

## **ASSET PURCHASE AGREEMENT**

**THIS ASSET PURCHASE AGREEMENT** (this “Agreement”) is made this 15th day of April, 2015 (the “Effective Date”) by and between **Townsquare Media Duluth, LLC** and **Townsquare Media Duluth License, LLC**, each a Delaware limited liability company (hereinafter collectively “Buyer”), and **Refuge Media Group**, a Minnesota non-profit corporation (hereinafter “Seller”), each a “Party” and collectively the “Parties.”

### **RECITALS:**

- A. Seller holds the license issued by the FCC for broadcast translator station W293CT, Moose Lake, MN (FCC Facility ID #49347) (hereinafter “Seller Translator”).
- B. With FCC Consent, Seller desires to assign to Buyer, and Buyer desires to acquire from Seller, the license for the Seller Translator, as modified pursuant to Section 6.2 of this Agreement, as well as certain assets associated with the Seller Translator, in accordance with all the terms of and subject to the conditions set forth in this Agreement.

**NOW THEREFORE**, in consideration of the Recitals and mutual covenants, conditions and agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed as follows:

### **ARTICLE I** **DEFINITIONS**

- 1.1 **Definitions:** Except as specified otherwise, when used in this Agreement, the following terms shall have the meanings specified:

“Agreement” shall mean this Asset Purchase Agreement, together with the Schedules and Exhibits attached hereto, as the same shall be amended from time to time in accordance with the terms hereof;

“Closing” shall mean the conference to be held at 10:00 AM Eastern Time, at such a place as Seller and Buyer agree, on the Closing Date, at which time the transactions contemplated by this Agreement shall be consummated as indicated herein;

“Closing Date” shall mean the date designated by Seller upon at least five (5) days prior written notice to Buyer and which is no later than the latest of (1) ten (10) business days after the FCC approval of the assignment as contemplated by this Agreement has become a Final Order; and (2) ten (10) business days after the grant of the modified Seller License as contemplated by Section 6.2 of this Agreement has become a Final Order; or on such other date as the Parties shall agree upon in writing. The Closing shall be deemed effective at 12:01AM Eastern Time on the Closing Date;

“FCC” shall mean the Federal Communications Commission;

“FCC Consent” for or related to the Seller License shall be action by the FCC granting its consent to the assignment of the Seller License from Seller to Buyer.

“Final Order” shall mean an FCC approval or grant with respect to which no action, request for stay, petition for reconsideration or appeal, or review by the FCC on its own motion, is pending and as to which the time for filing or initiation of any such request, petition, appeal, or review has expired;

“Lien” shall mean any mortgage, deed of trust, pledge, hypothecation, security interest, encumbrance, claim, lien, lease (including any capitalized lease) or charge of any kind, whether voluntarily incurred or arising by operation of law or otherwise, including

any agreement to give or grant any of the foregoing, any conditional sale or other title retention agreement and the filing of or agreement to give any financing statement under the Uniform Commercial Code of the State of Minnesota or comparable law of any jurisdiction;

“Person” shall mean any natural person, general or limited partnership, corporation, limited liability company, or other entity;

“Schedules” shall mean those schedules referred to in this Agreement which have been delivered concurrently with the execution of this Agreement;

“Seller License” shall mean the authorization(s) issued by the FCC to Seller for the operation of the Seller Translator as listed in Schedule A; and

“Seller Purchased Assets” shall mean the right, title and interest of Seller in and to certain assets used or usable in the operation of the Seller Translator, limited to (a) the Seller License and (b) the Seller assets listed on Schedule B.

- 1.2 **Singular/Plural-Gender-Section and Article References:** Where the context so requires or permits, the use of the singular from includes the plural, and the use of the plural form includes the singular, and the use of the gender includes any and all genders. Except as specifically set forth herein, all Section and Article references are to Sections and Articles of this Agreement.

## **ARTICLE II** **PURCHASE AND SALE**

- 2.1 **Purchase and Sale:** At the Closing on the Closing Date, and upon all of the terms and subject to all of the conditions of this Agreement, Seller shall sell, assign, convey, transfer and deliver to Buyer, and Buyer shall purchase all of Seller’s right, title and interest, legal and equitable, in and to the Seller Purchased assets.

- 2.2 **Consideration:** The monetary consideration for the Seller Purchased Assets is \$55,000 (Fifty Five Thousand Dollars), paid as follows:
- (a) Upon the execution of this Agreement, Buyer will place in Escrow the amount of \$5,000 (Five Thousand Dollars) as noted in Schedule C by wire transfer; and
  - (b) On the Closing Date, Buyer will pay to Seller the amount of \$50,000 (Fifty Thousand Dollars) by wire transfer.
- 2.3 **Closing Date Deliveries for Seller:** At the Closing on the Closing Date, Seller shall deliver, or cause to be delivered, to Buyer properly executed and delivered as of the Closing Date an assignment of the Seller License and a bill of sale of all other Seller Purchased Assets. In addition, Seller shall transfer the association of the FCC FRN for the Seller License from Seller to Buyer.
- 2.4 **Non-Assumption of Liabilities of Seller:** Buyer does not and shall not assume or become obligated to pay any debt, obligation of any kind or nature of Seller or the Seller Translator, except for the assumed liabilities or other such obligations, debts or charges as are specifically allocated to Buyer elsewhere in this Agreement

**ARTICLE III**  
**GOVERNMENTAL APPROVALS AND CONTROL OF STATION**

- 3.1 **FCC Consent:** It is specifically understood and agreed by the Parties that the Closing shall be in all respects subject to, and conditioned upon, the receipt of prior FCC Consent. The Parties shall prepare and file with the FCC as soon as is practicable but in no event later than five (5) business days after the execution of this Agreement all requisite applications and other necessary instruments and documents to request the FCC Consent. The FCC filing fee for the application for FCC Consent shall be paid by Buyer. The

Parties shall prosecute such applications with all reasonable diligence and take all steps necessary to obtain the requisite FCC Consent.

**ARTICLE IV**  
**REPRESENTATIONS AND WARRANTIES OF BUYER**

Buyer represents and warrants to Seller (which representations and warranties shall survive the Closing for a period of twelve (12) months from the Closing Date) as follows:

- 4.1. **Organization:** Buyer is a limited liability company organized in the State of Delaware. Buyer has the full corporate power to purchase the Seller Purchased Assets pursuant to this Agreement.
- 4.2. **Authorization; Enforceability:** The execution, delivery and performance of this Agreement and all of the documents and instruments required hereby by Buyer are within the power of Buyer. This Agreement is, and the other documents and instruments required hereby will be, when executed and delivered by Buyer, the valid and binding obligations of Buyer, enforceable against Buyer in accordance with their respective terms, subject only to bankruptcy, insolvency, reorganization, moratoriums or similar laws at the time in effect effecting the enforceability or rights of creditors generally and by general equitable principles which may limit the right to obtain equitable remedies.
- 4.3. **Representations as of the Closing Date:** Buyer's representations and warranties set forth in this Agreement shall be true and correct on and as of the Closing Date, as though such representation and warranties were made as of a specific date, which need only be true as of such date or as otherwise provided by this Agreement.

**ARTICLE V**  
**REPRESENTATIONS AND WARRANTIES OF SELLER**

Seller represents and warrants to Buyer (which representations and warranties shall survive the Closing for a period of (12) twelve months from the Closing Date) as follows:

- 5.1 **Organization:** Seller is incorporated in the State of Minnesota. Seller has the power and authority to own and operate the Seller Purchased Assets and to conduct the business of the Seller Translator as it is now being conducted.
- 5.2 **Authorization; Enforceability:** The execution, delivery and performance of this Agreement and all of the documents and instruments required hereby by Seller are within the power of Seller. This Agreement is, and the other documents and instruments required hereby will be, when executed and delivered by Seller, the valid and binding obligations of Seller, enforceable against Seller in accordance with their respective terms, subject only to bankruptcy, insolvency, reorganization, moratoriums or similar laws at the time in effect effecting the enforceability or rights of creditors generally and by general equitable principles which may limit the right to obtain equitable remedies.
- 5.3 **Title to Purchased Assets; Liens and Encumbrances:** Seller owns good and marketable title in all of the Seller Purchased Assets, free and clear of any and all Liens and liabilities.
- 5.4 **Governmental Authorizations:** Seller holds, and on the Closing Date Seller will hold, all valid authorization(s) from the FCC to operate the Seller Translator. The Seller License is in full force and effect and Seller is the authorized legal holder thereof. As of the date hereof, no action or proceeding is pending or threatened before the FCC or any other governmental authority to revoke, refuse to renew or modify the Seller License or other authorizations associated with the Seller Translator.

- 5.5 **Representations as of the Closing Date:** Seller's representations and warranties set forth in this Agreement shall be true and correct on and as of the Closing Date, as though such representation and warranties were made as of a specific date, which need only be true as of such date or as otherwise provided by this Agreement.

**ARTICLE VI**  
**CERTAIN MATTERS PENDING THE CLOSING**

- 6.1 **Seller Operations Pending Closing:** From and after the date of this Agreement and until the Closing, Seller shall:
- (a) Operate the Seller Translator in accordance with all applicable FCC rules and policies; and
  - (b) Not sell, lease, mortgage, pledge or otherwise dispose of any of the Seller Purchased Assets.
- 6.2 Within ten (10) business days of the date of this Agreement, Buyer, at its sole expense, shall prepare and submit to the FCC an application (the "Modification Application") for consent to modify the Seller License to specify as the Seller Translator's transmitting site as the tower in Duluth, MN at which FM broadcast station KBMX, Proctor, MN, is authorized to broadcast (ASR #1031880), and to broadcast from said transmitting site with effective radiated power of at least 99 watts. Seller shall cooperate with Buyer's efforts to submit and obtain FCC approval of the Modification Application.
- 6.3 **Cooperation:** Buyer and Seller will cooperate in all respects in connection with: (a) securing any non-governmental approvals, consents and waivers required of third parties, and (b) giving notices to any governmental authority, or securing the permission, approval, determination, consent or waiver of any governmental authority, required by law in connection with the transfer of the Seller Purchased Assets from Seller to Buyer.

**ARTICLE VII**  
**CONDITIONS PRECEDENT TO THE OBLIGATIONS OF SELLER**

Each and every obligation of Seller to be performed on the Closing Date shall be subject to the satisfaction prior to or at the Closing of the following express condition precedent:

- 7.1 **Compliance with Agreement:** Buyer shall have performed and complied in all material respects with all of its obligations under this Agreement which are to be performed or complied with prior to or at the Closing.
- 7.2 **Representations and Warranties:** The representations and warranties made by Buyer in this Agreement shall be true and correct in all material respects as of the closing date with the same force and effect as though such warranties and representations were made on the Closing Date, except for changes permitted or contemplated by this Agreement.
- 7.3 **Deliveries at Closing:** Buyer shall have delivered or cause to be delivered to Seller any closing documents, each properly executed and dated as of the Closing Date as required pursuant to Section 2.3 (as applicable).

If any of the conditions set forth in this Article VII have not been satisfied, Seller, in its sole discretion, may elect to proceed with the consummation of the transactions contemplated hereby.

**ARTICLE VIII**  
**CONDITIONS PRECEDENT TO THE OBLIGATIONS OF BUYER**

Each and every obligation of Buyer to be performed on the Closing Date shall be subject to the satisfaction prior to or at the Closing of the following express condition precedent:

- 8.1 **Compliance with Agreement:** Seller shall have performed and complied in all material respects with all of its obligations under this Agreement which are to be performed or complied with prior to or at the Closing.



- 8.2 **Representations and Warranties:** The representations and warranties made by Seller in this Agreement shall be true and correct in all material respects as of the closing date with the same force and effect as though such warranties and representations were made on the Closing Date, except for changes permitted or contemplated by this Agreement.
- 8.3 **Deliveries at Closing:** Seller shall have delivered or cause to be delivered to Buyer any closing documents, each properly executed and dated as of the Closing Date as required pursuant to Section 2.3 (as applicable).
- 8.4 **Absence of Investigations and Proceedings:** Except for governmental investigations relating to the broadcast industry, generally there shall be no decree, judgment, order, or litigation at law or in equity, no arbitration proceedings, and no proceedings before or by any commission, agency or other administrative or regulatory body or authority pending to which Seller is a party and to which the Seller Translator or Seller Purchased Assets are subject. Without limiting the generality of the foregoing, no action or proceeding shall be pending before the FCC or any governmental authority to revoke, modify in any material respect or refuse to renew the Seller License. No suit, action or other proceeding shall be pending before any court or governmental authority in which it is sought to restrain or prohibit, or obtain any damages or other relief in connection with, this Agreement or the consummation of the transactions contemplated hereby.
- 8.5 **Governmental Consents:** The FCC shall have granted FCC Consent and the Modification Application, and each such grant shall, at Closing, be a Final Order, unless waived by Buyer, and in full force and effect and shall contain no provision materially adverse to Buyer. All other authorizations, consents and approvals of any kind and all governmental regulatory authorities necessary in conjunction with the consummation of

the transactions contemplated by this Agreement shall have been obtained and be in full force and effect.

If any of the conditions set forth in this Article VIII have not been satisfied, Buyer, in its sole discretion, may elect to proceed with the consummation of the transactions contemplated hereby.

## **ARTICLE IX**

### **TERMINATION; MISCELLANEOUS**

- 9.1 **Entire Agreement; Amendment; and Waiver:** This Agreement and the documents required to be delivered pursuant hereto constitute the entire agreement between the Parties pertaining to the subject matter hereof, and supersede all prior and contemporaneous agreements, understandings, negotiations and discussions of the parties, whether oral or written, and there are no warranties, representations or other agreements between the parties in connection with the subject matter hereof, except as specifically set forth or referenced herein. No amendment, supplement, modification, waiver or termination of this Agreement shall be binding unless executed in writing by the party to be bound thereby. No waiver of any of the provisions of this Agreement shall be deemed or constitute a waiver of any other provision of this Agreement, whether or not similar, unless expressly provided.
- 9.2 **Expenses:** Except as otherwise specifically provided herein, whether or not the transactions contemplated by this Agreement are consummated, each of the Parties shall pay the fees and expenses of its respective counsel, accountants and other experts incident to the negotiation, drafting and execution of this Agreement and consummation of the transactions contemplated hereby.
- 9.3 **Benefit; Assignment:** This Agreement shall be binding upon and endure to the benefit of and shall be enforceable by Seller and Buyer and their respective proper successors and

assigns. This Agreement (and any rights, obligations or liabilities hereunder) may not be assigned or delegated in whole or in part by any Party without the prior written consent of the other Party; provided, however, either Party may assign this Agreement to an entity under common ownership or control with such Party, provided such Party continues to be fully obligated hereunder.

- 9.4 **Notices:** All communications or notices required or permitted under this Agreement shall be in writing and shall be deemed to have been given (i) on the date of personal delivery, or (ii) on the next business day if sent by commercial overnight delivery service, prepaid. All such communications or notices shall be addressed to the persons and at the addresses stated below, unless such person or address is changed by written notice:

**If to Seller:** Mr. Daniel B. Hatfield  
President  
Refuge Media Group  
4604 Airpark Blvd.  
Duluth, MN 55811  
Phone: 218-464-4024

**If to Buyer:** Alex J. Berkett  
Executive Vice-President/Business Development, Mergers & Acquisitions  
240 Greenwich Avenue  
Greenwich, CT 06830  
Phone: 203-861-0900

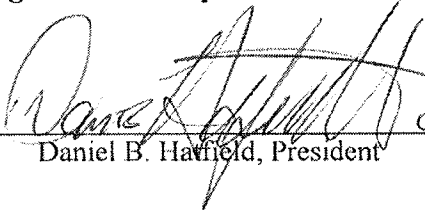
- 9.5 **Counterparts; Headings:** This Agreement may be executed in counterparts, each of which shall be deemed an original, but such counterparts shall together constitute but one and the same agreement. This Agreement may be executed and delivered in counterpart signature pages executed and delivered by facsimile transmission, and any such counterpart executed and delivered via facsimile transmission shall be deemed an original for all intents and purposes. The Article and Section headings in this Agreement are inserted for convenience of reference only and shall not constitute a part thereof.

- 9.6 **Specific Performance.** The Parties to this Agreement recognize that if either Party refuses to perform under the provisions of this Agreement, monetary damages alone will not be adequate to compensate the other parties for its/their injury. Each of Seller and Buyer shall therefore be entitled, in addition to any other remedies that may be available, to obtain specific performance of the terms of this Agreement.
- 9.7 **Judicial Interpretation:** Should any provision of this Agreement require judicial interpretation, the Parties agree that the court interpreting or construing the same shall not apply a presumption that the terms hereof shall be more strictly construed against one Party by the reason of the rule of construction that a document is to be construed more strictly against the Party which itself or through its agent prepared the same, it is being agreed that the agents of each Party have participated in the preparation hereof.
- 9.8 **Saturdays, Sundays and Legal Holidays:** If the time period by which any acts or payments required hereunder must be performed or paid expires on a Saturday, Sunday or Legal Holiday, then such time period shall be automatically extended to the close of business on the next regularly scheduled business day.
- 9.9 **Governing Law:** This Agreement shall be construed and interpreted according to the laws of the State of Minnesota, without regard to the conflict of law principles thereof.
- 9.10 **Cure Period:** No breach shall become a material breach unless the breaching Party fails to remedy such breach within (5) five days of written notice of breach.
- 9.11 **Time for FCC Approvals.** If the FCC has refused or failed to grant both the FCC Consent and the Modification Application within one year after the date of this Agreement, either Party may terminate this Agreement by giving the other Party ten (10) days' prior written notice of such intent pursuant to Section 9.4, provided that the Party seeking termination is not in material breach of this Agreement.


9.12 **Termination:** This Agreement may be terminated by either party (i) in the event of a default or breach of warranty by the other party, (ii) under Section 9.11 if the FCC does not timely grant the FCC Consent and the Modification Application, or (iii) the Closing does not take place on or before the first anniversary of the date of this Agreement.

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


**Refuge Media Group**

By:  04/10/2015  
Daniel B. Hatfield, President

**Townsquare Media Duluth, LLC**

By:   
Alex J. Berkett, Executive Vice-President

**Townsquare Media Duluth License, LLC**

By:   
Alex J. Berkett, Executive Vice-President

### **Schedule A**

FCC License for broadcast translator station W293CT, Moose Lake, MN (FCC Facility ID #49347), modified, as specified in Section 6.2, to broadcast from the tower in Duluth, MN at which FM broadcast station KBMX, Proctor, MN is authorized to broadcast (ASR #1031880), with at least 99 watts effective radiated power.

## **Schedule B**

### **Seller Assets Being Conveyed in Addition to Seller License**

All goodwill associated with the Seller Translator

All intellectual property rights to use of call sign W293CT

All of Seller's books and records relating exclusively to the Seller Translator, including technical information and engineering data; however Seller shall retain and Buyer shall not acquire any financial records of Seller or records of other businesses or activities of Seller.

## **Schedule C**

### **Escrow Agreement**

The sum of \$5,000.00 (Five Thousand Dollars) will be deposited with Phoenix Media Group, LLC which is the escrow agent and broker for the transaction described herein, pursuant to the Escrow Agreement attached hereto.