

## AGREEMENT OF SALE

Agreement of Sale ("Agreement"), made and entered into this 28<sup>th</sup> day of February, 2012, by and between Birach Broadcasting Corporation, a Michigan corporation ("Seller"), and Vazquez Broadcasting, a Michigan corporation ("Buyer").

### **WITNESSETH:**

WHEREAS, Seller is the owner and holds a license issued by the Federal Communications Commission ("FCC") for the operation of AM Broadcast Station WSDS, FCC Facility ID No. 35335, Salem Township, Michigan, (the "Station"); and

WHEREAS, Seller desires to sell the Station to Buyer subject to FCC consent to the assignment of the license to Buyer; and

WHEREAS, Buyer desires to purchase same;

NOW, THEREFORE, for and in consideration of the mutual promises and covenants hereinafter set forth, it is agreed as follows:

1. **Assets to Be Sold.** The assets to be sold consist of all broadcast equipment and personal property owned by Seller and used in the operation of the Station (an inventory of such personal property is attached as Schedule A) and the license for the Station, issued by the FCC subject to prior FCC approval of the assignment of such license from Seller to Buyer. Buyer is responsible for property and personal taxes. Seller's accounts receivable are not included in this sale and will not be acquired by Buyer.

2. **Purchase Price.** The Purchase Price for the assets described in paragraph 1 shall consist of the sum of One Million Four Hundred Fifty Thousand Dollars (\$1,450,000.00), payable Twenty Thousand Dollars (\$20,000.00) as a non-refundable deposit paid simultaneously with the execution of this Agreement. The balance of One Million Four Hundred Thirty Thousand Dollars (\$1,430,000.00) shall be evidenced by a Promissory Note of Buyer in that amount, bearing interest at the rate of seven percent (7%) per annum on the unpaid balance, payable in consecutive monthly payments of Twelve Thousand Dollars (\$12,000.00), each, until the entire amount of the note is paid. The note will be secured by a first security interest in the physical assets used by Buyer in the operation of the Station, including after-acquired assets, as described in the Security Agreement attached as Schedule B, which will be executed and delivered at the Closing. The note will provide for acceleration in the event of any default, meaning that in the event of default Seller may declare the entire balance of the note, including principal and interest, to be payable immediately in one lump sum. Events of default will include any failure to timely make a payment required by the note and any sale of the Station by Buyer to a third party. Seller will make the transmitter site of the Station available to Buyer rent-free, so long as Buyer is not in default under any provisions of the note.

3. **Application for FCC Consent.** Within five (5) days of the date of execution of this Agreement, the parties will file an application with the FCC for FCC consent to

the transactions contemplated by this Agreement. The parties will vigorously prosecute the application and do all things reasonably necessary and/or appropriate to obtain a grant thereof.

4. **Closing Following FCC Consent.** Within ten (10) days after the date when the FCC has granted its consent to the transactions contemplated by this Agreement, Seller and Buyer will hold a Closing at a mutually agreeable time and place and exchange any and all documents necessary and/or appropriate to carry out the terms of this Agreement.

5. **Seller's Warranties.** Because the condition of the physical property being sold is already known to Buyer, Seller makes absolutely no warranties with respect to such physical condition and all of the personal property being sold to Buyer is being sold as is and where is. Seller does, however, warrant that the licenses will be in good standing at the date of Closing and available to Buyer.

6. **Buyer's Warranties.** Buyer warrants that it is a corporation in good standing in the State of Michigan. Buyer further warrants and represents that it knows of no reason why the FCC will not consent to the transactions contemplated by this Agreement.

7. **Legal Expenses, Closing Costs and Filing Fees.** Each party will bear its own legal expenses connected with this transaction. If there are any FCC filing fees, those fees will be paid by Buyer.


8. **Michigan Contract.** This Agreement is a Michigan contract and shall construed and interpreted in accordance with the laws of the State of Michigan (other than those laws relating to conflict of laws).

9. **Entire Agreement.** This Agreement constitutes the entire agreement between the parties and supersedes and replaces any previous agreements between the parties with respect to the subject matter hereof.


10. **Counterparts.** This Agreement may be executed in counterpart and/or by telecopy and, when so executed the counterparts taken together shall constitute a complete and binding agreement.

**WHEREFORE**, the premises considered, the parties to this Agreement have set their hands and seals or the hands and seals of their authorized representatives on the day and year above written.

**BIRACH BROADCASTING CORPORATION**

By:   
Sima Birach, President  
"Seller"

**VAZQUEZ BROADCASTING**

By:   
Baudelio Vazquez, President  
"Buyer"