

ASSET PURCHASE AGREEMENT

This **ASSET PURCHASE AGREEMENT** (the “Agreement”) is entered into as of this 18th day of December, 2014 (the “Effective Date”), by and between Abacus Television (“Abacus”), a Pennsylvania sole proprietorship (“Seller”), and LocusPoint Networks, LLC, a Delaware limited liability company (“Buyer”) (each a “Party” and, collectively, the “Parties”).

RECITALS

WHEREAS, Seller is the licensee of WQVC-CA, a Class A analog broadcast television station assigned to Channel 28, and its companion channel, WQVC-LD, a digital channel with low power status assigned to Channel 46, with Facility ID No. 269 and Facility ID No. 198016, respectively, in the market of Greensburg, PA (the “Station”);

WHEREAS, Seller holds licenses and authorizations from the Federal Communications Commission (“FCC”) for the operation of the Station, and Seller owns or leases all other assets used in connection with the operation of the Station; and

WHEREAS, on the terms and conditions described herein, Seller desires to sell, and Buyer desires to purchase, substantially all of the assets used in connection with the operation of the Station, except for the Excluded Assets;

NOW, THEREFORE, taking the foregoing into account, and in consideration of the mutual covenants and agreements set forth herein, the sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound, hereby agree to the following terms and conditions:

ARTICLE 1: SALE AND PURCHASE

1.1 **Station Assets.** Subject to the terms and conditions herein contained, Seller shall grant, convey, sell, assign, transfer and deliver to Buyer on the Closing Date all assets, properties, interest and rights used or useful in connection with the conduct of the business and the operation of the Station, but excluding the Excluded Assets (collectively, the “Station Assets”). Except for Excluded Assets, shown in 1.2, the Station Assets shall include the following, *provided*, that if the description of a Station Asset refers to a Schedule, and the Appendix to this Agreement designates that such Schedule is “none”, then it is deemed that the Seller represents and warrants that no such Station Asset exists for conveyance under this Agreement:

(a) **Licenses and Authorizations.** All licenses, authorizations, permits and approvals issued or pending with respect to the Station by (i) the FCC (the “FCC Authorizations”); (ii) the Federal Aviation Administration (“FAA”); and (iii) any other federal, state or local governmental authorities in connection with the conduct of the business and operation of the Station, as set forth on Schedule 1.1(a) attached hereto.

(b) **Tangible Personal Property.** All equipment and tangible personal property (including associated manufacturer and vendor warranties) used in the business and operation of the Station, as listed and described on Schedule 1.1(b) attached hereto, and any replacements and improvements thereto prior to the Closing Date (collectively, the “Tangible Personal Property”).

(c) **Real Property Leases.** All leases and licenses relative to real property to which Seller is a party that are used in the operation of the Station, including, without limitation, those listed and described on Schedule 1.1(c) attached hereto (collectively, the “Real Property Leases”).

(d) **Contracts.** All contracts and agreements that are listed and described on Schedule 1.1(d) (collectively, the “Assumed Contracts”).

(e) **Intangible Property.** All trademarks, service marks, call signs, logos, URL and other designated intangible property used in the business and operation of the Station (collectively, the “Intangible Property”), the Intangible Property listed and described on Schedule 1.1(e).

(f) **Files and Records.** The public inspection and other business files for the Station, or copies thereof, and any technical information and engineering data relating to Tangible Personal Property in Seller's possession.

1.2 **Excluded Assets.** The following shall be excluded from the Station Assets and retained by Seller (collectively, the "Excluded Assets"):

- (a) **Cash.** All cash and cash equivalents on hand and/or in banks and deposits of Seller.
- (b) **Accounts Receivable.** All accounts receivable of Seller arising from the operation of Station prior to Closing which are outstanding and uncollected as of such Closing (collectively, the "Accounts Receivable").
- (c) **Insurance.** Any insurance policies, bonds, letters of credit, or other similar items; any cash surrender value in regard thereto of Seller; and any proceeds from insurance claims made by Seller relating to property or equipment included in Station Assets that have been repaired, replaced or restored by Seller prior to Closing Date.
- (d) **Benefit Plans.** Any pension, profit-sharing or cash or deferred (Section 401(k)) plans, or any other employee benefit plan or arrangement, and the assets thereof.
- (e) **Tax Refunds.** Any interest in and to any refunds of federal, state or local franchise, income or other taxes of Seller for taxes incurred and actually paid by Seller prior to Closing.
- (f) **Real and Personal Property.** All of the studio building and real property located at 975 Greentree Road, Pittsburgh, PA 15220, as well as all of the personal property and fixtures situated therein. In addition, all program inventories, vehicles and intangible personal property other than that listed on Schedule 1.1(e), and all tangible and intangible personal property of Seller disposed of or consumed in the ordinary course of business prior to Closing.
- (g) **Corporate Books and Records.** All records, account books and general ledgers, and all corporate records (including organizational documents) of Seller, including tax returns and transfer books.
- (h) **Employees.** The employees of the Station and of Seller.
- (i) **Contracts.** Any contracts not listed on Schedule 1.1(d).

1.3 **Liabilities.** The Station Assets shall be transferred by Seller to Buyer free and clear of all debts, liens, liabilities and encumbrances of every kind and nature ("Liens"), other than for (i) taxes, assessments and governmental charges not yet due and payable; (ii) liens that will be released at or prior to Closing; (iii) liens, easements, rights of way, building and use restrictions, zoning laws and ordinances, exceptions, reservations and limitations that do not in any material way affect the value of or impair the present and continued use of the property subject thereof in the ordinary course of the business of the Station; and (iv) any right reserved to any governmental authority to regulate the affected property (including restrictions stated in permits); and any other Liens set forth in Schedule 1.3 (collectively, "Permitted Liens").

1.4 **Purchase Price; Escrow; Payment.**

(a) **Purchase Price.** The purchase price to be paid for the Station Assets will be One Million Three Hundred Thousand Dollars (\$1,300,000.00), subject to adjustment in accordance with Exhibit B (the "Purchase Price"). The Seller and the Buyer agree to use the Purchase Price (as adjusted, if applicable) as the basis for the filing of all returns and reports concerning the transaction contemplated herein, including all federal, state, and local tax returns.

(b) **Escrow Deposit.** On or before the third (3rd) business day following execution of this Agreement, Buyer will deposit (i) Sixty-Five Thousand Dollars (\$65,000.00) (the "Escrow Amount") into the escrow account with BNY Mellon, as escrow agent (the "Escrow Agent"), pursuant to the terms of an Escrow Agreement in the form shown in Exhibit A (the "Escrow Agreement"), which such Escrow Amount will be held in an interest-bearing account and will be disbursed by the Escrow Agent in accordance with the Escrow Agreement. The Escrow Amount, and the Buyer's payment of Five Thousand Dollars (\$5,000.00) made upon the execution of the Letter of Intent, dated

September 2, 2014 (the “Letter of Intent Deposit”), shall be credited towards the Purchase Price at Closing. Buyer shall pay up front all fees, costs, and expenses charged by the Escrow Agent pursuant to the Escrow Agreement, and one-half of such payments will be credited toward the Purchase Price.

(c) **Payment at Closing.** At Closing, (i) the Parties shall cause the Escrow Amount to be paid to Seller, and all interest accrued on the Escrow Amount to be paid to Buyer, pursuant to the terms of the Escrow Agreement, (ii) the Letter of Intent Deposit shall be credited toward the Purchase Price, and (iii) Buyer shall pay to Seller One Million Two Hundred and Thirty Thousand Dollars (\$1,230,000.00), subject to adjustment in accordance with Exhibit B. All payments to Seller or to Buyer shall be made by wire transfer of immediately available funds to an account designated by the Party receiving payment, or at such Party’s option, by certified check of immediately available funds.

ARTICLE 2: FCC CONSENT; CLOSING

2.1 **FCC Consent; Assignment Application.** Seller and Buyer shall execute, file not later than twenty (20) business days after the execution of this Agreement, and diligently prosecute the appropriate application to the FCC (the “Assignment Application”) requesting the FCC’s consent (“FCC Consent”) to the assignment from Seller to Buyer of the FCC Authorizations pertaining to the Station.

(a) Seller shall reimburse Buyer for one-half of the FCC filing fee to be paid by Buyer in connection with the Assignment Application as a credit toward the Purchase Price at the Closing. Buyer and Seller shall each otherwise be responsible for their own other costs with respect to the preparation, filing and prosecution of the Assignment Application.

(b) Buyer and Seller shall diligently prosecute the Assignment Application and otherwise use commercially reasonable efforts to obtain the FCC Consent as soon as possible; provided, however, that neither Buyer nor Seller shall be required to participate in a trial-type hearing or judicial appeal in pursuit of the FCC Consent. Neither Buyer nor Seller shall take any action that would have the effect of preventing or materially delaying the receipt of FCC Consent.

(c) Buyer and Seller shall keep each other promptly informed of any communication with and/or documents filed with or received from the FCC with respect to this Agreement, the Station, the Assignment Application, or the transaction contemplated hereby, and provide each other with copies of all such documents. Buyer and Seller shall have the right to review in advance, and will consult with the other on, all information relating to the other Party that appears in any filing made with, or written materials submitted to, the FCC with respect to this Agreement, the Station, and the Assignment Application.

2.2 **Closing.** The consummation of the transaction contemplated in this Agreement (referred to herein as the “Closing”) shall occur on a date (such date referred to herein as the “Closing Date”) that is no more than ten (10) business days following the date (a) on which the FCC Consent shall have become a Final Order (unless such requirement shall have been waived by Buyer in its sole discretion) and (b) the other conditions to Closing set forth in Article 7 and Article 8 hereof shall have either been waived or satisfied. The Parties agree to cooperate to the extent necessary to obtain the FCC’s extension of the effectiveness of the FCC Consent as may be required for up to one (1) year following the date of FCC Consent, so long as this Agreement has not been terminated. The term “Final Order” means action by the FCC consenting to an Assignment Application, *provided that* such consent shall not have been reversed or stayed, and with respect to which no timely request for stay, petition for rehearing, petition for reconsideration, application for review, or notice of appeal is pending, and the deadline for same, or for reconsideration or review by the FCC on its own motion, shall have expired. The Closing shall be held at the offices of Buyer’s counsel or by exchange of documents via email, or as Seller and Buyer may agree.

ARTICLE 3: REPRESENTATIONS AND WARRANTIES OF SELLER

Seller makes representations and warranties set forth below to Buyer.

3.1 **Organization and Authorization.** Seller is a corporation duly organized, validly existing, and in good standing under the laws of its state or organization and is qualified to do business in the state in which the Station

is located. This Agreement has been duly and validly executed and delivered by Seller. This Agreement constitutes the legal, valid, and binding obligation of Seller enforceable in accordance with its terms.

3.2 **No Defaults or Conflicts.** The execution, delivery, and performance of this Agreement by Seller will not result in a default (or give rise to any right of termination, cancellation, or acceleration) under any note, bond, mortgage, agreement, lease, or other instrument or obligation relating to the business of the Station and to which Seller or the Station Assets may be subject. Seller has not entered into any agreement with any third party related to the Station's FCC Authorizations, including agreements for the sale, transfer, or assignment of the FCC Authorization or any interest therein.

3.3 **Tangible Personal Property.** Schedule 1.1(b) hereto contains a list of all tangible personal property that is used by the Station for the purpose of broadcasting its programming streams. Except as set forth in Schedule 1.1(b), Seller owns and has, and will have on the Closing Date, good and marketable title to the Tangible Personal Property. Each material item of Tangible Personal Property (a) is in good condition and repair, ordinary wear and tear excepted; (b) has been properly maintained; and (c) is operating in full compliance, in all material respects, with the FCC Authorizations and rules and regulations of the FCC and FAA.

3.4 **[reserved]**

3.5 **FCC Authorizations and Other Licenses.** Schedule 1.1(a) hereto contains a true and complete list of the FCC Authorizations and all other licenses, permits, or other authorizations from governmental or regulatory authorities that are required for the lawful conduct of the business and operations of the Station. The FCC Authorizations and other licenses are valid, in full force and effect, and not subject to any liens, liabilities, pledges, encumbrances, or claims of any kind. Seller is, and always has been, qualified to be an FCC licensee, and is and always has been operating the Station in compliance in all material respects with the FCC Authorizations, the Communications Act of 1934, as amended, and all regulations and published policies of the FCC (the "Communications Laws"). To Seller's knowledge, the Station has not been notified that it is causing, nor does it have any knowledge that it is receiving beyond what FCC regulations permit, any objectionable interference to or from any other station. All material reports and filings required to be filed with the FCC by Seller with respect to the operation of the Station have been filed, and all such reports and filings are accurate and complete in all material respects. The filing dates and timeliness of Seller's Form 398 Children's Television Programming Reports is reflected in Schedule 3.5 hereto. Seller maintains a public inspection file for the Station and, as of the date of filing of the Assignment Application, such file complies with the Communications Laws in all material respects.

3.6 **Broadcast Tower.** Seller has no knowledge that the tower from which the station broadcasts is not (a) obstruction marked; (b) lighted; and (c) properly registered with the FCC to the extent required by, and in accordance with, the Communications Laws and the rules and regulations of the FAA. To Seller's knowledge, all of the towers, guy anchors, guy wires, cables, transmitting equipment, buildings and other improvements relating to the Station's operations are located entirely on and wholly within the lot limits and metes and bounds of the property on which the Station's tower is situated and do not encroach on any adjoining premises.

3.7 **[reserved]**

3.8 **Title Documents.** The instruments to be executed by Seller and delivered to Buyer at Closing, conveying the Station Assets to Buyer, will transfer good and marketable title to the Station Assets, free and clear of all Liens other than Permitted Liens.

3.9 **[reserved]**

3.10 **Brokers.** There is no broker or finder or other person who, as a result of any agreement, understanding, or action with the Seller, would have any valid claim against Seller or Buyer for a commission or a brokerage fee in connection with the sale of the Station pursuant to this Agreement.

3.11 **Litigation; Compliance with Law.** Except as set forth in Schedule 3.11 (attached to this Agreement), (a) Seller is not subject to any order, injunction, judgment, arbitration, decision, or decree affecting the business of the Station or the Station Assets or which restrains or enjoins or could reasonably be expected to restrain or enjoin, the transaction contemplated hereby, and to Seller's knowledge no such proceeding is pending; (b) there is no

litigation pending by or against, or threatened against, Seller which relates to the Station or which could materially and adversely affect any of the Station Assets; (c) Seller, with respect to the Station, has complied in all material respects with all applicable laws, regulations, orders, or decrees, including the Communications Laws; (d) the present uses by Seller of the Station Assets do not violate any laws, regulations, orders, or decrees, including the Communications Laws; and (e) Seller has no knowledge of any basis for any claim for compensation or damage or other relief from any violation of the foregoing.

3.12 **Approvals and Consents.** Except as described in Schedule 3.12 (if attached to this Agreement), the execution, delivery and performance by Seller of this Agreement and the consummation of the transactions contemplated herein will not require any consent, permit, license or approval of any person, entity or government or regulatory authority other than the FCC Consent ("Required Consents").

3.13 **Insurance.** All of the material Station Assets that are insurable are insured against loss, injury, or damage to the full extent of their replacement value.

3.14 **Environmental Matters.** Seller has complied and is in compliance in all material respects with all Environmental Laws applicable to the business and operation of the Station. "Environmental Laws" are those laws and regulations applicable to Seller related to the protection of human health or the environment, or the use, treatment, storage, disposal, release or transportation of hazardous substances. Seller has not received any notice alleging any violation by Seller of, or any liability of Seller relating to, any Environmental Laws with respect to the Station Assets, which violation has not been finally resolved and, to Seller's knowledge, no such notice is threatened.

3.15 **Taxes.** The Seller has duly, timely, and in the required manner filed all Federal, state, and local income, franchise, sales, use, property, excise, payroll, and other tax returns and forms required to be filed, and has paid in full or discharged all taxes, assessments, excises, interest, penalties, deficiencies, and losses required to be paid in connection with the operation of the Station and the ownership of the Station Assets. To Seller's knowledge, no event has occurred which could impose upon Buyer any liability for any taxes, penalties, or interest due or to become due from Seller or in relation to any Station Assets from any taxing authority that accrued and were due for payment prior to the Closing Date.

3.16 **Accuracy of Representations and Statements.** No representation or warranty made by Seller in this Agreement, and no statement made in any certificate, document, exhibit, or schedule furnished or to be furnished by Seller in connection with the transaction, contains or will contain any untrue statement of a material fact or omits or will omit to state any material fact necessary to make such representation or warranty or any such statement not misleading to Buyer in the circumstance under which such representation, warranty, or statement was made.

3.17 **[reserved]**

3.18 **Sufficiency of Assets.** The Station Assets are sufficient for the conduct of the business and the operation of the Station as presently operated by Seller.

3.19 **Intangible Property.** Seller has not received any notice of infringement of or conflict, nor has any knowledge of any basis for any such claim, with asserted rights of others with respect to any intellectual property shown in Schedule 1.1(e). To Seller's Knowledge, no third party infringes the Intangible Property of Seller.

3.20 **Absence of Insolvency.** No bankruptcy, receivership, reorganization, composition or arrangements with creditors, voluntary or involuntary, affecting Seller or any of the Station Assets, are pending or threatened, and Seller has made no assignment for the benefit of creditors, nor taken any action which would constitute the basis for the institution of, any such insolvency proceedings.

3.21 **Station Operations Checklist.** The matters identified in Schedule 3.21 have been verified as required.

ARTICLE 4: REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer makes the following representations and warranties to Seller, but solely with respect to the transaction contemplated by this Agreement:

4.1 **Organization and Standing.** Buyer is a limited liability company duly organized, validly existing, and in good standing under the laws of the State of Delaware, and, at Closing, will be qualified to do business in the state in which the Station is located.

4.2 **Authorization.** Buyer has the power and authority to execute and deliver this Agreement, and to consummate the transaction contemplated hereby. Its performance under this Agreement shall not contravene its organizational documents or breach any contractual obligation. The execution and delivery of this Agreement and the consummation of the transaction contemplated hereby have been duly and validly authorized by Buyer, and no other proceedings on the part of Buyer are necessary to authorize the execution and delivery of, or the performance of Buyer's obligations under this Agreement, or to consummate the transaction contemplated hereby. This Agreement has been duly and validly executed and delivered by Buyer. This Agreement constitutes the legal, valid, and binding agreement of Buyer enforceable in accordance with its terms, except as may be limited by bankruptcy, insolvency, or other laws affecting generally the enforcement of creditors' rights or the application of principles of equity.

4.3 **No Defaults.** The execution, delivery, and performance of this Agreement by Buyer will not (a) conflict with or result in any breach of any provision of the articles of organization, operating agreement, or other similar organizational documents of Buyer; (b) result in a default (or give rise to any right of termination, cancellation, or acceleration) under, or conflict with, any of the terms, conditions, or provisions of any note, bond, mortgage, indenture, agreement, lease, or other instrument or obligation relating to Buyer or its business, except for such defaults (or rights of termination, cancellation, or acceleration) or conflicts as to which requisite waivers or consents have been obtained and delivered to Seller; (c) violate any statute, regulation, order, injunction, or decree of any federal, state, or local governmental authority or agency which is applicable to Buyer; or (d) require the consent or approval of any governmental authority, lending institution, or other third party other than the FCC Consent.

4.4 **Buyer's Qualification.** Upon satisfaction of the conditions precedent to Closing set forth in Article 7 and Article 8 below, Buyer will be legally, financially, and technically qualified to acquire and to become the FCC licensee of the Station and to perform its obligations under this Agreement. Buyer has adequate financing in place to consummate the transactions contemplated by this Agreement.

4.5 **Litigation.** Buyer is not subject to any order, injunction, judgment, arbitration, decision, or decree having a binding effect and affecting the business of Buyer or which restrains or enjoins, or purports to restrain or enjoin, or could reasonably be expected to restrain or enjoin, the transaction contemplated hereby, and no such proceeding is pending. There is no material litigation pending by or against, or, to the knowledge of Buyer, threatened against Buyer that would prevent or materially impede the consummation by Buyer of the transactions contemplated by this Agreement.

4.6 **Brokers.** Other than Patrick Communications, LLC, which represents Buyer and whose broker fees with respect to the Station will be paid by Buyer, there is no broker or finder or other person who, as a result of any agreement, understanding, or action, would have any valid claim for a commission or a brokerage fee in connection with the sale of the Station pursuant to this Agreement.

4.7 **Accuracy of Representations and Statements.** No representation or warranty made by Buyer in this Agreement, and no statement made in any certificate, document, exhibit, or schedule furnished or to be furnished by Buyer in connection with the transaction herein contemplated, contains or will contain any untrue statement of a material fact or omits or will omit to state any material fact necessary to make such representation or warranty or any such statement not misleading to Seller in the circumstance under which such representation, warranty, or statement was made.

ARTICLE 5: COVENANTS OF SELLER

The following terms of this Article 5 shall apply to Seller from the Effective Date until the completion of Closing (except as otherwise specified).

5.1 Except as permitted by this Agreement or with the prior written consent of Buyer, which shall not be unreasonably withheld, delayed or conditioned, Seller shall:

- (a) operate the Station in the ordinary course of business consistent with past practices and comply in all material respects with all laws applicable to use of the Station Assets, and operate and maintain the Station in all material respects in conformity with the FCC Licenses and all applicable laws, ordinances, regulations, rules and orders;
- (b) maintain the FCC Licenses in full force and effect;
- (c) not file any application to modify the FCC Licenses, except as expressly contemplated otherwise by this Agreement;
- (d) maintain the Tangible Personal Property in its current condition, except for ordinary wear and tear, and maintain in effect its insurance policies on the Station Assets;
- (e) not terminate, modify or amend any Station Contract, or enter into any new contract that will be binding on Buyer after Closing;
- (f) not agree to sell or sell, assign, lease or otherwise transfer or dispose of any of the material Station Assets, except for assets consumed or disposed of in the ordinary course of business, and only as such assets are replaced prior to Closing by other assets of substantially equal or greater value and utility;
- (g) not create, assume or permit to exist any Liens on the Station Assets other than Permitted Liens, and not dissolve, liquidate, merge or consolidate with any other entity; and
- (h) give Buyer and its representatives reasonable access to the Station Assets and provide Buyer and its representatives with information it reasonably requests with respect to the Station or the Station Assets, so long as any such access does not interfere with Seller's operations of the Station or its business.

5.2 **Insurance.** Seller shall maintain in full force and effect through the Closing Date adequate property damage, liability, and other insurance with respect to the Station Assets.

5.3 **Solicitation.** For as long as this Agreement shall be in effect, neither Seller, nor any of its respective principals, directors, officers, agents, or representatives, shall hold any communications, discussions or negotiations with, and shall not, directly or indirectly, solicit, initiate, encourage, induce, or entertain any inquiries or proposals from, any person (other than Buyer) relating to any business combination transaction, purchase or acquisition involving the Station.

5.4 **Access to Facilities, Files and Records.** At the request of Buyer, Seller shall from time to time give to, or cause to be given to, Buyer full access during normal business hours to its Station Assets, insurance policies, licenses, agreements, records related to expenses incurred by Seller to operate the main studio and transmission chain, contracts and equipment with respect to the Station; *provided, however*, that all such access shall be scheduled in a manner reasonably acceptable to Seller.

5.5 **Representations and Warranties.** Seller shall give detailed written notice to Buyer promptly upon learning of the occurrence of any event that would cause or constitute a breach, or that would have caused a breach had such event occurred or been known to Seller prior to the Effective Date, of any of the representations or warranties contained in this Agreement. Seller shall use commercially reasonable efforts to promptly cure any such breach.

5.6 **Consummation of Agreement.** Seller shall use all commercially reasonable efforts to fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement, and to cause the transaction contemplated by this Agreement to be fully carried out.

5.7 **Construct and License Digital Station and Preserve Class A Status.** Seller shall, and shall take all actions necessary to, construct the digital companion channel, license same, and transfer and maintain the Class A status of the primary FCC Authorization of the Station, up to the date of Closing.

ARTICLE 6: COVENANTS OF BUYER

Buyer covenants and agrees to Seller solely in connection with the transaction contemplated herein that from the Effective Date until the completion of Closing:

6.1 **Representations and Warranties.** Buyer shall give detailed written notice to Seller promptly upon learning of the occurrence of any event that would cause or constitute a breach, or would have caused a breach had such event occurred or been known to Buyer prior to the date hereof, of any of the representations and warranties of Buyer contained in this Agreement. Buyer shall use commercially reasonable efforts to cure any such breach. Updates provided by Buyer to comply with the covenant in this Section 6.1 will not have any impact on Seller's conditions to Closing pursuant to Article 7 or serve to limit the right of Seller to indemnification hereunder.

6.2 **Consummation of Agreement.** Buyer shall use all commercially reasonable efforts to fulfill and perform all conditions and obligations on its part to be fulfilled and performed under this Agreement, and to cause the transaction contemplated by this Agreement to be fully carried out.

ARTICLE 7: CONDITIONS TO THE OBLIGATIONS OF SELLER

With respect to the transaction contemplated under this Agreement, the obligations of Seller to consummate hereunder are subject to the fulfillment of the following conditions prior to or on the Closing Date, unless waived in writing by Seller.

7.1 **Representations, Warranties and Covenants.**

(a) Each of the representations and warranties of Buyer contained in this Agreement was true and correct as of the date when made and is deemed to be made again on and as of the Closing Date and is then true and correct.

(b) Buyer shall have performed and complied with each and every covenant and agreement required by this Agreement in connection with Station to be performed or complied with by it prior to or on the Closing Date.

7.2 **Proceedings.** Neither Seller nor Buyer is subject to any restraining order or injunction (or similar action) and no action is pending which would restrain or prohibit the consummation of the transaction contemplated hereby.

7.3 **FCC Authorizations.** The FCC Consent with respect to the Assignment Application has been issued by the FCC.

7.4 **Deliveries.** Buyer has complied with each and every one of its obligations set forth in Section 9.2.

ARTICLE 8: CONDITIONS TO THE OBLIGATIONS OF BUYER

With respect to the transaction contemplated under this Agreement, the obligations of Buyer to consummate hereunder are subject to the fulfillment of the following conditions prior to or on the Closing Date, unless waived by Buyer in writing.

8.1 **Representations, Warranties and Covenants.**

(a) Each of the representations and warranties of Seller contained in this Agreement was true and correct as of the date when made and is deemed to be made again on and as of the Closing Date and is then true and correct.

(b) Seller shall have performed and complied with each and every covenant and agreement required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

8.2 **Proceedings.** Neither Seller nor Buyer is subject to any restraining order or injunction (or similar action) and no action is pending which would restrain or prohibit the consummation of the transaction contemplated hereby.

8.3 **Class A Standing of the Station** From and after the date of this Agreement, the FCC shall not have issued any letter of inquiry, “show cause” order or other notice of any kind concerning the Seller’s or the Station’s compliance with FCC rules and policies applicable to Class A TV licensees; or such letter, order, or notice has been issued, the FCC has stated that the matter has been closed.

8.4 **FCC Authorizations.** The FCC Consent has been issued by the FCC, with no conditions materially adverse to Buyer, and shall have become a Final Order.

8.5 **License to Cover Digital Construction Permit and Transfer of Class A Designation.** Buyer has no obligation to Close until and unless (i) a “license to cover” the construction permit for WQVC-LD, Facility ID No. 198016, has been granted by the FCC, and (ii) the Class A designation of WQVC-CA has been transferred to WQVC-LD, granting that facility Class A status. For clarity, the digital facility must be (i) licensed, (ii) operating in accordance with the FCC’s Rules and not be “silent”, and (iii) granted Class A status, prior to and as conditions of Closing.

8.6 **Deliveries.** Seller has complied with each and every one of the obligations set forth in Section 9.1.

8.7 **Liens.** No Liens (other than Permitted Liens, if any) shall exist or have been filed or recorded against the Station Assets in the public records of the Secretary of State of Seller’s state of incorporation or in any other jurisdiction in which the Station Assets are located. Duly executed UCC releases, mortgage terminations or other similar documents or instruments required to transfer the Station Assets free and clear of Liens (other than Permitted Liens) shall have been delivered by Seller.

8.8 **Additional Pre-Closing Items.** Seller has complied with any additional pre-closing items set forth in Schedule 8.8.

ARTICLE 9: ITEMS TO BE DELIVERED AT CLOSING

9.1 **Deliveries by Seller.** At Closing, Seller shall deliver to Buyer, duly executed by Seller or such other signatory as may be required by the nature of the document, the following:

(a) a certificate for Seller, dated as of the Closing Date, executed by an officer of Seller, certifying on behalf of Seller that the closing conditions specified in Section 8.1 have been satisfied;

(b) a bill of sale sufficient to sell, convey, transfer and assign the Station Assets (other than the FCC Authorizations, Assumed Real Property Leases and Contracts) to Buyer free and clear of any Liens (other than Permitted Liens), in a form reasonably acceptable to Buyer (the “Bill of Sale”);

(c) an Assignment and Assumption Agreement sufficient to assign the FCC Authorizations applicable to the Station (including the Station’s call letters) to Buyer, in a form reasonably acceptable to Buyer (the “FCC Authorizations Assignment and Assumption Agreement”);

(d) assignments of any Real Property Leases in a form reasonably acceptable to Buyer, which document(s) will include a reference noting the indemnification obligations of the Parties under this Agreement (each a “Lease Assignment and Assumption Agreement”);

(e) executed releases, in suitable form for filing and otherwise in form and substance reasonably satisfactory to Buyer, (i) of any security interests granted in the Station Assets as security for payment of loans and other obligations and of any other Liens (other than Permitted Liens) and (ii) releasing Buyer from any post-Closing liability to Seller and its affiliates in connection with the Station and Station Assets, except for liability under this Agreement; and

(f) certified copies of appropriate resolutions, duly adopted, which shall be in full force and effect at the time of Closing, authorizing the execution, delivery and performance by Seller of this Agreement, and the consummation of the transaction contemplated hereby related to the Station.

9.2 **Deliveries by Buyer.** At Closing, Buyer shall deliver to Seller, duly executed by Buyer or such other signatory as may be required by the nature of the document:

(a) a certificate for Buyer, dated as of the Closing Date, executed by an officer or other authorized representative of Buyer, certifying on behalf of Buyer that the closing conditions specified in Section 7.1 have been satisfied;

(b) the payment of the Purchase Price;

(c) the Bill of Sale;

(d) the FCC Authorizations Assignment and Assumption Agreement;

(e) the Lease Assignment and Assumption Agreement;

(f) certified copies of resolutions, duly adopted, which shall be in full force and effect at the time of Closing, authorizing the execution, delivery and performance by Buyer of this Agreement, and the consummation of the transaction contemplated hereby.

ARTICLE 10: SURVIVAL AND INDEMNITY

The rights and obligations of Buyer and Seller under this Agreement shall be subject to the following terms and conditions:

10.1 **Survival of Covenants, Representations, and Warranties.** Except as stated below, the covenants, representations, and warranties of Buyer and Seller contained in this Agreement shall survive Closing for two (2) year from the Closing Date. Except as stated below, neither Seller nor Buyer shall have any liability whatsoever with respect to any covenant, representation, or warranty unless a claim is made hereunder or an action at law or in equity is commenced prior to expiration of the two-year survival period for such representation or warranty.

10.2 General Agreement to Indemnify.

(a) Seller on the one hand, and Buyer on the other hand, shall indemnify, defend and hold harmless each other and any employee, representative, agent, director, officer, affiliate or permitted assign of each other (each, an “Indemnified Party”) from and against any and all claims, claims, actions, suits, proceedings, liabilities, obligations, losses and damages, amounts paid in settlement, interest, costs and expenses (including reasonable attorneys’ fees, court costs and other out-of-pocket expenses incurred in investigating, preparing or defending the foregoing) (collectively, “Losses”) asserted against, incurred or suffered by any Indemnified Party as a result of, arising out of, or relating to: (i) the failure of any representation or warranty of the Indemnifying Party made in the Agreement to have been true and correct when made or as of the Closing Date for the Station as though such representation or warranty were made at and as of the Closing Date or (ii) the breach by the Indemnifying Party of any covenant or agreement of such Party contained in this Agreement or any collateral agreement to the extent not waived by the other Party hereto. In no event shall either party be liable to the other for more than actual out-of-pocket damages; no claim may be made for lost profits or opportunities or any indirect, special, incidental, punitive, or consequential damages arising from or in connection with this Agreement, even if the party knew or had reason to know of the possibility of such damages or losses.

(b) Seller further agrees to indemnify and hold harmless Buyer and any other Indemnified Party of Buyer from and against any Losses asserted against, incurred or suffered by Buyer or any other Indemnified Party of Buyer arising out of, resulting from, or relating to the operation of the Station and ownership of the Station Assets prior to Closing.

(c) Buyer further agrees to indemnify and hold harmless Seller and any other Indemnified Party of Seller from and against any Losses asserted against, incurred or suffered by Seller or any other Indemnified Party of Seller arising out of, resulting from, or relating to the operations of the Station and the Station Assets after Closing.

10.3 **General Procedures for Indemnification.**

(a) The Indemnified Party seeking indemnification under this Agreement shall promptly notify in writing the Party or Parties from whom indemnification is sought (the “Indemnifying Party”) of the assertion and basis of any claim, or the commencement and basis of any action, suit or proceeding by any third party in respect of which indemnity may be sought hereunder (a “Third Party Claim”); *provided, however*, that prior to assuming any claim defense, the Indemnifying Party must show the Indemnified Party that they have the financial ability to pay for the cost of defense before they are allowed to assume the defense. Failure by the Indemnifying Party to so notify the Indemnified Party shall be deemed a waiver by the Indemnifying Party of its right to assume the defense of such claim.

(b) The Indemnifying Party or the Indemnified Party, as the case may be, shall have the right to participate in (but not control), at its own expense, the defense of any Third Party Claim that the other is defending, as provided in this Agreement.

(c) The Indemnifying Party, if it has assumed the defense of any Third Party Claim as provided in this Agreement, shall not consent to, or enter into, any compromise or settlement of, or consent to the entry of any judgment arising from, any such Third Party Claim (which compromise, settlement, or judgment (i) commits the Indemnified Party to take, or to forbear to take, any action or (ii) does not provide for a complete release by such third party of the Indemnified Party) without the Indemnified Party’s prior written consent. If the conditions set forth herein are met but the Indemnified Party refuses to settle any Third Party Claim, the Indemnifying Party may tender the settlement amount and be relieved of further liability.

10.4 **Limitations.** Neither Party shall be required to indemnify the other Party under this Article 10 unless (a) written notice of a claim under this Article 10 was received by an Indemnifying Party within two (2) years following Closing related to the Indemnified Party or with respect to any Real Property Lease for which Seller remains liable to the Landlord after Buyer’s assumption thereof, within two (2) years from the end of the term of such Real Property Lease, as the case may be, and (b) the aggregate claim for Losses exceeds Ten Thousand Dollars (\$10,000), after which the Indemnified Party shall be entitled to recover only such portion of the Losses that exceed such amount. In calculating the amount of Losses to Buyer or Seller under Section 10.2 above, such Losses shall be reduced by any recovery from any third party (including insurance proceeds) as a result of the facts or circumstances giving rise to the Losses. The limitations set forth in this Section shall not apply to Third Party Claims against a Party entitled to indemnification under Sections 10.2(b) or 10.2(c).

10.5 **Exclusive Remedy.** Following Closing, the right to indemnification, defense, hold harmless, payment or reimbursement provided in this Article 10 will be the exclusive remedy of any Party with respect to Losses in connection with the transactions contemplated by this Agreement.

ARTICLE 11: TERMINATION

11.1 **Termination.** This Agreement may be terminated at any time by Buyer or by Seller prior to Closing, as set forth below:

- (a) by the mutual written consent of Buyer and Seller;
- (b) by written notice of Seller to Buyer if Buyer (i) breaches in any material respect any of Buyer’s representations or warranties relevant to the Station; or (ii) defaults in any material respect in the performance of any of Buyer’s covenants or agreements under this Agreement relevant to the Station; and in any of which events (i)-(ii) such breach or default is not cured by Buyer within the Cure Period (as defined below), if applicable;
- (c) by written notice of Buyer to Seller if Seller (i) does not satisfy the conditions or perform the obligations to be satisfied or performed by Seller on or before the Closing Date in any material respect; (ii) breaches in any material respect any of Seller’s representations or warranties; or (iii) defaults in any material respect in the

performance of any of Seller's covenants or agreements under this Agreement; and in any of which events (i)-(iii) such breach or default is not cured by Seller within the Cure Period, if applicable; or

(d) by Buyer with respect to the transaction contemplated hereunder (i) if the FCC issues a "show cause" order or other notice informing Seller that it must show cause as to why the Station's primary FCC Authorization should not be downgraded from a Class A television license to a low-power television license which is not resolved in favor of retaining Class A status within sixty (60) days; (ii) if the Buyer determines in its reasonable discretion that the Station does not meet the requirements to hold and to retain the Class A status of its primary FCC Authorization.

11.2 Cure Period. The term "Cure Period" as used herein means a period commencing with the date that Buyer or Seller receives from the other Party written notice of breach or default hereunder and continuing until sixty (60) days thereafter; *provided, however*, that if the breach or default cannot reasonably be cured within such period but can be cured before the Closing Date, and if diligent efforts to cure promptly commence, then the Cure Period shall continue as long as such diligent efforts to cure continue, but not beyond the Closing Date.

11.3 Liability; Right to Terminate. A termination of this Agreement shall not relieve any Party hereto of any liability for which it otherwise would be subject. Notwithstanding anything in this Agreement to the contrary, no Party that is in material breach of this Agreement shall be entitled to terminate this Agreement except with the written consent of the other Party, except for termination pursuant to Section 11.1(e).

11.4 Payment of Escrow Amount.

(a) **Buyer's Default.** Upon a termination of the Agreement by Seller pursuant to Section 11.1(b) above due to a breach by Buyer of any of its material obligations under this Agreement, Seller's sole remedy shall be delivery of the Escrow Amount, including all interest earned thereon, from the Escrow Agent, as liquidated damages. Seller and Buyer acknowledge that these liquidated damages are reasonable in light of the anticipated harm that would be caused by Buyer's breach of any of its material obligations under this Agreement and the difficulty of ascertaining damages and proof of loss and that these damages are not a penalty.

(b) **Other Termination.** Upon a termination of the Agreement by either Party pursuant to Section 11.1 (other than Section 11.1(b)), Buyer shall be entitled to the return of the Escrow Amount, including all interest earned thereon. Instead of terminating the transaction contemplated hereunder upon a default by Seller pursuant to Section 11.1(c), Buyer shall be entitled to seek specific performance as provided in Section 12.8 below.

ARTICLE 12: MISCELLANEOUS

12.1 Governing Law. The construction and interpretation of this Agreement shall at all times and in all respects be governed by the laws of the State of Delaware (exclusive of those relating to conflicts of laws). Any action at law, suit in equity or judicial proceeding arising directly, indirectly, or otherwise in connection with, out of, related to or from this Agreement, or any provision hereof, shall be litigated only in the federal or state courts of the State of Delaware. The Parties hereby consent to the personal and subject matter jurisdiction of such courts and waive any right to transfer or change the venue of any litigation between them.

12.2 Expenses; Taxes. Each Party hereto shall bear all of its expenses incurred in connection with the transaction contemplated by this Agreement; *provided, however*, that Seller and Buyer shall share equally (a) all filing fees, including but not limited to FCC filing fees required to be paid in connection with the Assignment Application as set forth in Section 2.1(a) and (b) all state or local sales, use, stamp or transfer taxes and other similar taxes payable in connection with consummation of the transaction.

12.3 Entire Agreement; Amendment; No Waiver. This Agreement, including the schedules and exhibits hereto, contain the entire agreement and understanding by and between the Parties, and no other representations, promises, agreements, or understanding, written or oral, not contained herein shall be of any force or effect. This Agreement may only be amended in a writing signed by all of the Parties. No oral agreement shall have any effect. No failure or delay in exercising any right hereunder shall be deemed or construed to be a waiver of such right, either prospectively or in the particular instance. This Agreement has been prepared by all of the Parties hereto, and no inference of ambiguity against the drafter of a document therefore applies against any Party hereto.

12.4 **Confidentiality.** Except for information about the Station and the Station Assets acquired by Buyer at or after Closing and except where such information is known through other lawful sources or where its disclosure is required in accordance with applicable law, including requirements of the FCC pursuant to the Assignment Application, Buyer and Seller shall keep confidential all non-public information obtained by it with respect to the other Party or the Station in connection with this Agreement. If the transaction contemplated herein is not consummated for any reason, Buyer and Seller shall return to each other or destroy, without retaining a copy thereof in any medium whatsoever, any schedules, documents or other written information, including all financial information, obtained from the other in connection with this Agreement and the transaction contemplated hereby.

12.5 **Public Announcements.**

(a) Prior to the Closing Date, no Party shall, without the approval of the other Parties hereto, make any press release or other public announcement concerning the transaction contemplated by this Agreement.

(b) Notwithstanding the foregoing, the Parties acknowledge that the rules and regulations of the FCC require that local public notice of the transaction contemplated by this Agreement be made by Seller after the Assignment Application has been filed with the FCC and that a copy of this Agreement shall be included as a material part of the Assignment Application, which will be made available for public inspection at the Station and in the FCC's records. The form and substance of the required public notices, to the extent not dictated by the Communications Laws, shall be mutually agreed upon by Seller and Buyer.

12.6 **Risk of Loss.** The risk of loss to any of the Station Assets on or prior to the Closing Date shall be upon Seller. Seller shall use all commercially reasonable efforts to repair or replace any damaged or lost Station Assets; *provided, however*, that in the event that any Station Asset or Station Assets incur damages which reasonably are expected to exceed Twenty-Five Thousand Dollars (\$25,000) to repair or any Station Asset or Station Assets having a fair market value of Twenty-Five Thousand Dollars (\$25,000), or more, is lost as of the date otherwise scheduled for Closing, then Buyer may, at its option, upon prior written notice to Seller, either (a) postpone Closing for a period of up to sixty (60) days while Seller shall repair or replace such Station Asset or Station Assets; (b) elect to close the transaction contemplated herein with the Station Asset or Station Assets in their damaged or lost condition, in which case Seller shall assign to Buyer all proceeds of insurance on such damaged or lost Station Asset or Station Assets, and Buyer shall have the responsibility to repair or replace the damaged or lost Station Asset or Station Assets; or (c) if such damage or loss exceeds One Hundred Fifty Thousand Dollars (\$150,000), Buyer may terminate this Agreement without penalty upon written notice to Seller.

12.7 **Successors and Assigns.** Except as otherwise expressly provided herein, this Agreement shall be binding upon and inure to the benefit of the Parties hereto, and their respective heirs, representatives, successors and assigns. Seller may not assign this Agreement or any part hereof without the prior written consent of Buyer in Buyer's sole discretion and any attempted assignment without such consent shall be void. Buyer may not assign this Agreement or any part hereof without the prior written consent of Seller, which shall not be withheld unreasonably, *provided, however*, that Buyer may assign its rights or obligations under this Agreement and any part thereof without Seller's consent in whole or in part to a company controlled by Buyer, without the Buyer retaining joint and several liability with such assignee. In the event of any assignment of this Agreement not to a company controlled by Buyer, the assignee shall enter into a written agreement accepting joint and several liability for all obligations under this Agreement, and Buyer shall retain joint and several liability with its assignee.

12.8 **Specific Performance.** Seller acknowledges that the Station is a unique asset not readily obtainable on the open market and that, in the event that Seller fails to perform its obligation to consummate the transaction contemplated hereby, money damages alone will not be adequate to compensate Buyer for its injury. Therefore, Seller agrees and acknowledges that in the event of Seller's failure to perform its obligation to consummate the transaction contemplated hereby, Buyer shall be entitled to specific performance of the terms of this Agreement and of Seller's obligation to consummate the transaction contemplated hereby in lieu of monetary damages. If any action is brought by Buyer against Seller to enforce this Agreement, Seller shall waive the defense that there is an adequate remedy at law, and the prevailing Party in litigation shall be entitled to receive from the non-prevailing Party all court costs, attorney's fees and other out-of-pocket expenses incurred by the prevailing Party in enforcing or defending its rights under this provision.

12.9 **Notices.** All notices, requests, demands and other communications required or permitted under this Agreement shall be in writing (which shall include notice by email or facsimile transmission if an email or facsimile number for the Party is provided below) and shall be deemed to have been duly made and received when personally served, or when delivered by the U.S. Postal Service with a return receipt, Federal Express or a similar overnight courier service, expenses prepaid, or when sent by facsimile or acknowledged email communications, addressed as set forth below:

If to Seller, then to:

Benjamin Perez
Abacus Television
514 Chautauqua Street
Pittsburgh, PA 15214
Fax: (412) 322-5526
Email: abacuscommco@verizon.net

and to (which shall not constitute notice):

Abacus Television
975 Greentree Road
Pittsburgh, PA 15220
(844) 262-1519
Email: abacustv@gmail.com

If to Buyer, then to:

Ravi Potharlanka
LocusPoint Networks, LLC
Pleasanton Corporate Commons
6200 Stoneridge Mall Road, Suite 300
Pleasanton, CA 94588
Fax: (925) 399-6001
Email: ravi@locuspointnetworks.com

and to (which shall not constitute notice):

Chase Libbey, Esq.
CLC Consulting, Inc.
9519 Mount Vernon Landing, Ste. 1
Alexandria, VA 22309
Email: chaselibbey@verizon.net

Any Party may change the address to which communications are to be sent by giving notice of such change of address in conformity with the provisions of this Section providing for the giving of notice.

12.10 **Further Assurances.** From time to time prior to, on and after the Closing Date for either Station, each Party hereto will execute all such instruments and take all such actions as any other Party shall reasonably request, without payment of further consideration, in connection with carrying out and effectuating the intent and purpose of the transaction contemplated by this Agreement, including without limitation the execution and delivery of any and all confirmatory and other instruments in addition to those to be delivered on a Closing Date, and any and all actions which may reasonably be necessary to complete the transaction contemplated hereby. The Parties shall cooperate fully with each other and with their respective counsel and accountants in connection with any steps required to be taken as part of their respective obligations under this Agreement.

12.11 **Partial Invalidity.** Wherever possible, each provision hereof shall be interpreted in such manner as to be effective and valid under applicable law, but in case any provision contained herein, or its application to any particular circumstance shall, for any reason, be held to be invalid or unenforceable by a court of competent jurisdiction or by the FCC, such provision or such application shall be ineffective to the extent of such invalidity or unenforceability in such jurisdiction, without invalidating the remainder of such provision or any other provisions hereof, or its application in any other circumstance, unless such a construction would be unreasonable, and without invalidating such provision or its application in any other jurisdiction.

12.12 **Execution in Counterparts**. This Agreement may be executed by facsimile or email transmission and in counterparts, each of which shall constitute an original but together will constitute a single document, and all such facsimile or email transmission and counterpart signatures shall be treated as originals for all purposes.

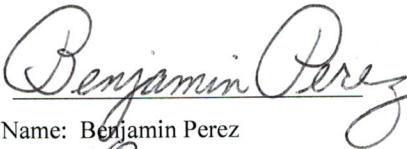
12.13 **Headings**. The headings and captions in this Agreement are for the convenience of the parties and shall not affect the meaning of the substantive provisions hereof.

[remainder of this page intentionally left blank]


SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the date first above written.

ABACUS TELEVISION

By: 
Name: Benjamin Perez
Title: Owner

LOCUSPOINT NETWORKS, LLC

By: 
Name: Ravi Potharlanka
Title: President and Chief Financial Officer