untrue Statements or Omission. No representation or warranty made by Seller in this Agreement or any Schedule, exhibit, statement, certificate, or other document heretofore or hereafter furnished by Seller, or on its behalf, to Buyer and pursuant to this Agreement or in connection with the transactions contemplated hereby contains or will contain any knowingly untrue statement or knowingly omits to state a material fact necessary to

make the statements contained therein not misleading. All representations and warranties of Seller set forth in this Agreement shall be true, complete and accurate in all material respects as of the Closing Date as if made on that date.

6.9.4 Environmental Matters. No hazardous or toxic substance or waste regulated under any applicable environmental, health or safety law has been generated, stored, transported or released on, in, from or to the Real Property included in the Assets. Seller is aware of no claims or investigations relating to environmental contamination of the Real Property. None of the equipment comprising the Tangible Personal Property contains asbestos or PCBs, and Seller does not own or operate any fuel storage tank on the Sites or Real Property. Seller has complied in all material respects with all environmental, health and safety laws applicable to the Stations and with any permits or licenses required pursuant to such laws and regulations.

6.10 Real Property. Schedule 1.1.5 contains a description of the Real Property. Seller has good and marketable fee simple title to the Real Property, free and clear of liens. The Real Property includes sufficient access to the Stations' facilities. To Seller's knowledge, the Real Property is not subject to any suit for condemnation or other taking by any public authority.

SECTION 7

WARRANTIES, REPRESENTATIONS AND COVENANTS OF BUYER

Buyer covenants, represents, and warrants as follows:

7.1 Organization and Standing. Buyer is a limited liability company validly existing and in good standing under the laws of the State of Delaware. On the Closing Date, Buyer shall have the full power to own the assets and to carry on the business of the Stations as it now is being conducted.

7.2 Authorization and Binding Obligation. Buyer has all necessary power and authority to enter into this Agreement and to execute all of Buyer's Closing Documents that require Buyer's signature. Appropriate resolutions to that effect shall be provided at closing. The execution, delivery and performance of this Agreement (as of the date of execution of this Agreement and on the Closing Date) and the Buyer's Closing Documents (on the Closing Date) are or will be authorized by all necessary action of Buyer. This Agreement constitutes a valid and binding obligation of Buyer enforceable against Buyer in accordance with the terms of this Agreement. Upon execution, the Buyer's closing documents will constitute valid and binding obligations of Buyer enforceable against Buyer in accordance with their terms.

7.3 No Contravention. The execution, delivery and performance of this Agreement or any of Buyer's Closing Documents does not violate any provision of the Articles of Organization or Operating Agreement of Buyer, or any contract provision or other commitment to which Buyer or any of its officers or directors is bound, or any judgment or order.

7.4 Litigation. Except for administrative rule making or other proceedings of general applicability to the broadcast industry, there is no litigation, proceeding, judgment, claim, action,

investigation or complaint, before the Commission, other governmental body, or court, of any nature pending or, to the best of Buyer's knowledge, threatened against or affecting it which would affect Buyer's authority or ability to carry out this Agreement.

7.5 Access. Seller and its authorized representatives shall have, after the Closing Date, the right to obtain, upon prior request, access to originals or copies of all logs, books, relevant records, contracts and documents relating to ownership of the Stations by Seller.

7.6 Buyer's Qualifications. There is no fact that would, under present law (including the Communications Act of 1934, as amended) and the present rules and regulations of the Commission, disqualify Buyer from being the assignee of the Stations or that would delay Commission approval of the Assignment Application. Should Buyer become aware of any such fact, it will so inform Seller and will use its best efforts to remove any such disqualification. Buyer will not take any action that Buyer knows, or has reason to believe, would result in such disqualification.

7.7 Insolvency Proceedings. No insolvency proceedings of any kind, including without limitation bankruptcy, receivership, reorganization, composition, or arrangement with creditors, voluntary or involuntary affecting Buyer are pending or threatened. Buyer has not made any assignment for the benefit of creditors or taken any action with a view to or that would constitute a valid basis for, the institution of any such insolvency proceedings.

7.8 No Untrue Statements or Omission. No representation or warranty made by Buyer in this Agreement or any Schedule, exhibit, statement, certificate, or other document heretofore or hereafter furnished to Seller and pursuant to this Agreement or in connection with the transactions contemplated hereby contains or will contain any knowingly untrue statement or knowingly omits to state a material fact necessary to make the statement contained therein not misleading.

SECTION 8 SELLER'S CONDUCT OF BUSINESS PRIOR TO CLOSING AND BUYER'S ACCESS TO INFORMATION

8.1 Affirmative Covenants of Seller. Subject to the terms of the TBA, from the date of this Agreement until the Closing Date, Seller shall have complete control and supervision of and sole responsibility for the Stations and their operation, and during such period, Seller shall:

8.1.1 Operate the Stations in good faith and, in a manner consistent with the normal and prudent operation of commercial broadcast stations and in accordance with the rules and regulations of the Commission, and the Commission Authorizations.

8.1.2 Keep and preserve the Business Records in accordance with good business practice.

8.1.3 Make reasonable efforts to endeavor to protect the service area of the Stations from interference from other stations, existing or proposed, of which Seller has actual

knowledge, to the extent such interference is prohibited by the Commission's rules and regulations, and promptly give Buyer notice of any proposed interference.

8.1.4 Maintain all of the Tangible Personal Property, as specified in Schedule 1.1.2, so that when the same are delivered to Buyer, they shall satisfy all the warranties in all material respects on the part of Seller set forth herein, subject to reasonable wear and tear.

8.1.5 Maintain the existing inventory levels of the Stations (including spare parts, tubes, equipment and the like) and replace inventory items expended, depleted or worn out.

8.1.6 Give prompt notice to Buyer of any occurrence that comes to Seller's attention that may constitute a misrepresentation, breach of warranty, or non-fulfillment of any covenant or condition on the part of the Seller or Buyer contained in this Agreement.

8.2 **Negative Covenants of Seller.** Between the date of execution of this Agreement and the Closing Date, Seller shall not, with respect to the Assets, the Stations, or the operation thereof, without the consent of Buyer, which consent shall not be unreasonably withheld:

8.2.1 Cancel, modify, alter, amend, encumber, or any way discharge, terminate, or impair any material agreements or leases pertaining to the Stations.

8.2.2 By any act or omission surrender, modify adversely, forfeit, or fail to renew under regular terms the Commission Authorizations with respect to the Stations or give the Commission grounds to institute any proceeding for the revocation, suspension or modification of any such Commission Authorization, or fail to prosecute with due diligence any pending applications with respect to such Commission Authorizations.

8.2.3 Other than in the usual and ordinary course of business, sell or dispose of any of the Assets. Seller shall replace all Assets thus disposed of in the usual and ordinary course of business with assets having an aggregate value at least equal to the aggregate value of the Assets sold or otherwise disposed of.

8.2.4 Create or suffer or permit the creation of any mortgage, conditional sales agreement, security interest, lien, hypothecation, pledge, encumbrance, restriction, liability, charge, claim or imperfection of title on any of the Assets or with respect thereto.

8.2.5 Take any action that would prevent Seller from consummating the transactions contemplated in this Agreement.

8.3 **Access to the Assets.** Between the date of execution of this Agreement and the Closing Date, upon reasonable notice Seller will give to Buyer and its authorized representatives and agents, including engineers, accountants, lawyers, and other representatives, reasonable access during reasonable business hours to the Assets, at Buyer's cost, if any. Such access shall remain subject to the reasonable availability of representatives of Seller to accompany Buyer's representatives. Seller shall furnish to Buyer such information and materials concerning the Stations' affairs as Buyer may reasonably request, so far as such access, information and

materials pertain to the operation of the Stations.

8.4 **Restrictions on Buyer.** Nothing contained in this Agreement shall give Buyer any right to control the programming or operations of the Stations prior to the Closing Date and Seller shall have complete control of the programming and operation of the Stations between the date hereof and the Closing Date and shall operate the Stations in conformity with the public interest, convenience and necessity and with all other requirements of law and this Agreement.

8.5 **Buyer's Covenants.** From the date of this Agreement until the Closing Date, Buyer covenants that it will take no action, or fail to take any action, that would disqualify it from becoming the licensee of the Stations or delay the grant of the Assignment Application by the Commission. Furthermore, Buyer shall give prompt notice to Seller of any occurrence that comes to Buyer's attention that may constitute a misrepresentation, breach of warranty or nonfulfillment of any covenant or condition on the part of Buyer or Seller contained in this Agreement.

SECTION 9 CONDITIONS FOR CLOSING

9.1 **Closing.** The Closing of this Agreement (the "Closing") shall take place at such other place as shall be mutually agreed upon by Buyer and Seller, within ten (10) days after the grant by the Commission of the Assignment Application by final order unless finality is waived by Buyer (the "Closing Date").

9.2 **Conditions Precedent to Obligations of Buyer.** The performance of the obligations of the Buyer under this Agreement is subject to the satisfaction of each of the following express conditions precedent, provided that Buyer may, at its election, waive any of such conditions on the Closing Date, notwithstanding that such condition is not fulfilled on the Closing Date:

9.2.1 Seller shall have delivered to Buyer the Seller's Closing Documents as described in Section 10.1 below.

9.2.2 Each of the Seller's representations and warranties contained in this Agreement or in any Schedule, certificate, or document delivered pursuant to the provisions hereof, or in connection with the transactions contemplated hereby, shall be true and correct in all material respects at and as of the Closing Date with the same force and effect as if each such representation or warranty were made at and as of such time, except with respect to such changes as are contemplated or permitted by this Agreement.

9.2.3 Seller shall have performed and complied in all material respects with all covenants, agreements and obligations required by this Agreement to be performed or complied with by it prior to the Closing Date and shall be in full compliance therewith on the Closing Date.

9.2.4 Seller shall be the holder of the requisite Commission Authorizations.

9.2.5 All outstanding mortgages, liens, security agreements, and other charges and encumbrances on the Assets, shall have been discharged and satisfied, or arrangements made to discharge same at Closing.

9.2.6 Seller shall have delivered to Buyer an inventory of the Tangible Personal Property to be conveyed, current as of the Closing Date. There shall be no material changes between Schedule 1.1.2 and the inventory of Tangible Personal Property as of the Closing Date other than changes that have been agreed to and accepted by Buyer, in its reasonable discretion.

9.2.7 Seller shall have obtained the written consent, in a form reasonable acceptable to Buyer, of any third parties needed to assign the contracts and leases listed in Schedule 1.1.3 to Buyer (the "Consents").

9.2.8 No lawsuit, action, claim, investigation, inquiry or proceeding shall have been instituted or threatened by or before any court, arbitrator, or governmental authority, and no order, decree or judgment shall have been rendered by any court, arbitrator, or governmental authority which (1) questions or negates the validity or legality of any transaction contemplated hereby, (2) seeks to or does enjoin any transaction contemplated hereby, (3) seeks or awards material damages on account of the consummation of any transaction contemplated hereby, or (4) involves a petition for bankruptcy or receivership by or against Seller or is an assignment by Seller for the benefit of creditors. Buyer shall be reasonably satisfied that there are no claims pending or reasonably likely to be made by any or against any former or current licensee of the Stations which may adversely effect any of the assets to be sold and assigned hereunder.

9.2.9 The Lien Search Reports shall reasonably demonstrate to Buyer that there are no outstanding liens, judgments or claims which may adversely effect the Assets. In addition, any and all past claims concerning the Assets shall have been resolved and no longer subject to appeal or reconsideration. Such claims shall have been resolved on or before the Closing Date so as not to adversely effect the Assets.

9.3 Conditions Precedent to Obligations of Seller. The performance of the obligations of the Seller under this Agreement is subject to the satisfaction of each of the following express conditions precedent, provided that Seller may, at its election, waive any of such conditions at Closing, notwithstanding that such condition is not fulfilled on the Closing Date:

9.3.1 Buyer shall have delivered to Seller the Buyer's Closing Documents (as defined in Section 10.2 below).

9.3.2 Each of Buyer's representations and warranties contained in this Agreement or in any Schedule, certificate or document delivered pursuant to the provisions hereof, or in connection with the transactions contemplated hereby, shall be true and correct in all material respects at and as of Closing Date, as though each such representation or warranty was made at and as of such time, except in respect of such changes as are contemplated or permitted by this Agreement.

9.3.3 Buyer shall have agreed in a form reasonably acceptable to Seller to assume all obligations under the contracts and leases assigned to Buyer arising on or after the Closing Date.

9.4 **Failure of Conditions Precedent to Obligations of Buyer.** In case of the failure of any of the conditions precedent described in Section 9.2 hereof, and, where applicable, if Seller, after having received written notice of such failure from Buyer and having had a reasonable opportunity (i.e. fifteen (15) days) has failed to cure same, Buyer shall have the right to terminate this Agreement without liability. In addition, if the failure of such condition precedent constitutes a material default by Seller, Buyer shall have the right, at its option, to exercise any or all of its rights or remedies for default provided in Section 16 hereof. Buyer shall not be deemed to have waived any failure by Seller to fulfill any of the conditions precedent described in Section 9.2 if Buyer does not have actual knowledge of such failure at the time of Closing.

9.5 **Failure of Conditions Precedent to Obligations of Seller.** In case of the failure of any of the conditions precedent described in Section 9.3 hereof, and if Buyer, after having received written notice of such failure from Seller and having had a reasonable opportunity (i.e. fifteen (15) days) has failed to cure the same, Seller shall have the right to terminate this Agreement. In addition, if the failure of such condition precedent results from a material default by Buyer or Seller shall have the right, at its option, to exercise any or all of its rights or remedies for default provided in Section 16 hereof. Seller shall not be deemed to have waived any failure by Buyer to fulfill any of the conditions precedent described in Section 9.3 if Seller does not have actual knowledge of such failure at the time of Closing.

SECTION 10 OBLIGATIONS AT CLOSING

10.1 **Closing Documents to be Delivered by Seller.** At the Closing, Seller shall deliver to Buyer the following ("Seller's Closing Documents"):

10.1.1 An executed Bill of Sale in form and substance reasonably satisfactory to Buyer transferring to Buyer all Tangible Personal Property to be transferred hereunder.

10.1.2 An executed Assignment and Assumption Agreement in form and substance reasonably satisfactory to Buyer assigning the contracts and leases listed on Schedule 1.1.3 to Buyer.

10.1.3 An executed Assignment and Transfer in form and substance reasonably satisfactory to counsel for Buyer assigning and transferring to Buyer the Commission Authorizations.

10.1.4 A certified copy of the resolutions of Seller authorizing the execution, delivery and performance of this Agreement by Seller and the consummation of the transactions provided for herein, attested to by the Secretary of Seller.

10.1.5 A certificate executed by an officer of Seller stating that (a) all of the representations and warranties of Seller set forth in this Agreement are in all material respects true, correct and accurate as of the Closing Date, and (b) all covenants set forth in this Agreement to be performed by Seller on or prior to the Closing Date have been performed in all material respects.

10.1.6 The Consents referred to in Section 9.2.7.

10.1.7 Any and all other documents reasonably requested by Buyer.

10.2 Closing Documents to be Delivered by Buyer. At the Closing, Buyer shall deliver to Seller the following ("Buyer's Closing Documents"):

10.2.1 A certificate executed by an officer of Buyer's stating that (a) all of the representations and warranties of Buyer set forth in this Agreement are in all material respects true, correct, and accurate as of the Closing Date, and (b) all covenants set forth in this Agreement to be performed by Buyer on or prior to the Closing Date have been performed in all material respects.

10.2.2 Buyer's executed counterpart of the Assignment and Assumption Agreement provided for in Section 10.1.2.

10.2.3 A certified copy of the resolutions of Buyer authorizing the execution, delivery and performance of this Agreement by Buyer and the consummation of the transactions provided for herein, attested to by an officer of Buyer.

10.2.4 Any and all other documents reasonably requested by Seller.

SECTION 11 BROKERAGE

Neither Seller nor Buyer have incurred any unpaid liability or agreed to pay any broker's, finder's or consultant's fee in connection with the transactions contemplated by this Agreement. Seller agrees to indemnify Buyer and Buyer agrees to indemnify Seller against any claims asserted against the other party for any such fees or commissions by any person purporting to act or to have acted for or on behalf of the indemnifying party. Notwithstanding any other provision of this Agreement, this representation and warranty shall survive the Closing Date without limitation as to time.

SECTION 12 INDEMNIFICATIONS

12.1 Breach of Seller's Agreements, Representations, and Warranties. Seller shall reimburse Buyer for, and indemnify and hold harmless Buyer from and against, any loss, damage, liability, obligation, deficiency, claim, suit, cause of action, demand, judgment, or

expense (including without limitation, payments, fines, penalties, interest, taxes, assessments, and reasonable attorneys' fees and accounting fees of any kind or nature), contingent or otherwise, whether incurred or asserted prior to or after the Closing Date, arising out of or sustained by Buyer by reason of:

(a) any material breach of any warranty, representation, or agreement of Seller contained under this Agreement or in any certificate or other instrument furnished to Buyer pursuant to this Agreement or in connection with any of the transactions contemplated hereby;

(b) the operation of the Stations or the ownership of the Assets prior to Closing (including, but not limited to, any and all claims, liabilities, and obligations arising or required to be performed prior to the Closing Date under this Agreement, or any other lease, contract, or agreement);

(c) any transaction entered into by Seller or arising in connection with the Stations or the operation of the business thereof or any of the Assets prior to the Closing;

(d) any and all liabilities or obligations of Seller not specifically assumed by Buyer pursuant to this Agreement; or

(e) any and all actions, suits, or proceedings, incident to any of the foregoing.

12.2 Breach of Buyer's Agreements, Representations and Warranties. Buyer shall reimburse Seller for, and indemnify and hold harmless Seller from and against, any loss, damage, liability, obligation, deficiency, claim, suit, cause of action, demand, judgment, or expense (including without being limited to, payments, fines, penalties, interest, taxes, assessments, reasonable attorneys' fees and accounting fees of any kind or nature), contingent or otherwise, whether incurred or asserted prior to or after the Closing Date, arising out of or sustained by Seller by reason of:

(a) any material breach of any warranty, representation, or agreement of Buyer contained under this Agreement or any certificate or other instrument furnished by Buyer pursuant to this Agreement or in connection with any of the transactions contemplated hereby;

(b) the operation of the Stations or the ownership of the Assets subsequent to Closing (including, but not limited to, any and all claims, liabilities and obligations first arising or required to be performed subsequent to the Closing Date under the Agreement);

(c) any transaction entered into by Buyer or first arising in connection with the Stations or the operation of the business thereof or any of the Assets subsequent to the Closing;

(d) any and all liabilities or obligations of Seller specifically assumed by Buyer pursuant to this Agreement; or

(e) any and all actions, suits, or proceedings incident to any of the foregoing.

12.3 Notice of Claim. Buyer and Seller agree to give prompt written notice to each other of any claim for indemnification under Sections 12.1 or 12.2 hereof ("Notice of Claim"), which amount is believed to be required to discharge the obligations of the indemnifying party resulting therefrom. Within ten (10) days after having been given the Notice of Claim, the indemnifying party may deliver to the other party (i) a written notice of objection to the payment of such claim ("Notice of Objection"), which Notice of Objection shall set forth the basis for such objection; or (ii) a written notice that the indemnifying party intends to defend against such claim in good faith ("Notice of Intention to Defend"). If such a Notice of Intention to Defend is delivered, the indemnified party shall have the right to hold in abeyance its claim for indemnification if and so long as such defense is conducted by the indemnifying party at the latter's expense in a manner effective to protect the indemnified party against such claim. If no Notice of Objection or Notice of Intention to Defend is given within the prescribed ten (10) day period, the indemnifying party shall promptly pay to the indemnified party the amount set forth in the Notice of Claim. If the parties are unable to resolve any Notice of Claim and corresponding Notice of Objection, either party may take whatever action it deems reasonable, including without limitation, the filing of a claim, petition, or other pleading in a court of competent jurisdiction.

SECTION 13 RISK OF LOSS

The risk of any loss or damage to the Assets by fire, theft, breakage, explosion, earthquake, accident, flood, rain, storm, riot, act-of-God, or public enemy, or any other casualty or cause, reasonable wear and tear excepted, prior to the Closing Date, is assumed and shall be borne by the Seller at all times before the Closing Date. If any such loss or damage occurs, Seller shall give prompt written notice of the loss or damage to Buyer and shall promptly take all steps to rebuild, replace, restore or repair any such damaged property at its own cost and expense. In the event that Seller does not fully replace or restore any such lost or damaged Asset or Assets by the time the Closing otherwise would be held, Buyer may, at its option, upon written notice to Seller, either (i) terminate this Agreement, or (ii) elect to close without restoration, in which event Seller will deliver all insurance proceeds paid or payable by reason of the loss or damage to Buyer. If Buyer terminates this Agreement under this Section, each party shall bear its own expenses. Buyer's option to terminate this Agreement under this Section 13 shall arise only if such damage to the Stations is so substantial that it prevents the Stations from operating in their normal and customary manner for a period of five (5) consecutive days. Buyer's failure to terminate this Agreement in the event damage to the Stations is substantial does not affect its right to other remedies under this Section 13.

SECTION 14 FEES AND EXPENSES

Each party shall pay its own attorneys' fees and expenses which it initiates, creates, or incurs in connection with the negotiation, preparation and execution of this Agreement. All other expenses incurred in connection with this transaction shall be borne by the party incurring

same.

SECTION 15 BULK SALES LAW

The parties do not believe that any bulk sales or fraudulent conveyance statute applies to the transactions contemplated by this Agreement. Buyer therefore waives compliance by Seller with the requirements of any such statutes, and Seller agrees to indemnify and hold Buyer harmless against any claim made against Buyer by any creditor of Seller as a result of a failure to comply with any such statute.

SECTION 16 DEFAULT AND TERMINATION

16.1 A party shall “default” under this Agreement if it knowingly makes any material misrepresentation to the other party in connection with this Agreement, or materially breaches or fails to perform any of its representations, warranties, or covenants contained in this Agreement. Non-material breaches or failures shall not be grounds for declaring a party to be in default, postponing the Closing, or terminating this Agreement.

16.2 If either party believes the other to be in default hereunder, the former party shall provide the other with written notice specifying in reasonable detail the nature of such default. If the default is not curable or has not been cured within ten (10) days after delivery of that notice (or such additional reasonable time as the circumstances may warrant provided the party in default undertakes diligent, good faith efforts to cure the default within such ten (10) day period and continues such efforts thereafter), then the party giving such notice may terminate this Agreement and/or exercise the remedies available to such party pursuant to this Agreement, subject to the right of the other party to contest such action through appropriate proceedings.

16.3 Buyer recognizes that if the transaction contemplated by this Agreement is not consummated as a result of Buyer’s default, Seller would be entitled to compensation, the extent of which is extremely difficult and impractical to ascertain. To avoid this problem, the parties agree that if this Agreement is not consummated due to the default of Buyer, Seller shall be entitled to receive as liquidated damages the amount of five thousand dollars (\$5,000.00) which amount may be offset for amounts due from Seller to Buyer. The parties agree that such amount shall constitute liquidated damages and shall be in lieu of any other remedies to which Seller might otherwise be entitled due to Buyer’s wrongful failure to consummate the transaction contemplated by this Agreement. Buyer and Seller each acknowledge and agree that the liquidated damage amount is reasonable in light of the anticipated harm which will be caused by Buyer’s breach of this agreement, the difficulty of proof of loss, the inconvenience and non-feasibility of otherwise obtaining an adequate remedy, and the value of the transaction to be consummated hereunder.

16.4 Seller agrees that the Assets include unique property that cannot be readily obtained on the open market and that Buyer will be irreparably injured if this Agreement is not specifically enforced. Therefore, Buyer may elect to specifically enforce Seller’s performance

under this Agreement, and Seller agrees to waive the defense in any such suit that Buyer has an adequate remedy at law and to interpose no opposition, legal or otherwise, as to the propriety of specific performance as a remedy.

SECTION 17 SURVIVAL OF WARRANTIES

17.1 All representations, warranties, and covenants made by the parties in this Agreement shall be deemed made for the purpose of inducing the other to enter into this Agreement, and shall survive the Closing and remain operative and in full force and effect, for a period of twelve (12) months.

17.2 Neither the acceptance nor the delivery of property hereunder shall constitute a waiver of any covenant, representation, warranty, agreement, obligation, undertaking, or indemnification of Seller or Buyer contained in this Agreement, all of which shall, unless otherwise specifically provided, survive the Closing hereunder in accordance with the terms of this Agreement and shall be binding upon and inure to the benefit of all of the parties hereto, their heirs, legal representatives, successors and assigns.

SECTION 18 NOTICES

18.1 All notices, requests, demands, waivers, consents and other communications required or permitted hereunder shall be in writing and be deemed to have been duly given when delivered in person (against receipt) to the party to be notified at the address set out below or sent by registered or certified mail, or by express mail or courier, postage prepaid, return receipt requested, addressed to the party to be notified, as follows:

If to Buyer: W. Philip Robinson, Manager
United States CP, LLC
1200 West Cornwallis
Greensboro, NC 27408

With a copy (which
does not constitute
notice) to: A. Wray Fitch III
Gammon & Grange, P.C.
8280 Greensboro Drive, 7th Floor
McLean, VA 22102-3807

If to Seller: Nick Knezevich, Member
Exodus Broadcasting, LLC
3715 Thatcher
Pueblo, CO 81005

With a copy (which

does not constitute
notice) to:

Martin J. Bechina
15 Lathyrus Ct
Pueblo, CO 81001

Either party may change its address for notices by written notice to the other given pursuant to this Section. Any notice purportedly given by a means other than as provided in this Section shall be invalid and shall have no force or effect.

SECTION 19 MISCELLANEOUS

19.1 Headings. The headings of the Sections of this Agreement are for convenience of reference only, and do not form a part thereof, and do not in any way modify, interpret or construe the meaning of the sections themselves or the intentions of the parties.

19.2 Assignability. Neither party may assign its rights under this Agreement to a third party without the written consent of the other which shall not be unreasonably denied.

19.3 Entire Agreement. This Agreement and any other agreements entered into contemporaneously herewith set forth the entire agreement of the parties and are intended to supersede all prior negotiations, understandings, and agreements and cannot be altered, amended, changed or modified in any respect or particular unless each such alteration, amendment, change or modification shall have been agreed to by each of the parties hereto and reduced to writing in its entirety and signed and delivered by each party. No provision, condition or covenant of this Agreement shall be waived by either party hereto except by a written instrument delivered to the other party and signed by the party consenting to and to be charged with such waiver.

19.4 Binding Effect and Assignment. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto, and their respective successors and assigns. Neither party hereto may assign this Agreement or its rights and obligations hereunder without the written consent of the other; provided, however, Buyer may assign this Agreement without Seller's consent to an entity which is a subsidiary or parent of Buyer or to another legal entity owned by Buyer or its principals, provided Buyer provides written notice to Seller.

19.5 Additional Documents. The parties hereto agree to execute, acknowledge and deliver, at or after the Closing Date, such other and further instruments and documents as may be reasonably necessary to implement, consummate and effectuate the terms of this Agreement, the effective vesting in Buyer of title to the Assets, and/or the successful processing by the Commission of the application to be filed with it, as provided in Section 4.

19.6 Counterparts; Electronic Signatures. This Agreement may be executed in one or more counterparts, all of which together shall comprise one and the same instrument. Electronic copies of any signature on this Agreement shall be deemed as if the signature is an

original signature, with full force and effect.

19.7 Legal Actions. If either Seller or Buyer initiates any legal action or lawsuit against the other involving this Agreement, the prevailing party in such action or suit shall be entitled to receive reimbursement from the other party for all reasonable attorney's fees and other costs and expenses incurred by the prevailing party in respect of that litigation, including any appeal, and such reimbursement may be included in the judgment or final order issued in such proceeding. Any award of damages following judicial remedy or arbitration as a result of the breach of this Agreement or any of its provisions shall include an award of prejudgment interest from the date of the breach at the maximum rate of interest allowed by law.

19.8 Governing Law. The parties agree that this Agreement and the transaction herein contemplated shall be interpreted, construed, and enforced under and according to the laws of the State of Colorado.

19.9 Counsel. Each party hereby waives the application of any rule of law to the effect that any provision of this Agreement shall be interpreted or construed against the party whose counsel drafted that provision.

19.10 Time is of the Essence. Time shall be of the essence in this Agreement and the performance of each and every provision hereof; provided, however, failure to affirmatively assert a claim or give notice of default will not be deemed a waiver of such right.

19.11 Severability. If any term or provision of this Agreement or its application, to any extent, is declared to be invalid or unenforceable, the remaining terms and provisions shall not be affected and shall remain in full force and effect and to such extent are severable.

19.12 Publicity. Seller and Buyer agree that all public announcements relating to this agreement or the transactions contemplated hereby, including announcements to employees, will be made only as may be mutually agreed upon.

[Signatures on following page]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed and executed by their proper officers thereunto duly authorized as of the day and year first above written.

SELLER:

EXODUS BROADCASTING, LLC

By: 

Name:

Title:

CFO

BUYER:

UNITED STATES CP, LLC

By: 

W. Philip Robinson, Manager

LIST OF EXHIBITS AND SCHEDULES

Schedule 1.1.1	Commission Authorizations
Schedule 1.1.2	Tangible Personal Property
Schedule 1.1.3	Contracts, Agreements, and Leases
Schedule 1.1.4	Intangible Assets
Schedule 1.1.5	Real Property
Schedule 2.2.1	Consideration
Schedule 6.7	Litigation

SCHEDULE 1.1.1
COMMISSION AUTHORIZATIONS

<u>Application</u>	<u>File Number</u>	<u>Expiration Date</u>
KIQN(FM) License to Cover	BLH-20050107AAQ	04/01/2013
KWRP(AM) License Renewal	BR-20041118ABR	04/01/2013
WMV443 Aural Studio Transmitter Link	NA	04/01/2013
WPVQ478 Aural Studio Transmitter Link	NA	04/01/2013

SCHEDULE 1.1.2
TANGIBLE PERSONAL PROPERTY

KWRP Tower Site:

Gates Transmitter
280 foot tower
AM processing equipment
4 ft. satellite dish
ATU
Under transmission line
Marti receiver
Scala dish

KIQN Tower Site:

GFRC Shelter CO SN#504567 with Electrical and Cummins Power Command Transfer Switch
Bard AC WA372AOXX SN HO318199150 SN HO318199151
Open Frame 19" Rack
Model 200 AD Series Compressor/Dehydrator
Stealth 100M FM Exciter SN 400142 (Chassis) SN 040626 (Book)
STL-R Receiver SN 040643
Telular SX5 GSM Phonecell with Antenna and Transmission Line
Sine System RFC-1/B Remote Control with Model RP-8 Relay Panel
Old Telephone
Heating Thermostat
ECO-22 SN040625 FM transmitter with spare parts kit
25 Kw SWR Harmonic Filter – Shop Order 04317-B
700 feet +/- of 2 ¼ inch Flexline with connectors
699 foot Tower with guys and associated fencing material
Dielectric DCRC4ERP FM Antenna SN97018
Directional Coupler
Two (2) 90 degree SWR connectors
Exhaust Ductwork (7 inch)
Mounting Brackets
STL 6 foot dish
500 feet +/- 7/8 inch Foam Cable with connectors
Flash Technology Quartz Halogen FTC 163H Controller with associated lighting
Grounding materials

KIQN/KWRP STUDIO INVENTORY:

4 Black desks
CTEC Board
10 Channel Mixer
4 Office desk chairs
2 seating chairs
6 inter-tel phones
1 hole puncher

8 desktop computers complete
HP Laser Jet Printer
OkiData Printer
5 surge suppressors
7 large black filing cabinets
1 ten key TI-5630
6 CD Players
1 DAT player
2 reel to reel machines
1 copy machine
4 on-air microphones
1 wireless microphone
EAS equipment
FM Equipment Rack
2 EAS systems
FM Processing equipment
LPB on-air board
Spot Master on-air board

SCHEDULE 1.1.3
CONTRACTS, AGREEMENTS, AND LEASES

Lease Agreement dated 9/15/2003 with William McCarthy for FM Transmitter Site

Lease Agreement dated 4/1/1995 with Glen Kittinger for AM Transmitter Site

Lease Agreement dated August 12, 2009 with Charles Edward Snyder for the 3715 Thatcher Avenue Studio.

SCHEDULE 1.1.4
INTANGIBLE ASSETS

Call signs KIQN and KWRP.

SCHEDULE 1.1.5
REAL PROPERTY

AM Studio – 2829 Lowell Avenue, Pueblo, CO (per deed recorded in Book 3050, Page 585) - Owned

FM Studio Site – Pueblo, CO (per deed recorded in Book 3022, Page 642) – Owned

FM Transmitter Site – McCarthy Dairy Farm – (per lease agreement dated 9/15/2003 with William McCarthy)

AM Transmitter Site – (per lease agreement dated April 1, 1995 with Glen Kittinger)

SCHEDULE 6.7
LITIGATION

None.