

KUUS ASSET PURCHASE AGREEMENT

THIS AGREEMENT is made and entered into this 8th day of December, 2010 by and between The Montana Radio Company, LLC, a Montana limited liability company (the "Seller") and Fisher Radio Regional Group Inc., a Washington corporation (the "Buyer") (collectively, the "Parties").

Recitals

WHEREAS, Seller is the licensee of radio station KUUS(FM), Vaughn, Montana (FCC Facility I.D. No.164134) (the "Station");

WHEREAS, the Station's transmission facilities are located on a tower assigned FCC Antenna Structure Registration Number 1051225 northwest of Great Falls, MT, near coordinates N47-36-24, W111-21-31 (NAD 27) (the "Tower Site");

WHEREAS, subject to the consent of the Federal Communications Commission ("FCC") Buyer desires to acquire the Station, and all of the assets and licenses used or useful in the operation of the Station, plus those leases, contracts and agreements which are specifically listed on Schedule 1.3 herein, and Seller desires to transfer such assets to Buyer;

WHEREAS, the Parties have entered into an Asset Purchase Agreement dated as of December 8, 2010 (the "KINX Asset Purchase Agreement") whereby Buyer shall Assign Seller KINX(FM), Great Falls, Montana, (FCC Facility Id. No. 73969) (the "KINX Assignment");

WHEREAS, the Parties shall consummate this Agreement simultaneously with the KINX Asset Purchase Agreement;

WHEREAS, the Parties have also entered into a Facilities Modification Agreement dated December 8, 2010 ("Facilities Modification Agreement"), whereby the channel of KUUS(FM) shall be changed to Channel 269C3; and

WHEREAS, the Parties have also entered into a Tower Site Purchase Agreement dated December 8, 2010 (the "Tower Site Purchase Agreement").

Agreement

NOW THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1 **Sale and Transfer of Assets.** Subject to and in reliance upon the Closing, Seller will sell, assign, transfer and deliver to Buyer all of the assets and rights of every kind and nature, real, personal, and mixed, tangible and intangible now or hereafter owned by Seller or in

which Seller now or hereafter has an interest used or useful in connection with the operation of the Station, including assets and rights acquired by Seller or arising between the date hereof and the Closing Date, including, without limitation, the following (all of which are hereinafter collectively called the “Assets”):

1.1 **Licenses.** All licenses, permits and authorizations issued by any governmental or regulatory agency (including antenna structure registration numbers) which are transferable or assignable, used or useful in the operation of, or in connection with the operation of, the Station, as listed on Schedule 1.1 (the “Licenses”);

1.2 **Tangible Assets.** All tangible assets of Seller used or useful in the operation of the Station listed on Schedule 1.2 (the “Tangible Assets”);

1.3 **Assigned Contracts.** The leases, contracts and agreements listed on Schedule 1.3, to the extent such leases, contracts or agreements pertain to the Station as specified on Schedule 1.3 (collectively, the “Assigned Contracts”);

1.4 **Intangible Assets.** All goodwill, copyrights, trademarks, logos, trade names, jingles, slogans or other intangible property rights, if any, which the Seller may have acquired or used in the operation of the Station as set forth on Schedule 1.5 (the “Intangible Assets”);

1.5 **Business Records.** All business records of the Station relating to its operation (including without limitation, tapes, computer disks, electronic processing software used in the operation of the Station, accounting journals and ledgers, customer lists, and each Station’s log books) and including the public inspection file (which Seller shall use its reasonable good faith efforts to bring up to date by the Closing Date), but not including tax records (the “Business Records”); and

1.6 **Real Property.** All of Seller's right, title and interest in and to certain real property owned or leased by Seller in connection with the operation of the Station and all of Seller's ownership or leasehold rights, in and to any buildings, fixtures, and improvements located thereon, together with any additions thereto between the date hereof and the Closing Date, as further described on Schedule 1.7 hereto (collectively, the “Real Property”).

1.7 **Excluded Assets.** The Assets to be transferred hereunder shall not, however, include (a) cash and cash equivalents, deposits and bank accounts; (b) any life insurance wherein the Seller is the owner; (c) any investments or securities owned by the Seller; (d) all accounts receivable generated from broadcasts by Seller prior to the Closing Date (the “Accounts Receivable”); (e) Seller's minute books, limited liability company agreement and other organizational documents, limited liability company interest record books and such other books and records relating to the formation, existence or capitalization of Seller, as well as any other records or materials relating to Seller generally and not involving each Station's operations; (f) contracts of insurance 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; and (g) Any books and records relating to any of the foregoing, except to the extent that Buyer wishes to

make, at its expense, a duplicate copy of such materials in order to facilitate its operation of the Station and conduct of its business.

2 Purchase Price and Payment/Escrow Deposit.

2.1 Purchase Price. In consideration for the sale, assignment, transfer and conveyance of the Assets, Buyer shall pay the sum of Forty-Eight Thousand Dollars (\$48,000.00) to Seller, plus or minus any adjustment to be made pursuant to Section 2.3 by wire transfer of same day Federal funds to be delivered to Seller at Closing (the “Purchase Price”). The Purchase Price shall constitute the liquidated damages and Seller's sole recourse hereunder in the event of a material breach of this Agreement by Buyer that causes the Closing not to occur.

2.2 Allocation of Purchase Price. Buyer and Seller shall exercise commercially reasonable efforts to determine a mutually agreeable allocation of the total Purchase Price prior to Closing. Buyer and Seller hereby agree that the allocation of the Purchase Price for the licenses/permit and Tangible Assets shall be those values assigned in Schedules 1.1 and 1.2, accordingly. The remainder of the Purchase Price shall be allocated to Intangible Assets. In the event that the Purchase Price is reduced for any reason, the allocation of the Purchase Price shall be prorated accordingly. Buyer and Seller agree that the allocation determined by their mutual agreement shall be conclusive and binding on Buyer and Seller for all purposes, including without limitation, reporting and disclosure requirements of the Internal Revenue Service.

2.3 Proration of Income and Expenses. Except as otherwise provided herein, all expenses arising from Seller's ownership of the Assets to be conveyed hereunder that are customarily prorated shall be prorated between Buyer and Seller in accordance with generally accepted accounting principles as of 12:01 a.m., Eastern time, on the Closing Date (the "Adjustment Time"), on the basis that all expenses which accrue prior to the Adjustment Time are for the account of Seller, and all expenses which accrue after the Adjustment Time are for the account of Buyer. Such prorations shall include, without limitation, all real property, ad valorem, and other property taxes (but excluding taxes arising by reason of the transfer of the Assets as contemplated hereby, which shall be paid by Seller), contract payments, utility charges, business, programming, music and other license fees currently paid by Seller, FCC annual regulatory fees, and similar prepaid and deferred items attributable to the ownership of the Station or the Assets. The prorations and adjustments contemplated by this Section, to the extent practicable, shall be made on the Closing Date to the Purchase Price. As to those prorations and adjustments not capable of being ascertained on the Closing Date, an adjustment and proration shall be made within thirty (30) days following the Closing Date, with payment made by wire transfer of immediately available funds to an account designated by the party who is to receive such payment. In the event of any disputes between the parties as to such adjustments, the amounts not in dispute shall nonetheless be paid at such time and such disputes shall be resolved by an independent certified public accountant mutually acceptable to the parties, and the fees and expenses of such accountant shall be paid one-half by Seller and one-half by Buyer. The decision of such accountant shall be rendered within ninety (90) days after the Closing and shall be conclusive and binding on the parties.

3 No Assumption of Liabilities. Buyer shall not assume and shall not be obligated to pay any of the liabilities or obligations of Seller, except liabilities and obligations arising or accruing on or after the Closing Date with respect to the Assigned Contracts. Upon assumption by Buyer of the Assigned Contracts, Buyer shall be entitled to all of Seller's rights and benefits thereunder and shall relieve Seller of its obligations to perform the same.

4 Seller's Representations and Warranties. The following representations and warranties shall survive for one (1) year from the Closing Date. For purposes of this Section 4, all references to the "knowledge of Seller" or to the "best of Seller's knowledge" shall mean the actual knowledge of the principals of Seller. The Seller represents and warrants to Buyer as of the date hereof and as of the Closing Date, with respect to the Station, as follows:

4.1 Formation, Standing and Power. Seller is a Montana limited liability company, validly existing and in good standing under the laws of the State of Montana. Seller is duly authorized to conduct business in the State of Montana and has all necessary power and authority to own, use and transfer its properties and Assets and to transact its business as now being conducted. There are no other jurisdictions in which the character or use of Seller's Assets or the nature of its business makes necessary the licensing or qualification of Seller to do business.

4.2 Authority for Transaction. Seller's execution and delivery of this Agreement, its compliance with the provisions hereof and the consummation of all of the transactions contemplated hereby have all been duly and validly authorized by all necessary

action on the part of Seller, including approval by the Seller's members, and this Agreement is valid and binding upon Seller in accordance with its terms.

4.3 **Licenses.** Seller is, and on the Closing Date will be, the holder of the Licenses, all of which are in full force and effect. As set forth on Schedule 1.1, the Licenses constitute all material licenses, permits and governmental authorizations and approvals necessary for the operation of the Station. No proceeding (judicial, administrative or otherwise) has been commenced or, to the best of Seller's knowledge, threatened against Seller, any of its affiliates, the Station or in respect of any License which could lead to a revocation, suspension or limitation of the rights under any License. Seller is in compliance with each of the Licenses and knows of no state of facts related to Seller, its affiliates, the Station or the Licenses which could lead to any such revocation, suspension or limitation of any License. Seller has no reason to believe that any License will not be renewed, nor has any person or entity informed Seller that such person or entity intends to oppose such renewal or application for a license.

4.4 **Sufficiency of Assets.** On the Closing Date, Seller shall deliver to Buyer all the Tangible Assets listed on Schedule 1.2, which shall include transmitting equipment that is currently used by the Station in its operations, which taken as a whole, are operational, are in good working condition normal wear and tear excepted and have been serviced and maintained by Seller in accordance with normal industry standards and practices and applicable FCC rules and regulations.

4.5 **Contracts, Leases, Agreements, Etc.** Schedule 1.3 contains a true and complete list of all Assigned Contracts, and Seller has delivered to Buyer complete and correct copies of all of the Assigned Contracts on Schedule 1.3 (including amendments and modifications thereto) to the extent such Assigned Contracts are in writing (and to the extent such contracts are not in writing, a description of the material terms of such Assigned Contracts). The Licenses, Assigned Contracts, and Intangible Assets to be transferred or assigned to Buyer are now and will, on the Closing Date, be valid, binding and in full force and effect. Except for the Assigned Contracts, Seller is not a party to any contract, agreement, arrangement, written or oral, express or implied, that is material to the operation of the Station. Seller, and to the best of Seller's knowledge, each other party thereto have complied in all material respects with all provisions of the Assigned Contracts required to be complied with by them and neither Seller nor, to best of Seller's knowledge, any such other party is in default in any material respect thereunder, and no event has occurred which, but for the passage of time or giving of notice or both would or might constitute a default or termination under any Assigned Contract. Each such Assigned Contract may be transferred in accordance with its terms, or approval for transfer will have been received by the Closing Date. By the Closing, Seller will provide Buyer with evidence satisfactory to Buyer that any amounts in arrears on the Assigned Contracts have been paid up to the Closing Date.

4.6 **Employees and Agreement Relating to Employment.** The names of all employees of the Station, their current rate of compensation and all fringe benefits are as set forth on Schedule 4.6. Except as set forth on Schedule 4.6, there is (a) no written employment contract with any employee of the Station, (b) no obligation, contingent or otherwise, under any employment arrangement, (c) no collective bargaining agreement, (d) no employee pension,

retirement, profit sharing, bonus or similar plan, and (e) no union has been certified or sought recognition as a bargaining agent for any employee of the Station. Buyer shall have no obligation to employ any employee after the Closing, but may discuss potential employment with any employee prior to the Closing.

4.7 **Legal Proceedings, Etc.** No litigation, court or administrative proceeding is pending or, so far as is known to the Seller, threatened against Seller relating to the Station or any Asset to be conveyed hereunder which would affect Buyer's enjoyment of the Assets, or which would hinder or prevent the consummation of the transactions contemplated by this Agreement, and Seller does not know, or have reasonable grounds to know, of any basis for any such possible action.

4.8 **Compliance with Licenses, Laws, Regulations and Orders.** Seller is in compliance with all material terms and conditions of all Licenses, laws, regulations and orders applicable to its business and operations (including the Assets) including, without limitation, compliance with the Communications Act of 1934, as amended (the "Federal Communications Act") and all regulations issued by the FCC, and Seller is not charged with violating or, to the best of Seller's knowledge, threatened with a charge of violating or under investigation with respect to a possible violation of, any provision of any License, or any federal, state or local law or administrative ruling or regulations relating to any aspect of its business. All of Seller's Assets operate in compliance with all material terms and conditions of its FCC Licenses and all laws, ordinances, codes, regulations (including applicable engineering standards required to be met under applicable FCC rules) and other requirements of any governmental authority having jurisdiction over the Assets.

4.9 **No Conflict.** Neither the execution and delivery of this Agreement by Seller, nor compliance by Seller with any of the provisions hereof, nor the consummation of the transactions contemplated hereby, will:

(a) conflict with or result in a breach of any provision of the Seller's Articles of Organization or Operating Agreement or other corporate documents;

(b) result in a default, or give rise to any right of termination, cancellation or acceleration, under any term, condition or provision of any contract, encumbrance or other instrument or obligation to which Seller is a party or by which Seller or any of Seller's Assets may be bound; or

(c) violate any order, writ, injunction, decree, statute, rule or regulation applicable to Seller, or any of its Assets.

Except for the approval of the FCC, and such consents as are necessary for assignment of the Assigned Contracts as specified on Schedule 1.3, no consent, waiver or approval by, notice to or filing with any person or entity is required in connection with the execution and delivery of this Agreement by Seller, compliance by Seller with any of the provisions hereof or the consummation of the transactions contemplated hereby.

4.10 **Operation of Station.** The Station presently is silent and has made the necessary filings with the FCC to remain silent. The Station, at Closing, will be capable of operating in compliance with all laws, regulations and orders, including without limitation, compliance with the Federal Communications Act and all regulations issued by the FCC thereunder, and the terms and conditions of the Licenses, and Seller knows of no breach or facts which might amount to a breach of any such law, regulation or order.

4.11 **Insurance.** The insurance policies owned by Seller or of which Seller is a named beneficiary will be in effect within thirty (30) days of execution of this Agreement and through the Closing Date and will be fully in effect in accordance with their terms, with no default in the payment of premiums on any such policy and no ground for cancellation or avoidance of any portion thereof or for reduction of the coverage provided thereby.

4.12 **Liabilities.** As of the Closing Date, all of Seller's liabilities, except for those liabilities arising on or after the Closing Date relating to the Assigned Contracts, shall have been fully paid and discharged and no creditors of Seller shall have any claim on the Assets for payment of such liabilities.

4.13 **No Misleading Statements.** The representations and warranties of Seller herein, or in any Schedule hereto, do not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained herein or therein not materially misleading.

4.14 **Broker.** Seller has not incurred nor become liable for any broker's commission or finder's fee relating to the transactions contemplated under this Agreement. Seller agrees to indemnify and hold Buyer harmless from any claims for brokerage fees, finder's fees or commissions asserted by any person acting on Seller's behalf in connection with this transaction.

4.15 **Environmental Matters.**

(a) To the best of Seller's knowledge, Seller and other occupants or users of the real property ("Premises") under Seller's control thereof, have conducted their respective business, operations and activities upon the Premises in compliance in all material aspects with Environmental Requirements, and no charge, complaint, action, suit, proceeding, hearing, investigation, claim, demand, or notice has been filed or commenced against Seller in connection with Seller's ownership or operation of the Station alleging any failure to comply with any Environmental Requirement.

(b) To the best of Seller's knowledge, the Premises and the Tower Site are free of reportable amounts of Hazardous Materials, and to the best of Seller's knowledge, no Hazardous Material is currently, or has been located in, on, under or about any of the Premises or the Tower Site, whether originating from an on-site or off-site location or activity, in a manner which violates any Environmental Requirement or which requires clean up or corrective action of any kind. Without limiting the foregoing, to the best of Seller's knowledge, all aboveground and underground storage tanks (including the piping servicing same) containing a Hazardous Material and located on or serving the Premises and the Tower Site are in compliance with

Environmental Requirements and are not leaking or otherwise discharging Hazardous Materials therefrom, all such storage tanks being listed on Schedule 4.15.

(c) As used herein “Environmental Requirements” shall mean all now existing applicable statutes, regulations, rules, ordinances, codes, licenses, permits, orders, approvals, plans, authorizations, policies and similar items of all governmental agencies, departments, commissions, boards, bureaus or instrumentalities of the United States, states and political subdivisions thereof and all applicable judicial, administrative and regulatory decrees, judgments and orders relating to the protection of human health or environmental, including, without limitation, the Clean Air Act, Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”), Emergency Planning and Community right to Know Act, Federal Water Pollution Control Act, National Historic Preservation Act, Occupational Safety and Health Act, Oil Pollution Act, Pollution Prevention Act, Resource Conservation and Recovery Act (“RCRA”), Safe Drinking Water Act, and the Toxic Substance Control Act (“TOSCA”), all as amended from time to time.

(d) As used herein “Hazardous Materials” shall mean any flammable explosives, radioactive materials, hazardous waste, toxic substances or related materials, including, without limitation, asbestos, polychlorinated biphenyls, ureas formaldehyde, radon, and any substance defined as or included in the definition of (a) any “hazardous waste” as defined pursuant to RCRA; (b) any “hazardous substance” as defined by CERCLA; (c) any “toxic substance” as defined pursuant to TOSCA; (d) any oil or other petroleum product; and (e) any other substance, pollutant, contaminant, chemical or industrial toxic or hazardous substance or waste, including, without limitation, hazardous materials defined and regulated by of any other Environmental Requirement.

4.16 Liens. There are no outstanding liens (including, without limitation, any tax lien), claim, charge, security interest, mortgage, pledge, easement, lease, license, right of first offer or first refusal, conditional sale or other title retention agreement, defect in title or other restriction of any kind on the Assets (collectively, the “Liens”), or other restrictions, options, warrants, calls, convertible securities or other rights, agreements, arrangements or commitments of any kind that have been issued, made or granted to any person relating to Seller.

5 Buyer’s Representations and Warranties. The following representations and warranties shall survive for one year from the Closing Date. The Buyer represents and warrants to Seller, as of the date hereof and as of the Closing Date, as follows:

5.1 Buyer’s Qualifications. Buyer is legally and financially qualified to acquire the Station. Buyer knows of no fact or circumstance which would, under the federal antitrust laws, the Communications Act of 1934, as amended, or the rules, regulations, and policies of the FCC, disqualify or preclude Buyer from being approved as an assignee of the Licenses. Should Buyer become aware of any such fact or circumstance, it will promptly so inform Seller and Buyer will use its best efforts to remove any such disqualification or preclusion. Buyer will not take any action that Buyer knows, or has reason to believe, would result in such disqualification. There are no facts which, under the Communications Act of 1934, as amended, or the rules, regulations and policies of the FCC, or the antitrust policies as

applied to the broadcasting industry by the Federal Trade Commission and the U.S. Department of Justice would prevent the consummation of the transactions contemplated by this Agreement. To Buyer's knowledge, there are no proceedings, complaints, notices of forfeiture, claims, or investigations pending or threatened against Buyer that would prohibit Buyer from (a) assuming the FCC Licenses or (b) prosecuting the FCC applications or seeking grant of the FCC Consents. No person or entity has informed Buyer that such person or entity intends to oppose the Assignment Application or consummation of the transactions contemplated by this Agreement.

5.2 Formation, Standing and Power. Buyer is a for-profit corporation duly organized, validly existing and in good standing under the laws of the State of Washington and authorized to do business in the State of Montana. Buyer has all necessary power and authority to assume the KUUS Assets, to transact its business as now being conducted and 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.

5.3 Authority for Transaction. Buyer's execution and delivery of this Agreement, its compliance with the provisions hereof and the consummation of all of the transactions contemplated hereby have been duly and validly authorized by all necessary action on the part of Buyer, and this Agreement is valid and binding upon Buyer in accordance with its terms.

5.4 No Conflict. Neither the execution and delivery of this Agreement by Buyer, nor compliance by Buyer with any of the provisions hereof, nor the consummation of the transactions contemplated hereby will:

- (a) conflict with or result in a breach of any provision of Buyer's Articles of Organization or Operating Agreement or other corporate documents;
- (b) result in a default, or give rise to any right of termination, cancellation or acceleration, under any term, condition or provision of any contract, encumbrance or other instrument or obligation to which Buyer is a party or by which it or any of its properties or assets may be bound; or
- (c) violate any order, writ, injunction, decree, statute, rule or regulation applicable to Buyer or any of its properties or assets.

Except for the approval of the FCC, certain filings required to be made with the FCC after the Closing Date, no consent, waiver or approval by, notice to or filing with any person or entity is required in connection with the execution and delivery of this Agreement by Buyer, compliance by Buyer with any of the provisions hereof or the consummation of the transactions contemplated hereby.

5.5 Legal Proceedings, Etc. There is no legal, equitable, administrative or arbitration action, suit, proceeding or known investigation pending or, to Buyer's knowledge,

threatened against or affecting Buyer or any of its assets which, if adversely determined, would adversely affect the ability of Buyer to consummate the transactions contemplated hereby.

5.6 **No Misleading Statements.** The representations and warranties of Buyer herein, or in any Schedule hereto, do not contain any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements contained herein or therein not materially misleading.

5.7 **Broker.** Buyer has not incurred or become liable for any broker's commission or finder's fee relating to the transactions contemplated by this Agreement. Buyer agrees to indemnify and hold Seller harmless from any claims for brokerage fees, finder's fees or commissions asserted by any person, acting on Buyer's behalf in connection with this transaction.

6 **Seller's Covenants.**

6.1 **Indemnification.**

(a) The sole and exclusive remedy which Buyer shall have against Seller under this Agreement after the Closing Date shall be the right to proceed for indemnification in the manner and only to the extent provided by this Section 6. Seller hereby indemnifies Buyer and holds it and its agents, successors and assigns harmless, with respect to demands for indemnification asserted by Buyer, as provided by this Section 6.1, within one (1) year after the Closing Date from, against and in respect of:

(1) the ownership or operation of the Station prior to the Closing, including, but not limited to all liabilities, obligations, claims against and contracts of Seller of every kind and nature whatsoever, at any time existing or asserted, whether or not accrued, whether fixed, contingent or otherwise, whether known or unknown, and whether or not recorded on the books and records of Seller, arising out of or by reason of this or any other transaction or event occurring prior or subsequent to the Closing, which have not been assumed by Buyer; and

(2) all losses, damages and deficiencies resulting from any failure or breach of any representation or warranty, or any breach or nonfulfillment of any covenant or agreement, of Seller made in this Agreement; and

(3) all actions, suits, proceedings, claims, demands, assessments, judgments, fines, amounts paid in settlement, costs and expenses (including reasonable attorneys' fees and expenses) incident to any of the foregoing.

(b) If a demand for indemnification arises out of a claim made against Buyer by a person not a party to this Agreement or affiliated with a party to this Agreement (a

“Third Party Claim”), Buyer shall give prompt notice thereof to Seller, stating in reasonable detail the nature of the Third Party Claim, the identity of the Third Party Claimant and the specific representations, warranties or covenants which Buyer contends Seller has breached. Such notice shall also indicate whether Buyer intends to defend against the Third Party Claim. If Buyer shall defend against the Third Party Claim, Seller shall cooperate in all reasonable respects with Buyer in such defense, shall make available to Buyer all records and other materials reasonably required by Buyer in such defense, and shall have the right to participate in such defense. If Buyer does not intend to defend against the Third Party Claim, then Seller may assume defense of the Third Party Claim through legal counsel of its choice reasonably satisfactory to Buyer, in which event Buyer shall cooperate in all reasonable respects with Seller in such defense, and shall make available to Seller and its counsel all records and other materials reasonably required by them in such defense, but Seller shall at all times control such defense. If Seller reaches a settlement with the Third Party Claimant which results in any liability to Buyer, or if a judgment is rendered against Buyer which judgment is not properly appealed or appealable, then Buyer shall be entitled to indemnification in an amount sufficient to discharge the Third Party Claim.

(c) If Buyer asserts a demand for indemnification hereunder, but such demand is not based upon a Third Party Claim, Buyer shall notify Seller thereof, stating in reasonable detail the nature of Buyer’s claim and the specific representations, warranties and covenants which Buyer contends Seller has breached. Seller shall have fifteen (15) days after the effective date of such notice to accept or reject Buyer’s demand for indemnification. If Seller accepts such demand for indemnification, it shall pay the amount of indemnification claimed by Buyer. If no acceptance is received by Buyer within such 15-day period, Seller shall be deemed to have rejected the demand. In the event Seller rejects Buyer’s demand for indemnification or fails to accept such demand within such 15-day period, the parties shall immediately submit the controversy to arbitration in accordance with the provisions of Section 6.1(d). If the arbitrator(s) render an award in the arbitration proceeding in favor of Buyer, Buyer shall be entitled to indemnification to the extent provided in such award. If the arbitrator(s) render an award in favor of Seller, Seller shall have no further liability on Buyer’s claim.

(d) If there is any disagreement between Buyer and Seller concerning the validity of any demand for indemnification asserted under Section 6.1, then such disagreement shall, as provided by Section 6.1(c) or otherwise on demand of either party, be referred to arbitration in Great Falls, Montana. Buyer and Seller shall attempt to agree on the appointment of a single arbitrator. If they are unable to agree, the American Arbitration Association shall select a neutral arbitrator. The determination in writing by the arbitrator shall be final and binding on the parties. Such determination shall be made as soon as practicable after the reference of the claim to arbitration. The arbitrator shall be governed by the Commercial Arbitration Rules of the American Arbitration Association then in effect, and shall have full power to make such regulations and to give such orders and directions in all respects as they shall deem expedient, as well as in respect to the claims and differences referred to them, and also with respect to the mode and times of executing and performing any of the acts or things which may be awarded or directed to be done.

(e) Seller's liability for all Claims under this Section 6 shall be subject to the following limitations: (a) Seller shall have no liability for Claims until the aggregate amount of the Claims incurred exceeds Two Thousand Five Hundred dollars (\$2,500.00) (the "Minimum Loss"); after the Minimum Loss is exceeded, Buyer shall be entitled to be paid the entire amount of the Claims, including the Minimum Loss, subject to the limitations on recovery and recourse set forth in this Section 6; and (b) Seller's aggregate liability for all Claims under this Section 6 shall not exceed Forty-Eight Thousand Dollars (\$48,000.00).

6.2 Access and Information. Seller shall give Buyer and its representatives full but reasonable access during normal business hours throughout the period prior to Closing to the operations, properties, books, contracts, agreements, leases, commitments and records of the Station; provided, however, that Buyer shall give Seller reasonable advance notice of exercising this right. Seller shall furnish to Buyer all information concerning the Station's affairs as Buyer may reasonably request. Without limiting the foregoing, Seller shall give Buyer access on and after the Closing Date to the Station's FCC Registration Numbers and related passwords for Buyer's use for the purposes of updating the FCC's records on the Antenna Structure Registration.

6.3 Conduct of Station's Business. Prior to Closing, without the written consent of Buyer, Seller shall not enter into any transaction other than those in the ordinary course of the business of the Station and shall operate the Station in the normal and usual manner. Without limiting the foregoing, Seller shall:

(i) not enter into any employment contract relating to the Station or increase the compensation paid to any employee of the Station;

(ii) refrain from hiring, firing, releasing or transferring any employee of the Station;

(iii) maintain in force the insurance;

(iv) not make any material change in the price or terms of advertising.

(v) refrain from making any sale, lease, transfer or other disposition of any of the Assets;

(vi) refrain from modifying, amending, altering or terminating any of the Assigned Contracts or waiving any default or breach thereunder or modifying, altering or terminating, any other right relating to or included in the Assets;

(vii) maintain its books and records in accordance with prior practice; maintain the Assets in adequate condition, ordinary wear and tear excepted; maintain supplies of inventory and spare parts relating to the Station consistent with past practices;

(viii) promptly notify Buyer upon Seller's becoming aware of the resignation or contemplated resignation of any supervisory employee of the Station;

(ix) operate the Station in accordance with the Licenses and comply with all laws, rules and regulations applicable to it, including the rules and regulations of the FCC;

(x) refrain from subjecting any of the Assets to any new lien, claim, charge, or encumbrance (other than minor Liens, claims, charges or encumbrances which will not materially interfere with the occupation, use and enjoyment by Buyer of the Assets in the normal course of its business or impair the value of the Assets and which shall be discharged as of the Closing Date) or from increasing any existing lien, claim, charge or encumbrance;

(xi) refrain from doing or omitting to do any act which will cause a breach of, or default under, or termination of, any Assigned Contract;

(xii) take such action as may be reasonably necessary to obtain any required consents of third parties to the transactions contemplated herein;

(xiii) refrain from entering into any other contract or agreement not in effect on the date hereof and listed on Schedule 1.3;

(xiv) provide to Buyer, concurrently with filing thereof, copies of all reports to and other filings with the FCC relating to the Station; and provide to Buyer, promptly upon receipt thereof by Seller, a copy of (i) any notice from the FCC or any other governmental authority of the revocation, suspension, or limitation of the rights under, or of any proceeding for the revocation, suspension, or limitation of the rights under (or that such authority may in the future, as the result of failure to comply with laws or regulations or for any other reason, revoke, suspend or limit the rights under) any License, or any other license or permit held by Seller respecting the Station, and (ii) copies of all protests, complaints, challenges or other documents filed with the FCC by third parties concerning the Station and, promptly upon the filing or making thereof, copies of Seller's responses to such filings; provide Buyer in writing immediately upon learning of the institution or written threat or action against the Seller involving the Station or Assets before the FCC or any other governmental agency;

(xv) not permit any of the Licenses to expire or to be surrendered or voluntarily modified, or take any action (or fail to take any action) which could cause the FCC or any other governmental authority to institute proceedings for the suspension, revocation or limitation of rights under any License; or fail to prosecute with due diligence any pending applications to any governmental authority with respect to the Station or any such Licenses, except for proceedings affecting the radio broadcasting industry generally; and

(xvi) pay or cause to be paid or provided for when due (except to the extent contested in good faith for which proper reserves shall have been established) all income, property, use, franchise, excise, social security, withholding, worker's compensation and unemployment insurance taxes and all other taxes of or relating to Seller, the Assets and the employees required to be paid to city, county, state, Federal and other governmental units up to the Closing Date.

(xvii) return the Station to on-air operations in accordance with the License on or before August 4, 2011 and shall extend the current STA (File No. BLSTA-20100809CNX) on or before April 18, 2011, in the event the Station is not return to licensed on-air operations by that date.

6.4 **Risk of Loss.** Seller shall bear all risk of loss or damage by fire, theft, breakage, explosion, earthquake, accident, flood, rain, storm, riot, acts of God or public enemy, or other casualty or cause, reasonable wear and tear excepted, to any of the Assets to be transferred to Buyer hereunder occurring prior to the Closing. In the event any loss or damage occurs, the proceeds of any insurance policy covering such loss shall be used by Seller to repair, replace or restore any such loss prior to the Closing; provided, however, that, if the proceeds of such insurance are not sufficient to repair, replace or restore the loss, and Seller does not provide additional funds for such purpose upon request by Buyer, Buyer if not then in default may terminate this Agreement. In the event such loss or damage prevents the broadcast transmission of the Station in the normal and usual manner, Seller shall give prompt written notice thereof to Buyer. If Seller cannot restore the facilities so that transmission can be resumed in the normal and usual manner within thirty (30) days, Buyer, if not then in default, shall have the right after such thirty-day period to terminate this Agreement by giving written notice to Seller. In the event of any such termination pursuant to this Section 6.4 neither party shall have any further right or liability hereunder.

6.5 **Other Proposals.** Seller shall not, nor shall Seller permit any of its employees, agents, directors or officers to, solicit or entertain any inquiries or proposals or participate in any discussions, negotiations or agreements relating to the sale, merger or consolidation of Seller or the sale of all or substantially all of Seller's Assets prior to the Closing Date.

6.6 **COBRA.** Seller shall be responsible for satisfying any and all obligations under the continuation coverage provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"), to provide continuation coverage to or with respect to all employees and their beneficiaries (to whom COBRA is applicable) as a result of any "qualifying event" as defined in Section 4980B of the Code and Section 603 of ERISA occurring on or before the Closing Date.

6.7 **Tower Site.** Except as otherwise stated herein, use of the Tower Site shall be governed by the Tower Site Purchase Agreement.

7 **Buyer's Covenants.**

7.1 **Indemnification.**

(a) From and after the Closing, Buyer shall be responsible for and hereby indemnifies Seller and holds it and its agents, successors and assigns harmless, with respect to demands for indemnification asserted by Seller, as provided by this Section 7.1, within one (1) year after the Closing Date from, against and in respect of:

(1) The operation of the Station subsequent to the Closing, including, but not limited to any and all claims, liabilities and obligations arising or required to be performed under the Assigned Contracts assumed by Buyer;

(2) All losses, damages and deficiencies resulting from any failure or breach of any representation or warranty, or any breach or non-fulfillment of any covenant or agreement, of Buyer made in this Agreement; and

(3) All actions, suits, proceedings, claims, demands, assessments, judgments, fines, penalties, amounts paid in settlement, costs and expenses (including reasonable attorneys' fees and expenses) incident to any of the foregoing.

(b) If a demand for indemnification arises out of a claim made against Seller by a person not a party to this Agreement or affiliated with a party to this Agreement (a "Third Party Claim"), Seller shall give prompt notice thereof to Buyer, stating in reasonable detail the nature of the Third Party Claim and the specific representations, warranties or covenants which Seller contends Buyer has breached. Such notice shall also indicate whether Seller intends to defend against the Third Party Claim. If Seller shall defend against the Third Party Claim, Buyer shall cooperate in all reasonable respects with Seller in such defense, shall make available to Seller all records and other materials reasonably required by Seller in such defense, and shall have the right to participate in such defense. If Seller does not intend to defend against the Third Party Claim, then Buyer may assume defense of the Third Party Claim through legal counsel of its choice, reasonably satisfactory to Seller, in which event Seller shall cooperate in all reasonable respects with Buyer in such defense and shall make available to Buyer and its counsel all records and other materials reasonably required by them in such defense, but Buyer shall at all times control such defense. If Buyer reaches a settlement with the Third Party Claimant which results in any liability to Seller, or if a judgment is rendered against Seller which judgment is not properly appealed or appealable, then Seller shall be entitled to indemnification in an amount sufficient to discharge the Third Party Claim.

(c) If Seller asserts a demand for indemnification hereunder, but such demand is not based upon a Third Party Claim, Seller shall notify Buyer thereof, stating in reasonable detail the nature of Seller's claim and the specific representations, warranties and covenants which Seller contends Buyer has breached. Buyer shall have fifteen (15) days after the effective date of such notice to accept or reject Seller's demand for indemnification. If Buyer accepts such demand for indemnification, it shall pay the amount of indemnification claimed by Seller. If no acceptance is received by Seller within such 15-day period, Buyer shall be deemed to have rejected the demand. In the event Buyer rejects Seller's demand for indemnification or fails to accept such demand within such 15-day period, the parties shall immediately submit the controversy to arbitration in accordance with the provisions of Section 7.1(d). If the arbitrator(s) render an award in the arbitration proceeding in favor of Seller, Seller shall be entitled to

indemnification to the extent provided in such award. If the arbitrator(s) render an award in favor of Buyer, Buyer shall have no further liability on Seller's claim.

(d) If there is any disagreement between Seller and Buyer concerning the validity of any demand for indemnification asserted under Section 7.1, then such disagreement shall, as provided by Section 7.1(c) or otherwise on demand of either party, be referred to arbitration in Great Falls, Montana. Buyer and Seller shall attempt to agree on the appointment of a single arbitrator. If they are unable to agree, the American Arbitration Association shall select a neutral arbitrator. The determination in writing by the arbitrator shall be final and binding on the parties. Such determination shall be made as soon as practicable after the reference of the claim to arbitration. The arbitrator shall be governed by the Commercial Arbitration Rules of the American Arbitration Association then in effect, and shall have full power to make such regulations and to give such orders and directions in all respects as they shall deem expedient, as well as in respect to the claims and differences referred to them, and also with respect to the mode and times of executing and performing any of the acts or things which may be awarded or directed to be done.

(e) Buyer's liability for all Claims under this Section 7 shall be subject to the following limitations: (i) Buyer shall have no liability for Claims until the aggregate amount of the Claims incurred exceeds Five Thousand Dollars (\$5,000.00) (the "Minimum Loss"); after the Minimum Loss is exceeded, Seller shall be entitled to be paid the entire amount of the Claims, including the Minimum Loss, subject to the limitations on recovery and recourse set forth in this Section 7; and (ii) Buyer's aggregate liability for all Claims under this Section 7 shall not exceed the total Purchase Price paid by Buyer to Seller.

8 Application for FCC Approval.

8.1 Filing and Prosecution of Application. Buyer and Seller shall, within five (5) business days from the date of this Agreement, join in an application (the "Assignment Application") to be filed with the FCC requesting its written consent to the assignment of the Licenses of the Station from Seller to Buyer. Buyer and Seller shall proceed with due diligence and promptly take all steps necessary to the expeditious prosecution of the Assignment Application to a favorable conclusion, using their best efforts throughout.

8.2 Expenses. Each party shall bear its own expenses in connection with the preparation of the applicable sections of the FCC application and in connection with the prosecution of such application. Seller and Buyer will divide and pay equally any filing fee or grant fee imposed by the FCC.

8.3 Designation for Hearing. If, for any reason, with respect to any application for assignment of the Licenses, the staff of the FCC advises that designation for hearing will be required, either party, if not then in default, shall have the right, by written notice within thirty (30) days of such notification, to terminate this Agreement, in which event neither party shall have any rights or liabilities hereunder.

8.4 **Time of FCC Consent.** If approval of the transfer of the Licenses has not become final (all protests and appeals having been decided or dismissed, or barred by the expiration of time) within nine (9) months from the date of filing the Assignment Application for transfer with the FCC, due to an act or inaction by the Seller, Buyer, if not then in default, may terminate this Agreement by giving written notice to the Seller. If approval of the transfer of the Licenses has not become final (all protests and appeals having been decided or dismissed, or barred by the expiration of time) within nine (9) months from the date of filing the Assignment Application for transfer with the FCC, due to an act or inaction by the Buyer, Seller, if not then in default, may terminate this Agreement by giving written notice to the Buyer.

8.5 **Control of Station.** This Agreement shall not be consummated until the FCC has given its written consent to the transfer of the Licenses of the Station to the Buyer. Buyer shall not, directly or indirectly, control, supervise, direct or attempt to control, supervise or direct the operation of the Station, but such operation shall be the sole responsibility of Seller.

8.6 **Call Signs.** Within ten (10) days of the filing of the Assignment Application with the Commission the parties shall at each parties sole cost and expense file requests for call sign changes contingent upon Closing requesting a Call Sign swap of KUUS for KINX.

9 **Conditions to Parties' Obligations.**

9.1 **Conditions to Buyer's Obligations.** The obligations of Buyer to complete the transactions provided for herein shall be subject, at its election, to satisfaction on or before 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 correct in all material respects as of the Closing Date (except as may be otherwise provided in this Agreement), and Buyer shall have received a certificate to that effect, dated the Closing Date, signed by an officer of Seller;

(b) Pre-Closing obligations: Seller shall have performed all material obligations required to be performed by Seller hereunder, the performance of which has not been waived by Buyer, and Buyer shall have received a certificate to that effect, dated the Closing Date, signed by an officer of Seller;

(c) Due authorization: Seller's execution and delivery of this Agreement, its compliance with the provisions hereof and the consummation of all of the transactions contemplated hereby shall have been duly and validly authorized by all necessary action on the part of Seller, including due authorization and approval thereof by its members, and Buyer shall have received a duly certified copy of all actions taken effecting the same;

(d) Seller's consents, etc.: all necessary notices, filings, consents, waivers and approvals shall have been given, made or obtained, as the case may be, by Seller, and Buyer shall have received a true copy of each thereof;

(e) No bar: there shall not be in effect any judgment, decree or order of, or position taken by, any court or administrative body of competent jurisdiction, nor shall there have been any action, suit, proceeding or known investigation instituted or threatened, unless any such action for money damages is fully bonded by cash or surety bond, nor shall any law or regulation have been enacted or any action taken thereunder, which would, in Buyer's reasonable judgment, restrain or prohibit, make illegal, or subject Buyer to material damage as a result of, the consummation of the transactions contemplated hereby;

(f) FCC Licenses: The Licenses issued by the FCC (the "FCC Licenses") (i) shall have been renewed for full terms under applicable FCC rules and shall have been assigned and transferred to Buyer, (ii) shall be valid and existing authorizations in every respect for the purpose of operating the Station, (iii) shall have been issued by the FCC under the Communications Act of 1934, as amended, for the full terms thereof, and (iv) shall contain no adverse modifications of the terms of the FCC Licenses as of the date of the Licenses and except for proceedings that affect the radio broadcasting industry generally, no proceeding for any revocation, suspension or modification shall be in effect, and neither Seller nor Buyer shall have received any notice that any governmental authority may institute any such proceedings.

(g) Further closing documents: Seller shall have delivered to Buyer the following documents and instruments in form reasonably satisfactory to counsel to Buyer:

(1) Certificates of the Secretary of State of Montana attesting to the good standing of the Seller in such jurisdiction as of a date reasonably proximate to the Closing Date;

(2) Bill of Sale transferring to Buyer title to the Tangible Assets free and clear of any and all liens, liabilities and encumbrances;

(3) Assignment and Assumption Agreements assigning to Buyer the Licenses, Assigned Contracts, Call Letters, Intangible Assets, Real Property and Business Records;

(4) Such other documents as Buyer shall request.

(h) Prepaid credits: except as otherwise provided herein, all prepaid expenses or advertisements shall have been prorated between Buyer and Seller to the Closing Date, including but not limited to monies paid by Seller for insurance for coverage for the Assets extending beyond the Closing Date; and

(i) Possession: Seller shall have delivered to Buyer actual possession of the Assets.

9.2 Conditions to Seller's Obligations. The obligations of Seller to complete the transactions provided for herein shall be subject, at its election, to satisfaction on or before 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 correct in all material respects as of the date hereof and as of the Closing Date as though made on and as of the Closing Date (except as may be otherwise provided in this Agreement), and Seller shall have received a certificate to that effect, dated the Closing Date, signed by an officer of Buyer;

(b) Pre-Closing obligations: Buyer shall have performed all material obligations required to be performed by it hereunder, the performance of which has not been waived by Seller, and Seller shall have received a certificate to that effect, dated the Closing Date, signed by an officer of Buyer;

(c) Due authorization: Buyer's execution and delivery of this Agreement, its compliance with the provisions hereof and the consummation of all of the transactions contemplated hereby shall have been duly and validly authorized by all necessary action on the part of Buyer, and Seller shall have received a duly certified copy of all required consents effecting the same;

(d) No bar: there shall not be in effect any judgment, decree or order of, or position taken by, any court or administrative body of competent jurisdiction, nor shall there have been any action, suit, proceeding or known investigation instituted or threatened, unless any such action for money damages is fully bonded by cash or surety bond, nor shall any law or regulation have been enacted or any action taken thereunder, which would, in Seller's reasonable judgment, restrain or prohibit, make illegal, or subject Seller to material damage as a result of, the consummation of the transactions contemplated hereby; and

(e) Further closing documents: Buyer shall have delivered to Seller the following documents and instruments:

(1) Certificate of the Secretary of the State of Montana attesting to the good standing of Buyer in such jurisdiction as of a date reasonably proximate to the Closing Date;

(2) Assignment and Assumption Agreements by which Buyer assumes the Licenses, Assigned Contracts, Call Letters, Intangible Assets and Business Records; and

(3) The Purchase Price.

9.3. **Mutual Conditions.** The obligations of Buyer and Seller to consummate this Agreement and the transactions contemplated hereby are subject to satisfaction at the time of the Closing of following conditions:

(a) The FCC shall have issued the FCC consent, any condition to the effectiveness of such FCC consent and approval which is specified therein shall have been met

and, subject to Buyer's rights in the next succeeding sentence, the same shall have become a Final Order. Notwithstanding the foregoing, the Buyer may waive the condition precedent that the FCC consent shall have become a Final Order (which waiver, if made by Buyer, shall be deemed also made by Seller), provided, however, that the FCC consent shall have been issued by the FCC without opposition thereto by any person. As used in this Agreement, "Final Order" shall mean an order of the FCC with respect to which no appeal, no petition for re-hearing, reconsideration, or stay, and no other administrative or judicial action contesting such consent or approval, is pending and as to which the time for filing any such appeal, petition or other action has expired or, if filed, has been denied, dismissed, or withdrawn and the time for instituting any further legal proceeding has expired.

(b) **Call Letters.** The parties shall have made any and all necessary filings with the Commission to exchange the call letters KUUS(FM) and KINX(FM) effective as of the Closing.

10 **Closing.** Subject to the terms and conditions herein stated, the parties agree as follows:

10.1 **Closing Date.** The closing (the "Closing") of the transactions contemplated by this Agreement shall occur on a mutually agreeable date within twelve (12) days following the date on which the FCC Consents for the instant assignment and the KINX Assignment shall have become a Final Order (the "Closing Date") and the closing conditions set forth in this Agreement have either been waived or satisfied. Seller shall notify Buyer in writing upon consummation of the abovementioned purchase. Such Closing shall take place at the Station's studios, or by mail or overnight delivery service at 10:00 a.m. on the Closing Date, or such other place and time as mutually agreed. The Closing shall occur simultaneously with the closing of the KINX Assignment.

10.2 **Failure to Close; Termination.** This Agreement may be terminated at any time prior to the Closing Date, as follows:

(a) by the mutual consent of Seller and Buyer; or

(b) by Buyer, upon notice to Seller, if on the Closing Date, without any breach by Buyer of its obligations hereunder, Seller has not complied with one or more of the conditions set forth in Section 9.1 (and such compliance is not waived by Buyer) or if Seller shall have breached any of its representations, warranties or obligations hereunder (which breach shall not have been cured in all material respect or waived prior to the earlier of the Closing Date or within thirty (30) days after Buyer has given notice to Seller of such breach); or

(c) by Seller, upon notice to Buyer, if on the Closing Date, without any breach by Seller of its obligations hereunder, Buyer has not complied with one or more of the conditions set forth in Section 9.2 (and such compliance is not waived by Seller) or if Buyer shall have breached any of its representations, warranties or obligations hereunder (which breach

shall not have been cured in all material respect or waived prior to the earlier of the Closing Date or within thirty (30) days after Seller has given notice to Buyer of such breach); or

(d) as provided by Sections 6.4, 6.7, 8.3, or 8.4 of this Agreement.

In the event of any termination as provided by this Section 10.2, this Agreement shall thereupon become void and of no effect, provided, however, that nothing in this Section 10.2 shall be deemed to release any party from liability for any breach by such party of the terms and provisions of this Agreement or impair the right of the Buyer to compel specific performance of Seller of its obligations under this Agreement.

11 Remedies. Notwithstanding anything to the contrary herein contained, it is agreed that the rights and privileges granted to Buyer in this Agreement are special and unique and that the Buyer shall be entitled to seek injunctive and other equitable relief, including without limitation specific performance, in a court of competent jurisdiction, and if such relief is granted, the Buyer shall be entitled to recover from the Seller all costs and expenses (including reasonable attorneys' fees) incurred in securing such injunctive or other equitable relief. In lieu of seeking injunctive or equitable relief, Buyer may seek monetary damages but Buyer may not seek both injunctive or equitable relief and monetary damages. In the event of Buyer's breach of this Agreement, Seller shall be entitled to the Purchase Price and any costs and expenses (including reasonable attorneys' fees) incurred in securing such relief, said remedy to be Seller's only remedy as liquidated damages.

12 Further Covenants.

12.1 Taxes. All taxes originating from this transaction shall be paid by the party responsible by law to pay such tax.

12.2 Expenses of the Parties. Except as otherwise expressly provided in this Agreement, all expenses involved in the preparation, negotiation, authorization and consummation of this Agreement and the transactions contemplated hereby, including all fees and expenses of agents, representatives, counsel and accountants, shall be borne solely by the party who shall have incurred the same, and no other party shall have any responsibility with respect thereto.

12.3 Confidentiality. Except for necessary disclosure to such party's directors, officers, members, employees, counsel, accountants, lenders and other agents, and except for the disclosure contemplated by Section 8 and such disclosure as may be required by law (including applicable securities laws), each party shall keep the provisions of this Agreement confidential both prior and subsequent to the Closing Date. Notwithstanding anything herein to the contrary, each party to this Agreement agrees that each party (and each employee, representative, and other agent of such party) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the transactions contemplated by this Agreement and all materials of any kind (including opinions or other tax analyses) that are provided to such party or such person relating to such tax treatment and tax structure, except to the extent necessary to comply with any applicable federal or state securities laws. This authorization is not intended to

permit disclosure of any other information including (without limitation) (i) any portion of any materials to the extent not related to the tax treatment or tax structure of the transactions contemplated by this Agreement, (ii) the identities of participants or potential participants in the transactions contemplated by this Agreement, (iii) the existence or status of any negotiations, (iv) any pricing or financial information (except to the extent such pricing or financial information is related to the tax treatment or tax structure of the transactions contemplated by this Agreement), or (v) any other term or detail not relevant to the tax treatment or the tax structure of the transactions contemplated by this Agreement.

12.4 Broker's Fee. Each party has warranted that no brokers have employed in connection with this transaction; notwithstanding this, each party will be solely responsible for any and all brokerage fees asserted against it by a person or entity claiming entitlement to such fees as a result of this transaction.

12.5 Further Assurances. Each party shall cooperate with the other, take such further action, and execute and deliver such further documents, as may be reasonably requested by any other party in order to carry out the terms and purposes of this Agreement. Without limiting the generality of the foregoing, from and after the Closing Date:

(a) each party shall file all tax returns consistent with the allocation of the Purchase Price set forth in Section 2 of this Agreement and no party shall take any position on audit or in litigation which is inconsistent with such allocation if such position would result in the payment of any additional tax by, or the disallowance of any deduction or credit to, any other party; and

(b) upon request, each party shall take such action and deliver to the requesting party such further instruments of assignment, conveyance or transfer and other documents of further assurance as in the opinion of counsel to the requesting party may be reasonably desirable to assure, complete and evidence the full and effective transfer, conveyance and assignment of the Assets and possession thereof to Buyer, its successors and assigns, and the performance of this Agreement by Seller and Buyer in all respects.

12.6 Accounts Receivable. Each Party shall be responsible for their respective accounts receivable. Neither Party will, without the prior written consent of other Party, compromise or settle for less than full value any of any accounts receivable.

13 RESERVED

14 Changes to Facilities. Seller agrees that with Seller's consent, which consent shall not be unreasonably withheld, Buyer may, at Buyer's expense, file with the FCC applications, petitions, or other papers (herein "FCC Filings") as deemed necessary by Buyer to change the facilities of the Station. Upon request of Buyer, and as often as required by Buyer, Seller shall promptly provide to Buyer (pursuant to Section 73.3517 of the FCC's Rules) a written statement or statements which specifically grant Seller's permission to Buyer (a) to file such application, petition, or other papers, and (b) to file the statement with the application, petition or other papers.

15 **General Provisions.**

15.1 **Survival of Representations, Warranties and Covenants.** The several representations, warranties and covenants of the parties herein contained, and the provisions hereof which by their terms are to be performed after the Closing Date, shall survive the Closing Date for the periods set forth herein, and shall be effective regardless of any investigation which may have been or may be made at the time by or on behalf of the party to whom such representations, warranties, covenants and agreements are made.

15.2 **Amendment and Waiver.** This Agreement may be amended only by a writing executed by each of the parties hereto. No waiver of compliance with any provision or condition hereof, and no consent provided for herein, shall be effective unless evidenced by an instrument in writing duly executed by the party sought to be charged therewith. No failure on the part of any party to exercise, and no delay in exercising, any of its rights hereunder shall operate as a waiver thereof, nor shall any single or partial exercise by any party of any right preclude any other or future exercise thereof or the exercise of any other right.

15.3 **Assignment.** No party shall assign or attempt to assign any of its rights or obligations under this Agreement without the prior written consent of the other party hereto.

15.4 **Notices, Etc.** Each notice, report, demand, waiver, consent and other communication required or permitted to be given hereunder shall be in writing and shall be sent either by nationally recognized overnight courier, addressed as follows:

If to Seller:

The Montana Radio Company, LLC
2425 W Central Ave
Suite 203
Missoula, MT 59801
Attn: Kevin D. Terry

with a copy (which shall not constitute notice) to:

David G. O'Neil, Esq.
Rini Coran, PC
1140 19th Street, NW
Suite 600
Washington, D.C. 20036

If to Buyer:

Fisher Radio Regional Group Inc.
100 Fourth Avenue North

Suite 510
Seattle, WA 98109
Attn: Chris Bellavia

with a copy (which shall not constitute notice) to:
Fisher Radio Regional Group Inc.
140 N. 16th Street
Boise, ID 83702
Attn: Larry Roberts

Dawn Sciarrino, Esq.
Sciarrino & Shubert, PLLC
5425 Tree Line Dr.
Centreville, VA 20120

Each such notice or other communication given by nationally recognized overnight courier shall be deemed to have been received on the next business day after it is deposited with such courier for overnight delivery. Any party may change its address for the purpose hereof by giving notice in accordance with the provisions of this Section 15.4.

15.5 Binding Effect. Subject to the provisions of Section 15.3, this Agreement shall be binding upon and shall inure to the benefit of the parties and their respective successors and assigns. This Agreement creates no rights of any nature in any person not a party hereto.

15.6 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Montana and any legal action with respect hereto shall be brought in the state or federal court in the State of Montana having jurisdiction.

15.7 Effect of Agreement. This Agreement sets forth the entire understanding of the parties, and supersedes any and all prior agreements, arrangements and understandings, written or oral, relating to the subject matter hereof.

15.8 Headings; Counterparts. The Article and Section headings of this Agreement are for convenience of reference only and do not form a part hereof and do not in any way modify, interpret or construe the intention of the parties. 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.

15.9 Assignment by Buyer. Buyer shall not assign this Agreement without the prior written consent of the Seller, whose consent may be withheld in Seller's sole and absolute discretion.

[SIGNATURE PAGE TO FOLLOW]

**SIGNATURE PAGE TO
KUUS ASSET PURCHASE AGREEMENT**

IN WITNESS WHEREOF, the parties have duly executed this Agreement on the date first written above.

SELLER:

THE MONTANA RADIO COMPANY, LLC

By: _____
Kevin Terry, Managing Member

BUYER:

FISHER RADIO REGIONAL GROUP INC.

By: _____
Larry Roberts, President

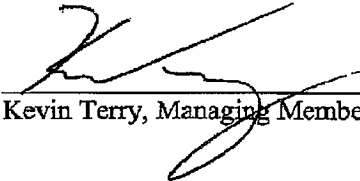
**SIGNATURE PAGE TO
KUUS ASSET PURCHASE AGREEMENT**

IN WITNESS WHEREOF, the parties have duly executed this Agreement on the date first written above.

SELLER:

THE MONTANA RADIO COMPANY, LLC

By:


Kevin Terry, Managing Member

BUYER:

FISHER RADIO REGIONAL GROUP INC.

By:


Larry Roberts, President

The schedules have been redacted from this filing.