

Asset Purchase Agreement

This **Asset Purchase Agreement**, dated as of August 25, 2016 (this “**Agreement**”), is by and between Living Proof Inc., a California corporation with offices at 125 South Main Street, Bishop, California 93515 (“**Seller**”), and Lotus Bakersfield Corp., a California corporation with offices at 3301 Barham Boulevard, Suite 200, Los Angeles, California (“**Buyer**”).

Recitals

A. Seller owns FM Translator Station K229CD, Shafter, California, Facility Identification Number 139797 (the “**Station**”), under certain authorizations issued by the Federal Communications Commission (the “**FCC**”).

B. To consummate the transactions contemplated by this Agreement, Seller and Buyer must file an application on FCC Form 345 with the FCC requesting the FCC’s consent to the transfer contemplated herein (the “**Form 345 Application**”). Seller and Buyer will cooperate in preparing, filing, and prosecuting the Form 345 Application as promptly as possible.

C. Seller wishes to sell and assign, and Buyer wishes to buy and assume, the Assets, as defined below, under the terms and subject to the conditions set forth in this Agreement

Agreement

In consideration of the above premises, which are incorporated into this Agreement, and the mutual promises contained herein, Seller and Buyer agree as follows.

1. **Definitions; Construction.**

(a) **Defined Term.** As used herein, the following terms have the meanings set forth below.

“**Act**” has the meaning set forth in Section 5.

“**Actions or Proceedings**” means any action, suit, proceeding, arbitration, or Governmental or Regulatory Authority investigation or audit.

“**Agreement**” means this Asset Purchase Agreement, together with all exhibits, schedules and annexes hereto.

“**Assets**” means the property described in Section 2.

“**Buyer**” has the meaning set forth in the Introductory Paragraph hereto.

“**Closing**” means the consummation of the transactions contemplated in Section 2 in accordance with Section 5.

“**Closing Date**” means the date on which the Closing occurs.

“Code” means the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder.

“FCC” has the meaning set forth in the Recitals.

“FCC Application” has the meaning set forth in the Recitals.

“Final” means, with respect to any FCC action, that action will have been taken by the FCC (including action duly taken by the FCC’s staff under delegated authority) which will not have been reversed, stayed, enjoined, set aside, annulled or suspended, with respect to which no timely request for stay, petition for rehearing, appeal or certiorari or *sua sponte* action of the FCC with comparable effect will be pending; and as to which the time for filing any such request, petition, appeal, certiorari, or for the taking of any such *sua sponte* action by the FCC, will have expired or otherwise terminated.

“Final Consent” means, with respect to the FCC Application, a grant of that FCC Application, which, in each case, is Final.

“GAAP” means generally accepted accounting principles, consistently applied throughout the specified period and in the immediately prior comparable period.

“Government” means the United States of America, any foreign country or any domestic or foreign state, country, city or other political subdivision.

“Governmental or Regulatory Authority” means any court, tribunal, arbitral authority, agency, commission, official or other instrumentality of any Government.

“Included Contracts” means all contracts or agreements used in the operation of the Station that the Buyer elects, in its sole discretion, to assume at Closing.

“Initial Consent” means, with respect to each FCC Application, public notice of grant by the FCC or its staff of that Application.

“Form 345 Application” has the meaning set forth in the Recitals.

“Laws” means all laws, statutes, rules, regulations, ordinances and other pronouncements having the effect of law of any Government, or of any Governmental or Regulatory Authority.

“License” has the meaning set forth in the Recitals.

“Liens” means any mortgage, pledge, assessment, security interest, lease, lien, adverse claim, levy, charge or other encumbrance of any kind, or any conditional sale agreement, title retention contract, or commitments to deliver any of the foregoing.

“Permitted Lien” means (i) any Lien for taxes not yet due or delinquent or being contested in good faith by appropriate proceedings for which adequate reserves have been established in accordance with GAAP, (ii) any statutory Lien arising in the ordinary course of business by operation of Law with respect to a liability not yet due or delinquent, and (iii) any minor imperfection of title or similar Lien

which individually or in the aggregate with other Liens does not materially impair the value or use of the affected property.

“**Person**” means any natural person, corporation, general partnership, limited partnership, limited liability company, proprietorship, other business organization, trust, union, association, or Governmental or Regulatory Authority.

“**Purchase Price**” has the meaning set forth in Section 4.

“**Seller**” has the meaning set forth in the Introductory Paragraph hereto.

“**Station**” has the meaning set forth in the Recitals.

(b) Certain Terms and Phrases. Unless the context of this Agreement otherwise requires, (i) words of any gender include each other gender; (ii) words using the singular or plural number also include the plural or singular number, respectively; (iii) the terms “**hereof**,” “**herein**,” “**hereby**” and derivative or similar words refer to this entire Agreement; (iv) the term “**Article**” or “**Section**” refers to the specified article or section of this Agreement; (v) the term “**Exhibit**” refers to the exhibits to this Agreement; (vi) the word “**or**” will be deemed to include both its disjunctive and conjunctive meanings; and (vii) the term “**including**” and similar or derivative words will be deemed to be followed by the words “**without limitation**.” Whenever this Agreement refers to a number of days, that number will refer to calendar days unless business days are specified. As used herein, (x) “**Business Day**” means any day other than Saturday, Sunday or any day on which banks located in Washington, D.C. are authorized or obligated to close, and (y) “**affiliate**” means, with respect to any Person, any other Person that controls, is controlled by, or is under common control with, such Person.

2. Purchase and Sale.

(a) Assets. At the Closing hereunder, Seller will sell, assign, transfer, convey and deliver to Buyer, and Buyer will purchase and acquire from Seller, Seller’s entire right, title, and interest in and to the Station and any assets, properties and rights used or held for use by Seller pertaining to the Station (collectively, “**Assets**”), including the following:

(i) Licenses. All licenses, permits, and other authorizations issued to Seller by the FCC in connection with the Station (the “**FCC Licenses**”), and all renewals or modifications thereof between the date hereof and the Closing Date;

(ii) Tangible Personal Property. All Seller’s equipment, transmitters, antennae, cables and other tangible personal property of every kind and description that are used or held for use in the operations of the Stations, together with all replacements thereof or accessions thereto before the Closing, and all warranties covering any of the foregoing (the “**Tangible Personal Property**”). The Tangible Personal Property shall be made available to Buyer with Buyer responsible for any charges related to the preparation and delivery of the Tangible Personal Property;

(iii) Equipment Licenses. All licenses (“**Equipment Licenses**”) related to any of the Assets, including those permitting the use of intellectual property embedded in Tangible Personal Property that Buyer, in its sole discretion, elects to include.

(iv) **Records.** The files, documents and records (or copies thereof) relating to the technical operations and engineering of the Station, including all logs and other compliance records required by the FCC to be kept by the Station, the Station's local public files, blueprints, and technical information and engineering data (collectively, "**FCC Records**"); and

Seller will transfer the Assets to Buyer free and clear of all security interests, options, liens, claims and other encumbrances ("**Liens**"), except Permitted Liens.

(b) **Excluded Assets.** The following assets will remain Seller's sole and exclusive property:

(i) **Financial Assets.** Cash, notes receivable and accounts receivable, if any;

(ii) **Third Party Claims.** Any claims against third parties, including any claims for refunds of taxes or other governmental charges for periods ending on or before the Closing; and

(iii) **Financial Records.** Seller's financial books and books, and records relating generally to Seller.

(c) **Assumption of Obligations.** Subject to the terms and conditions hereof, on the Closing Date, Buyer will assume the obligations of Seller arising and relating to the period after the Closing under the Included Contracts (the "**Assumed Liabilities**"). Buyer does not assume or agree to discharge or perform and will not be deemed by reason of the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby, to have assumed or to have agreed to discharge or perform, and Seller will remain liability for, any liabilities, obligations or commitments whatsoever of Seller other than the Assumed Obligations (the "**Retained Liabilities**").

3. **Purchase Price.** Buyer will pay Seller \$125,000 for the Assets ("**Purchase Price**"), \$25,000 of which (the "**Down Payment**") Buyer is paying simultaneously with the execution and delivery of this Agreement to Fletcher, Heald & Hildreth, PLC, as escrow agent (the "**Escrow Agent**") under the Escrow Agreement of even date herewith entered into by the parties (the "**Escrow Agreement**"), and the balance of \$100,000, which Buyer will pay to Seller at the Closing by wire transfer to an account Buyer designates at least three days before Closing.

4. **Closing.** . Subject to Seller's rights under Section 9 and Buyer's rights under Section 10, the Closing will take place on the third Business Day after the date on which (a) grant of the FCC Application, without any conditions materially adverse to Buyer, becomes a Final Consent or (b) each of the other conditions to Closing set forth in Sections 9 and 10 has been satisfied or waived, whichever is later. At the Closing, all documents will be deemed delivered, and all actions will be deemed to have occurred simultaneously. No Closing delivery hereunder will be effective until the parties have made all required deliveries, and absent Closing, the parties will unwind any premature delivery.

(a) **Seller's Closing Deliveries.** At Closing, Seller will deliver to Buyer:

(1) certified copies of resolutions authorizing its execution, delivery and performance of this Agreement, including the consummation of the transactions contemplated hereby;

(2) an assignment, in form an substance acceptable to Buyer, executed by Seller, of the FCC Licenses to Buyer;

(3) such bills of sale, assignments, documents of title and other instruments of conveyance, assignment and transfer as other instruments as may be necessary to convey, transfer and assign the Assets to Buyer, free and clear of all Liens, except Permitted Liens;

(4) a certificate, dated the Closing, and duly executed by Seller to the effect that the conditions set forth in Section 10 have been satisfied; and

(5) such consents of third parties as may be required to effect the transfer of the Assets, and other documentation acceptable to Buyer.

(b) Buyer's Closing Deliveries. At Closing, Buyer will deliver to Seller:

(1) the Purchase Price in the manner set forth in Section 3;

(2) a certified copy of a resolution of Buyer's Board of Directors authorizing the execution and delivery of this Agreement and the consummation of the transaction described herein and of the instruments necessary to consummate purchase of the Assets, and any other action required of Buyer hereunder; and

(3) a certificate dated the Closing Date and duly executed by an authorized officer of Buyer, stating that the conditions set forth in Section 9 have been satisfied.

(c) Prorations and Adjustments.

(i) The parties will prorate income and expenses arising from the operations of the Station in accordance with GAAP as of 11:59 p.m. on the Closing Date (the "**Transfer Time**"). Such prorations will include (without duplication) all business and license fees, including the annual FCC regulatory fees, utility expenses, amounts due or to become due under Included Contracts, rents, lease payments and similar prepaid and deferred items (but excluding taxes arising by reason of the transfer of the Assets as contemplated hereby, which the parties will share equally). Buyer will reimburse Seller for all such prepaid items relating to period on or after the Transfer Time, and Seller will reimburse Buyer for all such items that related to period before the Transfer Time. Except as otherwise provided herein, the prorations and adjustments contemplated by this clause 5(c), to the extent practicable, will be made on the Closing Date. As to those proration and adjustments that are not ascertained on the Closing Date, the parties will cooperate in good faith to make such adjustments and prorations within 90 calendar days after the Closing Date.

(ii) Allocation. Before Closing, Seller and Buyer will allocate the value of the assets comprising the Assets and the goodwill being purchased and sold in accordance with the requirements of the Code. Neither Buyer nor Seller will take any position inconsistent therewith upon examination of any tax return, in any refund claim, or in any litigation or investigation, without the prior written consent of the other party, except as required by Law, or as may be agreed or consented to by such party in connection with any audit. If any Governmental or Regulatory Authority disputes such allocation, the party receiving notice of the dispute will notify the other party promptly.

(d) Further Actions. Seller and Buyer each agree that, from time to time, at the other party's reasonable request, and without further consideration, Seller or Buyer, as the case may be, will duly

execute and deliver such documents and instruments and perform such further acts as may be required to more effectively carry out the intent of this Agreement. Following Closing, Seller will deliver to Buyer and, if necessary, endorse over to Buyer any mail, checks or other documents received by Seller that pertain to the Assets.

5. **Seller's Representations and Warranties.** Seller represents and warrants to Buyer as follows.

(a) **Organization.** Seller is a corporation, duly organized, validly existing and in good standing under the laws of the State of California, and is qualified to do business, and is in good standing in the State of California. Seller has the requisite organizational power and authority to own, lease and operate its properties and to carry on the operations of a broadcast radio station. Seller has the requisite organizational power and authority to execute and delivery this Agreement, and all other agreements and instruments to be executed and delivered by Seller pursuant hereto (collectively, the "**Ancillary Seller Agreements**"), to consummate the transaction contemplated hereby and thereby to comply with the terms, conditions and provision hereof and thereof.

(b) **Authorization.** Seller's execution, delivery and performance of this Agreement and the Ancillary Seller Agreements, have been duly and validly authorized and approved by all necessary organizational action of Seller and do not required any further authorization or consent of Seller. This Agreement is, and each Ancillary Seller Agreement, when executed and delivered by Seller and the other parties thereto will be, Seller's legal, valid and binding agreement, enforceable against Seller in accordance with its terms, except as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization or other similar laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity, regardless of whether such enforceability is considered in a proceeding in equity or at law.

(c) **No Conflicting Agreements or Restrictive Orders.** The execution, delivery and performance of this Agreement do not conflict with any order of any Governmental or Regulatory Authority, or any agreement or other instrument to which Seller is a party or by which Seller or any Asset is bound.

(d) **No Litigation.** There is no judgment or decree outstanding, or Action or Proceeding pending or threatened, which adversely and materially affects the right, title or interest of Seller in or to any Asset, or Seller's power, right, authority or ability to enter into this Agreement or to carry out the transactions contemplated herein, or which would materially prevent or impair Buyer's operation or use of and Asset.

(d) **Good Title.** On Closing, Seller will have good title to the Assets, it being understood that the Communications Act of 1934, as amended (the "**Act**"), limits such good title to the FCC Licenses.

(e) **FCC Authorizations.** The FCC Licenses are free and clear of any conditions or restrictions other than as presently set forth on the face of the License.

(f) **No Insolvency.** No insolvency Actions or Proceedings of any nature, including bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary, affecting Seller, the License or any other Asset are pending, and Seller has made no assignment for the benefit of creditors, nor, to Seller's knowledge, taken any action with a view to the

institution of any such insolvency proceedings.

(g) Taxes. Seller has paid and discharged all taxes, assessments, excises and other levies, which, if due and not paid, would materially interfere with Buyer's enjoyment and use of the Assets.

(h) Complaints. To Seller's knowledge, no complaint is pending before the FCC alleging that operation of the Station with the facilities specified in its current license (BLFT-20160620AAO) is causing interference to the reception or operation of any other broadcasting station. If one or more such complaints comes to the attention of Seller after the date of this Agreement but prior to Closing, Seller will use its commercially reasonable best efforts to resolve such complaints. Buyer expressly acknowledges that Seller has no obligation to address any interference complaint or other objection with respect to the Station that is filed with the FCC or otherwise lodged after Closing.

6. **Buyer's Representations and Warranties**. Buyer represents and warrants to Seller as follows.

(a) Buyer's Existence and Authority. Buyer is a corporation duly organized, in good standing and validly existing under the laws of the State of Nevada, with full power and authority to enter into and to deliver this Agreement, and any instruments pertaining hereto, and to consummate the transactions contemplated hereby.

(b) No Conflicting Agreements or Restrictive Orders. The execution, delivery and performance of this Agreement do not conflict with any agreement or other instrument to which Seller is a party or by which it is bound, or the orders of any Governmental or Regulatory.

(c) No Litigation. There is no judgment or decree outstanding, or Action or Proceeding pending, or, to Buyer's knowledge threatened, which adversely affects Buyer's power, right, authority or ability to enter into this Agreement and to carry out the transactions contemplated herein.

(d) Due Execution. The execution, delivery and consummation of this Agreement has been duly authorized by the Board of Directors of Buyer and no further authorization, approval or consent is required.

7. **Covenants of Seller**.

(a) Affirmative Covenants of Seller. From and after the date hereof through the Closing (and thereafter, if so specified) or the termination of this Agreement, Seller covenants and agrees that it will:

(i) Operations. Operate the Station in the ordinary course of business and keep its books and accounts, records and files in the ordinary course, and preserve the business and goodwill of the Stations and the Assets.

(ii) Contractual Obligations. Perform in all material respects Seller's obligations under the Included Contracts.

(iii) Compliance with Law. Comply with all Laws relating to Seller's operation or ownership or use of the Station or any other Asset.

(iv) Necessary Actions. Take all necessary action and use Seller's commercially reasonable efforts to obtain all consents, approvals and agreements required to satisfy the conditions of Seller's obligation to close contained herein.

(v) FCC Covenants. Operate the Station in accordance with the terms of the FCC Licenses and in compliance with the Act, FCC rules, regulations and policies, and all other applicable laws, rules and regulations, and maintain the FCC Licenses in full force and effect and, if applicable, timely file and diligently prosecute any necessary applications for renewal of the FCC Licenses.

(b) Negative Covenants of Seller. From and after the date hereof through the Closing or the termination of this Agreement, Seller will not:

(i) Modification. Modify any of the FCC Licenses.

(ii) No Disposition. Sell, assign, lease, transfer or otherwise dispose of, or mortgage, pledge or otherwise hypothecate or subject to lien, the FCC Licenses or any of the other Assets.

8. Covenants of Buyer

(a) Affirmative Covenants of Buyer. From and after the date hereof through the Closing (and thereafter, if so specified), or the termination of this Agreement, Buyer covenants and agrees that it will:

(i) Buyer's Retention of Records. Retain for seven years after Closing any files, records, reports or logs which Seller delivers to Buyer under Section 2, except that, at any time, Buyer may return said files, records, reports or logs to Seller and will be relieved of all further obligations under this clause(a)(i).

(ii) Necessary Actions. Take all necessary action and use its commercially reasonable efforts to obtain all consents, approvals and agreements required to satisfy the conditions to Buyer's obligation to close contained herein.

(b) Negative Covenants of Buyer. From and after the date hereof through the Closing or the earlier termination of this Agreement, Buyer will not interfere in the control of the Station, it being expressly understood that until Closing, the Station will be under Seller's exclusive control, and Buyer will have no right to make or control decisions regarding the Station, or to hold itself out as having such right or control.

9. Conditions Precedent to Seller's Obligations to Close. Seller's obligation to perform, fulfill or carry out its agreements, undertakings and obligations herein made or expressed to be performed, fulfilled or carried out at the Closing is subject to fulfillment of, or compliance with, the following conditions precedent, any of which may be waived in writing by Seller.

(a) Payments. All payments and deliveries due hereunder and payable or deliverable by Buyer to Seller at Closing will have been made in accordance with the terms of this Agreement.

(b) Representations, Warranties and Covenants. Buyer's representations and warranties

contained herein will be true in all material respects as if made at and as of the Closing; and Buyer will have performed and complied in all material respects with all agreements, covenants and conditions herein requiring performance or compliance by Buyer before or at Closing and Buyer will so certify.

(c) FCC Consents. The FCC will have issued a Final Consent to the assignment of the FCC Licenses contemplated hereby.

10. Conditions Precedent to Buyer's Obligations to Close. The obligation of Buyer to perform, fulfill, or carry out its agreements, undertakings and obligations herein made or expressed to be performed, fulfilled, or carried out at Closing is subject to fulfillment of or compliance with, the following conditions precedent, any of which may be waived in writing by Buyer.

(a) Representations, Warranties and Covenants. Seller's representations and warranties contained herein will be true in all material respects as if made at and as of the Closing, and Seller will have performed and complied in all material respects with all agreements, covenants and conditions herein requiring performance or compliance by Seller before or at Closing and Seller will so certify.

(b) FCC Consent. The FCC will have issued a Final Consent to the assignment of the FCC Licenses contemplated hereby and such Final Consent will not be subject to any condition that is materially adverse to Seller.

(c) Deliveries. Seller will have delivered to Buyer (i) such documents as are necessary to sell, assign, transfer, and convey to Buyer the Assets free and clear of any Liens, and (ii) such other items as are referred to in Section 4(a).

11. Application for FCC Consent; Governmental Filings. As soon as possible after the execution and delivery of this Agreement, Seller and Buyer will join in tendering the FCC Form 345 Application. Seller and Buyer will each bear its own costs in the preparation of the FCC Form 345 Application before its tender to the FCC, and each will pay one-half of the required FCC Form 345 Application filing fees. Each party will prosecute the FCC Application diligently and use commercially reasonable efforts to obtain the consents of the FCC as expeditiously as possible. Each party will provide the other with a copy of any pleading, order or other document service on it relation to any FCC Application, and will furnish all information the FCC requires. Each party will notify the other of all documents filed with, or received from, any Governmental or Regulatory Agency with respect to this Agreement or the transactions contemplated hereby, or the Station or its operations. Each party will furnish the other with such information and assistance as the other reasonably may request in connection the preparation of any filing with any Governmental or Regulatory Agency hereunder.

12. Indemnification by Buyer. Buyer agrees to indemnify and to defend and hold harmless Seller from and against any and all liability, loss, damage or injury, together with all reasonable costs and expenses relating thereto, including reasonable legal and accounting fees and expenses actually incurred, arising out of (a) any misrepresentation or breach of representation (whether due to commission, omission or otherwise), warranty or covenant of Buyer set forth herein, and (b) any contracts Buyer has agreed to assume herein but only with respect to liabilities, damage or injury arising after the Closing, and (c) any claim arising, or required to be performed, after Closing under any contract which Buyer assumes hereunder.

13. Indemnification by Seller. Seller agrees to indemnify and to defend and hold harmless

Buyer from and against any and all liability, loss, damage or injury, together with all reasonable costs and expenses relating thereto, including reasonable legal and accounting fees and expenses actually incurred, arising out of (a) any misrepresentation or breach of representation (whether due to commission, omission or otherwise), warranty or covenant of Seller set forth herein; (b) any contracts which Buyer does not assume hereunder; and (c) any claim arising, or required to be performed, before Closing under any contract which Buyer assumes hereunder.

14. **Defense.** If any Action or Proceeding is commenced against, or any claim or demand be asserted against, a party to this Agreement in respect of which that party proposes to demand indemnification hereunder, notification will be given to that effect to the indemnifying party, which will assume the entire control of the defense thereof, subject to the right of the notifying party to participate (at its expense and with counsel of its choice) in the defense thereof; provided, however, that the indemnitee's control of the defense of any such action, suit, proceeding, claim or demand will not delay the timely defense thereof.

15. **Termination.** (a) Events of Termination. This Agreement may be terminated:

- (i) by the mutual written consent of Seller and Buyer;
- (ii) by Seller or Buyer, if the FCC issues an order that is no longer subject to reconsideration, review, recall or stay, dismissing or denying the Form 345 Application;
- (iii) by Seller or Buyer, if the Closing has not taken place by August 30, 2017 and either Seller or Buyer notifies the other party, after that date, that it is terminating this Agreement;
- (iv) by Seller, if Buyer takes any action that materially impairs Buyer's ability to perform its obligations hereunder, or breaches or fails to perform any of its obligations hereunder and Seller is thereby injured and Buyer is unable to remedy the injury through the payment of money damages to Buyer; or
- (v) by Buyer, if Seller takes any action that materially impairs Seller's ability to perform its obligations hereunder, or breaches or fails to perform any of its obligations hereunder, and Buyer is injured thereby and Seller is unable to remedy the injury through the payment of money damages to Seller.

(b) **Return of Down Payment.** If this Agreement terminates for any reason other than Seller's breach, the Escrow Agent will pay the Down Payment to Seller, which Down Payment will constitute liquidated damages, and will be the sole remedy of Seller for breach by Buyer of this Agreement. The parties acknowledge and agree that payment of such amount will constitute payment of liquidated damage and is not a penalty, and that the liquidated damages amount is reasonable in light of the substantial but indeterminate harm anticipated to be caused by Buyer's material breach or default under this Agreement, the difficulty of proof of loss and damages, the inconvenience and non-feasibility of otherwise obtaining an adequate remedy, and the value of the transaction to be consummated hereunder. If Seller breaches this Agreement, and this Agreement terminates, the Escrow Agent will refund the Down Payment to Buyer.

(c) **No Termination by Defaulting Party.** Neither party may exercise any right of termination hereunder while that party is in material default hereunder.

16. **Survival.** The obligations to indemnify hereunder and the representations and warranties made herein will survive the Closing for one year.

17. **Specific Performance.** Seller and Buyer acknowledge that each of the FCC Licenses and the Station is a unique asset not readily available on the open market, that value of each is not readily determinable and that money damages to Buyer therefor would be an inadequate remedy and Seller and Buyer agree that, among other remedies, the remedy of a decree of specific performance will be available to Buyer to enforce its right to acquire the Assets and to Seller to obtain the Purchase Price for the Assets. In the event that this Agreement is terminated because of Buyer's breach of its terms, including Buyer's wrongful refusal to close, then Seller's sole remedy for Buyer's breach of this Agreement will be termination of this Agreement and receipt of the Down Payment, which will constitute liquidated damages as provided in Section 15(b) above.

18. **Brokers.** Seller and Buyer agree that no third person has brought the parties together or been instrumental in any way in the making of this Agreement, except Robert H. Branch, Jr. and Lindy Williams, whose fees are governed by a separate agreement. Seller and Buyer agree to indemnify one another against any claim by any third party, other than Mr. Branch and Ms. Williams, for any commission, brokerage or finder's fee, or other payment with respect to this Agreement or the transactions contemplated hereby based on any alleged agreement or understanding between such party and such third person, whether express or implied from the actions of such party.

19. **No Third Party Beneficiary.** This Agreement is intended for the sole benefit of Seller and Buyer, and is not intended to confer any benefit upon any third party.

20. **Expenses.** Whether or not the transactions provided for herein are consummated, each party's expenses incurred in connection with the preparation and performance of this Agreement will be paid for by that party, except as otherwise provided for herein.

21. **Amendment.** This Agreement may be amended, but only by a writing signed by Seller and Buyer, at any time before the Closing

22. **Notices.** All notices or other communications provided for or permitted herein will be in writing, and delivered by nationally recognized overnight courier, such as Federal Express or United States Postal Service Express Mail, to the party entitled or required to receive the same, at the address first set of the above, with, in the case of communications to Seller, a copy to Matthew H. McCormick, Esq., Fletcher, Heald & Hildreth, PLC, 1300 North 17th Street, 11th Floor, Arlington, Virginia 22209. Any party may change its address for communications hereunder by delivering a notice of such change as provided above. Each party agrees that the person indicated as the recipients of notices hereunder will also be such party's agent to receive service of process in connection with any legal proceeding or action brought in connection with this Agreement. All notices and other communications will be deemed given on actual delivery or tender, or first attempted delivery if delivery is refused by the intended recipient.

23. **Assignment.** This Agreement will be binding upon and inure to the benefit of Seller, Buyer and each party's respective successors and assigns. Neither party may assign its rights hereunder without the other party prior consent, except that Buyer may assign this Agreement to an affiliate without Seller's consent.

24. **Entire Agreement.** This Agreement, together with the Ancillary Seller Agreements and the Ancillary Buyer Agreements, supersede all prior arrangements, understandings, letters of intent, conversations and negotiations between Seller and Buyer with respect to the subject matter hereof, and constitute the entire agreement between Seller and Buyer with respect to the subject matter hereof.

25. **Governing Law.** This Agreement will be interpreted, construed and enforced in accordance with the laws of the State of California, without reference to the principles of conflicts of law, subject, however, to all applicable rules and regulations of the FCC. Each party hereto agrees that any legal proceeding arising under this Agreement will be commenced in the courts located in Los Angeles, California. Each party hereto irrevocably and unconditionally submits to the exclusive jurisdiction of such courts, waives any objection to the laying of venue of any Action or Proceeding arising out of this Agreement, or the transactions contemplated hereby, in the State of California, and waives and agrees not to plead or claim in any such court that any such Action or Proceeding brought in any such court has been brought in an inconvenient forum. The prevailing party in any dispute will be entitled to recover from the losing party its costs (including reasonable costs of collection, attorneys' fees and investigative fees).

26. **Waiver of Default.** Any waiver by either Seller or Buyer of a breach of any provision or covenant in this Agreement by the other will not operate as or be construed as a waiver of any subsequent breach or any rights the said party may otherwise have.

27. **Counterparts.** This Agreement may be executed in multiple counterparts, each of which will be deemed an original but all of which, collectively, will be deemed the same instrument.

28. **Headings.** The headings used in this Agreement are used for convenience only and do not constitute substantive matter to be considered in construing the terms of this Agreement.

29. **Severability.** Nothing contained in this Agreement will be construed so as to require the commission of any act contrary to Law, and wherever there is any conflict between any provision of this Agreement and any Law, such Law will prevail; provided, however, that in such event the provisions of this Agreement so affected will be curtailed and limited only to the extent necessary to permit compliance with the minimum legal requirements, and the other provisions will continue in full force and effect unless the underlying business purpose hereof will be frustrated. The invalidation through waiver by Seller or Buyer of any one paragraph, clause or provision will not result in the invalidation, unenforceability or waiver of any other paragraph, clause of provision hereof, except.

30. **No Waiver.** The failure of either Seller or Buyer to insist upon strict performance of any obligation hereunder will not constitute a waiver of such party's right to demand strict compliance therewith in the future.

31. **Preparation of Agreement.** Seller and Buyer agree that each party has had the opportunity to be represented by counsel experienced in broadcasting matters with respect to the drafting this Agreement and that neither Seller nor Buyer has been predominant in its drafting.


[SIGNATURE PAGE FOLLOWS]

In Witness Whereof, the undersigned have caused this Agreement to be duly executed and delivered by them on their behalf on the day and year hereinabove first set forth.

Seller:

Living Proof Inc.

By: _____


Brian Law
Its Treasurer

Lotus Bakersfield Corp.

By: _____

Jay A. Levine
Its Senior Vice-President

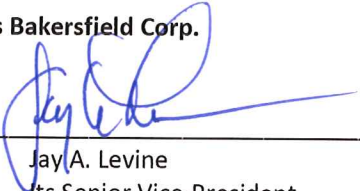
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Seller:

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Its Treasurer

Lotus Bakersfield Corp.

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