

## ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is made this 29 day of November, 2013 by and between Greeley Broadcasting Corporation, a Colorado Corporation, ("Seller"), and Wolf Creek Radio Broadcasting, LLC, a Wyoming Limited Liability Company ("Buyer"). The Effective Date of this Agreement is September 30, 2013.

### WITNESSETH:

SRF 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 Station KLMI (FM) channel 291C3 licensed to Rock River, Wyoming (Facility ID No. 164207) (the "Station"); and

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

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

WHEREAS, the Station is currently being operated by Buyer pursuant to a Local Marketing Agreement Dated April 4, 2011 ("LMA")

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

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), Sellers shall sell, assign, transfer, convey, set over, and deliver to Buyer, and Buyer shall purchase and/or accept assignment of the following (hereinafter 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 Station (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 operation of the Station, 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 **Intangibles.** The call letters KLMI and the goodwill value of the Station.

1.1.4 **Records.** All of Seller's engineering reports, FCC records (including the Station's public inspection file), equipment warranties, brochures and bills of sale and software relating to the operation of the Station (hereinafter collectively the "Records") or to assets or agreements purchased by Buyer.

1.1.5 **Lease.** Assumption of that certain Facilities Site Lease attached as Schedule 1.1.5.

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 Any and all agreements of Seller not assumed by Buyer hereunder.

1.2.3 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 Station's operations.

1.2.4 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.

1.2.5 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 Station 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.

1.2.6 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.

## **SECTION 2 PURCHASE PRICE**

2.1 **Purchase Price.** 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 total purchase price (the "Purchase Price") to be paid by Buyer shall

be the sum of **\$161,250.00**. The Purchase Price affirmatively settles any and all prior disputes between the Seller and Buyer with regard to liability for repairs and upgrades to the Tangible Personal Property.

**2.2 Payment of Purchase Price.** The Purchase Price shall be paid to Seller as follows:

**2.2.1 Closing Payment.** On the Closing Date, Buyer will pay to Seller by wire transfer of immediately available funds to a bank designated by Seller the sum of **\$161,250.00** as adjusted and reduced to reflect Adjustments made at Closing pursuant to Section 3 and LMA payments as addressed in 2.2.2. below.

**2.2.2 LMA Payments.** Buyer shall continue to make monthly LMA payments in the amount of **\$4,500.00** to Seller. All monthly LMA payments commencing from the effective date of this Agreement shall be deemed a credit toward the Purchase Price at the time of Closing. By way of example only, if six monthly LMA Payments have been made as of the time of Closing, the Purchase Price would be adjusted downward by \$27,000.00

**2.3 Allocation of Purchase Price.** Prior to the Closing Date, the parties agree to allocate the Purchase Price 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 Purchase Price 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 in accordance with Section 3.5 herein below.

**3.2.1 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.

**3.2.2 Charges for utilities, if any.**

**3.2.3 Security deposits, if any.**

**3.2.4 If the amount of any 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.

3.2.5 Buyer shall have no obligation to employ any of the employees of Seller.

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.

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**SECTION 4**  
**APPLICATION TO AND CONSENT BY COMMISSION**

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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.

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 Station, 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.

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## SECTION 5 ASSUMPTIONS

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**5.1 Buyer's Assumed Obligations.** With the exception of the Facilities Site Lease attached hereto as Exhibit 1.1.5, Buyer will not assume or perform or be expected to assume or perform any agreement, contract or lease of Seller, 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 any leases or other agreements of Seller.

**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 Corporation validly existing Corporation and in good standing under the laws of the State of Colorado and is authorized to do business in the State of

Wyoming. Seller otherwise has the full power to own the assets and to carry on the business of the Station 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 Incorporation, or By-laws of Seller, or any contract provision or other commitment to which Seller, or any of its officers or directors or the Station 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.

SRF 6.3 **Business Records and Financial Statements.** Seller has maintained the business records of the Station 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 Station 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 **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 Station.

6.5 **[Reserved]**

6.6 **Authorizations.**

6.6.1 Seller is the holder of all licenses, permits, and authorizations necessary to operate the business of the Station 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. 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 Station 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 Station 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 Authorizations pertaining to the Station.

6.7 **Litigation; Compliance With Law.** The Station 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. 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 Station, 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 Station, or the ability of Buyer to own and operate the Station, 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 Station or the ability of Buyer to own and operate the Station 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 Station.

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 Station, 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,

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## SECTION 7

Buyer covenants, represents, and warrants as follows:

**7.1 Organization and Standing.** Buyer is now and on the Closing Date will be a Wyoming limited liability company validly existing and in good standing under the laws of the State of Wyoming.

**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 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 **Information Held in Confidence.** From the date hereof until the Closing Date, Buyer and other representatives of Buyer, including Buyer's lenders, if any, will hold in strict confidence, and will not disclose to any third party, any data and information obtained in connection with this transaction with respect to the business of Seller, except insofar as any of such data and information may be required by law to be publicly disclosed or submitted to the Commission. If the transactions contemplated by this Agreement are not consummated, Buyer will return to Seller all such data and information, including, but not limited to, all documents, copies of documents and memoranda or other materials prepared by Buyer which incorporate data or information obtained from Seller and all other data and information made available to Buyer in connection with this transaction, except that which may be required to be submitted to the Commission.

SOF 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 Station 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. Buyer is financially qualified and financially capable of closing as contemplated herein.

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 COVENANTS

8.1 **Affirmative Covenants of Seller.** Subject to the LMA, from the date of this Agreement until the Closing Date, Seller shall have complete control and supervision of and sole responsibility for the Station and its operation, and during such period, Seller shall:

8.1.1 Operate the Station 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, and maintain in good standing the Station's operating authority.

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

8.1.3 Make reasonable efforts to endeavor to protect the service area of the Station 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, subject to reasonable wear and tear.

8.1.5 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 Station, 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 Station.

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 Station 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 Station's affairs as Buyer may reasonably request, so far as such access, information and materials pertain to the operation of the Station.

8.4 **Restrictions on Buyer.** Subject to the LMA, nothing contained in this Agreement shall give Buyer any right to control the programming or operations of the Station prior to the Closing Date and Seller shall have complete control of the programming and operation of the Station between the date hereof and the Closing Date and shall operate the Station 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 Station or delay the grant of the Assignment Application by the Commission. 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 non-fulfillment 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 or Buyer's written waiver of finality (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 [deleted]

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 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 Station which may adversely effect any of the assets to be sold and assigned hereunder.

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 performed all of the obligations set forth in Section 2.2 of this Agreement with respect to the payment of the Purchase Price.

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

9.3.5 Seller shall have obtained written consent to the assignment of the Facilities Site Lease to Buyer. Seller shall use reasonable efforts to obtain such consent. Notwithstanding anything to the contrary herein, in the event such consent cannot reasonably be obtained either party may terminate this Agreement without further obligation under this Agreement, provided such terminating party is not in default.

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, the other party 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"):

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10.1.4 A certificate executed by 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 An executed Assignment of the Facilities Site Lease in form and substance reasonably satisfactory to counsel for Buyer assigning to Buyer the Facilities Site Lease.

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

10.2.3 A certificate executed by a manager of Buyer 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.

10.2.5 An assumption of the Facilities Site Lease to be assigned to and assumed by Buyer.


10.2.6 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. 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 Station 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 Station 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 Station 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 Station 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 Station is so substantial that it prevents the Station from operating in their normal and customary manner for a period of five (5) consecutive days. Buyer's failure to terminate this Agreement under Section 13 in the event damage to the Station is substantial does not affect its right to other remedies under this Section 13.

#### **SECTION 14 FEES AND EXPENSES**



506 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. Buyer will pay the filing or recording fees incident to any instrument of conveyance or transfer delivered pursuant to this Agreement. Buyer shall pay the FCC filing fee of \$970 for the Assignment Application.

#### **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. Either party may, in addition, terminate this Agreement in the event of a default by the other party under the LMA which remains uncured after 10 days written notice. No party may terminate hereunder if it is itself in default after opportunity to cure.

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 \$20,000.00. 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 as its sole remedy, 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. In the event Buyer is required to specifically enforce Seller's performance under this contract, Buyer shall be entitled to recover its expenses as provided in Paragraph 19.7 below.

## **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 six(6) 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 by express mail or courier, postage prepaid, return receipt requested, addressed to the party to be notified, as follows:

If to Seller: Ricardo Salazar  
Greeley Broadcasting Corporation  
800 8th Ave., Suite 304  
Greeley, CO 80631

With a copy (which  
does not constitute  
notice) to:

A. Wray Fitch III  
Gammon & Grange, P.C.  
8280 Greensboro Drive, 7<sup>th</sup> Floor  
McLean, VA 22102-3807

If to Buyer: Shawn Faxon  
1101 S. 4th  
Laramie Wyoming 82070

With a copy (does not  
constitute notice) to:

Nicholas & Tangeman, LLC  
Julie M. Wickett  
P.O. Box 928  
Laramie, WY 82073-0928

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.

**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.** This Agreement may be executed in one or more counterparts, all of which together shall comprise one and the same instrument.

**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 Wyoming.

**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 of 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.

19.13 **LMA.** On Closing as contemplated herein, the parties agree that the LMA shall terminate and further agree to execute a mutual release releasing each party from any claims or liability resulting from operation of the Station during and under the term of the LMA. The mutual release shall include terms and conditions reasonably agreeable to both parties. Until the date of Closing the LMA shall remain in full force and effect.

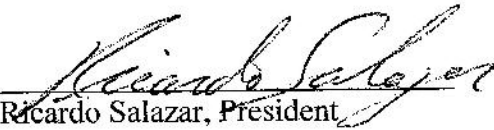
*[Signatures on following page]*

A handwritten signature in black ink, appearing to be "RS", located on the right side of the page.A handwritten signature in black ink, appearing to be "SR", located on the left side of the page.

**Signature Page to KLMI Asset Purchase Agreement**

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.

**Greeley Broadcasting Corporation**

By:   
Ricardo Salazar, President

**Wolf Creek Radio Broadcasting, LLC**

By:   
Shawn Faxon, Member

## **LIST OF SCHEDULES**

Schedule 1.1.1	Commission Authorizations
Schedule 1.1.2	Tangible Personal Property
Schedule 1.1.5	The Lease

MS.  
Self

**SCHEDULE 1.1.1**  
**COMMISSION AUTHORIZATIONS**

KLMI FM License & Construction Permit  
STL License for KLMI

*N.S.*  
*Srf*



**SCHEDULE 1.1.2  
TANGIBLE PERSONAL PROPERTY**

The Assets include all Tangible Personal Property of Seller used) in the operation of the Station; the tower, allequipment and any other item that is then used or held for use by Seller in operation of the Station, free and clear of all debts and encumbrances.

The Assets shall specifically include, but not be limited to, the following:

Tangible Property at the tower location:

BE FM 20 Transmitter  
Surge Protector  
Phase Inverter  
500 Watt Nicom Exciter  
Nicom STL Receiver  
Sine Systems Remote Control  
Tuff Shed Building  
Tower  
8 Bay Nicom BKG77 Antenna & transmission line  
STL Receiver Dish

1/5  
SOF

At the studio:

Omnia Audio Processor  
Nicom STL Transmitter & Dish  
Smarts Automation Computer & Audio Switcher  
Arrakis Console  
2 Sennheiser Microphones & 1 Rode Microphone With Stands  
3 Dbx 286 Microphone Processors  
Audioarts Console  
Dell Production PC  
Studio Monitor Speakers  
EAS Equipment  
RVR Transmitter

**SCHEDULE 1.1.5**  
**FACILITIES SITE LEASE**

Attached

1/5.  
SRF

A Facilities Site Lease entered into between Booth Land and Cattle Company, LLC and Laramie Mountain Broadcasting, LLC on May 1, 2007 and subsequently assigned and assumed by Greeley Broadcasting Company.