

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (the "Agreement"), made by and between Ra-Tel Broadcasting Company, Inc., a Tennessee corporation having its principal place of business at Knoxville, Tennessee ("Purchaser") and South Central Communications Corporation, an Indiana corporation having its principal place of business at Evansville, Indiana ("Seller"),

WITNESSETH:

WHEREAS, Seller is the holder of a license issued by the Federal Communications Commission (the "FCC") for FX translator station W266AA licensed to Kodak, Tennessee (FCC Facility ID 61051)(the "Station"); and

WHEREAS, in accordance with applicable FCC requirements, Seller wishes to sell and assign said license and all assets used or useful in the operation of the Station to Purchaser and Purchaser wishes to buy and acquire the same from Seller;

NOW THEREFORE, in consideration of the foregoing and of the mutual agreements and covenants contained herein, the parties, intending to be legally bound, agree as follows:

1. **Incorporation of Recitals.** The foregoing introductory paragraph and recitals are hereby incorporated into the body of this Agreement as though fully set out herein.
2. **Additional Definitions.** In addition to the terms defined hereinabove, for purposes of this Agreement, the following terms shall have the following meanings:
 - a. **Assumed Liabilities.** The term "Assumed Liabilities" shall mean all obligations, duties, and liabilities arising under the Tower Leases and the Seller Contracts on and after the Closing Date.
 - b. **Assumption Agreement.** The term "Assumption Agreement" shall mean an agreement wherein Seller assigns all rights and interest in and to the Tower Leases and Seller Contracts to Purchaser, and Purchaser assumes the Assumed Liabilities.
 - c. **Bill of Sale.** The term "Bill of Sale" shall mean a bill of sale conveying Seller's interest in the Broadcasting Equipment and Tower to Purchaser.
 - d. **Broadcasting Equipment.** The term "Broadcasting Equipment" shall mean the equipment identified on Schedule 2(d) attached hereto and made a part hereof.
 - e. **Closing.** The term "Closing" shall mean the conference at which the transactions contemplated by this Agreement shall be consummated. Unless otherwise required by Purchaser's lender, the Closing shall be held on the Closing Date at 9:00 a.m. local time at the offices of Fine & Hatfield, A Professional Corporation, 520 N.W. Second Street, Evansville, Indiana 47708.
 - f. **Closing Date.** The term "Closing Date" shall mean the on the first business day

of the month following the date on which the FCC Consent becomes a Final Order, or on such other date as the parties may mutually agree.

- g. **Earnest Deposit.** The term "Earnest Deposit" shall mean the amount of Ten Thousand Dollars (\$10,000.00).
- h. **Effective Date.** The term "Effective Date" means the first date on which each of Seller and Purchaser have executed this Agreement and delivered a copy of the same to the other.
- i. **FCC Assignment Application.** The term "FCC Assignment Application" shall mean an application seeking the consent of the FCC to the assignment of the Licenses from Seller to Purchaser.
- j. **Fifth Third Lien.** The term "Fifth Third Lien" shall mean the lien of Fifth Third Bank in the Purchased Assets, pursuant to that certain security agreement by and between Seller and Fifth Third Bank, dated the 30th day of April, 2003; and
- k. **Final Order.** The term "Final Order" shall mean a written action or order issued by the FCC setting forth the grant or FCC consent (a) which has not been reversed, stayed, enjoined, annulled or set aside, and (b) with respect to which no requests have been filed for administrative or judicial review, reconsideration, appeal or stay, and the time for filing any such requests and for the FCC to set aside or suspend the action on its own motion has expired.
- l. **License.** The term "License" shall collectively mean all licenses, permits and other authorizations issued by the FCC for the operation of the Station and Tower listed on Schedule 2(l) hereto and made a part hereof, and all applications for modification, extension or renewal thereof and all other licenses, permits and authorizations issued by any other federal, state or local governmental authority or regulatory agency which are used in or useful to the operation of the Station.
- m. **Purchase Price.** The term "Purchase Price" shall mean the amount of One Hundred Seventy-five Thousand Dollars (\$175,000.00).
- n. **Purchased Assets.** The term "Purchased Assets" shall mean only the Broadcasting Equipment, the License, the Real Estate, the Tower, the Tower Leases, and the Seller Contracts.
- o. **Real Estate.** The term "Real Estate" shall mean the real property on which the Tower is situated, as more particularly described on Exhibit 2(o) attached hereto and made a part hereof.
- p. **Retained Liabilities.** The term "Retained Liabilities" shall mean all obligations, duties, and liabilities arising under the Tower Leases and the Seller Contracts prior to the Closing Date.
- q. **Seller Contracts.** The term "Seller Contracts" shall mean the agreements entered

into by Seller relating to the ownership and/or operation of the Station, other than for the License, as listed on Schedule 2(q) attached hereto and made a part hereof.

- r. **Title Insurance Commitment.** The term "Title Insurance Commitment" shall mean a commitment of a nationally recognized title company to issue the Title Policy, as further described hereinbelow.
- s. **Title Policy.** The term "Title Policy" shall mean an extended form ALTA owners' policy of title insurance in the amount of One Hundred Sixty Thousand Dollars (\$160,000.00), insuring Purchaser's fee simple title in the Real Property, free and clear of all Encumbrances. "Title Policy" shall also mean, if applicable, an extended form ALTA lender's policy of title insurance in an amount not to exceed One Hundred Sixty Thousand Dollars (\$160,000), insuring said lender's interest in the Real Property.
- t. **Tower.** The term "Tower" shall mean the broadcasting tower, guys, anchors, radials, and ground system, owned by Seller that is located on the Real Estate.
- u. **Tower Leases.** The term "Tower Leases" shall mean the leases described on Schedule 2(u) attached hereto and made a part hereof.
- v. **General Warranty Deed.** The term "General Warranty Deed" shall mean a general warranty deed conveying unencumbered title to the Real Estate to Purchaser.

3. **Purchase and Sale of Assets.** Subject to the terms and conditions set forth below, Seller agrees to assign, sell and transfer to Purchaser, and Purchaser agrees to purchase from Seller, the Purchased Assets.

4. **Liabilities.** At Closing, Purchaser shall assume sole responsibility for the Assumed Liabilities. Purchaser shall have no responsibility for or obligations relating to the Retained Liabilities, which shall remain the sole responsibility of Seller.

5. **Payment of Purchase Price.** The Purchase Price shall be payable as follows:

a. Contemporaneously with the execution of this Agreement, Purchaser shall pay to Seller the Earnest Deposit. Purchaser acknowledges and agrees that the Earnest Deposit is non-refundable, except as provided for in Section 11(a) hereinbelow. Any interest accrued on the Earnest Deposit shall be the sole property of Seller.

b. At Closing, Purchaser shall pay to Seller an amount equal to the Purchase Price less the Earnest Deposit.

6. **Representation and Warranties of Seller.** Seller hereby represents and warrants to Purchaser as follows:

a. **Corporate Organization and Qualification.** Seller is a corporation, duly

organized, validly existing, and in good standing under the laws of the State of Indiana, and duly authorized to do business in the State of Tennessee, with all requisite power and authority to carry on its business as now being conducted. Seller is not in violation or breach of any of the terms of its articles of incorporation, charter, or bylaws.

- b. **Authorization.** Seller has all requisite power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. This Agreement constitutes the valid, legal and binding agreement of Seller, enforceable against it in accordance with its terms except as the enforceability of the Agreement may be limited by bankruptcy, insolvency, moratorium or other laws relating to or affecting creditor's rights generally and the exercise of judicial discretion in accordance with general equitable principles.
- c. **Liens.** Seller holds good and valid title as the sole owner of the Purchased Assets free and clear of all liens and encumbrances other than the Fifth Third Lien. Seller shall obtain the release of the Fifth Third Lien prior to Closing, and in no event shall Purchaser be responsible for the Fifth Third Lien. Seller shall indemnify and hold harmless Purchaser from any and all obligations, claims or liabilities arising from and in connection with the Fifth Third Lien.
- d. **Absence of Violation, Conflicting Agreements.** The execution, delivery and performance of this Agreement by Seller (with or without the giving of notice, lapse of time, or both): (i) does not require the consent of any third party other than the FCC and the release of the Fifth Third Lien; (ii) will not violate any applicable law, judgment, order, injunction, decree, rule, regulation, ordinance or ruling of any court or governmental authority; (iii) will not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by the terms of any agreement, instrument, license or permit to which Seller is a party or by which Seller may be bound other than for the Fifth Third Lien, and (iv) will not create any claim, liability, lien, condition, charge or encumbrance of any nature whatsoever upon any of the Purchased Assets.
- e. **FCC Matters.** Seller is the sole holder of the License. The License is in full force and effect and have not been revoked, suspended, canceled, rescinded, terminated or modified. There are no applications pending before the FCC for modification of the License except for applications which have been disclosed to Purchaser. There is not pending, or to Seller's knowledge threatened, any action before the FCC to revoke, suspend, cancel, rescind or modify the License (other than proceedings to amend FCC rules of general applicability). There is not now issued, pending, outstanding, or to Seller's knowledge, threatened, by or before the FCC, any order to show cause, notice of violation, notice of apparent liability, or notice of forfeiture or complaint against Seller with regard to the Station or the License. Seller is aware of no facts and has received no notice or other communication from the FCC indicating that Seller is not in compliance in all material respects with all applicable requirements of the FCC.

- f. **Absence of Litigation.** There is no suit, action, proceeding or investigation now pending or, to the best knowledge of Seller, threatened before any federal, state or local court, grand jury, administrative or regulatory body, arbitration or mediation panel or similar body, to against Seller or in any way involving or relating to the Purchased Assets, or which may result in any judgment, order, decree, liability, award or other determination which will, or could, have any material adverse effect upon any of the Purchased Assets, nor to the best knowledge of Seller are there any grounds therefore. There is no order, judgment or decree of any court or governmental agency, and to the best knowledge of Seller there are no circumstances that could be reasonably expected to result in any such order, judgment or decree, enjoining Seller from selling and transferring the permit or any of the Purchased Assets to Purchaser pursuant to this Agreement.
- g. **Seller Contracts.** Schedule 2(q) is a true and complete list of Seller Contracts.
- h. **Disclosure.** No representation or warranty by Seller in this Agreement, nor any statement, certificate, schedule, document or exhibit hereto furnished or to be furnished by on or behalf of Seller pursuant to this Agreement or in connection with the transactions contemplated hereby, contains or shall contain any untrue statement of material fact or omits or shall omit a material fact necessary to make the statements contained therein not misleading. All statements and information contained in any certificate, instrument, schedule or document delivered by or on behalf of Seller shall be deemed representations and warranties by Seller.
- i. **No Brokerage.** Seller represents and warrants that it has not engaged the services of a broker or finder in connection with the transactions which are the subject of this Agreement, other than for Doug Ferber of DEFcom Advisors, LLC. Seller agrees to be solely responsible for the payment of all commissions due said broker.

7. **Representations and Warranties of Purchaser.** Purchaser represents and warrants to Seller as follows:

- a. **Corporate Organization and Qualification.** Purchaser is a corporation, duly organized, validly existing, and in good standing under the laws of the State of Tennessee, with all requisite power and authority to carry on its business as now being conducted. Purchaser is not in violation or breach of any of the terms of its articles of incorporation, charter, or bylaws.
- b. **Authorization.** Purchaser has all requisite power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. This Agreement constitutes the valid, legal and binding agreement of Purchaser, enforceable against it in accordance with its terms except as the enforceability of the Agreement may be limited by bankruptcy, insolvency, moratorium or other laws relating to or affecting creditor's rights generally and the exercise of judicial discretion in accordance with general equitable principles.

- c. **Absence of Litigation.** There is no suit, action, proceeding or investigation pending or, to Purchaser's knowledge, threatened before any federal, state or local court, grand jury, administrative or regulatory body, arbitration, or mediation panel or similar body, to which Purchaser is a party, which seeks to enjoin or prohibit or otherwise to question the validity of any action taken or to be taken by Purchaser pursuant to or in connection with this Agreement.
- d. **Disclosure.** No representation or warranty by Purchaser in this Agreement, nor any statement, certificate, schedule, document or exhibit hereto furnished or to be furnished by or on behalf of Purchaser pursuant to this Agreement or in connection with the transactions contemplated hereby, contains or shall contain any untrue statement of material fact or omits or shall omit a material fact necessary to make the statements contained therein not misleading. All statements and information contained in any certificate, instrument, schedule or document delivered by or on behalf of Purchaser shall be deemed representations and warranties by Purchaser.
- e. **Financing Not a Contingency.** Purchaser represents and warrants that it either has sufficient cash reviews necessary to close this transaction or that it will be able to obtain financing in such amount. Accordingly, Purchaser agrees that financing is not a contingency.
- f. **No Brokerage.** Purchaser represents and warrants that it has not engaged the services of a broker or finder in connection with the transactions which are the subject of this Agreement.

8. **Filing of FCC Assignment Application.** Purchaser and Seller shall cooperate fully with each other and their respective counsel in connection with any actions required to be taken as part of their obligations under this Agreement, including (i) the filing of the FCC Assignment Application with the FCC, (ii) the defense against any petition to deny or informal objection filed against the FCC Assignment Application, and (iii) the Purchaser's assumption of the Tower Leases and Seller Contracts. The parties will use their best efforts to consummate the transactions contemplated hereby and to fulfill their obligations hereunder. No party shall take any action that is inconsistent with its obligations hereunder, that would render any of its representations or warranties herein untrue or incomplete or that could hinder or delay the foregoing. Each party shall prepare its portion of the FCC Assignment Application, which shall be filed by Seller's counsel with the FCC within ten (10) business days after the Effective Date. Each party shall share equally in the payment of FCC filing fees associated with the FCC Assignment Application. Each party shall pay its own attorney fees incurred in filing and prosecuting the FCC Assignment Application.

9. **Title Insurance.** Within a period of sixty (60) days from the date hereof, Seller shall deliver to Purchaser the Title Insurance Commitment. Seller shall pay all costs associated with the issuance of said commitment. Purchaser shall pay the cost of the Title Policy issued pursuant to the Title Insurance Commitment.

10. **Deliveries at Closing.** At the Closing, Seller and Purchaser shall deliver or cause to be delivered, and/or undertake, the following:

a. **From Seller.**

- i. A certificate, dated as of the Closing Date and signed by Seller to the effect that (i) all representations and warranties of Seller contained in this Agreement, shall be true and correct in all material respects on and as of the Closing Date with the same force and effect as if made on and as of the Effective Date, and (ii) all of the terms, covenants and conditions to be complied with and performed by the Seller on or prior to the Closing Date shall have been complied with or performed in all material respects.
- ii. The License, together with a copy of the FCC's consent to assignment of the License to Purchaser or its assignee, and all other files, records and correspondence pertaining to the License or the Station in Seller's possession.
- iii. Written evidence satisfactory to Purchaser that the Fifth Third Lien has been released or will be released immediately following the Closing.
- iv. The Bill of Sale and General Warranty Deed.
- v. An original of the Assumption Agreement, signed by Seller.

b. **From Purchaser.**

- i. A certificate, dated as of the Closing Date and signed by Purchaser to the effect that (i) all representations and warranties of Purchaser contained in this Agreement, shall be true and correct in all material respects on and as of the Closing Date with the same force and effect as if made on and as of the Effective Date, and (ii) all of the terms, covenants and conditions to be complied with and performed by the Purchaser on or prior to the Closing Date shall have been complied with or performed in all material respects.
- ii. The balance of the Purchase Price, as described in Section 5 hereinabove.
- iii. An original of the Assumption Agreement, signed by Purchaser.

11. **Termination.** This Agreement may be terminated:

a. **By Purchaser:**

- i. If the Final Order has not been obtained within nine months from the date the FCC Application is filed.

- ii. Seller is unable to obtain the release of the Fifth Third Lien prior to or at Closing, or the commitment of Fifth Third Bank to release the Fifth Third Lien immediately following the Closing.
- iii. If the Seller defaults in the observance or in the due and timely performance of any of its material covenants or agreements contained herein and such default has not been cured within ten (10) days after written notice by the Purchaser.

In the event of termination by Purchaser under this Section 11(a), Purchaser shall be entitled to the immediate return of the Earnest Deposit.

b. By Seller:

- i. If the Final Order has not been obtained within nine months from the date the FCC Application is filed.
- ii. Purchaser fails to provide Seller, within sixty (60) days after the Effective Date, with written proof that Purchaser has procured financing adequate to consummate the transactions contemplated herein.
- iii. If the Purchaser defaults in the observance or in the due and timely performance of any of its material covenants or agreements contained herein and such default has not been cured within ten (10) days after written notice by the Seller.

In the event of termination by Seller pursuant to Section 11(b)(ii), Seller shall be entitled to retain the Earnest Deposit as liquidated damages.

12. Indemnification.

- a. **Seller's Indemnification.** Seller shall indemnify, defend and hold Purchaser and its officers, directors, employees or agents harmless from and against any and all loss, cost, liability, damage and expense (including legal and other expenses incident thereto) of every kind, nature or description arising out of: (a) the breach of any representation or warranty of Seller set forth in this Agreement or in any schedule or certificate delivered to Purchaser pursuant hereto; (b) the breach of any of the covenants or agreements by Seller contained in or arising out of this Agreement or the transactions contemplated hereby; (c) the Fifth Third Lien; or (d) the ownership of the License prior to the Closing Date, including, but not limited to, any liability, judgment or damages against Seller, its officers, directors, employees or agents, as a result of litigation involving the Seller prior to the Closing Date, except that Seller shall have no such obligations for matters caused by Purchaser relating to Purchaser's operation of the Station prior to Closing.
- b. **Purchaser's Indemnification.** Purchaser shall indemnify, defend and hold Seller and its employees or agents harmless from and against any and all loss, cost, liability, damage and expense (including legal and other expenses incident

thereto) of every kind, nature or description arising out of (a) the breach of any representation or warranty of Purchaser set forth in this Agreement; or (b) the ownership of the License after the Closing Date; or (c) the breach of any of the covenants or agreements by Purchaser contained in or arising out of this Agreement or the transactions contemplated thereby.

- c. **Indemnification Procedure.** In the event of any claim for indemnification, the claiming party will promptly notify the indemnifying party in writing of the basis for the amount of the claim, including the name of any third party involved. The indemnifying party will have the right, to be exercised within thirty (30) days of notice, if liability to a third party is involved, to defend or compromise such matter at the sole cost and expenses of the indemnifying party, and the indemnified party must cooperate fully in such defense. The indemnified party will not settle or compromise any claim by a third party for which it is entitled to indemnification without the prior consent of the indemnifying party, unless suit has been instituted and the indemnifying party has not assumed control of the suit.

13. **Assignability.** Each party agrees that the entirety of the other party's unperformed rights, duties, benefits and obligations under this Agreement are assignable to a commonly owned affiliate, provided that such assignee agrees to accept such assignment and assume all such obligations hereunder.

14. **Miscellaneous.**

- a. **Benefit and Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, heirs and assigns.
- b. **Governing Law.** This Agreement shall be governed, construed and enforced in accordance with the laws of the State of Tennessee, without regard to the choice of law provisions thereof. Any litigation arising from the Agreement shall be subject to the exclusive jurisdiction of the Federal or State courts situated in Knox County, Tennessee.
- c. **Construction.** The parties acknowledge and agree that this Agreement has been fully negotiated between them and shall not be interpreted or construed against the drafting party.
- d. **Notices.** All notices, demands, requests or other communication required or permitted hereunder shall be in writing and sent by certified, express or registered mail, return receipt requested, postage prepaid, overnight air courier service, personal delivery, or via facsimile (with proof of transmission) to the address specified below (or to such other address which a party shall specify to the other party in accordance herewith):

If to Purchaser:	Ra-Tel Broadcasting Company, Inc. 5106 Middlebrook Pike Knoxville, Tn 37921-5970
------------------	--

Attn: Ted H. Lowe, Jr., President

With a copy to: Ramsey, Elmore Stone & Caffey, PLLC
5616 Kingston Pike, Suite 301
Knoxville, TN 37919
Attn: Robert S. Stone

If to Seller: South Central Communications Corporation
Fifth Third Bank Building, 14th Floor
20 N.W. 3rd Street
Evansville, IN 47708
Attn: J.P. Engelbrecht, CEO

With a copy to: Fine & Hatfield, A Professional Corporation
520 N.W. Second Street
P.O. Box 779
Evansville, Indiana 47705-0779
Attn: David D. Sanders, Esq.

Notice shall be deemed to have been given on the date of personal delivery, the date set forth in the records of the delivery service, or on the return receipt.

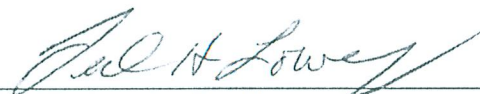
- e. **Multiple Counterparts and Facsimile Signatures.** This Agreement may be signed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement. Counterpart signatures to the Agreement delivered and received by facsimile or e-mail shall be acceptable and binding to both parties.
- f. **Entire Agreement.** This Agreement, the Schedules and Exhibits hereto, and all documents to be delivered by the parties pursuant hereto, collectively represent the entire understanding and agreement between Purchaser and Seller with respect to the subject matter hereof. This Agreement supersedes all prior memoranda and agreements between the parties hereto, and may not be modified, supplemented or amended, except by a written instrument signed by each of the parties hereto designating specifically the terms and provisions so modified, supplemented or amended.
- g. **Captions.** The section captions and headings in this Agreement are for convenience and reference purposes only and should not affect in any way the meaning or interpretation of this Agreement.
- h. **No Waiver.** Unless otherwise specifically agreed in writing to the contrary: (i) the failure of any party at any time to require performance by the other of any provision of this Agreement shall not affect such party's right thereafter to enforce the same; (ii) no waiver by any party of any default by another shall be taken or held to be a waiver by such party of any other preceding or subsequent default; and (iii) no extension of time granted by any party for the performance of

any obligation or act by any other party shall be deemed to be an extension of time for the performance of any other obligation or act hereunder.

- i. **Further Assurances.** Upon the signing of this Agreement, Seller will use its best efforts, and Purchaser will cooperate with Seller, to secure FCC authorization for the transfer of the License and the other Purchased Assets and any related authorizations or fulfillment of any conditions hereto. The parties acknowledge that FCC consent is required to transfer of the License, and agree not to effect such transfer or before the Final Order has been obtained. At and after the Closing, Purchaser and Seller will, without further consideration, execute and deliver such further instruments and documents and do such other acts and things that the other party may reasonably request in order to effect or confirm the transactions contemplated by this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the dates indicated below.

RA-TEL BROADCASTING COMPANY, INC.

By: 
Ted H. Lowe, Jr., President

Date: 8/29/12

SOUTH CENTRAL COMMUNICATIONS CORPORATION

By: 
J.P. Engelbrecht, CEO

Date: 8/29/12