

## **ASSET PURCHASE AGREEMENT**

This ASSET PURCHASE AGREEMENT (this "Agreement") is dated as of this 21 day of June, 2013, by and between CHANNEL 61 ASSOCIATES, LLC., a Vermont Limited Liability Company ("Seller") and CROSS HILL COMMUNICATIONS, LLC, New Hampshire Limited Liability Company ("Buyer").

### **RECITALS**

WHEREAS, Seller is the Federal Communications Commission ("FCC") licensee of Television Station WNMN, Channel 40, Fac. ID 775154, licensed to serve Saranac Lake, New York (the "Station"); and,

WHEREAS, Seller owns certain other assets that are used or useful in the business and operations of the Station; and

WHEREAS, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, the Assets (as defined herein) for the price and on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of these premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

### **AGREEMENTS**

In consideration of the above recitals and of the mutual agreements and covenants contained in this Agreement, Buyer and Seller, intending to be bound legally, agree as follows;

#### **SECTION 1. PURCHASE AND SALE OF ASSETS**

1.1 Agreement to Sell and Buy. Subject to the terms and conditions set forth in this Agreement, upon the consummation of the purchase and sale (the "Closing"), Seller hereby agrees to sell, transfer, assign and deliver to Buyer on the date of the Closing (the "Closing Date"), free and clear of debts, liens and encumbrances; and Buyer agrees to purchase from Seller, substantially all of the Seller's assets used or useful in the business and operation of the Station (the "Assets"), including:

(a) The licenses issued by the FCC for the Station and any and all other licenses, permits, registrations or authorizations issued by the FCC or any other governmental authority and used or held for use in connection with the Station and any applications for modification or renewal of the same, including those listed on Schedule 1.1(a) hereto (the "FCC Authorizations").

(b) Technical information and data, engineering records and logs, files, and software used by Seller in connection with the Station, and any and all records required by the FCC to be kept by the Seller concerning the Station.

(c) Any intellectual property and intangible property rights and interests issued to or owned by Seller and used or useful in the business and operations of the Station, including Seller's rights as owner or licensee of the trademarks, trade names, call letters, service marks, copyrights, slogans, logos, assignable software licenses, domain names, websites, non-personal e-mail addresses, telephone and facsimile numbers, and other intangible rights (collectively, the "Intangible Property").

(d) Buyer will assume no leases, contracts, or agreements ("Contracts") of Seller. Seller shall terminate or otherwise satisfy all obligations under its Contracts not later than the Closing Date.

(e) Seller's tangible personal property used or held for use in the operation of the Station (the "Tangible Personal Property"). Buyer has inspected the Tangible Personal Property for sufficiency and condition.

(f) Notwithstanding the foregoing, the following properties and assets of Seller shall be retained by Seller and shall not be included within the meaning of the term "Assets": cash or cash equivalents; records of Seller relating to tax matters and corporate matters, as applicable; insurance policies and rights and claims thereunder; accounts receivable; any claims, rights and interest in and to any refunds for taxes or fees of any nature for periods prior to the Closing Date; and items of personal property of Seller not used solely in the operation of the Station that are not listed in Schedule 1.1(e).

1.2 Consideration. The consideration for the sale of the Assets shall be Two Hundred Twenty-Five Thousand Dollars (\$225,000.00) cash at closing, subject to any adjustments provided for herein, payable as follows:

(a) Deposits. Buyer has previously deposited the sum of Six Thousand Dollars (\$6,000.00) with the law firm of Fletcher, Heald & Hildreth, P.L.C., as Escrow Agent, to be disbursed to pay legal fees and related costs incurred by Seller in negotiating and consummating the transactions contemplated by this Agreement (the "Legal Fee Deposit"). Within two business days after the date hereof, Buyer shall deposit an additional sum of Eleven Thousand Two Hundred Fifty Dollars (\$11,250.00) with Escrow Agent (the "Purchase Deposit"). At Closing, the Purchase Deposit and any part of the Legal Fee Deposit not spent for Seller's legal fees and costs shall be disbursed to Seller as part of the cash due to Seller at Closing, provided, however, that the full amount of both Deposits shall be credited to payment of the Purchase Price. If Buyer fails to close the acquisition of the Station for any reason other than Seller's sole breach of this Agreement, the Purchase Deposit shall be forfeited by Buyer and paid over to Seller, and Buyer shall be entitled to a refund of only any part of the Legal Fee Deposit that may remain after payment of Seller's actual legal fees. Seller agrees that the Purchase Deposit will be reasonable and adequate liquidated damages for Buyer's breach of this Agreement for any reason.

(b) Purchase Price. At Closing on the Closing Date, Seller shall receive the total amount of Two Hundred Twenty-Five Thousand Dollars (\$225,000.00) ("Purchase Price") to be paid as follows: At Closing, Buyer shall pay to Seller the sum of Two Hundred Seven Thousand Seven Hundred Fifty Dollars (\$207,750.00) in cash (subject to upward or downward adjustment for proration's as provided for herein) by wire transfer of immediately available funds to the account(s) designated by Seller; Escrow Agent shall deliver the Deposit pursuant to executed joint escrow instructions, to Seller which shall be credited against the Purchase Price. Notwithstanding anything herein to the contrary, if Buyer agrees to contribute the Station's spectrum to the FCC in the reverse auction anticipated in FCC Docket No. 12-268 or if Buyer shall implement any non-broadcast operation, by sale, lease, or time brokerage arrangement which results in cessation of broadcasting operations, then Seller shall pay to Buyer one-half of any amount it receives in proceeds from the auction or net revenue from non-broadcast operation in excess of Two Hundred Twenty-Five Thousand Dollars (\$225,000.00), to be deemed an increase in the Purchase Price, provided that Buyer receives proceeds, (i) if arising from the auction, not later than December 31, 2019, or (ii) if arising a non-broadcast arrangement, if such arrangement is reduced to a contract executed by both parties on or before December 31, 2019, including proceeds from any such contract(s) received by Buyer beyond December 31, 2019.

1.3 Prorations. All revenues and all expenses arising from the business and operations of the Station up to 12:01 a.m. on the Closing Date, including business and license fees, FCC regulatory fees, rent, utility charges, real and any personal property taxes and assessments levied against the Assets (except for any taxes arising from the transfer of the Assets hereunder, which, except for any taxes on Seller's income or capital gains, shall be paid by Buyer), applicable copyright or other fees, and similar prepaid and deferred items, shall be prorated between Buyer and Seller in accordance with the principle that Seller shall be entitled to all revenues, and shall be responsible for all expenses, costs and liabilities allocable to the operation of the Station for the period prior to the Closing Date, and Buyer shall be entitled to all revenues, and shall be responsible for all expenses, costs and obligations allocable to the operation of the Station on the Closing Date and for the period thereafter.

1.4 Assumption of Liabilities and Obligations. As of the Closing Date, Buyer shall assume, pay, discharge and perform (i) all obligations and liabilities arising out of Buyer's ownership of the Assets and its operation of the Station on or after the Closing Date and (ii) all obligations and liabilities of Seller that arise solely by virtue of holding the FCC Authorizations insofar as they relate to the time period on or after the Closing Date. All other debts, obligations, and liabilities of Seller, including but not limited to (v) obligations under any contract or agreement not assumed by Buyer; (vi) any obligations under the FCC Authorizations relating to the time period prior to the Closing Date; (vii) any claims or pending or future litigation or proceedings relating to the operation of the Station prior to the Closing Date; and (viii) any other debts, liabilities, and obligations arising from Seller's operation of the Station or any other activity prior to the Closing Date, shall remain and be the obligations and liabilities solely of Seller and shall not be assumed by Buyer.

1.5 Employees and Employment. Buyer may, but shall not be required to, hire any of Seller's employees after the Closing. Seller shall be responsible for all salary and benefits of Seller's employees up to the Closing Date. Buyer shall be responsible for all salary and benefits

of its own employees, including any of Seller's employees it elects to employ, on and after the Closing Date.

## **SECTION 2. REPRESENTATIONS AND WARRANTIES OF SELLER**

Seller represents and warrants to Buyer as follows:

2.1 Organization, Standing, and Authority. Seller is a limited liability company duly organized and validly existing under the laws of the State of Vermont and is registered to do business in the State of New York. Seller will maintain its existence and good standing in Vermont and will remain authorized to do business in New York through the date of Closing. Seller has all requisite authority to own and operate the Assets and to conduct the business of the Station as now being conducted. Seller has all requisite power and authority to execute and deliver this Agreement and the documents contemplated hereby and to perform and comply with all of the terms, covenants, and conditions to be performed and complied with by Seller hereunder and thereunder. All of Seller's owners have concurred in Seller's execution of this Agreement.

2.2 Authorization and Binding Obligation. The execution, delivery, and performance of this Agreement by Seller have been duly authorized by all necessary actions on the part of Seller. This Agreement constitutes the legal, valid, and binding obligation of Seller, enforceable against Seller in accordance with its terms, except as the enforceability of this Agreement may be affected by bankruptcy, insolvency, or similar laws affecting creditors' rights generally and by judicial discretion in the enforcement of equitable remedies.

2.3 Absence of Conflicting Agreements. Subject to obtaining the consent of the FCC to assign the FCC Authorizations from Seller to Buyer (the "FCC Consent"), the execution, delivery and the performance of this Agreement and the documents contemplated hereby (with or without the giving of notice, the lapse of time, or both): (i) will not conflict with, result in a breach of, or constitute a default under, any law, judgment, order, ordinance, injunction, decree, rule, regulation, or ruling of any court or governmental instrumentality with jurisdiction over Seller; (ii) 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; and (iii) will not create any claim, liability, mortgage, lien, pledge, condition, charge, or encumbrance of any nature whatsoever upon the Assets except for the rights of Buyer under this Agreement.

2.4 FCC Authorizations and Station Operation. The FCC Authorizations have been validly issued and are in full force and effect, and Seller is the authorized legal holder thereof. There are no other material permits, licenses or authorizations that have been issued by any governmental agency relating to the Station. The tower on which the Station's antenna is mounted is not subject to marking or lighting requirements of the Federal Aviation Administration and does not require registration with the FCC. The FCC Authorizations comprise all of the authorizations required by the FCC for the operation of the Station as it is currently operated, subject to a grant of the pending application for license to cover construction permit. There is not pending or, to Seller's knowledge, threatened any action by the FCC to

revoke, cancel, rescind, modify or refuse to renew in the ordinary course the FCC Authorizations.

2.4 Consents. Except for the FCC Consent, no consent, approval, permit or authorization of, or declaration to or filing with, any governmental or regulatory authority, or any other third party (other than parties to the Assumed Contracts), is required (i) to consummate this Agreement and the transactions contemplated hereby or (ii) to permit Seller to assign or transfer the Assets and FCC Authorizations to Buyer.

2.5 Tangible Personal Property. Seller has good title to each item of Tangible Personal Property. None of the Tangible Personal Property is, or will be as of the Closing Date, subject to any security interest, mortgage, pledge, conditional sales agreement, or other lien or encumbrance. All of the Tangible Personal Property is being sold “as is, where is,” with no representation or warranty by Seller beyond a warranty of free and clear title.

2.6 Claims and Legal Actions. Except as set forth on Schedule 2.6, there is no claim, legal action, counterclaim, suit, arbitration, governmental investigation, or other legal, administrative or tax proceeding, nor any order, decree or judgment, in progress or pending, or to the knowledge of Seller threatened, against or relating to the Station or the Assets; nor does Seller know or have reason to be aware of any basis for the same.

2.8 Brokers. There is no broker or finder or other person engaged by Seller who would have any valid claim against Seller for a commission or brokerage fee in connection with this Agreement or the transactions contemplated hereby as a result of any agreement, understanding or action by Seller. Seller shall indemnify and hold Buyer harmless should any broker or find assert such a claim.

2.9 Time Brokerage Agreement. Contemporaneously with the execution of this Agreement, Seller and Buyer will enter into a time brokerage agreement (“TBA”) to allow Buyer to provide programming for the Station under usual and customary industry terms and conditions, including reimbursement of Seller’s reasonable expenses of operating the Station but no additional fee. Seller will terminate all of its programming agreements as of the effective date of the TBA, except with respect to any agreement which Buyer indicates, at its sole discretion, that it wishes to assume.

### **SECTION 3. REPRESENTATIONS AND WARRANTIES OF BUYER**

Buyer represents and warrants to Seller as follows:

3.1 Organization, Standing and Authority. Buyer is a limited liability company duly organized, validly existing and in good standing under the laws of State of New Hampshire and by the Closing Date will have authority to do business in the State of New York. Buyer has all requisite power and authority to execute and deliver this Agreement and the documents contemplated hereby and to perform and comply with all of the terms, covenants, and conditions to be performed and complied with by Buyer hereunder and thereunder.

3.2 Authorization and Binding Obligation. The execution, delivery, and performance of this Agreement by Buyer have been duly authorized by all necessary actions on the part of Buyer. This Agreement constitutes the legal, valid, and binding obligation of Buyer, enforceable against Buyer in accordance with its terms, except as the enforceability of this Agreement may be affected by bankruptcy, insolvency, or similar laws affecting creditors' rights generally and by judicial discretion in the enforcement of equitable remedies.

3.3 Absence of Conflicting Agreements. Subject to obtaining the FCC Consent, the execution, delivery, and performance by Buyer of this Agreement and the documents contemplated hereby (with or without the giving of notice, the lapse of time, or both): (i) will not conflict with, result in a breach of, or constitute a default under, any law, judgment, order, injunction, decree, rule, regulation, or ruling of any court or governmental instrumentality applicable to Buyer; and (ii) 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 permits to which Buyer is a party or by which Buyer may be bound, such that Buyer could not acquire the Assets.

3.4 Qualifications. Subject to obtaining the FCC Consent, Buyer is, and at the Closing will be, legally, financially, and technically qualified under FCC standards to acquire and to hold the FCC Authorizations and to fulfill Buyer's obligations hereunder.

3.5 Consents. Except for the FCC Consent, no consent, approval, permit or authorization of, or declaration to or filing with, any governmental or regulatory authority, or any other third party is required (i) to consummate this Agreement and the transactions contemplated hereby or (ii) to permit Buyer to acquire and hold the Assets and FCC Authorizations.

3.6 Claims and Legal Actions. There is no claim, legal action, counterclaim, suit, arbitration, governmental investigation, or other legal, administrative or tax proceeding, nor any order, decree or judgment, in progress or pending, or to the knowledge of Buyer threatened against, Buyer relating to or affecting this Agreement or the transactions contemplated hereby; nor does Buyer know or have reason to be aware of any basis for the same.

3.7 Brokers. There is no broker or finder or other person engaged by Buyer who would have any valid claim against Buyer for a commission or brokerage fee in connection with this Agreement or the transactions contemplated hereby as a result of any agreement, understanding or action by Buyer. Buyer shall indemnify and hold Seller harmless should any broker or find assert such a claim.

## **SECTION 4. COVENANTS PRIOR TO CLOSING**

From the date hereof until the Closing:

4.1 Restrictions on Certain Actions. Subject to Buyer's agreement to pay certain regulatory fees as provided in Schedule 2.6, Seller shall not cause or permit, by any act or failure to act, the FCC Authorizations to expire or to be revoked, suspended, or modified, or take any action that could cause the FCC or any other governmental authority to institute proceedings for the suspension, revocation, or adverse modification of the FCC Authorizations. Seller shall not

waive any material right relating to the Assets or the Station. Seller shall not mortgage or pledge any of the Assets or create or suffer, to exist any encumbrance thereon; sell, lease, transfer or otherwise dispose of, directly or indirectly, any of the Assets other than items that are replaced prior to the Closing Date with items of comparable or superior value and utility in the operation of the Station; amend, modify, or change any existing material lease, contract, permit, or agreement relating to the Station or the Assets, other than in the Ordinary Course of Business consistent with past practice and except as may be specifically provided for herein or as may be required by statute or by order or regulation of the FCC, or acquire or enter into any new agreement or contract which will bind the Station beyond the Closing except as may be specifically provided for herein, in each case except with Buyer's consent. This sub-section will not require Buyer to participate in rulemaking proceedings of general applicability or to lobby for or against legislation of general applicability.

4.2 Notifications. Seller shall promptly notify Buyer in writing of any unusual or material developments with respect to the Assets or the Station, and of any material change in any of the information contained in Seller's representations and warranties contained in Section 2 of this Agreement. Buyer shall promptly notify Seller in writing of any material change in any of the information contained in Buyer's representations and warranties contained in Section 3 of this Agreement.

4.3 Cooperation: No Inconsistent Action. Seller and Buyer hereby covenant and agree that between the date hereof and the Closing they will cooperate fully with each other in taking any commercially reasonable actions (including to obtain the required consent of any governmental instrumentality or any third party) necessary to accomplish the transactions contemplated by this Agreement, including, but not limited to, the prompt satisfaction of any condition to the Closing set forth herein. Neither Seller nor Buyer will take any action that is inconsistent with their respective obligations under this Agreement or that could hinder or delay the consummation of the transactions contemplated by this Agreement.

4.4 Access. Buyer shall have the right, itself or through its representatives, during normal business hours and after reasonable written notice to Seller, to inspect the Assets and Seller's records relating to the Station, including, without limitation, applications and reports to the FCC, and Seller shall furnish Buyer with such information respecting the Assets as Buyer may, from time to time, reasonably request.

4.5 Exclusive Dealing. So long as this Agreement is in effect, Seller, Seller's Officers and Members, and any agents of Seller's Officers or Members shall deal exclusively with Buyer with respect to any disposition of the Station, Assets, or FCC Authorizations and shall not accept, entertain, or discuss such disposition with any other party. Seller, Seller's Officers and/or Seller's Members shall promptly report to Buyer any solicitation received from any third party, including identifying such party.

4.6 Risk of Loss. The risk of damage or loss to any of the Assets or FCC Authorizations shall be borne by Seller up to the date of Closing and by the Buyer on and after that date.

4.7 Control of Station. Control and responsibility for operation of the Station shall rest exclusively with Seller up to the date of Closing and exclusively with Buyer on and after that

date. Neither Seller or any of its principals shall have any right of reversion in any of the FCC Authorizations or any right to reassignment of the FCC Authorizations in the future and do not reserve any right to use the facilities of the Station for any period whatsoever after the Closing.

4.8 Prosecution of License Application. Buyer will assist Seller in prosecuting its pending FCC application for a license to cover construction permit, including assuring that a full service mask filter has been installed and pertinent FCC technical requirements have been met. Any equipment provided by Buyer to assist Seller shall remain Buyer's sole property and may be removed by Buyer if the proposed sale of the Station is not consummated. Seller may direct how any equipment on Seller's premises is operated to the extent it would be able to do so if the equipment were leased to Seller.

## **SECTION 5. FCC CONSENT**

5.1 The assignment of the FCC Authorizations pursuant to this Agreement shall be subject to the prior consent and approval of the FCC. Seller and Buyer shall promptly prepare an application for assignment of the FCC Authorizations from Seller to Buyer (or a commonly controlled affiliate or subsidiary of Buyer) (the "Assignment Application") and shall file the Assignment Application with the FCC within ten (10) business days of the execution of this Agreement. The parties shall prosecute the Assignment Application with all reasonable diligence and otherwise use their reasonable commercial efforts to obtain a grant of the application as expeditiously as practicable; provided, however, that no party shall be required to participate in any trial-type hearing or a judicial appeal in pursuit of a grant.

## **SECTION 6. CONDITIONS TO OBLIGATIONS OF BUYER AND SELLER AT CLOSING**

6.1 Conditions to Obligations of Buyer. The obligations of Buyer hereunder are, at its option, subject to satisfaction at or prior to the Closing Date of each of the following conditions:

(a) Representations and Warranties. All representations and warranties of Seller contained in this Agreement shall be true and complete in all material respects at and as of the Closing Date as though made at and as of that time.

(b) Covenants and Conditions. Seller shall have performed and complied in all material respects with all covenants, agreements, and conditions required by this Agreement to be performed or complied with by Seller prior to or on the Closing Date.

(c) FCC Consent. The FCC Consent shall have been granted without any conditions materially adverse to Buyer, such consent shall be in full force and effect, and Seller shall have complied with any conditions imposed on it by the FCC Consent. At Buyer's option, the Closing may be postponed to ten (10) calendar days after the FCC's approval has become a Final Order (*i.e.*, in full force and effect, with no petition for reconsideration or review pending, and no longer subject to any further administrative or judicial review).

(d) Pending License to Cover Application. The pending application for license to cover construction permit for the Station will have been granted by the FCC and will be in full



force and effect and in good standing for a full license term, with no unresolved order modifying or proposing to modify the license having been issued by the FCC, and no event having caused the license to expire.

(e) Deliveries. At the Closing, Seller shall deliver or cause to be delivered to Buyer: (i) a certificate from an officer of Seller confirming Seller's warranties, representations and compliance with all covenants and obligations required hereunder to be complied with on or before the Closing; and (ii) such bills of sale, consents, and other instruments of conveyance, assignment, transfer, and/or consent to assumption as may reasonably be requested by Buyer to convey, transfer and assign to Buyer all of Seller's rights, title and interest in and to the Assets and any Assumed Contracts. If Buyer so requests, Seller shall also deliver a copy of resolutions executed by all of its Members ratifying the sale to Buyer.

(f) No Proceedings. There shall be no suit, action, claim, investigation, inquiry, or proceeding instituted or threatened or an order, decree or judgment of any court, arbitrator, agency or governmental authority rendered which (i) questions the validity or legality of any transaction contemplated hereby, or (ii) seeks to enjoin any transaction contemplated hereby.

(g) Due Diligence. Buyer and its representatives shall have been afforded access to the Station's facilities and records as provided in Section 4.

(h) Studio and Transmitter Space. Buyer will not assume any contract or lease of Seller and Buyer will be responsible for negotiating its own leases for studio and transmitter space. Seller will terminate or otherwise remain responsible for satisfying all of its contractual obligations and leases from and after the Closing Date.

(i) Time Brokerage Agreement. The TBA will not have been terminated by Seller (unless Buyer has consented to such termination) prior to the Closing Date.

6.2 Conditions to Obligations of Seller. The obligations of Seller hereunder are, at its option, subject to satisfaction at or prior to the Closing Date of each of the following conditions:

(a) Representations and Warranties. All representations and warranties of Buyer contained in this Agreement shall be true and complete in all material respects at and as of the Closing Date as though made at and as of that time.

(b) Covenants and Conditions. Buyer shall have performed and complied in all material respects with all covenants, agreements, and conditions required by this Agreement to be performed or complied with by Buyer prior to or on the Closing Date.

(c) FCC Consent. The FCC Consent shall have been granted, without any conditions materially adverse to Seller, such consent will be in full force and effect, and Buyer shall have complied with any conditions imposed on it by the FCC Consent.

(d) Deliveries. Buyer shall deliver to Seller on the Closing Date the Purchase Price and appropriate assumption agreements pursuant to which Buyer shall assume and

undertake to perform Seller's obligations under the Assets. Buyer shall also deliver or cause to be delivered to Seller a certificate from an officer of Buyer confirming Buyer's warranties, representations, and compliance with all covenants and obligations required hereunder to be complied with on or before the Closing.

(e) No Proceedings. There shall be no suit, action, claim, investigation, inquiry, or proceeding instituted or threatened or an order, decree or judgment of any court, arbitrator, agency or governmental authority rendered which (i) questions the validity or legality of any transaction contemplated hereby, or (ii) seeks to enjoin any transaction contemplated hereby.

## **SECTION 7. CLOSING**

Subject to the satisfaction or waiver of the conditions of Closing set forth in Sections 6.1 and 6.2, the Closing shall take place on a date specified by Buyer, with reasonable accommodation to Seller. The Closing date specified by Buyer shall be within fifteen (15) business days after grant of FCC consent, provided that at Buyer's option, the Closing may be postponed to ten (10) calendar days after the FCC's approval has become a Final Order as specified in Section 6.1(c). Closing will be at a mutually agreed upon location, and in the absence of agreement at Buyer's attorney's offices at 280 Main Street, New London, New Hampshire.

## **SECTION 8. TERMINATION**

8.1 Termination. This Agreement may be terminated at any time prior to the Closing as follows:

- (a) by mutual written consent of Seller and Buyer;
- (b) by written notice of Seller to Buyer if Buyer breaches in any material respect any of its representations or warranties or other terms of this Agreement, or defaults in any material respect in the performance of any of its covenants or agreements herein contained, and such breach or default is not cured within the Cure Period (as defined below);
- (c) by written notice of Buyer to Seller if Seller breaches in any material respect any of its representations or warranties or other terms of this Agreement, or defaults in any material respect in the performance of any of its covenants or agreements herein contained, and such breach or default is not cured within the Cure Period; or
- (d) by written notice of Seller to Buyer, or Buyer to Seller, if the Closing shall not have been consummated on or before the date which is twelve (12) months after the execution of this Agreement, and if the party giving notice is not then in default hereunder.

The term "Cure Period" as used herein means a period commencing on the date that a party receives from the other party written notice of breach or default hereunder and continuing for twenty (20) calendar days thereafter.

8.2 Rights on Termination. Upon termination under Section 8.1 (a) or (d), this Agreement shall be deemed null and void and neither party will have any further liability or obligation to the other. Upon termination under Section 8.1(b), due to default of the Buyer, this Agreement shall be deemed null and void; and Seller shall be entitled to the Deposit as liquidated damages as its exclusive remedy, which amount Seller agrees is reasonable, If Seller declines to close and Buyer is not in breach, Buyer shall be entitled to bring an action for specific performance to compel Seller's fulfillment of its obligations hereunder, Seller hereby acknowledges that the Assets are of a special, unique and extraordinary character and that monetary damages would not be sufficient to compensate Buyer under such circumstances. If any action is brought by Buyer to enforce this Agreement, Seller shall waive the defense that there is an adequate remedy at law.

## **SECTION 9. SURVIVAL OF REPRESENTATIONS AND WARRANTIES; INDEMNIFICATION; CERTAIN REMEDIES**

9.1 Representations and Warranties. All representations and warranties contained in this Agreement shall be deemed continuing representations and warranties and shall survive the Closing for a period of two (2) years. Any investigations by or on behalf of any party hereto shall not constitute a waiver as to enforcement of any representation, warranty, or covenant contained in this Agreement. No notice or information delivered by either party shall affect the other party's right to rely on any representation or warranty made by such party or relieve such party of any obligations under this Agreement as the result of a breach of any of its representations and warranties.

9.2 Indemnification by Seller. Seller hereby agrees to indemnify and hold Buyer harmless against and with respect to, and shall reimburse Buyer for any and all losses, liabilities, or damages (including reasonable legal fees and expenses) resulting from any untrue representation, breach of warranty, or non-fulfillment of any covenant by Seller contained in this Agreement; or in any certificate, schedule, document, or instrument delivered to Buyer under this Agreement; or from claims arising from the operation of the Station prior to the Closing date.

9.3 Indemnification by Buyer. Buyer hereby agrees to indemnify and hold Seller harmless against and with respect to, and shall reimburse Seller for any and all losses, liabilities, or damages (including reasonable legal fees and expenses) resulting from any untrue representation, breach of warranty, or non-fulfillment of any covenant by Buyer contained in this Agreement; or in any certificate, schedule, document, or instrument delivered to Seller under this Agreement; or from claims arising from the operation of the Station on or after the Closing date.

9.4 Defense. With respect to claims made under Sections 9.2 or 9.3, the indemnified party must notify the indemnifying party of any third party claim promptly after learning of such claim and in time to permit the indemnifying party to assert a timely defense. If the indemnifying party does not timely and fully assume defense of the claim, the indemnified party may undertake its own defense and shall be entitled to reimbursement of its legal and other costs of defense by the indemnifying party if the indemnified party was entitled to indemnification for the claim. An indemnifying party may not settle a third party claim without the consent of the indemnified party unless the settlement includes a complete release of the indemnified party from liability to the claimant.

## SECTION 10. MISCELLANEOUS

10.1 Attorneys' Fees. In the event of a default by either party which results in a lawsuit or other proceeding for any remedy available under this Agreement, the prevailing party shall be entitled to reimbursement from the other party of its reasonable legal fees and expenses.

10.2 Fees and Expenses. Buyer shall be responsible for all costs and expenses incurred in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement including the entire FCC filing fee and any sales or transaction taxes and other expenses relating to the purchase and sale, except that Buyer, through the Legal Fee Deposit, shall not be responsible for more than Six Thousand Dollars (\$6,000.00) of Seller's actual legal fees.

10.3 Notices. All notices, demands, and requests required or permitted to be given under the provisions of this Agreement shall be (a) in writing, (b) delivered by personal delivery, or sent by commercial delivery service, or by registered or certified U.S. mail, return receipt requested, (c) deemed to have been given on the date of personal delivery or the first business day on which the postal or delivery service attempts delivery as set forth on the return receipt or other records of the service, and (d) addressed as follows (or to such other address as any party may request by written notice):

If to Seller: Channel 61 Associates, LLC  
4231 Brittany Lane  
Sarasota, FL 34233-3702

If to Buyer: Cross Hill Communications, LLC  
75 Newport Road, Suite 210  
New London, NH 03257  
Attn: John O'Connor

10.4 Entire Agreement: Amendment. This Agreement supersedes all prior agreements and understandings of the parties, oral and written, with respect to its subject matter. This Agreement may be modified only by an agreement in writing executed by both of the parties thereto. No waiver of compliance with any provision of this Agreement will be effective unless evidenced by an instrument evidenced in writing and signed by the parties thereto. The Schedules attached to this Agreement are an integral part of the Agreement.

10.5 Further Assurances. From time to time after the date of execution hereof, the parties shall take such further action and execute such further documents, assurances and certificates as either party reasonably may request of the other to effectuate the purposes of this Agreement.

10.6 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same

instrument, and shall become effective when each of the parties hereto shall have delivered to it this Agreement duly executed by the other parties hereto.

10.7 Headings. The headings in this Agreement are for the sole purpose of convenience of reference and shall not in any way limit or affect the meaning or interpretation of any of the terms or provisions of this Agreement.

10.8 Governing Law. This Agreement shall be construed in a manner consistent with federal law and otherwise under and in accordance with the laws of the State of New Hampshire, without giving effect to the principles of conflicts of law.

10.9 Benefit and Binding Effect: Assignability. This Agreement shall inure to the benefit of and be binding upon Seller, Buyer, and their respective heirs, successors, and permitted assigns. Neither Buyer nor Seller may assign this Agreement without the prior written consent of the other, except as follows. Buyer may assign any or all of its rights and obligations under this Agreement to any other person or entity that is under common majority control with Buyer, and Seller will not unreasonably withhold consent to assignment to a non-commonly controlled entity that is qualified to hold the FCC license for the Station. Buyer shall remain liable to Seller in the event that its assignee fails to perform any of Buyer's obligations

10.10 Confidentiality. Except as necessary for the consummation of the transaction contemplated by this Agreement, and except as and to the extent required by law, each party will keep confidential any information obtained from the other party in connection with the transactions contemplated by this Agreement. If this Agreement is terminated, each party will return to the other party all information obtained by such party from the other party in connection with the transactions contemplated by this Agreement which information is not readily available from other sources. Notwithstanding anything in this Agreement to the contrary, the obligations contained in this Section 10.10 shall survive the termination of this Agreement for the duration of the applicable statute of limitations.


10.11 Press Release. No party shall publish any press release, make any other public announcement or otherwise communicate with any news media concerning this Agreement or the transactions contemplated hereby without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed; provided, however, that nothing contained herein shall prevent either party from promptly making all filings with governmental authorities and publishing notices as may, in its reasonable judgment be required or advisable in connection and delivery of connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby.

**SIGNATURE PAGE FOLLOWS.**

**IN WITNESS WHEREOF**, the parties hereto have duly executed this Asset Purchase Agreement as of the day and year first above written.

**SELLER:**

**CHANNEL 61 ASSOCIATES, LLC**

By: 

Name: Susan Clarke, Member

By: \_\_\_\_\_

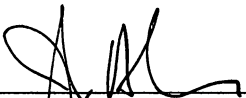
Donald McHone, Member

By: \_\_\_\_\_

Marie Smith-Cox, Executor of the Estate of Floyd L. Cox, Jr., Member

**BUYER:**

**CROSS HILL COMMUNICATIONS, LLC**

By: 

Name: John O'Connor

Title: Manager

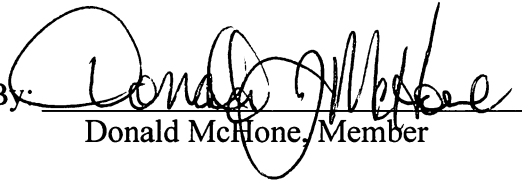
**IN WITNESS WHEREOF**, the parties hereto have duly executed this Asset Purchase Agreement as of the day and year first above written.

**SELLER:**

**CHANNEL 61 ASSOCIATES, LLC**

By: \_\_\_\_\_

Name: Susan Clarke, Member


By:  \_\_\_\_\_  
Donald McHone, Member

By: \_\_\_\_\_

Marie Smith-Cox, Executor of the Estate of Floyd L. Cox, Jr., Member

**BUYER:**

**CROSS HILL COMMUNICATIONS, LLC**

By:  \_\_\_\_\_

Name: John O'Connor

Title: Manager

IN WITNESS WHEREOF, the parties hereto have duly executed this Asset Purchase Agreement as of the day and year first above written.

**SELLER:**

**CHANNEL 61 ASSOCIATES, LLC**

By: \_\_\_\_\_

Name: Susan Clarke, Member

By: \_\_\_\_\_

Donald McHone, Member

By: Marie Smith-Cox, Executor

Marie Smith-Cox, Executor of the Estate of Floyd L. Cox, Jr., Member

**BUYER:**

**CROSS HILL COMMUNICATIONS, LLC**

By: John O'Connor

Name: John O'Connor

Title: Manager



**Schedule 1.1(a)**  
**FCC Authorizations**

WNMN-DT, Channel 40, (FCC Facility ID 77515)  
Construction Permit, FCC File No. BMPDT-20091209ABD  
Pending Application for License, FCC File No. BLCDT-20100301ADR

**Schedule 1.1(b)**  
**Intangible Property**

Call Letters WNMN

**Schedule 1.1(e)**  
**Tangible Personal Property Disclosure**

A prior agreement exists to which Seller is a party that might result in a third party claim to the right to purchase the Station and/or a claim to ownership of the Station's transmitter. Buyer will assume no liability or responsibility under any such agreement, but Seller will not commit to expend financial resources to defend against any such claim.

In the event that Seller's transmitter is not available or usable, Buyer will provide a substitute transmitter, at Buyer's cost and expense, for use by the Station during the period when the TBA is in effect. If the TBA and this Agreement are terminated without Closing on the purchase of the Station by Buyer, Seller shall have the right to purchase any transmitter and associated equipment provided by Buyer for the full amount of Buyer's actual cost plus the lesser of Ten Thousand Dollars (\$10,000) or the amount of legal fees incurred by Buyer relating to preparation of and implementation of this Agreement and the TBA.

**Schedule 2.6**  
**Claims and Legal Actions**

See Schedule 1.1(e).

Seller has received invoices for unpaid FCC regulatory fees that were due and payable in calendar years 2010 and 2012. Buyer agrees to pay such fees, including late payment penalties, interest, and collection fees payable to the FCC or the U.S. Department of the Treasury (the "Fees". Buyer will pay the Fees promptly when it has become reasonably satisfied that payment of the Fees is the last remaining obstacle to grant of the Assignment Application and that the FCC will grant the Assignment Application reasonably promptly after payment of the Fees. Buyer's payment of the Fees will not be credited against or reduce the Purchase Price.