
ASSET PURCHASE AGREEMENT

between

SOUTHEAST ALABAMA BROADCASTERS, LLC

and

ALABAMA MEDIA, LLC

Dated as of November 30, 2011

LIST OF EXHIBITS

EXHIBIT "A" – Escrow Agreement

EXHIBIT "B" – Bill of Sale and Assumption Agreement

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (this “Agreement”), dated as of November 30, 2011, is entered into by and between Southeast Alabama Broadcasters, LLC, an Alabama limited liability company (the “Company”), and Alabama Media, LLC, an Alabama limited liability company (the “Purchaser”).

RECITALS:

A. The Company owns and operates radio stations WLDA-FM, Slocomb, AL (FIN 60591); WJRL-FM, Fort Rucker, AL (FIN 63945); WDBT-FM, Headland, AL (FIN 10666); and WESP-FM, Dothan, AL (FIN 6891) (individually and collectively, the “Stations”).

B. The Company desires to sell to the Purchaser, and the Purchaser desires to purchase from the Company, the Stations’ radio assets promptly upon receipt of the FCC Approval (as defined below).

C. The Company and Purchaser have entered into a Local Marketing Agreement dated the date hereof (the “LMA”).

NOW, THEREFORE, in consideration of the mutual agreements and covenants contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties intending to be bound, do agree as follows:

1. Definitions and Terms.

1.1. Definitions. For the purposes of this Agreement, the following terms shall have the respective meanings set forth below:

“Action” means any claim, charge, complaint, action, suit or proceeding (legal or administrative), arbitral action, governmental investigation or criminal prosecution.

“Business” means the business and operations of the Stations.

“Communications Laws” means the Communications Act of 1934, as amended, any successor statute thereto, and all rules, regulations, written policies and decisions of the FCC promulgated or rendered thereunder.

“Earnest Money” shall mean the sum of Sixty Thousand Dollars (\$60,000.00) to be deposited by Purchaser with the Escrow Agent, to be held by Escrow Agent in accordance with the terms and provisions of this Agreement and the Escrow Agreement.

“Escrow Agent” shall mean Community Trust Bank or a financial institution mutually agreeable to Purchaser and Seller.

“Escrow Agreement” shall mean the Escrow Agreement substantially in the form of Exhibit “A” attached hereto among Escrow Agent, Purchaser and Seller to be entered into simultaneously with Purchaser's delivery of the Earnest Money.

“FCC” means the Federal Communications Commission.

“Governmental Authority” means any government, governmental entity, department, commission, board, agency or instrumentality, and any court, tribunal, or judicial body, in each case whether federal, state, county, provincial, local or foreign.

“Knowledge of the Company” and phrases of similar import refer to the actual knowledge of Georgia Edmiston.

“Magic Purchase Agreement” means the Purchase and Sale Agreement dated February 8, 2011 among the Company, Magic Broadcasting, LLC and certain affiliates of Magic Broadcasting, LLC (individually and collectively, “Magic”).

“Material Adverse Effect” means any change or effect that is, or would reasonably be expected to be, materially adverse to the assets, properties, operations, business, condition (financial or otherwise) or results of operations of the Business or the ability of the Company to perform its obligations under this Agreement, except to the extent any such changes or effects result directly or indirectly, either alone or in the aggregate, from (i) the pendency of or consummation of the transactions contemplated by this Agreement or the taking of any action contemplated by or required by this Agreement, (ii) the announcement or other disclosure of the transactions contemplated by this Agreement, including the loss of any employees of the Business resulting therefrom, (iii) changes in the regulatory, industry or other conditions generally applicable to the radio broadcasting industry, (iv) changes in general economic, financial or political conditions nationally, regionally or locally, including changes in the financial and capital markets, (v) acts of war, sabotage or terrorism, military actions or the escalation thereof, or other force majeure events occurring after the date hereof, (vi) changes in law or accounting standards or interpretations thereof applicable to the Business, or (vii) any breach of this Agreement by the Purchaser.

“Person” means any individual, general, limited or limited liability partnership, firm, corporation, limited liability company, association, trust, estate, joint venture, or other entity.

1.2. Other Terms. Other terms may be defined elsewhere in the preamble, Recitals or text of this Agreement and, unless otherwise indicated, shall have such meaning throughout this Agreement.

2. Purchase and Sale.

2.1. Purchase and Sale of Assets. Subject to the terms and conditions contained in this Agreement, on the Closing Date (as defined below), the Company shall sell, transfer, convey and assign to the Purchaser, and the Purchaser shall purchase from the Company, all of the Company's right, title and interest in and to the Acquired Assets (as

defined below), free and clear of all liens or other security interests (“Liens”), excluding (i) mechanics’ or similar common law or statutory liens incurred in the ordinary course, (ii) liens for taxes not yet due and payable or that are being contested in good faith and (iii) other liens that will not materially interfere with the Purchaser’s ability to use the Acquired Assets (collectively, “Permitted Liens”). For purposes of this Agreement, the “Acquired Assets” means all of the Company’s right, title and interest in and to the following assets, but shall not include any of the Excluded Assets (as defined below):

(a) All transmission, studio, production and other equipment used primarily to operate the Stations, including the equipment listed on Schedule 2.1(a);

(b) All licenses and authorizations issued by the FCC with respect to the Stations as listed in Schedule 4.10 (the “FCC Licenses”);

(c) All accounts receivable of the Business accrued as of the Closing Date;

(d) All rights, including leasehold rights, arising under the contracts, leases and other agreements listed on Schedule 2.1(d) hereto (the “Assigned Contracts”);

(e) All trade names, trademarks, call signs and other intellectual property used primarily in the Business, including all goodwill associated therewith;

(f) Supplies used primarily to operate the Business; and

(g) The Company’s records relating to the foregoing.

2.2. Excluded Assets. Notwithstanding anything contained in this Agreement to the contrary, the Company shall retain, and the Acquired Assets shall exclude, all other assets of the Company, whether tangible or intangible, including (i) all rights to tax refunds (or similar tax assets) of the Company or rights arising under other claims of the Business, to the extent any such rights relate to events, circumstances or occurrences prior to the Closing, (ii) all insurance policies and rights thereunder, (iii) all cash and cash equivalents held by the Company, (iv) all prepaid expenses, credits, advance payments, or comparable financial assets of the Company, and (v) all equipment, contracts, software, records, permits, inventory or other assets of any kind that do not primarily relate to the Stations or the Business (the “Excluded Assets”).

2.3. Purchase Price; Escrow; Payments at Closing.

(a) The aggregate consideration for the sale of the Acquired Assets, to be paid at the Closing by the Purchaser to the Company (the “Purchase Price”), shall be the amount of \$1,200,000 in cash.

(b) At the Closing Date, Purchaser shall:

(1) With Seller, direct the Escrow Agent to pay to Seller by wire transfer in immediately available funds the Earnest Money, plus any interest accrued thereon; and

(2) Pay to Seller, by wire transfer in immediately available funds an amount equal to the Purchase Price, less the amount paid pursuant to Section 2.3(b)(1).

2.4. Assumption of Liabilities. On the terms and subject to the conditions set forth herein, as of the Closing, the Purchaser agrees to assume and discharge, pay or perform, as and when due, without limitation the following liabilities, responsibilities and obligations of the Business (collectively, the “Assumed Liabilities”):

(a) all liabilities, responsibilities and obligations (including taxes) arising out of, accruing or resulting from the operation of the Business or the use, ownership or operation of the Acquired Assets, in each case after the Closing;

(b) all liabilities and obligations for litigation or claims by any Governmental Authority or third party or for any orders of any Governmental Authority, in either case arising out of an event, act, omission, occurrence or violation of law after the Closing; and

(c) all liabilities, responsibilities and obligations that arise in connection with the LMA and the Assigned Contracts.

The TBA will be terminated before or contemporaneously with the Closing. Notwithstanding anything in this Section 2.4 to the contrary, the Assumed Liabilities shall not include any Excluded Liabilities retained by the Company in accordance with Section 2.5.

2.5. Excluded Liabilities. Subject to the terms of the LMA, the Company shall retain and be responsible for the following liabilities of the Company (collectively, the “Excluded Liabilities”), including:

(a) all liabilities (including taxes) arising out of, accruing or resulting from the operation by the Company of the Business or the use, ownership or operation of the Acquired Assets by the Company, in each case on or before the Closing Date;

(b) all liabilities for litigation or claims by any Governmental Authority or third party or for any orders of any Governmental Authority, in either case arising out of an event, act, omission, occurrence or violation of law on or before the Closing Date; and

(c) all liabilities to the extent related to any of the Excluded Assets.

2.6. Shared Liabilities. Subject to the terms of the LMA, and to the limitations set forth in this Section 2.6, any of the following amounts due to a third party arising out of the operation of the Business that call for periodic payments which relate to any period beginning before the Closing Date and ending after the Closing Date (each, a “Proration Period”), other than amounts due in respect of income taxes, shall be prorated between the Company and the Purchaser: (i) utility charges with respect to any leased real property or equipment used to operate the Stations, (ii) rental charges, including lease payments under all real property leases, (iii) personal services, including any charges for contract labor, (iv) property taxes, (v) franchise fees and regulatory assessments, (vi) charges that constitute

Permitted Liens on the Acquired Assets, and (vii) any similar amounts due to third parties that call for a payment in excess of \$500 during a Proration Period. Subject to the terms of the LMA, all such liabilities shall be apportioned between the Company and the Purchaser so that the Purchaser bears only the expense thereof in direct proportion to the number of days remaining in the applicable Proration Period including and following the Closing Date in comparison to the total number of days covered by such Proration Period.

2.7. Allocation of Purchase Price. The parties agree to allocate the Purchase Price as set forth on Schedule 2.7 attached hereto. After the Closing, the parties shall make consistent use of the foregoing allocation for all federal and state income tax purposes and in all filings with the Internal Revenue Service, including reports required to be filed pursuant to Section 1060 of the Internal Revenue Code of 1986, as amended.

3. The Closing. The closing of the purchase and sale of the Acquired Assets (the “Sale”) under this Agreement (the “Closing”) shall be scheduled to take place by exchange of electronic signatures at 9:00 a.m. local time on the fifth business day after the date the FCC issues a public notice of the FCC Approval (as defined below), or at such other time, place or manner as is mutually agreeable to the parties. The date on which the Closing occurs is the “Closing Date”. At the Closing, (a) the Company shall deliver to the Purchaser a bill of sale and assignment and assumption agreement, without any representations or warranties (other than those set forth herein) (the “Bill of Sale”), duly executed by the Company, and (b) the Purchaser shall deliver to the Company a copy of the Bill of Sale and written documentation of the termination of the LMA, duly executed by the Purchaser, and shall pay the Purchase Price by wire transfer of immediately available funds pursuant to the wire transfer instructions set forth in Schedule 3.0 and in accordance with the provisions of Section 2.3(b).

4. Representations of the Company. Purchaser acknowledges that Seller acquired the Stations as of November 30, 2011, and as the LMA will be in effect on and after such date and through the Closing, Seller makes and Purchaser accepts only the following limited representations and warranties, Purchaser recognizing that Seller makes no other representations or warranties, express or implied, to the Purchaser:

4.1. Organization and Standing. The Company is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Alabama. The Company has full limited liability company power and authority to enter into and perform this Agreement, and all other agreements and instruments to be executed by the Company hereunder (such other agreements and instruments being hereafter referred to collectively as the “Company Ancillary Agreements”) and to carry out the transactions contemplated by such agreements and instruments.

4.2. Authority. The execution, delivery and performance by the Company of this Agreement and the Company Ancillary Agreements, and the consummation by the Company of the transactions contemplated hereby and thereby, have been duly authorized by all necessary limited liability company action of the Company.

4.3. Enforceability. This Agreement has been, and the Company Ancillary Agreements when executed will be, duly executed and delivered by, and upon being fully

executed by all parties will constitute valid and binding obligations of, the Company, enforceable against it in accordance with their respective terms, subject to applicable bankruptcy, insolvency or similar laws affecting generally the enforcement of creditors' rights and general principles of equity.

4.4. Noncontravention. The execution of and performance of the transactions contemplated by this Agreement and the Company Ancillary Agreements and compliance with their respective provisions by the Company will not (a) conflict with or violate any provision of the organizational documents of the Company or (b) conflict with or result in a breach of any contract or other agreement or arrangement to which the Company is a party or by which the Company is bound or to which its assets are subject, other than conflicts, violations or breaches that will not materially interfere with the Company's ability to consummate the Closing or the Purchaser's ability to use the Acquired Assets.

4.5. Governmental and Other Approvals. Other than obtaining the FCC Approval (defined below), no consent, approval, waiver, authorization, report, notice or filing is required to be obtained by the Company from, or to be furnished by the Company to, any Governmental Authority in connection with the execution, delivery and performance of this Agreement and any Company Ancillary Agreements to which the Company is or will be a party, except for those consents, approvals, waivers, authorizations, reports, notices or filings the failure to obtain or furnish would not have a Material Adverse Effect.

4.6. Acquired Assets. To the knowledge of the Company, the Company has acquired such title to all of the Acquired Assets as was conveyed to it by Magic pursuant to the Magic Purchase Agreement. Purchaser acknowledges that it has had the opportunity to inspect the Acquired Assets and accepts the Acquired Assets "as is, where is", and without warranty, express or implied. The Purchaser also waives and releases Seller from any and all claims or causes of action which the Purchaser may have or may otherwise be entitled to, based on vices or defects in the Acquired Assets, whether in the nature of rescission, reduction of the purchase price, concealment and/or any other theory of law. The Purchaser does also assume the risk as to all vices and defects in the Acquired Assets, whether those vices or defects are latent and/or not discoverable upon simple inspection.

4.7. Real Property Leases. Schedule 4.7 sets forth a true and complete list of real property, all leases or subleases which the Company acquired or was assigned pursuant to the Magic Purchase Agreement. To the knowledge of the Company, the Company has such title or leasehold interest in all such real property as was conveyed to it by Magic pursuant to the Magic Purchase Agreement.

4.8. [Intentionally Omitted].

4.9. Contracts. To the Knowledge of the Company, the Assigned Contracts are all of the contracts assigned to it by Magic pursuant to the Magic Purchase Agreement.

4.10. [Intentionally Omitted].

4.11. Litigation; Governmental Orders. To the Knowledge of the Company, there are no pending Actions, by any Person or Governmental Authority against the

Company, it being understood that nothing in this representation is intended to address Actions by the FCC, which are specifically addressed in Section 4.12.

4.12. FCC Matters.

(a) Schedule 4.12 hereto sets forth a copy of each FCC License.

(b) To the Knowledge of the Company, it has not been served with process of (i) any Action, order to show cause, notice of apparent liability or notice of forfeiture against the Stations, or except as disclosed in the next sentence of this subsection, (ii) any Action by or before the FCC to revoke, suspend, terminate, cancel, rescind or materially modify (including a reduction in coverage area) any FCC License (other than rulemaking proceedings and proceedings affecting the broadcast industry generally) or to refuse to renew any FCC License. Purchaser acknowledges that an application for renewal (each, a "Renewal Application") of each of the FCC Licenses was timely filed by Seller and is currently pending before the FCC. Each Renewal Application covers the current license term of the Station to which it applies, during which term Seller shall serve as the Station's FCC license only on and after November 30, 2011, a period during which the LMA will be in effect. Purchaser therefore hereby expressly relieves Seller from any liability arising from or related to, any matters that occurred with respect to the Stations prior or subsequent to such date.

4.13. No Broker. No investment banker, broker, finder or other intermediary has been retained by or is authorized to act on behalf of the Company who is entitled to any fee or commission in connection with the transactions contemplated by this Agreement.

5. Representations of the Purchaser. The Purchaser represents and warrants to the Company as follows:

5.1. Organization and Standing. The Purchaser is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Alabama. The Purchaser has full power and authority to conduct its business as presently conducted, and the Purchaser has the full power and authority to enter into and perform this Agreement, and all other agreements and instruments to be executed by the Purchaser hereunder (such other agreements and instruments being hereafter referred to collectively as the "Purchaser Ancillary Agreements") and to carry out the transactions contemplated by such agreements and instruments.

5.2. Authority. The execution, delivery and performance by the Purchaser of this Agreement and the Purchaser Ancillary Agreements, and the consummation by the Purchaser of the transactions contemplated hereby and thereby, have been duly authorized by all necessary limited liability company action of the Purchaser.

5.3. Enforceability. This Agreement has been, and the Purchaser Ancillary Agreements when executed will be, duly executed and delivered by, and upon being fully executed by all parties will constitute valid and binding obligations of, the Purchaser, enforceable against it in accordance with their respective terms, subject to applicable

bankruptcy, insolvency and similar laws affecting generally the enforcement of creditors' rights and general principles of equity.

5.4. Noncontravention. The execution of and performance of the transactions contemplated by this Agreement and the Purchaser Ancillary Agreements and compliance with their respective provisions by the Purchaser will not (a) conflict with or violate any provision of the organizational documents of the Purchaser or (b) conflict with or result in a breach of any contract or other agreement or arrangement to which the Purchaser is a party or by which the Purchaser is bound or to which its assets are subject, other than conflicts, violations or breaches that will not materially interfere with the Purchaser's ability to consummate the Sale.

5.5. Governmental Approvals. Other than obtaining the FCC Approval (defined below), no consent, approval, waiver, order or authorization of, or registration, qualification, designation, declaration or filing with, any Governmental Authority is required on the part of the Purchaser in connection with the execution, delivery and performance by the Purchaser of this Agreement or the Purchaser Ancillary Agreements to which it is or will be a party, except where the failure to obtain such consent, waiver, approval, order or authorization, or to make such registration, qualification, designation, declaration or filing, would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the ability of the Purchaser to perform its obligations under this Agreement or the Purchaser Ancillary Agreements or to consummate the transactions contemplated hereby or thereby.

5.6. Litigation; Governmental Orders. There are no pending Actions or existing governmental orders or, to the knowledge of Purchaser, threatened Actions or governmental orders, by any Person or Governmental Authority against Purchaser that seek to prevent, enjoin, alter or materially delay the Sale.

5.7. No Broker. No investment banker, broker, finder or other intermediary has been retained by or is authorized to act on behalf of the Purchaser who is entitled to any fee or commission in connection with the transactions contemplated by this Agreement.

5.8. Availability of Funds. At the Closing, the Purchaser will have sufficient funds to deliver the Purchase Price to the Company and otherwise to effect the Closing and all other transactions contemplated by this Agreement and the Purchaser Ancillary Agreements. The Purchaser expressly represents and warrants that its obligations to complete the purchase of the Acquired Assets are not subject to or conditioned upon the availability of financing at the time of Closing.

5.9. Purchaser's FCC Qualifications. The Purchaser represents and warrants that (i) the Purchaser is legally, technically, financially and otherwise qualified to be the licensee of, acquire, own and operate the Stations under the Communications Laws, (ii) there are no facts, circumstances or proceedings pertaining to the Purchaser that would, under existing law (including the Communications Laws), disqualify the Purchaser as assignee of the FCC Licenses or as the owner and operator of the Stations or cause the FCC to fail to approve in a timely fashion the application for the FCC Approval and (iii) the Purchaser will neither

request nor require any waiver of the Communications Laws (or any other similar exception to FCC rules or procedures of general applicability) in order to obtain the grant of the FCC Approval.

6. Certain Agreements.

6.1. Cooperation; FCC Approval. The parties shall cooperate and use their respective commercially reasonable efforts, at the sole cost and expense of the Purchaser, to consummate as promptly as practicable the transactions contemplated hereunder, including fulfilling all conditions precedent under Section 7 and securing all consents, approvals or authorizations required in connection with the transactions contemplated hereunder. Without limiting the generality of the foregoing, the parties shall cooperate and use their respective commercially reasonable effort, at the sole cost and expense of the Purchaser, to obtain, as soon as practicable after the date hereof, the approval of the FCC (the “FCC Approval”) to the assignment of the FCC Licenses from the Company to the Purchaser. To that end, the Company and the Purchaser agree that they will file their joint application to the FCC, requesting the FCC Approval, not later than the tenth business day from and after the date hereof, and that they will diligently prosecute such application, including the timely filing and prosecution of any amendments to such application that may be deemed necessary or desirable in order to obtain the FCC Approval at the earliest practicable date. In the event that the application requesting the FCC Approval shall become the subject of a petition to deny or other objection filed with the FCC, the Company and the Purchaser will cooperate and will expend commercially reasonable efforts, at the sole cost and expense of the Purchaser, to oppose such petition or objection in a timely manner, in order that the FCC Approval be obtained in time for the Closing to be held prior to the Termination Date (as hereinafter defined), it being hereby agreed that the primary responsibility for opposing such petition or objection shall be the duty of the Purchaser.

6.2. [Intentionally Omitted]

6.3. Conduct of Business.

Subject to the terms of the LMA:

(a) At all times during the period commencing upon the execution and delivery of this Agreement and terminating upon the earlier to occur of the Closing or the termination of this Agreement pursuant to and in accordance with the terms of Section 9.1, subject to Sections 6.3(b), (c) and (d), the Company shall use commercially reasonable efforts to (i) conduct the operations of the Business in the ordinary course of business, consistent with past practice and in accordance with the Communications Laws in all material respects and to preserve and maintain the operations of the Business and the Acquired Assets, (ii) preserve and maintain the goodwill of the Business and the current relationships of the Business with its employees, customers, suppliers and others with significant and recurring business dealings with the Business, and (iii) maintain all material FCC Licenses in full force and effect.

(b) Without limiting the foregoing, at all times during the period commencing upon the execution and delivery of this Agreement and terminating upon the

earlier to occur of the Closing or the termination of this Agreement pursuant to and in accordance with the terms of Section 9.1, subject to Section 6.3(c), the Company shall refrain from (i) selling or making any other disposition of any Acquired Assets, other than assets that are replaced with comparable assets prior to the Closing; (ii) terminating or materially amending any lease or entering into any new lease or sublease for the use or occupancy of any real property; or (iii) causing or permitting any material FCC License to be surrendered, revoked or materially adversely modified, or taking any action which would result in the suspension, revocation or material adverse modification of any such FCC License.

(c) Notwithstanding anything to the contrary contained herein, at all times prior to Closing, the Company shall be entitled to take or refrain from taking any actions (i) as to which the Purchaser consents in writing, (ii) as expressly required by any Governmental Authority, the Communications Laws or any other law, (iii) solely affecting the Excluded Assets, or (iv) as otherwise expressly required or permitted under any other provisions of the LMA or this Agreement.

(d) In no event shall any circumstance resulting from any action by Purchaser in its capacity as Programmer under the LMA be deemed to cause a breach or default by the Company under this Agreement.

6.4. Access and Information.

(a) At all times during the period commencing upon the execution and delivery of this Agreement and terminating upon the earlier to occur of the Closing or the termination of this Agreement pursuant to and in accordance with the terms of Section 9.1, the Company shall permit the Purchaser and its authorized representatives to have reasonable access, upon reasonable advance written notice to the Company and its management, and at the option of the Company, during or after normal business hours, and all relevant books, records and documents of or relating to the Business; provided, however, that the foregoing do not unreasonably disrupt the Company or the Business and that the Purchaser will bear any and all costs of obtaining such access.

(b) After the Closing, upon reasonable notice, each party will grant the representatives, employees, counsel and accountants of the other party access, during normal business hours, to books and records relating to the Business, the Acquired Assets, the Assumed Liabilities and the Assumed Employees, and will permit such persons to examine and copy such records, in each case to the extent reasonably required by the requesting party in connection with regulatory and financial reporting matters, audits, legal proceedings, governmental investigations and other proper business purposes; provided, however, that nothing contained herein shall obligate any party to take actions that would unreasonably disrupt the normal course of its business or violate the terms of any agreement to which it is bound and that the Purchaser will bear any and all costs of obtaining such access.

(c) The Company, on the one hand, and the Purchaser, on the other hand, will provide the other with such cooperation and information as each of them reasonably may request of the other in filing any tax return, amended tax return or claim for a refund of

taxes, determining a liability for taxes or a right to refund of taxes or in conducting any audit or proceeding in respect of taxes, but only with respect to taxes imposed upon or related to the Acquired Assets or the Business. Such cooperation and information shall include providing copies of relevant tax returns, or portions thereof, imposed upon or related to the Acquired Assets or the Business, together with associated schedules and related work papers and documents relating to rulings or other determinations by taxing authorities. All expenses incurred by the Company to comply with the provisions of this Subsection 6.4(c) shall, at the election of the Company, be paid or reimbursed by Purchaser promptly upon the written request of the Company.

(d) The parties shall use their reasonable efforts to keep confidential all information of a confidential nature obtained from the other party pursuant to this Agreement, except as may be required by law.

6.5. Employees and Employee Benefit Matters. The Purchaser may make offers to such employees of the Business as Purchaser, in its sole discretion, determines that it desires to employ, but shall not be obligated to employ or offer employment to any of such employees. All such Business employees who accept such offer are referred to as the “Assumed Employees.” The Company shall co-operate with Purchaser’s efforts to employ any of such employees to whom it may make such offers.

6.6. Control of the Stations. Nothing in this Agreement shall give the Purchaser the right, directly or indirectly, to control, supervise or direct, or attempt to control, supervise or direct, the operations of the Stations prior to the Closing, all of which shall remain the sole responsibility of the Company.

6.7. [Intentionally Omitted]

6.8. [Intentionally Omitted]

6.9. Financing Covenant. Subject to the provisions of Section 5.8, the Purchaser shall use its best efforts to obtain as promptly as practicable the financing necessary to purchase the Acquired Assets.

6.10. Magic Purchase Agreement. The Company and the Purchaser agree that the Purchaser shall have the benefits of the Company’s rights and remedies, and shall assume all of the indemnity obligations of the Company, under the Magic Purchase Agreement; provided, however, that such assignment of benefits is being made only to the extent that the Company has the right to convey such benefits to the Purchaser, including with respect to adjustments to the A/R Consideration thereunder and claims for indemnification against Magic, and the Company shall co-operate with Purchaser to the extent stated above to assist the Purchaser to realize the benefits of such rights and remedies and to assume such indemnity obligations as assumed by Purchaser hereunder.

7. Conditions to Closing.

7.1 Conditions to the Obligations of the Purchaser and the Company. The obligations of the Company and the Purchaser to consummate the Closing are subject to the

satisfaction (or, to the extent permitted by law, the written waiver of the Company and the Purchaser) of the following conditions:

- (a) the FCC Approval shall have been obtained;
- (b) no law, or order of a court or other Governmental Authority of competent jurisdiction, shall have been adopted or issued, and be in force, that prohibits the consummation of the Sale;
- (c) The LMA shall have been terminated; and
- (d) each party shall have duly delivered and executed the Bill of Sale, as required under Section 3.

7.2 Conditions to the Obligations of the Purchaser. The obligation of the Purchaser to consummate the Closing is subject to the satisfaction (or written waiver by the Purchaser) of the following further conditions:

- (a) the Company shall have performed in all material respects all of its obligations required to be performed by it at or prior to the Closing Date under this Agreement;
- (b) the representations and warranties of the Company contained in this Agreement shall be true in all material respects as of the Closing Date as if made at and as of such time; and
- (c) the Company shall have cooperated with and used its commercially reasonable efforts, at the sole cost and expense of the Purchaser, to assist the Purchaser in obtaining the written consents of all parties to Assigned Contracts which consents are required for the assignment of such Assigned Contracts to the Purchaser.

7.3 Conditions to the Obligations of the Company. The obligation of the Company to consummate the Sale is subject to the satisfaction (or written waiver by the Company) of the following further conditions:

- (a) the Purchaser shall have performed in all material respects all of its obligations required to be performed by it at or prior to the Closing Date (including without limitation the delivery to the Company of the Purchase Price) under this Agreement; and
- (b) the representations and warranties of the Purchaser contained in this Agreement shall be true in all material respects as of the Closing Date as if made at and as of such time.

8. Indemnities and Other Remedies.

8.1 Indemnification by the Company. Subject to the terms and conditions of this Section 8 and the Purchaser providing the Company with prompt written notice, requisite

authority to defend, and full cooperation in the defense, after the Closing Date the Company shall defend, indemnify and hold harmless the Purchaser and its subsidiaries and corporate affiliates, and their respective officers, directors, shareholders, agents, employees, successors and assigns (the “Purchaser Indemnified Parties”) against, and shall pay to the Purchaser Indemnified Parties the amount of, any loss, liability, claim, damage or expense (including reasonable attorneys’ fees), whether or not involving a claim asserted by an unaffiliated third party (collectively, “Damages”), suffered by such Purchaser Indemnified Party arising from (a) any breach of the representations, warranties, covenants or agreements of the Company contained in this Agreement or (b) any failure of the Company to perform or discharge in full, in a due and timely manner, the Excluded Liabilities (collectively, the “Company Liabilities”).

8.2 Indemnification by the Purchaser. Subject to the terms and conditions of this Section 8 and the Company providing the Purchaser with prompt written notice, requisite authority to defend, and full cooperation in the defense, after the Closing Date the Purchaser shall defend, indemnify and hold harmless the Company, its affiliates and their respective officers, directors, managers, members, agents, employees, successors and assigns (the “Company Indemnified Parties”) against, and shall pay to the Company Indemnified Parties the amount of, any Damages suffered by them arising from (a) any breach of the representations, warranties, covenants or agreements of the Purchaser contained in this Agreement, (b) any failure of the Purchaser to perform or discharge in full, in a due and timely manner, the Assumed Liabilities, (c) all liabilities other than the Company Liabilities and (d) the Purchaser’s performance or failure to perform under the LMA.

8.3 Limitations. Except as otherwise expressly set forth in this Agreement, all of the representations, warranties, covenants and obligations of the parties contained in this Agreement shall survive the Closing in perpetuity or for such shorter period as required by law. Nothing in this Section 8.3 shall limit the Purchaser’s right to obtain recovery for any Damages as against Magic pursuant to Section 6.10 hereof.

8.4 [Intentionally Omitted]

8.5 [Intentionally Omitted] 8.6 Specific Performance. In the event of the failure or threatened failure by either party to comply with the terms of this Agreement, the other party shall be entitled, without the requirement to show irreparable injury or to post bond, to (a) the issuance of an injunction restraining such failure of threatened failure and, subject to obtaining the FCC Approval, (b) enforcement of this Agreement by a decree of specific performance requiring compliance with the terms of this Agreement.

9. Termination.

9.1 Events of Termination. This Agreement may be terminated and the Sale may be abandoned at any time prior to the Closing Date:

(a) by mutual written consent of the Company and the Purchaser;

(b) by either the Company or the Purchaser, if the Closing has not been consummated prior to the first anniversary of the date hereof (the “Termination Date”); provided, however, that the Termination Date will be automatically extended up to an

additional 180 days if the failure of the Closing to be consummated is attributable solely to delays in receiving the FCC Approval, unless the delays were caused by the willful breach by either party of its covenants under Section 6.1, and further provided, that no party whose willful breach of any provision of this Agreement has resulted in the Closing not being consummated by the Termination Date shall be entitled to terminate this Agreement under this Subsection (b);

(c) by either the Company or the Purchaser (so long as such party has complied in all material respects with its obligations under Section 6.1), if (i) any law or regulation shall have been adopted or promulgated that makes consummation of the Sale illegal or (ii) any judgment, injunction, order or decree enjoining the parties from consummating the Sale is entered and such judgment, injunction, order or decree shall have become final and nonappealable, provided that such judgment, injunction, order or decree does not result from the breach of this Agreement by the party seeking to terminate it hereunder; or

(d) by either the Company or the Purchaser, if a breach of any representation, warranty, covenant or agreement on the part of the other party set forth in this Agreement shall have occurred that would cause any of the conditions set forth in Sections 7.2 or 7.3, as the case may be, not to be satisfied, and either (i) such condition shall be incapable of being satisfied by the Termination Date or (ii) the breaching party does not after receiving notice of such breach promptly cure such breach.

9.2 Effect of Termination. If this Agreement is terminated pursuant to Section 9.1, this Agreement shall become void and of no effect with no liability on the part of any party to the other party hereto, and the Earnest Money, together with all accrued interest thereon, shall be returned promptly to Purchaser pursuant to the terms of the Escrow Agreement, except (i) as provided in Section 9.3 and Section 9.4, and (ii) for claims resulting from any breach of this Agreement prior to the termination of this Agreement;

9.3 If Seller is in material default in the performance of its obligations under this Agreement or has breached in any material respect its representations, warranties or covenants hereunder and Purchaser is not in material default of its obligations under this Agreement and has not breached in any material respects its representations and warranties hereunder, then Purchaser shall be entitled to pursue all legal and equitable remedies against Seller for such default or breach, including specific performance (Seller hereby acknowledging that the Purchased Assets are unique and that Purchaser has no adequate remedy at law if Seller breaches this Agreement), and the Earnest Money, together with all accrued interest thereon, shall be returned promptly to Purchaser pursuant to the terms of the Escrow Agreement.

9.4 If Purchaser is in material default in the performance of its obligations under this Agreement, or Purchaser has breached in any material respect its representations, warranties or covenants hereunder and Seller has given written notice of Purchaser's breach thereof in any material respects, and in any such case, Seller is not in material default of its obligations under this Agreement and has not breached in any material respect its representations, warranties or covenants hereunder, then Seller at its option shall be entitled

(a) to enforce its rights to specific performance under Section 8.6 or (b) to retain the Earnest Money under this Agreement as its sole remedy and as liquidated damages for such breach or default by Purchaser. Purchaser and Seller agree that actual damages would be difficult or impossible to calculate in the event of a breach or default by Purchaser and that the Earnest Money and accrued interest thereon would represent a fair and equitable amount to compensate Purchaser for such breach or default.

10. Miscellaneous.

10.1 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. Neither party may assign any of its rights or delegate any of its duties or obligations under this Agreement without the prior written consent of the other party, such consent not to be unreasonably withheld. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and permitted assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

10.2 Terms of Sale.

(a) Except for the representations made by the Company in this Agreement, the Purchaser (i) acknowledges that the Acquired Assets are being sold to it hereunder on an “AS-IS, WHERE-IS” basis and (ii) agrees to accept the Acquired Assets in the condition that they are in on the Closing Date, and without reliance upon any representations or warranties of any nature made by, on behalf of or imputed to the Company. WITH RESPECT TO THE BUSINESS AND THE ACQUIRED ASSETS, THE COMPANY HEREBY DISCLAIMS MAKING ANY AND ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

(b) The Company and the Purchaser each acknowledge and agree that they have not relied upon, and the other shall not be liable for, any express or implied, oral or written, information, promise, representation, warranty, agreement, statement, inducement, presentation or opinion of any nature whatsoever, whether by or on behalf of the parties hereto or otherwise (other than as a result of fraud or willful or intentional misconduct), pertaining to the transactions contemplated herein, the Stations, the Business, the Acquired Assets or any part of the foregoing, except as is expressly set forth in this Agreement.

10.3 Further Assurances. From time to time after the Closing, at the Purchaser’s reasonable request and sole expense, the Company agrees to execute and deliver such further documents and instruments of conveyance and transfer and to take such further actions as may be reasonably necessary to transfer and convey to the Purchaser all of the Company’s right, title and interest to and in the Acquired Assets.

10.4 Expenses. Except as otherwise expressly provided in this Agreement, each party shall bear its own expenses in connection with the negotiation, execution, delivery and performance of this Agreement and the transactions contemplated

hereby, whether or not consummated, provided that the Purchaser shall pay all fees assessed by the FCC in connection with applying for the FCC Approval.

10.5 Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Alabama without reference to the conflicts of law provisions thereof.

10.6 Notices. Any notice required or permitted under this Agreement shall be given in writing and shall be deemed effectively given upon personal delivery to the party to be notified or upon deposit with the United States Post Office, by registered or certified mail, postage prepaid, or with a nationally known overnight mail service, and addressed to the party to be notified, which, if to the Company, shall be at Southeast Alabama Broadcasters, LLC, 152 Shore Line Drive, Mary Ester, FL 32569; Attn: Georgia Edmiston, and, if to the Purchaser, shall be at Alabama Media, LLC, P.O. Box 488, Monroe, LA 71211, or at such other address as such party may designate by 10 days' advance written notice to the other party.

10.7 Complete Agreement. This Agreement (including its schedules "Schedules"), together with the other agreements and instruments to be executed and delivered hereunder, constitute the entire agreement and understanding of the parties hereto with respect to the subject matter hereof and supersede any prior agreements and understandings relating to such subject matter. The Recitals set forth above are incorporated herein in their entirety and made a part hereof.

10.8 Amendments and Waivers. Except as otherwise expressly set forth in this Agreement, any term of this Agreement may be amended or terminated and the observance of any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively) only with the written consent of each of the parties hereto.

10.9 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of which taken together shall constitute one and the same instrument. For purposes hereof, electronic pdf and facsimile copies hereof and electronic pdf and facsimile signatures hereof shall be authorized and deemed effective.

10.10 Section Headings. The section headings are for the convenience of the parties and in no way alter, modify, amend, limit, or restrict the contractual obligations of the parties.

10.11 Schedules. The disclosure of any matter in any Schedule shall be deemed to qualify the correspondingly numbered representation, warranty or covenant to the extent specified therein and such other representations, warranties or covenants to the extent a matter in such section is disclosed in a manner as to make its relevance to the information called for by such other representation, warranty or covenant reasonably apparent, whether or not a specific cross-reference appears, but shall not be deemed to constitute an admission by the

Company or the Purchaser or to otherwise imply that any such matter is material for the purposes of this Agreement.

10.12 Construction. The parties have participated jointly in negotiating and drafting this Agreement. In the event that an ambiguity or a question of intent or interpretation arises, this Agreement shall be construed as if jointly drafted by the parties, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provision of this Agreement. Unless the express context otherwise requires, (i) references herein to a specific Section, Subsection or Schedule shall refer, respectively, to Sections, Subsections or Schedules of this Agreement, and (ii) wherever the word “include,” “includes,” or “including” is used in this Agreement, it shall be deemed to be followed by the words “without limitation”.

[Signatures appear on the following page.]

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

PURCHASER:

ALABAMA MEDIA, LLC

By: *Robert Hulladay*
Name: ROBERT HULLADAY
Title: MANAGER MEMBER

COMPANY:

SOUTHEAST ALABAMA BROADCASTERS, LLC

By: *Georgia R Edmiston*
Name: Georgia R Edmiston
Title: Manager

EXHIBIT "A"

Escrow Agreement

ESCROW AGREEMENT

THIS ESCROW AGREEMENT, effective as of the ___ day of _____, 201_, by and among:

BUYER: Alabama Media, LLC

Address: P.O. Box 488
Monroe, LA 71211
Attention: Robert H. Holladay

SELLER: Southeast Alabama Broadcasters, LLC

Address: 152 Shore Line Drive
Mary Esther, FL 32569
Attention: Georgia Edmiston

ESCROW AGENT: Community Trust Bank

Address: 1800 Hudson Lane
Monroe, LA 71201
Attention: _____

WITNESSETH:

WHEREAS, Buyer and Seller have entered into an Asset Purchase Agreement of even date herewith (the "Agreement") with respect to radio stations WLDA-FM, Slocomb, AL (FIN 60591), WJRL-FM, Fort Rucker, AL (FIN 63945), WDBT-FM, Headland, AL (FIN 10666), and WESP-FM, Dothan, AL (FIN 6891); and

WHEREAS, the parties wish to provide for an orderly disposition of the funds deposited into escrow pursuant to said Agreement;

NOW, THEREFORE, in consideration of the premises, promises and mutual covenants herein, the parties hereby agree as follows:

1. DEPOSIT OF ESCROW FUNDS. Upon the execution of this Escrow Agreement, Buyer is delivering or causing to be delivered to the Escrow Agent, the sum of **Sixty Thousand**

Dollars (\$60,000) by wire transfer. Upon receipt, the Escrow Agent shall provide Buyer and Seller with confirmation thereof.

2. INVESTMENT OF ESCROW FUNDS. The Escrow Agent shall invest and reinvest the escrow funds in federally insured accounts to which neither Buyer nor Seller object after having been given notice; provided, that the Escrow Agent shall not be required to invest in or hold any instrument in bearer form. The Escrow Agent shall hold said escrow funds together with all interest accumulated thereon and proceeds therefrom and dispose of the same in accordance with this Escrow Agreement.
3. DISPOSITION OF ESCROW FUNDS. The Escrow Agent shall promptly release all or a portion of the escrow funds to Buyer or Seller, as the case may be, upon the first to occur of the following circumstances:
 - (i) the Escrow Agent receives joint written instructions from Seller and Buyer directing the Escrow Agent to make such release; or
 - (ii) the Escrow Agent receives a final order of a court of competent jurisdiction authorizing the Escrow Agent to make such release.
4. CONTROVERSIES WITH RESPECT TO ESCROW. The Escrow Agent shall disburse the escrow fund in accord with the provisions of paragraph 3 above upon the joint written instructions of the Seller and Buyer or their duly designated representatives. If the Escrow Agent shall not have received such joint written instructions and a controversy shall exist between Buyer and Seller as to the correct disposition of the escrow funds, the Escrow Agent shall continue to hold the escrow funds and the income earned or accrued thereon until:
 - (a) The receipt by the Escrow Agent of the joint written instructions of the Seller and Buyer as to the disposition of the escrow funds; or
 - (b) The receipt by the Escrow Agent of a final order entered by a court of competent jurisdiction determining the disposition of the escrow funds and the income earned or accrued thereon; or
 - (c) The Escrow Agent shall have, at its option, filed an action or bill in interpleader, or similar action for such purpose, in a court of competent jurisdiction and paid the escrow funds and all income earned or accrued thereon into said court, in which event, the Escrow Agent's duties, responsibilities and liabilities with respect to the escrow fund, proceeds therefrom and this Agreement shall terminate.
5. CONCERNING THE ESCROW AGENT. The following shall control the fees, resignation, discharge, liabilities and indemnification of the Escrow Agent:
 - (a) The Escrow Agent shall charge no fees for its service hereunder, but shall be reimbursed for all reasonable out-of-pocket expenses incurred or made by the Escrow Agent in performance of his duties hereunder (if any); one-half (1/2) of any such

expenses to be paid by Buyer and one-half (1/2) to be paid by the Seller, other than expenses for investments authorized hereunder which shall be borne by Buyer.

- (b) The Escrow Agent may resign and be discharged from its duties hereunder at any time by giving written notice of such resignation to the parties hereto, specifying the date when such resignation shall take effect. Upon such notice, a successor escrow agent shall be appointed with the unanimous consent of the parties hereto, and the service of such successor escrow agent shall be effective as of the date of resignation specified in such notice, which date shall not be less than thirty (30) days after the giving of such notice. If the parties hereto are unable to agree upon a successor escrow agent within thirty (30) days after such notice, the Escrow Agent shall be authorized to appoint its successor. The Escrow Agent shall continue to serve until its successor accepts the escrow by written notice to the parties hereto and the Escrow Agent deposits the escrow fund with such successor escrow agent.
- (c) The Escrow Agent undertakes to perform such duties as are specifically set forth herein and may conclusively rely, and shall be protected in acting or refraining from acting, on any written notice, instrument or signature believed by it to be genuine and to have been signed or presented by the proper party or parties duly authorized to do so. The Escrow Agent shall have no responsibility for the contents of any writing contemplated herein and may rely without any liability upon the contents thereof, except in the case of the Escrow Agent's own misconduct or gross negligence.
- (d) The Escrow Agent shall not be liable for any action taken or omitted by it in good faith and believed by it to be authorized hereby or within the rights and powers conferred upon it hereunder, nor for action taken or omitted by it in good faith, or in accordance with advice of counsel and it shall not be liable for any mistake of fact or error of judgment or for any acts or omissions of any kind unless caused by its own misconduct or gross negligence.
- (e) Each of the Buyer and Seller agrees to indemnify the Escrow Agent and hold it harmless against any and all liabilities incurred by it hereunder as a consequence of such party's action, and the Buyer and Seller agree jointly to indemnify the Escrow Agent and hold it harmless against any and all liabilities incurred by it hereunder which are not a consequence of any party's actions, except in the case of liabilities incurred by the Escrow Agent resulting from its own misconduct or gross negligence.
- (f) The Escrow Agent acts hereunder as a depository only, and is not responsible or liable in any manner for the sufficiency, correctness, genuineness or validity of any cash or security deposited with it, except in the case of the Escrow Agent's own misconduct or gross negligence.
- (g) Buyer and Seller agree each to pay any costs incurred pursuant to paragraph 5(a) above within fifteen (15) days of presentment, including reasonable attorney's fees which the Escrow Agent may expend or incur in any dispute or action.

Should Buyer or Seller fail to reimburse Escrow Agent for such out-of-pocket costs and/or attorney's fees, the Escrow Agent, at its option, may choose to deduct said expenses from any escrow funds disbursed from the escrow account.

6. MISCELLANEOUS.

- (a) This Escrow Agreement shall be construed by and governed in accordance with the laws of the State of California, applicable to agreements executed and wholly to be performed therein.
- (b) This Escrow Agreement shall be binding upon and shall inure to the benefit of the parties, their successors and assigns.
- (c) This Escrow Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.
- (d) All notices, requests, demands and other communication hereunder shall be in writing, shall be given simultaneously to all parties hereunder and shall be deemed to have been duly given if delivered or mailed (certified mail, postage pre-paid, return receipt requested) as follows:

If to Seller: Southeast Alabama Broadcasters, LLC
152 Shore Line Drive
Mary Esther, FL 32569
Attn: Georgia Edmiston
Facsimile: ____-____-_____

With a copy to: Charles Spencer, Esq.
Hebert, Spencer, Cusimano and Fry LLP
701 Laurel Street
Baton Rouge, LA 70802
Facsimile: 225-344-2601

If to Buyer: Alabama Media, LLC
P.O. Box 488
Monroe, LA 71211
Attention: Robert H. Holladay
Facsimile: ____-____-_____

And to: Latham & Watkins, LLP
555 Eleventh Street, NW
Suite 1000
Washington, DC 20004-1304
Attention: David Burns

Facsimile: 202-637-2201

If to Escrow Agent: Community Trust Bank
 1800 Hudson Lane
 Monroe, LA 71201
 Attention: _____
 Facsimile: ____-____-_____

or to such other addresses as any party may have furnished to the other in writing, in accord herewith.

7. TERMINATION. This Escrow Agreement shall automatically terminate upon the distribution of the escrow fund in accord with the terms hereof.

{Signatures appear on the following page}

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

SELLER: SOUTHEAST ALABAMA BROADCASTERS, LLC

By: _____
Name:
Title:

BUYER: ALABAMA MEDIA, LLC

By: _____
Name:
Title:

ESCROW AGENT: COMMUNITY TRUST BANK

By: _____
Name:
Title:

