

ASSET PURCHASE AGREEMENT

dated as of April 11, 2019

by and among

**MBM RADIO LAREDO LLC
AND MBM TEXAS VALLEY LLC**

and

LEADING MEDIA GROUP CORP.

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (this “Agreement”) dated as of April 11, 2019 is by and among MBM Radio Laredo LLC, a Texas limited liability company, and MBM Texas Valley LLC, a Texas limited liability company (collectively, the “Seller”), and Leading Media Group Corp., a Delaware corporation (“Buyer”).

RECITALS

WHEREAS, Seller is the owner of the assets used in the operation of the following broadcast radio stations:

Station KBDR(FM), Mirando City, Texas (FIN: 906)
Station KBDR-FM1, Laredo, Texas (FIN: 907)
Station KNEX(FM), Laredo, Texas (FIN: 42148)
Station KBUC(FM), Raymondville, Texas (FIN:18654)
Station KURV(AM), Edinburg, Texas (FIN: 70463)

These stations, which all operate pursuant to licenses issued by the Federal Communications Commission (the “FCC”), are collectively referred to herein as the “Stations”;

WHEREAS, Buyer desires to purchase substantially all of the assets and assume certain of the liabilities, and Seller desires to sell to Buyer substantially all of the assets and transfer certain of the liabilities, related to, used or held for use in the conduct and operation of the Stations on the terms and subject to the conditions set forth in this Agreement;

WHEREAS, simultaneously with the execution of this Agreement, Seller and certain subsidiaries of Buyer are entering into a Consulting Agreement (the “Consulting Agreement”); and

NOW, THEREFORE, in consideration of the mutual covenants and agreements to be derived from this Agreement, Buyer and Seller hereby agree as follows:

ARTICLE I. DEFINITIONS

Section 1.01 Definitions. As used in this Agreement, the following terms shall have the following meanings:

“Accounting Firm” means (a) an independent certified public accounting firm in the United States of national or regional standing in the Southwestern United States mutually acceptable to Seller and Buyer or (b) if Seller and Buyer are unable to agree upon such a firm, then independent auditors selected by Seller and Buyer shall be charged with promptly naming a third independent certified public accounting firm willing and able to perform the required services, in which event, “Accounting Firm” shall mean such third firm.

“Accounts Receivable” means all accounts receivable for goods received or services performed (*e.g.*, the actual broadcast of commercials sold) by the Stations prior to the Effective Time. Accounts Receivable shall not include any such accounts receivable that are over 180 days in age as of the Effective Time. In all instances, the accounts receivable shall be adjusted by an allowance reflecting the Seller’s history in collecting accounts receivable of the applicable account debtor.

“Action” means any claim, action, suit, arbitration, inquiry, proceeding or investigation by or before any Governmental Authority.

“Affiliate” means, with respect to any Person, any other Person directly or indirectly Controlling, Controlled by or under common Control with such other Person.

“Ancillary Agreements” means the Escrow Agreement and any other certificate, agreement, document or other instrument to be executed and delivered in connection with the transactions contemplated by this Agreement.

“Balance Sheet Date” means December 31, 2018.

“Business Day” means any day that is not a Saturday, a Sunday or other day on which banks are required or authorized by Law to be closed (or actually closed) in the City of New York.

“Code” means the Internal Revenue Code of 1986, as amended.

“Communications Laws” means collectively, the Communications Act of 1934, as amended, the Telecommunications Act of 1996, and the rules and regulations promulgated under the foregoing, in each case, as in effect from time to time.

“Contracts” means contracts, agreements, leases, non-governmental licenses, sales and purchase orders and other agreements or arrangements (including Real Property Leases, Income Leases and employment agreements), written or oral (including any amendments or modifications thereto).

“Control” means, as to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise. The terms “Controlled” and “Controlling” shall have a correlative meaning.

“Copyrights” means all copyrights and copyright applications and registrations therefor owned, licensed or sublicensed by Seller and used or held for use exclusively in connection with the conduct and operation of the Stations.

“Effective Time” means 11:59 p.m., Central time, on the Closing Date.

“Employee Plan” means any (a) “employee benefit plan” as defined by Section 2(3) of ERISA, and any other employee benefit plan, arrangement or policy subject to ERISA, including any retirement, pension, deferred compensation, severance, profit sharing, savings,

group health, dental, life insurance, disability or cafeteria plan, policy or arrangement; (b) any equity or equity-based compensation plan; (c) any bonus or incentive arrangement; and (d) any severance or termination agreements, policies or arrangements that are not covered by ERISA (whether written or oral, qualified or nonqualified, funded or unfunded, foreign or domestic, currently in effect or previously terminated); in each case, maintained or contributed to or required to be maintained or contributed to by Seller for the benefit of any current or former Employee, director, officer, member, consultant, or independent contractor of Seller.

“Employees” means the full-time and part-time employees, both active or inactive, employed by Seller exclusively in the conduct and operation of the Stations.

“Environmental Laws” means all such Laws in effect, whether local, state, or federal, relating to: (a) discharges or threatened discharges of Hazardous Materials into the environment; (b) the generation, use, treatment, storage, disposal, handling, discharging, shipment or remediation of Hazardous Material; (c) the regulation of storage tanks; or (d) pollution or protection of human health, occupational safety or the environment.

“Equipment” means all machinery, equipment, computers, motor vehicles, furniture, fixtures, furnishings, towers, antennas, transmitters, tools, toolings, parts, transmission lines, inventory, cables, spare parts, blank films and tapes and other items of tangible personal property owned or leased by Seller and used or held for use primarily in the conduct and operation of the Stations (other than such items that are no longer in use at the Stations as a result of obsolescence or having been replaced by other property).

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated thereunder.

“ERISA Affiliate” means with respect to Seller (a) a member of any “controlled group” (as defined in section 414(b) of the Code) of which Seller is also a member, (b) a trade or business, whether or not incorporated, under common control (within the meaning of section 414(c) of the Code) with Seller, or (c) a member of any affiliated service group (within the meaning of section 414(m) of the Code) of which Seller is also a member.

“FCC Consent” means the FCC’s grant of its consent to the assignment of all of the FCC Licenses from Seller to Buyer. The FCC Consent shall include grant of the Petition for Declaratory Ruling contemplated by Section 4.06.

“FCC Licenses” means all licenses, permits and other authorizations issued to Seller by the FCC for use in the operation of the Stations, including those identified on Disclosure Schedule Section 3.12, including, in each case, any temporary waiver or special temporary authorization and any renewals, extensions or modifications thereof or any transferable pending application therefor.

“Final Order” means an action by the FCC: (a) that has not been vacated, reversed, stayed, enjoined, set aside, annulled or suspended; (b) with respect to which no request for stay, motion or petition for rehearing, reconsideration or review, or application or request for review or notice of appeal or sua sponte review by the FCC is pending; and (c) as to which the time for filing any such request, motion, petition, application, appeal or notice,

and for the entry of orders staying, reconsidering or reviewing on the FCC's own motion has expired.

"GAAP" means United States generally accepted accounting principles, consistently applied.

"Governmental Authority" means any federal, state, local or foreign government, legislature, governmental, regulatory or administrative authority, agency or commission or any court, tribunal, or judicial or arbitral body.

"Governmental Order" means any order, writ, judgment, injunction, decree, stipulation, determination or award issued or entered by or with any Governmental Authority.

"Hazardous Material" means hazardous or toxic wastes, chemicals, substances, constituents, pollutants or related material, whether solids, liquids, or gases, defined or regulated under § 101(14) of CERCLA; the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901 et seq.; the Toxic Substances Control Act, 15 U.S.C. §§ 2601 et seq.; the Safe Drinking Water Act, 42 U.S.C. §§ 300(f) et seq.; the Clean Air Act, as amended, 42 U.S.C. §§ 7401 et seq.; the Federal Water Pollution Control Act, 33 U.S.C. §§ 1251 et seq.; the Emergency Planning and Community Right-to-Know Act of 1986, 42 U.S.C. §§ 11001 et seq.; the Occupational Safety and Health Act of 1970, 29 U.S.C. §§ 651 et seq. or any similar applicable Environmental Laws.

"Income Leases" means those leases, subleases, licenses or other occupancy agreements (including any and all assignments, amendments and other modifications of such leases, subleases, licenses and other occupancy agreements), pertaining to the use or occupancy of the Real Property, including the Owned Real Property, where Seller holds an interest as landlord, licensor, sublandlord or sublicensor.

"Indebtedness" means, with regard to any Person, any liability or obligation, whether or not contingent, (i) in respect of borrowed money or evidenced by bonds, monies, debentures, or similar instruments or upon which interest payments are normally made, (ii) for the payment of any deferred purchase price of any property, assets or services (including pursuant to capital leases) but excluding trade payables, (iii) guaranties, direct or indirect, in any manner, of all or any part of any Indebtedness of any Person, (iv) all obligations under acceptance, standby letters of credit or similar facilities, (v) all matured obligations to purchase, redeem, retire, or otherwise make any payment in respect of any membership interests, shares of capital stock or other ownership or profit interest or any warrants, rights or options to acquire such membership interests, shares or such other ownership or profit interest, (vi) all accrued interest on all obligations referred to in (i) – (v) and (vii) all obligations referred to in (i) – (vi) of such Person or a third party secured by any Lien on property or assets.

"Intangible Property" means, with respect to the Stations, their: (a) Copyrights; (b) Trademarks, including all of the rights, if any, of Seller in and to the Stations' call letters and any derivative thereof; (c) Trade Secrets; (d) all Internet web sites and the related agreements, computer and cloud content and databases and domain name registrations and URLs used or held for use exclusively in the conduct and operation of the Stations' business;

(e) patents and patent applications owned, licensed or sublicensed by Seller and used or held for use exclusively in the conduct and operation of the Stations; (f) other intellectual property or intellectual property rights or other intangible property or intangible property rights used or held for use exclusively in the conduct and operation of the Stations, including, but not limited to assignable computer software; and (g) all goodwill, if any, associated therewith.

“Knowledge of Seller” means as of the date of this Agreement, the actual knowledge of Carlos Rodriguez after due inquiry into the relevant subject matter.

“Law” means any United States (federal, state, local) or foreign law, constitution, treaty statute, ordinance, regulation, rule, code, order, judgment, injunction, writ or decree.

“Lien” means, with respect to any property or asset, any mortgage, lien, pledge, charge, easement, right of way, restrictive covenant, encroachment, security interest or encumbrance of any kind whatsoever, whether voluntarily incurred or arising by operation of Law or otherwise, in respect of such property or asset.

“Material Adverse Effect” means any effect or change that has had, individually or in the aggregate, with respect to the Stations taken as a whole, a material adverse effect on: (a) the assets, financial condition or results of operations of the Stations, or (b) the ability of Seller to perform its obligations under this Agreement and the Ancillary Agreements and consummate the transactions contemplated hereby and thereby; provided, however, that any effect or change to the extent attributable to any of the following shall not constitute a Material Adverse Effect under this Agreement: (i) an event or series of events or circumstances affecting the U.S. or global economy generally or capital or financial markets generally, including changes in interest or exchange rates, (ii) any materially adverse effect or change resulting from any change of Law or general economic, political, financial, or market conditions affecting the radio broadcast industry generally (including legislative or regulatory matters), (iii) acts of war or terrorism or a natural disaster, such as an earthquake or hurricane, (iv) the announcement, execution and performance of this Agreement, (v) any action taken by Seller as expressly contemplated by this Agreement or with Buyer’s written consent or at Buyer’s written request, (vi) any failure to meet internal or published financial or rating projections, estimates or forecasts of revenues, earnings, or other measures of financial or operating performance for any period ending after the date of this Agreement (provided, however, that the underlying causes of such failure (subject to the other provisions of this definition) shall not be excluded), or (vii) changes in Law or GAAP or the interpretations thereof.

“Non-Solicitation Agreement” means the Non-Solicitation Agreement of even date herewith among, Seller, Buyer, Leading Media Laredo Corp., Leading Media RGV Corp. and the other parties thereto.

“Permitted Liens” means, as to any property or asset of the Stations, (a) Liens for Taxes, assessments and governmental charges not yet due and payable or which are being contested in good faith and for which appropriate reserves exist; (b) terms and conditions of any Real Property Leases or Income Leases in effect as of the date hereof; (c) zoning Laws and ordinances and similar Laws that are not materially violated by any existing improvement

or that do not prohibit the use of the Real Property as currently used in the conduct and operation of the Stations; (d) any right reserved to any Governmental Authority to regulate the affected property (including restrictions stated in any permits); (e) in the case of any leased asset, (i) the rights of any lessor under the applicable lease agreement or any Lien granted by any lessor, (ii) any statutory Lien for amounts that are not yet due and payable or are being contested in good faith, (iii) any subleases listed in any Disclosure Schedule hereto and (iv) the rights of the grantor of any easement or any Lien granted by such grantor on such easement property; (f) easements, rights of way, restrictive covenants and other encumbrances, encroachments or other similar matters affecting title that do not materially adversely affect title to the Real Property subject thereto or materially impair the continued use of the Real Property in the ordinary course of the business of the Stations; (g) inchoate materialmen's, mechanics', workmen's, repairmen's or other like Liens arising in the ordinary course of business for amounts that are not yet due and payable or that are being contested in good faith by appropriate proceedings and for which appropriate reserves have been created in accordance with GAAP and that are not resulting from any breach, violation or default by Seller of any Assumed Contract or applicable Law; (h) Liens that will be discharged prior to or simultaneously with Closing; (i) any state of facts an accurate survey would show, provided same does not render title unmarketable or prevent the Real Property being utilized in substantially the same manner as currently used; (j) pledges or deposits to secure obligations under workers' compensation Laws or similar Laws or to secure public or statutory obligations and which pledges or deposits are reflected in the Business Financial Statements to the extent required by GAAP; and (k) the Assumed Liabilities.

"Person" means any natural person, general or limited partnership, corporation, limited liability company, firm, association, trust or other legal entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

"Post-Closing Tax Period" means any Tax period (or portion thereof) beginning and ending after the Effective Time.

"Pre-Closing Tax Period" means any Tax period (or portion thereof) ending at or prior to the Effective Time.

"Real Property" means the real property owned, leased, subleased or licensed by or to Seller primarily in connection with the operation of the Stations, together with all right, title and interest of Seller in all buildings, towers, improvements, fixtures and structures located thereon, and appurtenances thereto, including the Owned Real Property (as hereinafter defined).

"Real Property Leases" means each lease, sublease, license, or similar agreement (including any and all assignments, amendments, and other modifications of such leases, subleases, licenses and other occupancy agreements) pertaining to the use or occupancy of the Real Property in which Seller has an interest as a tenant, licensee, subtenant or sub-licensee.

"Seller Affiliate" means, with respect to Seller, any Person, including, but not limited to, (i) entities, directly or indirectly Controlling, Controlled by or under common

Control with such other Person and (ii) officers, directors, and members of Seller and Seller's Affiliates.

"Tax" or "Taxes" means all federal, state, local or foreign income, excise, gross receipts, ad valorem, sales, use, employment, franchise, profits, gains, property, transfer, use, payroll, intangible or other taxes, fees, stamp taxes, duties, charges, levies or assessments of any kind whatsoever (whether payable directly or by withholding) imposed by a Governmental Authority, together with any interest and any penalties, additions to tax or additional amounts imposed by any Tax authority with respect thereto.

"Tax Returns" means all returns and reports (including elections, declarations, disclosures, schedules, estimates and information returns) required to be supplied to a Tax authority relating to Taxes.

"Trade Secrets" means all proprietary information of Seller that is not generally known and is used or held for use exclusively in the conduct and operation of the Stations, as to which reasonable efforts have been made to prevent unauthorized disclosure, and which provides a competitive advantage to those who know or use it.

"Trademarks" means all trade names, trademarks, service marks, trade dress, jingles, slogans, logos, other source or business identifiers, trademark and service mark registrations and trademark and service mark applications owned, licensed or sublicensed by or leased by Seller and used or held for use exclusively in the Stations, and the goodwill appurtenant thereto.

"Tradeout Agreement" means any Contract pursuant to which Seller has agreed to sell or trade commercial air time or commercial production services of the Stations in consideration for any property or service in lieu of or in addition to cash.

"Transfer Taxes" means all excise, sales, use, value added, registration stamp, recording, documentary, conveyancing, franchise, property, transfer, gains and similar Taxes, levies, charges and fees.

"Transferred Employees" means all Employees who accept Buyer's offer of employment and commence employment on the Employment Commencement Date.

"Working Capital" means Current Assets less Current Liabilities, excluding all Indebtedness owed to Seller's lender. As used herein, (i) Current Assets include cash and cash equivalents, Accounts Receivable, and other current assets and (ii) Current Liabilities include all payables and accruals listed under Current Liabilities, but excluding Accounts Payable - Atalaya.

Section 1.02 Terms Generally. (a) Words in the singular shall be held to include the plural and vice versa and words of one gender shall be held to include the other gender as the context requires, (b) the terms "hereof," "herein," and "herewith" and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole (including the Disclosure Schedules and exhibits hereto) and not to any particular provision of this Agreement, and Article, Section, paragraph, Exhibit and Disclosure

Schedule references are to the Articles, Sections and paragraphs in, and the Exhibits and Disclosure Schedules to this Agreement unless otherwise specified, (c) the word “including” and words of similar import when used in this Agreement means “including, without limitation,” unless otherwise specified, and (d) the word “or” shall not be exclusive.

ARTICLE II. PURCHASE AND SALE

Section 2.01 Purchased Assets. Pursuant to the terms and subject to the conditions of this Agreement, Buyer agrees to purchase from Seller, and Seller agrees to sell, convey, transfer, assign and deliver to Buyer at the Closing, free of all Liens other than Permitted Liens (excluding for this purpose clause (h) of the definition of Permitted Liens), all of Seller’s right, title and interest in, to and under all of its assets, other than the Excluded Assets, in each case as and to the extent located at the Stations or used or held for use primarily with the conduct and operation of the Stations, including the following assets, Contracts, and properties (tangible or intangible), as the same shall exist as of the Closing (the “Purchased Assets”):

(a) the Owned Real Property and all of Seller’s rights under the Real Property Leases and Income Leases;

(b) all Equipment;

(c) all rights under all Contracts relating to the Stations that (i) are listed or referenced on Disclosure Schedule Section 3.05 or Disclosure Schedule Section 3.07 or are not required by the terms of this Agreement to be listed on Disclosure Schedule Section 3.05, (ii) are referenced in other subsections to this Section 2.01 or the corresponding Section in the Disclosure Schedules, or (iii) are entered into after the date hereof by Seller pursuant to the terms and subject to the conditions of Section 5.01 (collectively, the “Assumed Contracts”); provided, however, that Assumed Contracts shall in no event include Excluded Contracts;

(d) all of Seller’s rights, claims, credits, causes of action or rights of set-off against third parties, including with respect to unliquidated rights under manufacturers’ and vendors’ warranties for the Purchased Assets, in each case only to the extent Buyer incurs Losses relating thereto arising after the Effective Time;

(e) all Intangible Property and rights of Seller in the Intangible Property;

(f) all FCC Licenses and all transferable municipal, state and federal franchises, licenses, permits or other authorizations of Governmental Authorities relating to the Stations;

(g) to the extent relating exclusively to the Stations (including any such information that can be reasonably separated from information relating to other stations of Seller or its Seller Affiliates), all information and data, sales and business records, books of account, files (including the Stations’ public inspection files, FCC logs, other compliance records and filings with the FCC relating to the Stations, and all other technical information), invoices, inventory records, general, financial, accounting and real and personal property Tax

records (but excluding all sales and use, income and other Tax records), personnel and employment records for Transferred Employees (to the extent permitted by Law) and all engineering information, sales and promotional literature, manuals and data, sales and purchase correspondence and data, lists of present and former suppliers and lists of present and former customers, advertiser lists, quality control records and manuals, blueprints, litigation and regulatory files, and all other books, documents and records (including all electronic data relating to the Stations, including electronic data relating to the Stations' traffic and historical financial information wherever that information is located);

(h) to the extent relating exclusively to the Stations, all management and other systems (including computers and peripheral equipment), databases, computer software, computer disks and similar assets, and all licenses and rights in relation thereto; and

(i) Seven Hundred Fifty Thousand U.S. Dollars (USD 750,000.00) of the Working Capital, as provided for in Section 2.09.

Section 2.02 Excluded Assets. Notwithstanding anything to the contrary contained in this Agreement, the Purchased Assets shall not include the following assets or any rights, title and interest therein, except to the extent taken into account in the calculation of Working Capital (the "Excluded Assets"):

(a) all bank and other depository accounts of Seller;

(b) except as applicable pursuant to Section 5.04, insurance policies relating to the Stations, and all claims, credits, causes of action or rights, including rights to insurance proceeds, thereunder;

(c) all interest in and to refunds of Taxes relating to Pre-Closing Tax Periods or the other Excluded Assets, except to the extent taken into account in the calculation of the Working Capital;

(d) any cause of action or claim relating to any event or occurrence, or otherwise attributable to any period, prior to the Effective Time (other than as specified in Section 2.01(d));

(e) intercompany accounts receivable and intercompany accounts payable of Seller and its Seller Affiliates;

(f) all: (i) books, records, files and papers, whether in hard copy or computer format, relating to the preparation of this Agreement or the transactions contemplated hereby, (ii) all minute books and corporate records of Seller and its Seller Affiliates, and the corporate names of Seller and its Seller Affiliates; and (iii) all records bearing no relationship with the operations of the Stations;

(g) all rights of Seller arising under this Agreement, the Ancillary Agreements or the transactions contemplated hereby and thereby;

(h) any Purchased Asset sold or otherwise disposed of prior to Closing in the ordinary course of business and as permitted hereunder;

(i) Contracts that are not Assumed Contracts (collectively, the “Excluded Contracts”);

(j) except as set forth in any Assumed Contract, any Employee Plan and any assets of any Employee Plan sponsored by Seller or any of its Affiliates, including any amounts due to such Employee Plan from Seller or any of its Seller Affiliates;

(k) all Tax records, other than real and personal property Tax records related to the Stations or the Purchased Assets;

(l) all equity securities of Seller or its Seller Affiliates and all other equity interests in any entity that are owned beneficially or of record by Seller or its Seller Affiliates;

(m) any assets related to any businesses of Seller or any other radio or television stations owned by Seller or its Seller Affiliates other than the Stations, including without limitation all assets used or held for use in the operation of television station KMBH(TV), Harlingen, Texas; and

(n) all Working Capital as of the Closing Date, except for Seven Hundred Fifty Thousand U.S. Dollars (USD 750,000.00) thereof which will be acquired by Buyer.

Section 2.03 Assumed Liabilities. Upon the terms and subject to the conditions of this Agreement, Buyer agrees, effective at the Effective Time, to assume, pay and perform only the following liabilities of Seller (the “Assumed Liabilities”):

(a) the liabilities and obligations arising with respect to the conduct and operation of the Stations, including the Purchased Assets, after the Effective Time (excluding any liability or obligation arising from, or relating to the performance or non-performance thereof, prior to the Effective Time);

(b) the liabilities included in the calculation of Working Capital;

(c) all liabilities and obligations relating to the conduct and operation of the Stations or the Purchased Assets arising out of Environmental Laws, whether or not presently existing; and

(d) all liabilities with respect to Transferred Employees and Employee Plans expressly assumed or which Buyer expressly agrees to perform under Article VIII or as set forth in any Assumed Contract.

Section 2.04 Excluded Liabilities. Notwithstanding any provision in this Agreement to the contrary, Buyer is assuming only the Assumed Liabilities and is not assuming any other liability or obligation of Seller or any of its Seller Affiliates of whatever nature, whether presently in existence or arising hereafter. Except to the extent taken into account in the calculation of Working Capital, all such other liabilities and obligations shall be retained

by and remain obligations and liabilities of Seller (all such liabilities and obligations not being assumed being herein referred to as the “Excluded Liabilities”), and, notwithstanding anything to the contrary in Section 2.03, none of the following shall be Assumed Liabilities for the purposes of this Agreement, except to the extent taken into account in the calculation of Working Capital:

(a) any liability or obligation under or with respect to any Assumed Contract, Governmental Order, Real Property Lease or Income Lease required by the terms thereof to be discharged at or prior to the Effective Time;

(b) any liability or obligation related to Indebtedness, except for vehicle or equipment leases or agreements (all of which shall constitute Assumed Contracts);

(c) any liability or obligation relating to or arising out of any of the Excluded Assets or any Employee Plan (except as set forth in any Assumed Contract);

(d) other than as specifically set forth in Article VIII or as set forth in any Assumed Contract, any liability, obligation or commitment with respect to Employees and their beneficiaries, including accrued compensation and any obligations to Employees and their beneficiaries under COBRA;

(e) any Tax liability or obligation related to Pre-Closing Tax Periods (except as expressly provided in Article IX);

(f) any liability to indemnify, reimburse or advance amounts to any officer, director, employee or agent of Seller, or any direct or indirect subsidiary thereof, other than any liability to any Transferred Employee first incurred on or after, and arising out of events or circumstances solely on or after, the Employment Commencement Date;

(g) all liabilities and obligations arising with respect to the operation of the conduct and operation of the Stations, including the Purchased Assets, prior to the Effective Time (excluding any liability or obligation expressly assumed by Buyer hereunder); and

(h) any liability of Seller under this Agreement or any document executed in connection therewith, including the Ancillary Agreements.

Section 2.05 Assignment of Contracts and Rights.

(a) Anything in this Agreement to the contrary notwithstanding, this Agreement shall not constitute an agreement to assign any Purchased Asset or any claim or right or any benefit arising thereunder or resulting therefrom if such assignment, without the consent of a third party thereto, would constitute a breach or other contravention of such Purchased Asset or in any way adversely affect the rights of Buyer or Seller thereunder (any such Purchased Asset, claim, right or benefit, a “Non-Assignable Asset”); provided, however, that, subject to the satisfaction or waiver of the conditions contained in Article X, the Closing shall occur notwithstanding the foregoing. Seller shall use its commercially reasonable efforts to obtain such consents after the execution of this Agreement until each such consent is obtained, and Buyer, at Seller’s request, shall reasonably cooperate with Seller in connection

therewith. If any such consent is not obtained prior to the Closing Date and the Closing nonetheless occurs; (a) Seller shall use its commercially reasonable efforts to obtain such consent as soon as possible after the Closing Date, and Buyer, at Seller's request, shall reasonably cooperate with Seller in connection therewith; (b) to the extent permitted by applicable Law, until such consent is obtained, Seller and Buyer will cooperate in a mutually agreeable arrangement (such as subleasing, sublicensing or subcontracting) under which Buyer would obtain the benefits and pay and perform the obligations under any such Non-Assignable Asset in accordance with the terms of this Agreement and enforcement by Seller for the benefit and at the direction of Buyer of any and all rights of Seller against a third party thereto to the extent possible; and (c) Seller shall immediately transfer to Buyer, and Buyer shall immediately accept, any Non-Assignable Asset once any consent in respect thereof is obtained for no additional consideration. Notwithstanding the foregoing, neither Seller, Buyer nor any of their respective Affiliates or Seller Affiliates shall be required to pay consideration to any third party to obtain any consent.

(b) Some of the Assumed Contracts may be used in the operation of the Stations and other stations owned by Seller or its Affiliates (the "Shared Contracts"). Buyer shall not be liable under the Shared Contracts for any defaults by Seller or any other assignee of Seller. The rights and obligations under such Shared Contracts shall be equitably allocated among the Stations and such other stations in accordance with the following equitable allocation principles: (i) any allocation set forth in the Shared Contract shall control, and (ii) if none, then the Seller and Buyer shall, in good faith, agree upon a quantifiable proportionate benefit to be received by the parties after Closing. Buyer shall cooperate with Seller (and any applicable third party) in such allocation, and the Assumed Contracts (and Assumed Liabilities) will include only Buyer's allocated portion of the rights and obligations under the Assumed Contracts (without need for further action and whether such allocation occurs before or after Closing).

Section 2.06 Consideration. In consideration for the sale of the Purchased Assets, Buyer shall, at the Closing, in addition to assuming the Assumed Liabilities, pay to Seller the sum of Six Million U.S. Dollars (USD 6,000,000.00) (the "Purchase Price"), subject to adjustment pursuant to Section 5.04 (as applicable), by wire transfer of immediately available federal funds pursuant to wire instructions that Seller shall provide to Buyer.

Section 2.07 Escrow Arrangements.

(a) Pre-Closing. An Affiliate of Buyer has delivered to Wilmington Trust, National Association (the "Escrow Agent") the sum of Six Hundred Thousand Dollars (USD 600,000.00) to be held as an earnest money deposit ("Escrow Deposit") pursuant to an Escrow Agreement dated January 4, 2019, by and among R Communications LLC (an Affiliate of Seller), Texas Multi Tele Ventas, Inc. (an Affiliate of Buyer), and Escrow Agent (the "Escrow Agreement"). The Escrow Deposit (less any interest earned thereon which shall be paid to Buyer or Buyer's Affiliate) shall be credited as partial payment of the Purchase Price due at the Closing to Seller, or shall otherwise be released to Buyer and/or Buyer's Affiliate, or Seller, as applicable, in accordance with Section 11.02 hereof. Any failure by Buyer or Buyer's Affiliate that would cause the previously made Escrow Deposit to be terminated

constitutes a material default as to which no cure period applies, entitling Seller to terminate immediately this Agreement.

(b) Post-Closing. At Closing, Buyer shall deposit with the Escrow Agent, by wire transfer of immediately available funds, a portion of the Purchase Price equal to Six Hundred Thousand Dollars (USD 600,000.00) in the escrow account established pursuant to the Assurance Agreement (defined below). The Assurance Agreement provides for a post-closing escrow of such funds under this Agreement and certain funds under the Mexican Purchase Agreement (defined below), for a total of Seven Hundred Thirty Thousand Dollars (USD 730,000.00) (all such post-Closing escrow funds under both this Agreement and the Mexican Purchase Agreement shall be referred to herein as the “Post-Closing Escrow Fund”). The Post-Closing Escrow Fund shall continue to be held by the Escrow Agent pursuant to an escrow agreement for a period of eighteen (18) months after Closing in order to secure Seller’s indemnification obligations under this Agreement and the seller’s indemnification obligations under the Mexican Purchase Agreement. Any Losses (defined below) payable to a Buyer Indemnified Party (defined below) pursuant to Article XII of this Agreement or payable to a buyer indemnified party under the Mexican Purchase Agreement shall be satisfied from the Post-Closing Escrow Fund. If after Closing any indemnification claim pursuant to Article XII of this Agreement by a Buyer Indemnified Party is resolved in favor of a Buyer Indemnified Party, or any indemnification claim by a buyer indemnified party under the Mexican Purchase Agreement is resolved in favor of a buyer indemnified party thereunder, then within one business day thereafter, the parties shall give joint written instructions to the Escrow Agent to disburse such portion of the Post-Closing Escrow Fund owing to such Buyer Indemnified Party or buyer indemnified party under the Mexican Purchase Agreement in connection with such claim. On the date one business day after the eighteenth monthly anniversary following the Closing Date, the parties to the post-Closing escrow agreement shall deliver joint written instructions to the Escrow Agent instructing the Escrow Agent to release any amounts remaining and undisputed in the Post-Closing Escrow Fund in accordance with the Assurance Agreement. All interest earned after Closing on any portion of the Post-Closing Escrow Fund shall be for the benefit of Seller.

(c) The parties shall each instruct the Escrow Agent to disburse the Post-Closing Escrow Fund or the Escrow Deposit (and all interest accrued thereon) to the party entitled thereto and shall not, by any act or omission, delay or prevent any such disbursement.

(d) As used herein, the “Assurance Agreement” means the Assurance Agreement of even date herewith by and among: (i) Atalaya Administrative LLC, (ii) Radio Ultra, S.A. de C.V., a company duly incorporated in accordance with the laws of Mexico, (iii) Buyer, (iv) Radio BMP de Reynosa, S.A. de C.V., a company duly incorporated in accordance with the laws of Mexico (“Radio BMP Reynosa”), (v) Radio BMP de Ciudad Camargo, S.A. de C.V., a company duly incorporated in accordance with the laws of Mexico (together with Radio BMP Reynosa, the “Mexican Seller”), (vi) Seller and (vii) MB Revolution LLC, a Texas limited liability company (“MB Revolution”).

Section 2.08 Closing. The closing of the transactions contemplated by this Agreement (the “Closing”) shall be held by exchange of documents and Buyer’s funding of the Purchase Price on a mutually agreeable date within ten (10) Business Days following full

satisfaction or waiver of all of the Closing conditions set forth in Article X hereof (other than those required to be satisfied at the Closing) or on such other date as is mutually agreeable to Buyer and Seller. The date of the Closing is herein referred to as the "Closing Date." Subject to the terms and conditions set forth in this Agreement, the parties hereto shall consummate the following "Closing Transactions" at the Closing:

- (a) Buyer shall deliver to Seller:
 - (i) the certificate described in Section 10.01(a);
 - (ii) the documents described in Section 10.01(d);
 - (iii) the Purchase Price, net of the Escrow Deposit, in accordance with Section 2.06 by wire transfer of immediately available federal funds; and
 - (iv) such other documents and instruments as Seller has determined to be reasonably necessary to sell the Purchased Assets and for Buyer to assume the Assumed Liabilities.
- (b) Seller shall deliver, or cause to be delivered, to Buyer:
 - (i) the certificate described in Section 10.02(a);
 - (ii) the documents described in Section 10.02, including, but not limited to Subsections (c), (d), (e), and (h);
 - (iii) a duly executed Bill of Sale;
 - (iv) a duly executed Assignment for the FCC Licenses;
 - (v) a duly executed Assignment for the Intangible Property, to the extent any owned and registered Intangible Property is included in the Purchased Assets;
 - (vi) a duly executed special warranty deed, in such form customarily used for commercial real estate transactions in the county in which the Owned Real Property is located, that is mutually agreeable to Seller and Buyer (along with such title affidavits and other customary documentation reasonably requested by the title company in order to issue a customary title insurance policy, in an amount at least equal to the value of the Owned Real Property, utilized by nationally recognized title insurers operating in the applicable county, to the Buyer); and
 - (vi) such other documents and instruments as Buyer has determined to be reasonably necessary for Buyer to acquire the Purchased Assets and assume the Assumed Liabilities.

(c) Seller and Buyer shall enter into and deliver to each other, or cause to be entered into and delivered to each other:

(i) a duly executed Assignment and Assumption Agreement for the Assumed Contracts (other than the Real Property Leases and Income Leases);

(ii) one or more duly executed Assignment and Assumption Agreements for the Real Property Leases and Income Leases;

(iii) duly executed instructions to the Escrow Agent directing the release of the Escrow Deposit to Seller and any interest earned thereon to Buyer; and

(iv) such other documents as set forth in Section 10.01(d) and Section 10.02(c).

Section 2.09 Working Capital.

(a) Buyer shall acquire Seven Hundred Fifty Thousand U.S. Dollars (USD 750,000.00) of the Working Capital.

(b) In determining the allocation of the Working Capital between Seller and Buyer, the elements of the Working Capital shall be allocated in an equal amount. For example, if the amount of cash is USD 100,000.00, Seller shall receive USD 50,000.00 in cash and Buyer shall receive USD 50,000.00 in cash.

ARTICLE III. REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants to Buyer as follows:

Section 3.01 Corporate Existence and Power. Each entity comprising Seller is a Texas limited liability company, validly organized, existing and in good standing under the Laws of the state of Texas. Seller has the requisite power and authority to own and operate the Stations as currently operated.

Section 3.02 Corporate Authorization.

(a) The execution and delivery by Seller of this Agreement and the Ancillary Agreements (to which Seller is or will be a party), the performance by Seller of its obligations hereunder and thereunder and the consummation by Seller of the transactions contemplated hereby and thereby are within the Seller's organizational powers and have been duly authorized by all requisite organizational action on the part of Seller, and no other action on the part of Seller is necessary to authorize and approve the execution, delivery and performance by Seller of this Agreement and the Ancillary Agreements (to which Seller is or will be a party) and the consummation by Seller of the transactions contemplated hereby and thereby.

(b) This Agreement has been, and the Ancillary Agreements (to which Seller is or will be a party) will be, duly executed and delivered by Seller. This Agreement (assuming due authorization, execution and delivery by Buyer) constitutes, and each Ancillary Agreement (to which Seller is or will be a party) will constitute when executed and delivered by Seller, the legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other similar Laws affecting or relating to enforcement of creditors' rights generally and general principles of equity (regardless of whether enforcement is considered in a proceeding at law or in equity).

Section 3.03 Government Authorizations. The execution, delivery and performance by Seller of this Agreement and each Ancillary Agreement (to which Seller is or will be a party) and the consummation of the transactions contemplated hereby and thereby require no action by or in respect of, or filing with or notification to, any Governmental Authority other than (a) the FCC Application and (b) compliance with the Communications Laws.

Section 3.04 Non-Contravention. The execution, delivery and performance of this Agreement and each Ancillary Agreement (to which Seller is or will be a party) by Seller and the consummation of the transactions contemplated hereby and thereby do not and will not: (a) violate or conflict with the organizational documents of Seller, (b) assuming compliance with the matters referred to in Section 3.03, conflict with or violate in any material respect any Law or Governmental Order applicable to Seller or any of the Purchased Assets, (c) except as disclosed in Disclosure Schedule Section 3.05 or Disclosure Schedule Section 3.07, require any consent or other action by or notification to any Person under, constitute a material default under, give to any Person any rights of termination, amendment, acceleration, cancellation of any material right or obligation of Seller under, any provision of any Material Assumed Contract, or (d) result in the creation or imposition of any Lien (except for Permitted Liens) on any of the Purchased Assets.

Section 3.05 Contracts.

(a) Disclosure Schedule Section 3.05 sets forth all of the following Contracts (other than Contracts which are Excluded Assets) to which Seller is a party related to the Stations as of the date hereof or to which an Affiliate of Seller is a party that are used with respect to the Stations as of the date hereof (each a "Material Assumed Contract"):

(i) any Contract for the sale of broadcast time for advertising or other purposes for cash that (A) was not made in the ordinary course of business consistent with past practices or (B) has more than twelve (12) months remaining in its term;

(ii) any Contract involving the purchase or sale of Real Property;

(iii) any Contract entered into after December 31, 2018 relating to the acquisition or disposition of any material portion or any material asset of the Stations (whether by merger, sale of stock, sale of assets or otherwise);

(iv) any Contract involving construction, architecture, engineering or other agreements relating to uncompleted construction projects, in each case that involve payments in excess of USD 30,000.00;

(v) any mortgage, pledge or security agreement, deed of trust or other instrument granting a Lien (other than Permitted Liens) upon any Purchased Asset, other than those that will be paid off at Closing;

(vi) any Contract involving a partnership, joint venture or similar agreement with another party;

(vii) any Contract involving compensation to any employee, independent contractor, or consultant in excess of USD 20,000.00 per year (provided, however, that for purposes of this Section 3.05(a)(vii), the term Contract shall not include at-will Contracts) and any Contract providing for post-employment or post-consulting liabilities or obligations (including severance pay);

(viii) any Contract involving any labor agreement or collective bargaining agreement;

(ix) any Contract that contains a covenant restricting the ability of Seller to compete in any business or with any Person or in any geographic area in which the Stations operate;

(x) any Contract that is a local marketing agreement, joint sales agreement or similar agreement, including without limitation the KQUR local programming and marketing agreement;

(xi) any Contract with a Governmental Authority (other than ordinary course Contracts with Governmental Authorities as a customer that provide for payments or potential payments that do not exceed USD 25,000.00 in the aggregate in any year) which imposes any material obligation or restriction on Seller; and

(xii) all other Contracts (including all programming Contracts) that involve the cash payment or potential cash payment, pursuant to the terms of any such Contract, by or to Seller of more than USD 25,000.00 per year that cannot be terminated within thirty (30) days after giving notice of termination without resulting in any material cost or penalty to Seller.

(b) Seller is not in material default under, has not received written notice of any material default under, and has not failed to perform any of its material obligations under any of the Material Assumed Contracts to which it is a party, and to the Knowledge of Seller, there is no material default or material failure to perform any obligation by another party, either pending or threatened, with respect to any Material Assumed Contracts. Seller has not been notified (or otherwise has Knowledge of the fact) that any other party to any Material Assumed Contract intends to terminate, cancel, withdraw, repudiate, materially adversely modify or materially adversely amend any such Material Assumed Contract

(c) Each Material Assumed Contract is in full force and effect and constitutes a legal, valid and binding obligation of Seller, as applicable, and, to the Knowledge of Seller, of each other party thereto (except to the extent that the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or other Laws from time to time in effect relating to creditors' rights and remedies generally and general principles of equity).

(d) Except as set forth on Disclosure Schedule Section 3.05, Seller has made available to Buyer accurate and complete copies of all Material Assumed Contracts required to be listed on Disclosure Schedule Section 3.05, and all amendments thereto.

Section 3.06 Intangible Property.

(a) The Intangible Property described, listed or set forth on Disclosure Schedule Section 3.06 includes all Intangible Property that is material to the Stations. Disclosure Schedule Section 3.06 includes a true and complete list of all registrations, applications for registration and similar filings with any Governmental Authority relating to the Intangible Property that is material to the Stations, and all such material Intangible Property is subsisting and, to the Knowledge of Seller, valid and enforceable. Seller has taken all action necessary to prosecute or maintain all such registrations, applications and similar filings in full force and effect.

(b) Except as set forth on Disclosure Schedule Section 3.10, Seller has received no notice of any pending claims, demands or proceedings and, to the Knowledge of Seller, no such claim, demand or proceeding is threatened, by any third party challenging the ownership, validity or enforceability of Seller's right to use any of the material Intangible Property or that any material Intangible Property or any services provided or process used by the Stations conflict with, infringe or otherwise violate the rights of third parties.

(c) To the Knowledge of Seller, no third party has infringed or is infringing on any of the material Intangible Property included in the Purchased Assets.

(d) Seller has not received any notice that any of the material Intangible Property is the subject of an outstanding finding, opinion or office action of any Governmental Authority restricting the use thereof by Seller. No material Intangible Property owned by Seller has been adjudged invalid, unenforceable or unregistrable in whole or in part.

Section 3.07 Real Property.

(a) Seller is the sole owner of good, marketable and indefeasible fee simple title to the owned Real Property identified on Disclosure Schedule Section 3.07, which constitutes the parcel(s) of real property which is(are) owned by Seller and used primarily with respect to certain of the Stations (such property, together with all buildings, structures, fixtures and other improvements thereon, and all appurtenances thereto, the "Owned Real Property"). All Owned Real Property is included in the Purchased Assets. The Owned Real Property is free and clear of all Liens other than Permitted Liens. Disclosure Schedule Section 3.07 includes a list of each Real Property Lease and Income Lease in effect as of the date of this Agreement. Seller has a valid leasehold interest in, or a valid license to occupy, the Real

Property conveyed by the Real Property Leases. Except as set forth on Disclosure Schedule Section 3.07, Seller (i) has received no notice of any material violation of material Law affecting the Owned Real Property, the Real Property Leases or the Income Leases or Seller's use thereof, (ii) is not in material default under any Real Property Lease or Income Lease, (iii) within the past two (2) years, has received no notice of material default under or termination of any Real Property Leases or Income Leases, and (iv) has no Knowledge of any current material default by any third party under any Real Property Lease or Income Lease. Each Real Property Lease and Income Lease is in full force and effect and constitutes a legal, valid and binding obligation of Seller and, to the Knowledge of Seller, of each other party thereto (except to the extent that the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or other Laws from time to time in effect relating to creditors' rights and remedies generally and general principles of equity). Seller has made available to Buyer true and correct copies of the Real Property Leases and Income Leases, together with all amendments thereto. The real property that is used primarily with respect to the Stations as of the date hereof by Seller is owned, leased, subleased or licensed by Seller. Disclosure Schedule Section 3.07 identifies the parcel of Real Property on which: (A) the towers and transmission equipment for the Stations are located and (B) the main studio, or any other studios, of the Stations are located and designates which studios apply to which of the Stations.

(b) Within the past two (2) years, Seller has not received written notice of any existing plan or study by any Governmental Authority or by any other Person that challenges or otherwise materially adversely affects the continuation of the use or operation of the Owned Real Property or the Real Property Leases, and has no Knowledge of any such plan or study with respect to which it has not received written notice. Except as set forth in the Income Leases, there is no Person in possession of the Owned Real Property other than Seller. Except as identified in Disclosure Schedule Section 3.07, no Person has any right to acquire the interests in the Owned Real Property. To the Knowledge of Seller, the Owned Real Property is not subject to any suit for condemnation or other taking by any Governmental Authority. As of the date of this Agreement, there is no actual imposition of any assessments for public improvements with respect to the Owned Real Property and, to the Knowledge of Seller, no such improvements have been constructed or planned that would be paid for by means of assessments upon any Owned Real Property. To the Knowledge of Seller, no condemnation or eminent domain proceeding is pending or threatened which could reasonably be expected to preclude or impair in any way the use of the Owned Real Property.

(c) Except as disclosed on Disclosure Schedule Section 3.07 or Disclosure Schedule Section 3.16, with respect to the Owned Real Property, all material improvements, installations, equipment and facilities utilized in connection with the Stations and owned by Seller, including studios, towers (including the guy anchors supporting any such towers) and Seller's transmission equipment located on such Owned Real Property, if any, are: (i) included in the Purchased Assets, (ii) maintained on the Owned Real Property in compliance in all material respects with all applicable Laws and Permits, and (iii) in normal operating condition and repair in all material respects for the uses for which they are currently employed (normal wear and tear excepted).

(d) Except as disclosed on Disclosure Schedule Section 3.07, to the Knowledge of Seller, the Owned Real Property, as used and maintained by Seller, is in material compliance with all applicable building, zoning, subdivision, health and safety and other land use Laws, including the American with Disabilities Act of 1990, as amended.

(e) Except as disclosed on Disclosure Schedule Section 3.07, (i) the parcel of Owned Real Property has vehicular access (*e.g.* ingress and egress) to a public street adjoining such parcel of Owned Real Property, or has ingress and egress to a public street via Real Property Leases or easements, (ii) such access is not dependent on any land or other real property interest which is not included in the Real Property and (iii) the Real Property includes sufficient access to the Stations' facilities to operate the Stations in the ordinary course for the uses for which they are currently employed.

(f) To the Knowledge of Seller, the current use and occupancy of the Owned Real Property and the operation of the business of Seller as currently conducted thereon does not violate in any material respect any easement, covenant, condition, restriction or similar provision in any instrument of record affecting such Owned Real Property or Seller's use and occupancy thereof.

Section 3.08 Financial Information.

(a) Complete and correct copies of the unaudited balance sheet of the Stations as of December 31, 2018 (the "Business Financial Statements") have been provided by Seller to Buyer. The Business Financial Statements: (x) were in each case prepared in accordance with the books and records of Seller and the Stations and (y) were included in the consolidated financial statements of Seller's parent company, which such consolidated financials were prepared in accordance with GAAP in all material respects, consistently applied during the applicable periods, and present fairly in all material respects the financial position of the Stations as of the applicable dates (except as may be indicated in the notes thereto), subject, in each case, to the absence of statements of cash flows, other comprehensive income (loss), stockholders' equity (deficiency), and footnotes (none of which, individually or in the aggregate, are material).

(b) Seller has no liabilities that relate to the Stations or to which the Purchased Assets would be subject which would be required to be reflected or reserved against on a combined balance sheet of the Stations prepared in accordance with GAAP or the notes thereto, except liabilities: (i) reflected or reserved against on the unaudited balance sheet of the Stations as of the Balance Sheet Date, (ii) incurred after the Balance Sheet Date in the ordinary course of business, (iii) that are Excluded Liabilities, (iv) to the extent taken into account in the calculation of Working Capital, (v) to be performed after the date hereof pursuant to the Material Assumed Contracts (other than as a result of any material breach or default thereunder) or (vi) as contemplated by this Agreement.

Section 3.09 Absence of Certain Changes or Events. Since January 1, 2019 through the date of this Agreement, except as contemplated by this Agreement or as set forth on the Disclosure Schedules hereto, there has not been:

- (i) any Material Adverse Effect;
- (ii) any damage, destruction or loss, not covered by insurance with respect to any of Seller's property and assets having a replacement cost of more than USD 30,000.00; provided, Seller shall not be in breach of this representation if Seller can demonstrate it has reserved appropriate funds to cover any shortfall;
- (iii) the creation or other incurrence by Seller of any Lien on any Purchased Asset other than Permitted Liens;
- (iv) any (i) establishment of any bonus, employment, severance, deferred compensation, retirement or other employee benefit plan (or any amendment to such existing agreement) by Seller, (ii) grant of any severance or termination pay to any officer, director, member or employee of Seller, or (iii) increase or change to the rate or nature of the compensation (including wages, salaries and bonuses) payable to any Person employed by Seller, except in each case (a) as may be required by Law or existing contracts or applicable collective bargaining agreements or (b) in the ordinary course of business consistent with past practices;
- (v) any labor dispute, other than routine individual grievances, or any activity or proceeding by a labor union or representative thereof to organize any Employees of Seller, which Employees were not subject to a collective bargaining agreement at the Balance Sheet Date, or any lockouts, strikes, concerted work stoppages or slowdowns, or threats thereof by or with respect to any Employees of Seller;
- (vi) the entry into, or modification or termination of any Real Property Leases or Income Leases, other than such new or modified Real Property Leases or Income Leases included in the Material Assumed Contracts;
- (vii) any sale of Owned Real Property or other transfer, conveyance, or termination of leasehold rights in, such Owned Real Property;
- (viii) any change in any method of accounting or accounting practice by Seller except for any such change required by reason of a concurrent change in GAAP;
- (ix) any sale, lease, license or disposition of any material assets used or held for use primarily in the operation of the Stations other than in the ordinary course of business; or
- (x) any agreement or commitment to do anything set forth in this Section 3.09.

Section 3.10 Absence of Litigation. As of the date of this Agreement, except as set forth on Disclosure Schedule Section 3.10, there is no Action pending against or affecting or, to the Knowledge of Seller, threatened against or affecting the Stations or the Seller, that

would be reasonably expected to restrain, enjoin or otherwise prevent the consummation of the transactions contemplated by this Agreement or the Ancillary Agreements, other than those Actions affecting the radio broadcast industry generally.

Section 3.11 Compliance with Laws. Except as set forth on Disclosure Schedule Section 3.10, Seller: (i) is in compliance in all material respects with all applicable Laws and Governmental Orders and (ii) to the Knowledge of Seller, is not under investigation with respect to and has not been threatened in writing to be charged with, any material violation of any material applicable Law or Governmental Order, in each case, in connection with the operation of the Stations.

Section 3.12 FCC Matters; Qualifications.

(a) Disclosure Schedule Section 3.12 contains a true and complete list, as of the date hereof, of all FCC Licenses, including antenna structure registrations of towers owned by Seller and associated with the Stations. The FCC Licenses are validly held by Seller and are in full force and effect. The main station licenses included in the FCC Licenses have been issued for full terms customarily issued to radio broadcast stations in the state in which each Station's community of license is located, and the FCC Licenses are not subject to any condition except for those conditions appearing on the face of the FCC Licenses and conditions applicable to broadcast radio licenses generally.

(b) Except as set forth on Disclosure Schedule Section 3.12, Seller (i) has operated the Stations in compliance with the Communications Laws and the FCC Licenses in all material respects, (ii) has timely filed all registrations and material reports required to have been filed with the FCC with respect to the Stations, (iii) has paid all FCC regulatory fees due in respect to the Stations and (iv) has completed the construction of all facilities or changes contemplated by any of the FCC Licenses or construction permits issued to the Stations prior to the date of this Agreement. Except as set forth in Disclosure Schedule Section 3.12, to the Knowledge of Seller, there are no applications, petitions, proceedings, complaints, investigations or other actions pending or threatened before the FCC relating to the Stations, other than proceedings affecting broadcast radio stations generally. Seller is qualified under the Communications Laws (as in effect on the date hereof) to assign the FCC Licenses to Buyer.

Section 3.13 Intentionally Omitted. Section 3.14 Employees: Labor Matters.

(a) Seller has made available to Buyer a list of all Employees of the Stations, containing their names, dates of hire, current rates of compensation, and any other material facts concerning their terms of employment.

(b) The Stations are not subject to or bound by any labor agreement or collective bargaining agreement. To the Knowledge of Seller, there is no activity involving any Employee seeking to certify a collective bargaining unit or engaging in any other organizational activity.

(c) Seller is not engaged in any unfair labor practice at any Station or with respect to any Employee that would reasonably be expected to materially adversely affect the Stations. There are no labor strikes, material labor disputes, concerted work stoppages or lockouts pending or, to the Knowledge of Seller, threatened at the Stations. There are no grievances, complaints or other legal proceedings pending, or to the Knowledge of Seller, threatened, against Seller in connection with the employment of the Employees, except that would not reasonably be expected to result in a material liability. Seller has operated the Stations in compliance in all material respects with all applicable labor and employment Laws in connection with the employment of the Employees.

Section 3.15 Environmental Matters.

(a) Seller has not received any citation, written notice, request for information, order, complaint or penalty, and, to the Knowledge of Seller, no Governmental Authority has brought any Action alleging a material violation of, or liability under, any Environmental Laws for releases at any Real Property owned, leased or operated by Seller in connection with the Stations;

(b) Seller is in compliance with the Environmental Laws in all material respects with respect to the operation of the Stations, including those relating to generation, storage, treatment, removal, cleanup, transport or disposal of Hazardous Materials;

(c) To the Knowledge of Seller, there have been no releases of Hazardous Materials at, from, to, on or under any Owned Real Property that give rise to an affirmative reporting or cleanup obligation under Environmental Law; and

(d) (i) To the Knowledge of Seller, there are no underground storage tanks at the Owned Real Property and (ii) Seller does not utilize any underground storage tanks at the Real Property subject to the Real Property Leases.

Section 3.16 Equipment. Disclosure Schedule Section 3.16 lists all material items of Equipment included in the Purchased Assets as of the date hereof. Except as otherwise set forth in Disclosure Schedule Section 3.16, all such material items of Equipment are in normal operating condition and repair in all material respects for the uses to which they are currently employed (ordinary wear and tear excepted), and have been maintained by Seller in accordance with normal industry practice in all material respects. Seller owns or leases all Equipment included in the Purchased Assets, free and clear of all Liens, except Permitted Liens. No Person other than Seller has any rights to use any of the Equipment or other tangible personal property included in the Purchased Assets, whether by lease, sublease, license or other instrument, other than set forth on Disclosure Schedule Section 3.16.

Section 3.17 Brokers. No broker, investment banker, financial advisor or other Person is entitled to any broker's, finder's, financial advisor's or similar fee or commission, or the reimbursement of expenses, in connection with the transactions contemplated hereby based upon arrangements made by or on behalf of Seller or any of its Seller Affiliates.

Section 3.18 Taxes.

(a) Seller has filed or will have filed on a timely basis all Tax Returns relating primarily to the Purchased Assets or the Stations that are required to be filed, all such Tax Returns are or will be, correct and complete in all material respects, and Seller has or will have timely paid all such Taxes due (whether or not shown thereon) except as contested by appropriate proceedings and which constitute Excluded Liabilities. To Seller's Knowledge, none of the Purchased Assets is subject to any lien in favor of the United States pursuant to Section 6321 of the Code for nonpayment of federal Taxes, or any Tax lien in favor of any state or locality pursuant to any comparable provision of state or local Law, or any other U.S. federal, state or local Tax Law under which transferee liability might be imposed upon Buyer as a buyer of such Purchased Assets. Seller has withheld and paid all Taxes required to have been withheld and paid in connection with any amount paid or owing to any employee, independent contractor, creditor, member, or other third party with respect to the Stations and the Purchased Assets.

(b) To Seller's Knowledge, there are no Liens against the Purchased Assets in respect of any Taxes, other than with respect to Taxes not yet due and payable.

(c) To Seller's Knowledge, there is no material action or proceeding or unresolved claim for assessment or collection, pending or threatened by any Governmental Authority for assessment or collection from Seller of any Taxes of any nature affecting the Purchased Assets or the Stations.

(d) To Seller's Knowledge, there is no material dispute or claim concerning any Tax liability of Seller relating primarily to the Purchased Assets or the Stations claimed or raised by any Governmental Authority in writing.

Section 3.19 Purchased Assets. The Purchased Assets, together with the Excluded Assets, constitute all of the assets that are used or held for use by Seller in order to operate the Stations in all material respects as currently operated.

Section 3.20 Title. Seller has good and valid title to, a valid leasehold interest in, or a valid license to use, the Purchased Assets free and clear of all Liens (other than Permitted Liens).

Section 3.21 Insurance. Seller maintains insurance policies or other arrangements with respect to the Stations and the Purchased Assets consistent with commercially reasonable practices in the radio broadcast industry. All such policies are (and will remain until the Effective Time) in full force and effect. There is no material claim pending under any such insurance policy as to which coverage has been questioned, denied or disputed by the underwriters of such insurance policy, and Seller has not received any written threatened termination of any of such insurance policies.

**ARTICLE IV.
REPRESENTATIONS AND WARRANTIES OF BUYER**

Buyer represents and warrants to Seller as follows:

Section 4.01 Existence and Power. Buyer is a corporation duly incorporated, validly existing and in good standing under the Laws of the State of Delaware and has all corporate power and all governmental licenses, authorizations, permits, consents and approvals required to carry on its business as now conducted and to acquire, own and operate the Stations. At Closing, Buyer will be qualified to do business in the State of Texas.

Section 4.02 Corporate Authorization.

(a) The execution and delivery by Buyer of this Agreement and the Ancillary Agreements (to which Buyer will be a party), the performance by Buyer of its obligations hereunder and thereunder and the consummation by Buyer of the transactions contemplated hereby and thereby are within Buyer's organizational powers and have been duly authorized by all requisite organizational action on the part of Buyer, and no other action on the part of Buyer is necessary to authorize and approve the execution, delivery and performance by Buyer of this Agreement and the Ancillary Agreements (to which Buyer will be a party) and the consummation by Buyer of the transactions contemplated hereby and thereby.

(b) This Agreement has been, and each Ancillary Agreement (to which Buyer is or will be a party) will be, duly executed and delivered by Buyer. This Agreement (assuming due authorization, execution and delivery by Seller) constitutes, and each Ancillary Agreement (to which Buyer is or will be a party) will constitute when executed and delivered by Buyer, the legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other similar Laws affecting or relating to enforcement of creditors' rights generally and general principles of equity (regardless of whether enforcement is considered in a proceeding at law or in equity).

Section 4.03 Government Authorizations. The execution, delivery and performance by Buyer of this Agreement and each Ancillary Agreement and the consummation of the transactions contemplated hereby and thereby require no action by or in respect of, or filing with or notification to, any Governmental Authority other than the FCC Application and compliance with the Communications Laws.

Section 4.04 Non-Contravention. The execution, delivery and performance of this Agreement by Buyer and each Ancillary Agreement to which Buyer will be a party and the consummation of the transactions contemplated hereby and thereby do not and will not: (a) violate or conflict with the organizational documents of Buyer, (b) assuming compliance with the matters referred to in Section 4.03, conflict with or violate any Law or Governmental Order applicable to Buyer, (c) require any consent or other action by or notification to any Person under, constitute a default under, or give to any Person any rights of termination, amendment, acceleration or cancellation of any right or obligation of Buyer under, any provision of any note, bond, mortgage, indenture, contract, agreement, lease, license, permit, franchise or other agreement or instrument to which Buyer is a party or by which any of Buyer's assets is or may be bound or (d) result in the creation or imposition of any Lien (except for Permitted Liens) on any asset of Buyer that would have a material adverse effect on Buyer's ability to perform its obligations under this Agreement or the Ancillary Agreements to which Buyer will be a party.

Section 4.05 Absence of Litigation. There are no Actions pending against or, to Buyer's knowledge, threatened against Buyer before any Governmental Authority that in any manner challenges or seeks to prevent, enjoin, alter or delay materially the transactions contemplated by this Agreement.

Section 4.06 FCC Qualifications. Buyer is legally, financially and otherwise qualified under the Communications Laws to acquire the FCC Licenses and own and operate the Stations. Buyer's principals are citizens of the United Mexican States and are relying on the changes in FCC policy, as expressed in *Review of Foreign Ownership Policies for Broadcast, Common Carrier and Aeronautical Radio Licensees under Section 310(b)(4) of the Communications Act of 1934*, as amended, 31 FCC Rcd 11272 (2017) in permitting Buyer to apply for consent to the assignment of the FCC Licenses. There are no facts known to Buyer, after due inquiry, that would disqualify Buyer as the assignee of the FCC Licenses or as owner and operator of the Stations, and no waiver or exemption, whether temporary or permanent, of the Communications Laws is necessary for the FCC Consent to be obtained. Buyer has no reason to believe, after due inquiry, that the FCC Application might be challenged by any third party or might not be granted by the FCC in the ordinary course due to any fact or circumstance relating to Buyer or any of its Affiliates or any of their respective officers, directors, shareholder, members or partners. Buyer, at its expense, will prepare, file, and prosecute the necessary Petition for Declaratory Ruling needed to secure the FCC Consent.

Section 4.07 Brokers. There is no broker, finder, investment banker or other intermediary that has been retained by or is authorized to act on behalf of Buyer who or that might be entitled to any fee or commission from either Buyer or any of its Affiliates upon consummation of the transactions contemplated by this Agreement and the Ancillary Agreements.

Section 4.08 Financing. Buyer has sufficient cash or available lender financing or lines of credit, to enable it to make payment of the Purchase Price, all related fees and expenses in connection with the transactions contemplated by this Agreement and any other amounts to be paid by it in accordance with the terms of this Agreement.

Section 4.09 Intentionally Omitted.

Section 4.10 Solvency. Buyer is not entering into the transactions contemplated hereby with the intent to hinder, delay or defraud either present or future creditors. Assuming the accuracy of the representations and warranties of Seller set forth in Article III hereof, then immediately after giving effect to all of the transactions contemplated hereby, including the payment of the Purchase Price and payment of all related fees and expenses, Buyer and its Affiliates will be Solvent. For purposes of this Section 4.10, the term "Solvent" with respect to any Person means that, as of any date of determination, (a) the amount of the fair saleable value of the assets of such Person exceeds, as of such date, the value of all liabilities of such Person, including contingent and other liabilities, as of such date, as such quoted terms are generally determined in accordance with the applicable federal Laws governing determinations of the solvency of debtors, (b) such Person will not have, as of such date, an unreasonably small amount of capital for the operation of the business in which it is engaged or proposed to be engaged following such date and (c) such Person will be able to pay

its liabilities, including contingent and other liabilities, as they mature. For purposes of this definition, “not have an unreasonably small amount of capital for the operation of the businesses in which it is engaged or proposed to be engaged” means that the Person will be able to generate enough cash from operations, asset dispositions or refinancing, or a combination thereof, to meet its obligations as they become due.

ARTICLE V. COVENANTS OF SELLER

Section 5.01 Operations Pending Closing. Except: (i) as contemplated or required by this Agreement, (ii) as set forth on Disclosure Schedule Section 5.01, (iii) as required by applicable Law or by a Governmental Authority of competent jurisdiction, or (iv) with the prior written consent of Buyer, which consent, notwithstanding Section 13.02 hereto, may be requested and given by e-mail or fax between Seller’s designee and Buyer’s designee, and further which shall not be unreasonably withheld, delayed or conditioned, and subject to the provisions of Section 7.04 regarding control of the Stations, from and after the date of this Agreement until the Closing, Seller shall, subject to the Consulting Agreement (as applicable):

(a) operate the Stations in compliance in all material respects with the Communications Laws, the FCC Licenses, and all applicable Laws and Governmental Orders;

(b) not cause or permit, or agree or commit to cause or permit, by act or failure to act, any of the main station FCC Licenses to expire or to be revoked, suspended or materially adversely modified, or take or fail to take any action that would cause the FCC or any other Governmental Authority to institute proceedings for the suspension, revocation or material adverse modification of any of the FCC Licenses;

(c) not sell, lease, license or otherwise dispose of, or create, assume or permit to exist any Lien (other than a Permitted Lien) on any of the Purchased Assets except (i) pursuant to or in accordance with existing Contracts or commitments set forth on Disclosure Schedule Section 3.05 or Disclosure Schedule Section 3.07 or (ii) immaterial assets in the ordinary course of business consistent with past practices;

(d) operate the Stations in the ordinary course consistent with past practices (except where such conduct would conflict with the covenants set forth in this Section 5.01 or with Seller’s other obligations under this Agreement) and use commercially reasonable efforts to preserve substantially intact the relationships of Seller with its respective customers, suppliers, licensors, licensees, distributors and others with whom Seller deals;

(e) not make any change in any method of accounting or accounting practice utilized in the preparation of the Business Financial Statements except for any such change required by reason of a concurrent change in GAAP;

(f) maintain the Owned Real Property in the ordinary course of business and maintain the Equipment in normal operating condition in conformity in all material respects with all applicable FCC technical regulations, ordinary wear and tear excepted;

(g) (i) not increase the rate or nature of, or prepay, the compensation (including wages, salaries and bonuses) or severance that is paid or payable to any Employee, except (A) in the ordinary course of business consistent with past practices or pursuant to existing compensation and fringe benefit plans, Employee Plans, practices and arrangements and (B) as may be required by Law or existing contracts or applicable collective bargaining agreements; (ii) not enter into, renew or allow the renewal of or entering into, any employment or consulting agreement or other contract or arrangement (written or oral) with respect to the performance of personal services for the Stations that is not terminable at will except in the ordinary course of business consistent with past practice; and (iii) not agree or commit to do any of the foregoing;

(h) not enter into, or become obligated under, any Contract or commitment except for: (y) Contracts or commitment (other than advertising sales contracts for cash only) with a term of one (1) year or less or that involve cash payments or cash receipts of USD 50,000.00 or less per year; provided, however, that in no event may Seller enter into such other Contracts or commitments with respect to the Stations that in the aggregate involve cash payments or cash receipts of USD 100,000.00 or more; and (z) any exercise of a renewal option under an Real Property Lease or Income Lease that would otherwise terminate or expire, or where the deadline to exercise such renewal option would lapse, within one year of the anticipated date of Closing;

(i) not enter into any new Tradeout Agreement relating to the Stations with a value in excess of USD 10,000.00, and, USD 50,000.00 in the aggregate, prior to Closing that will not be fully performed prior to the Closing;

(j) promptly notify Buyer of any attempted or actual collective bargaining organizing activity with respect to the applicable Employees;

(k) not make or agree or commit to make any capital expenditure greater than USD 40,000.00 in connection with any particular project relating to the Stations;

(l) keep in full force and effect insurance comparable in amount and scope of coverage to that now maintained;

(m) not enter into any arrangement or Contract with any Affiliate of Seller that survives the Closing;

(n) except as set forth Section 5.10(i) above, not enter into or become obligated under any new Contract which would be required to be listed on Disclosure Schedule Section 3.05 or materially amend, modify, terminate or waive any material right under any Assumed Contract (including any Real Property Lease, Income Lease or employment Contract), other than as expressly permitted hereunder;

(o) not extend credit to advertisers other than in accordance with the Stations' usual and customary policy with respect to extending credit for the sale of broadcast time and collecting Accounts Receivable;

(p) use commercially reasonable efforts to promote the programming of the Stations (both on-air and using third party media) in a manner generally consistent with historical practice, including, but not limited to, the expenditure of funds for advertising, marketing and promotion;

(q) not enter into or become obligated under any Contract that, prior to the Effective Time, would limit the Stations, or following the Effective Time, would limit Buyer, from engaging in any line of business, competing with any third party or selling any product or service; and

(r) not agree or commit, whether in writing or otherwise, to take any of the actions specified in the foregoing clauses.

Section 5.02 Access to Information; Environmental Review.

(a) Subject to applicable Laws relating to the exchange of information, from the date hereof until the Closing Date, upon reasonable notice, Seller, with respect to the Stations, shall: (i) give Buyer, its counsel, financial advisors, auditors and other authorized representatives reasonable access during normal business hours and upon reasonable prior notice to the Stations' key employees (including the general manager, sales managers, business manager and chief engineer (or person holding a similar position)), and the offices, properties, books and records of the Stations, including access to conduct a Phase I Environmental Site Assessment ("Phase I Review") of the Owned Real Property at Buyer's expense in accordance with this Section 5.02, but excluding the Excluded Assets, (ii) as promptly as practicable after the end of each month after the date of this Agreement, furnish to Buyer financial statements of the performance of the Stations, in substantially the same form as prepared by Seller in accordance with past practice, and (iii) instruct its key employees, counsel and financial advisors of Seller to cooperate reasonably with Buyer in its activities and access pursuant to this Section 5.02(a); provided, however, that Buyer's access pursuant to clause (i) shall be with Seller's prior written consent, which consent shall not be unreasonably withheld or delayed. Buyer's activities and access pursuant to this Section 5.02 shall be conducted in such manner as not to unreasonably interfere with the conduct of the Stations or any of the businesses or operations of Seller or any of its Affiliates. Seller shall not be obligated to provide such access or information if Seller determines, in its reasonable judgment, that doing so would violate applicable Law, jeopardize the protection of an attorney-client privilege or expose Seller or its Seller Affiliates to liability for disclosure of personal information. Until the Closing, the information provided will be subject to the terms of the Confidentiality Agreement and this Agreement, and, without limiting the generality of the foregoing, Buyer shall not, and shall cause its representatives not to, use such information for any purpose unrelated to the consummation of the transactions contemplated hereby.

(b) Buyer may at its expense conduct a Phase I Review in accordance with Section 5.02(a), and if reasonably recommended by its consultant who performs that Phase I Review, and subject to Seller's written consent, which may be withheld in Seller's sole discretion, a Phase II Environmental Site Assessment ("Phase II Review") (any Phase I Review and Phase II Review being collectively referred to as the "Environmental Review"), of the Owned Real Property; provided that Buyer and its representatives may not conduct any

environmental sampling or other intrusive investigation unless consented to by Seller, which consent shall not be unreasonably withheld, delayed or conditioned. Buyer shall promptly provide a copy of any such Environmental Review to Seller. If any such Environmental Review discloses a material violation of, or material condition requiring remediation under, applicable Environmental Laws at the Owned Real Property (an “Environmental Condition”), Seller shall, within fifteen (15) Business Days after receipt of such Environmental Review, elect to either: (i) remediate such Environmental Conditions in all material respects as promptly as is commercially reasonable, (ii) not remediate such Environmental Conditions, and (iii) if an Environmental Condition was revealed in a Phase 1 Review, then Seller shall either permit Buyer to perform a Phase II Review, or if Seller will not permit Buyer to conduct a Phase II Review, then Buyer may terminate this Agreement and the Escrow Deposit shall be returned to Buyer. In the event Seller elects to permit Buyer to obtain a Phase II Review which identifies an Environmental Condition and Seller is unwilling to remediate such Environmental Conditions, Buyer shall notify Seller, within ten (10) Business Days after receipt by Buyer of Seller’s election, of Buyer’s election to either: (A) terminate this Agreement on written notice to Seller, in which this Agreement shall be null and void and neither party shall have any obligations to the other, except for the return of the Escrow Deposit to Buyer, or (B) proceed to Closing, subject to the terms and conditions of this Agreement, without remediation of such Environmental Conditions (with Seller’s representations and warranties in this Agreement qualified as to the Environmental Conditions and with Seller having no further remediation or indemnification obligations with respect to such Environmental Conditions). Any remediation by Seller hereunder shall be performed in compliance with all applicable Environmental Laws in all material respects and to the reasonable satisfaction of a qualified consultant selected by Buyer.

Section 5.03 Title Commitments; Surveys; Estoppel Certificates. Buyer shall have the right to obtain a title commitment (“Title Commitment”) for the Owned Real Property from a nationally recognized title company reasonably acceptable to Buyer (“Title Company”) sufficient in form to allow Buyer to obtain at Closing, at Buyer’s sole cost and expense, a standard form of title insurance policy (“Title Policy”) insuring the Buyer’s good, marketable and indefeasible fee simple interest in such Owned Real Property, subject only to: (a) those matters set forth in Disclosure Schedule Section 5.03 and (b) Permitted Liens. The premiums for such policies and commitments, including the attorneys’ fees for examination of the abstract and survey (if required by the company issuing the title insurance policy) shall be paid one hundred percent (100%) by Buyer, and all abstracting costs in excess of the title insurance abstracting cost shall be paid by Buyer. Seller shall reasonably cooperate with Buyer (provided that Seller shall not be required to pay any consideration to Buyer or any third party other than to cure any Lien, other than a Permitted Lien, disclosed by the Title Commitment) so that Buyer can promptly obtain, at its sole cost and expense, a land title survey of the Owned Real Property as of a date subsequent to the date hereof which shall evidence that: (i) there are no encroachments upon the Owned Real Property by buildings, structures, or improvements that would materially adversely affect title or materially interfere with or impair the use of the Owned Real Property for the purpose for which it is currently used and (ii) subject to Disclosure Schedule Section 3.07, there is road access to the Owned Real Property from a public street or indirect access to a public street over recorded easements or pursuant to Real Property Leases. The parties acknowledge and agree that it is Buyer’s intention that all standard exceptions which can be deleted by the use of customary and reasonable owner’s or seller’s

affidavits or gap indemnities be deleted from the Title Commitment prior to issuance of the Title Policy, and Seller shall reasonably cooperate with Buyer in executing and delivering customary and reasonable owner's or seller's affidavits to the Title Company. Seller shall use commercially reasonable efforts to obtain customary estoppel certificates from the landlords under any Real Property Lease set forth on Disclosure Schedule Section 3.07.

Section 5.04 Risk of Loss. Seller shall bear the risk of casualty loss or damage to any of the Purchased Assets prior to the Effective Time (except if such loss or damage results from Buyer's (or its subsidiaries') usage of such Station Assets under the terms of the Consulting Agreement), and Buyer shall bear such risk on and after the Effective Time. In the event of any casualty loss or damage to the Purchased Assets prior to the Effective Time, Seller shall use commercially reasonable efforts to repair or replace (as appropriate under the circumstances) any lost or damaged Purchased Asset (the "Damaged Asset") unless such Damaged Asset was obsolete and unnecessary for the continued operation of the Stations consistent with Seller's past practice and the FCC Licenses. If Seller is unable to repair in all material respects or replace a Damaged Asset to be in the condition described in Section 3.16 by the Effective Time, then (i) the parties shall proceed to Closing, with Seller's applicable representations and warranties deemed modified to take into account any such condition and (ii) Seller shall credit Buyer at Closing for all reasonable remaining out-of-pocket costs necessary to repair in all material respects or replace such Damaged Assets to be in the condition described in Section 3.16 (as mutually agreed to in good faith by Buyer and Seller) and assign to Buyer the applicable portion of any insurance proceeds not previously expended by Seller to repair or replace the damaged or destroyed property (all in full satisfaction of Seller's liability for such matters); provided, however, that if the parties are unable to agree in good faith prior to Closing on the amount necessary to restore such Damaged Assets to their condition prior to such loss, damage or destruction, Seller shall promptly reimburse Buyer after Closing for all reasonable out-of-pocket costs incurred by Buyer in repairing or replacing such Damaged Asset, and such payments shall not be subject to the Threshold or the Cap (as such terms are hereinafter defined).

Section 5.05 No Negotiation. Until such time as this Agreement shall be terminated pursuant to Section 11.01, Seller, its Seller Affiliates and their respective directors, officers, employees, agents and other representatives shall cease any negotiations with, and shall not, directly or indirectly, solicit, initiate, encourage or entertain any inquiries or proposals from, discuss or negotiate with, any Person (other than Buyer), or enter into any Contract with any such Person, relating to the acquisition of any significant portion of the Purchased Assets or the FCC Licenses, regardless of the transaction structure by which such acquisition would be effected (other than sales of inventory in the ordinary course of business); provided, however, that this Section 5.05 will cease to apply in the event that (a) Seller determines in good faith that reasonable efforts of Buyer requested by Seller to prosecute the FCC Application have not been made, (b) Seller determines in good faith that the FCC Consent is not likely to be granted or (c) Seller determines in good faith that any other condition to the Closing in Article X is not likely to be satisfied (other than as a result of Seller's breach). For the avoidance of doubt, Buyer acknowledges that this Section 5.05 does not apply to any potential transaction involving Seller, its Seller Affiliates or its or their stock or assets after giving effect to the consummation of the transactions contemplated by this Agreement.

ARTICLE VI. COVENANTS OF BUYER

Section 6.01 Access to Information

(a) After the Closing Date, upon reasonable notice, Buyer will afford promptly to Seller and its agents reasonable access to its properties, books, records, employees and auditors, at the sole cost and expense of Seller, solely to the extent necessary to permit Seller to determine any matter relating to its rights and obligations (or those of its Seller Affiliates) hereunder or to any period ending on or before the Closing Date; provided, however, that Seller will hold, and will cause its agents to hold, in confidence, all confidential or proprietary information to which it has had access to pursuant to this Section 6.01; provided further, however, that such access shall not unreasonably interfere with Buyer's business or operations.

(b) After the Closing, Buyer shall cooperate with Seller with respect to any Action related to the Excluded Liabilities, whether or not any party has notified the other of a claim for indemnification with respect to such matter, by making available historical records, documents and data included in the Purchased Assets and employees to give depositions or testimony and preserving and furnishing all documentary or other evidence that Seller may reasonably request. Seller shall reimburse Buyer for all reasonable and necessary out-of-pocket expenses incurred by Buyer in connection with the performance of its obligations under this Section 6.01(b).

Section 6.02 Accounts Receivable

(a) Seller shall deliver to Buyer, promptly after the commencement of the Collection Period, a statement of the Accounts Receivable. Buyer shall use commercially reasonable efforts to collect the Accounts Receivable during the period (the "Collection Period") beginning on the Closing Date and ending on the 120th day thereafter, in the same manner that Buyer uses to collect its own accounts receivable; provided, however, that Buyer shall be under no obligation to commence or not to commence litigation or legal action to effect collection or employ any collection agency, legal counsel, or other third party, or take any other extraordinary means of collections or pay any expenses to third parties to collect the Accounts Receivable. Fifty percent (50%) of any payment received by Buyer during the Collection Period from a customer of the Stations that was or is also a customer of Seller and that is obligated with respect to any Accounts Receivable, shall be disbursed by Buyer (without offset) to Seller (each such payment, a "Specified Payment" and, collectively, the "Specified Payments") on or before the tenth (10th) Business Day following the last day of the calendar month during which such payment is received by Buyer, unless the customer disputes such Accounts Receivable in writing. If during the Collection Period a dispute arises with regard to an account included among the Accounts Receivable, Buyer shall promptly advise Seller thereof and shall return that account to Seller. Any payments that are made directly to Seller during the Collection Period relating to the Accounts Receivable shall be retained by Seller. Buyer and its Affiliates shall not discount, adjust or otherwise compromise any Accounts Receivable provided that, if any Transferred Employee is due a commission for such collected payments due to a pre-Effective Time sale order, then Buyer shall have the right to use that

collected payment to pay the owed commissions to such Transferred Employees and then remit the remainder of the collected Accounts Receivable to Seller.

(b) Notwithstanding anything in Section 6.02(a) to the contrary, each Specified Payment received by Buyer pursuant to Section 6.02(a) that is not specifically designated in writing as a payment of a particular invoice or invoices shall be presumptively applied by Buyer to the accounts receivable for such customer outstanding for the longest amount of time, and the portion of each such Specified Payment, if any, that is attributable to an Accounts Receivable (each such portion, a “Remitted Payment” and, collectively, the “Remitted Payments”), shall be promptly remitted by Buyer to Seller in accordance with Section 6.02(c); provided, however, that if, prior to the date hereof, Seller or, after the Closing Date, Seller or Buyer received or receives a written notice of dispute from a customer with respect to an Accounts Receivable that has not been resolved, then Buyer shall apply any payments from such customer to such customer’s oldest, non-disputed accounts receivable, whether or not an Accounts Receivable.

(c) Buyer shall disburse all Remitted Payments (without offset) to Seller by wire transfer of immediately available funds on or before the tenth (10th) Business Day following the last day of the calendar month during which such payment is received by Buyer pursuant to Section 6.02(b). Buyer shall furnish Seller with (i) copies of all checks received by Buyer related to an Accounts Receivable, whether related to a Remitted Payment or Specified Payment, (ii) a list of the amounts collected during such calendar month and in any prior calendar months with respect to the Accounts Receivable, and (iii) a schedule of the amount remaining outstanding under each particular account. Seller shall be entitled during the sixty (60)-day period following the Collection Period to inspect or audit the records maintained by Buyer pursuant to this Section 6.02, upon reasonable advance notice and during normal business hours.

(d) Following the expiration of the Collection Period, neither Buyer nor Seller shall have any further obligations under this Section 6.02, except that Buyer shall promptly pay over to Seller any amounts previously or subsequently paid to it with respect to any Accounts Receivable. Following the Collection Period, Seller may pursue collections of all the Accounts Receivable, and Buyer shall deliver to Seller all files, records, notes and any other materials relating to the Accounts Receivable and shall otherwise cooperate with Seller (at the sole cost and expense of Seller and without taking any actions not required under Section 6.02) for the purpose of collecting any outstanding Accounts Receivable.

(e) Buyer acknowledges that Seller may maintain all established cash management lockbox arrangements in place at the Effective Time for remittance until such time as Seller deems appropriate to close such lockboxes. Buyer agrees to update, during the Collection Period, the Accounts Receivable aging reports to reflect all Seller lockbox receipts, and Seller agrees to cooperate with Buyer to keep the Accounts Receivable age reports current. In addition, Seller shall, on or before the tenth (10th) Business Day following the end of the calendar month in which any of Buyer’s receivables are received by Seller through its lockbox (as determined in accordance with Section 6.02(b)), remit to Buyer such receivable collections.

(f) If either party fails to timely remit any amounts collected pursuant to this Section 6.02, such amount shall bear interest at the prime rate (as reported by *The Wall Street Journal* or, if not reported thereby, by another authoritative source) as in effect from time to time from the date any such amount was due until the date of actual payment.

(g) All amounts received by Seller pursuant to this Section 6.02 shall not be required to be refunded or repaid by Seller under any circumstances.

ARTICLE VII. COVENANTS OF BUYER AND SELLER

Section 7.01 Commercially Reasonable Efforts; Further Assurances.

(a) Subject to the terms and conditions of this Agreement, Buyer and Seller will each use their commercially reasonable efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things reasonably necessary or desirable under applicable Law to consummate the transactions contemplated by this Agreement.

(b) In furtherance and not in limitation of Section 7.01(a), Buyer and Seller shall cooperate to prepare and file with the FCC, within five (5) Business Days after the date of full execution of this Agreement (or such later period as the parties may agree to) the requisite FCC assignment applications (collectively, the “FCC Application”) requesting the FCC Consent and thereupon prosecute such applications with all reasonable diligence to obtain the requisite FCC Consent. The FCC Application shall include the Petition for Declaratory Ruling contemplated by Section 4.06. Buyer and Seller shall each pay one-half (1/2) of the FCC application processing fees for the FCC Application. Buyer and Seller shall each oppose any petitions to deny or other objections filed with respect to the FCC Application to the extent such petition or objection relates to such party. Neither Seller nor Buyer shall take any intentional action that would, or intentionally fail to take any action the failure of which to take would, reasonably be expected to have the effect of materially delaying the receipt of the FCC Consent. If the Closing shall not have occurred for any reason within the original effective period of the FCC Consent, and neither party shall have terminated this Agreement under Article XI, Buyer and Seller shall each jointly request an extension of the effective period of the FCC Consent. No extension of the FCC Consent shall limit the right of either party to exercise its rights under Article XI.

(c) Neither Seller nor Buyer shall take any action, or fail to take any action which would reasonably be expected to, prevent or interfere with the successful prosecution of the FCC Application or the consummation of the transactions contemplated by this Agreement or the Ancillary Agreements, or which is or would be inconsistent with the FCC Application or the consummation of the transactions contemplated by this Agreement.

(d) Buyer shall use its commercially reasonable best efforts to have sufficient cash, available lines of credit or other sources of funds to enable it to make the timely payment of the Purchase Price and any other amounts to be paid by it in accordance with this Agreement and the Ancillary Agreements, as the case may be, at the Closing.

Section 7.02 Confidentiality.

(a) The confidentiality understandings contained in the Letter of Intent, dated August __, 2017, as subsequently amended, by and between Seller and an Affiliate of Buyer are hereby incorporated in this Agreement as though fully set forth herein. To the extent not already a direct party thereto, Buyer and Seller hereby assume such confidentiality understandings and agree to be bound by the provisions thereof. All confidential information provided by one party (or its directors, officers, employees, representatives or its respective Affiliates) (collectively, the “Disclosing Party”) to the other party (or its directors, officers, employees, representatives or respective Affiliates) (collectively, the “Receiving Party”) shall be confidential, not disclosed to any other Person, and be subject to and treated in accordance with the terms of the Confidentiality Agreement and this Agreement. Without limiting the terms of the prior confidentiality agreements, subject to the requirements of applicable law, all non-public information regarding the parties and their business and properties that is disclosed in connection with the negotiation, preparation or performance of this Agreement (including without limitation all financial information provided by Seller to Buyer) shall be confidential and shall not be disclosed to any other person or entity, except the parties’ representatives and lenders for the purpose of consummating the transaction contemplated by this Agreement. As used in this Section 7.02, “Confidential Information” means (i) all information disclosed to the Receiving Party by the Disclosing Party in connection with this Agreement or any Ancillary Agreement, (ii) all information disclosed to the Receiving Party by the Disclosing Party under the Confidentiality Agreement and (iii) all memoranda, notes, analyses, compilations, studies and other materials prepared by or for the Receiving Party to the extent containing or reflecting the information in the preceding clause (i) or (ii). Notwithstanding the foregoing, Confidential Information shall not include information that, in each case as demonstrated by competent written documentation:

(A) was already known to the Receiving Party, other than under an obligation of confidentiality, at the time of disclosure by the Disclosing Party;

(B) was generally available to the public or otherwise part of the public domain at the time of its disclosure to the Receiving Party;

(C) became generally available to the public or otherwise part of the public domain after its disclosure to the Receiving Party other than through any act or omission of the Receiving Party in breach of this Agreement or the Confidentiality Agreement;

(D) is subsequently disclosed to the Receiving Party by a Third Party without obligations of confidentiality with respect thereto; or

(E) is subsequently independently discovered or developed by the Receiving Party without the aid, application or use of Confidential Information.

(b) Upon the Closing, the Confidentiality Agreement shall expire and be of no further force and effect with respect to all Confidential Information relating solely to the Stations, the Purchased Assets or the Assumed Liabilities; provided, however, such expiration of the Confidentiality Agreement shall in no way prejudice or adversely affect Seller’s ability after the Closing to seek damages, or any other remedy available to Seller, with respect to a violation by Buyer (or its Affiliates or representatives) of the Confidentiality Agreement or

this Agreement relating to Confidential Information prior to the Closing. Upon and after the Closing, the Confidentiality Agreement shall remain in full force and effect pursuant to its terms with respect to all Confidential Information that does not relate solely to the Stations, the Purchased Assets or the Assumed Liabilities.

(c) From and after the Closing, all Confidential Information obtained by Seller (or its directors, officers, employees, representatives or Seller Affiliates) from Buyer (or its directors, officers, employees, representatives or Affiliates) and all Confidential Information relating solely to the Stations, the Purchased Assets and the Assumed Liabilities (the “Buyer Confidential Information”) shall be deemed to be Confidential Information disclosed by Buyer to Seller for purposes of this Section 7.02 and shall be used by Seller solely as required to perform its obligations or exercise or enforce its rights under this Agreement or any Ancillary Agreement, or comply with applicable Law, and for no other purpose. For a period of two (2) years after the Closing Date, Seller shall not disclose, or permit the disclosure of, any of the Buyer Confidential Information to any Person except those Persons to whom such disclosure is necessary to permit Seller to perform its obligations or exercise or enforce its rights under this Agreement or any Ancillary Agreement, or comply with applicable Law. Seller shall treat, and will cause its Seller Affiliates and the representatives of Seller or any of its Seller Affiliates to treat, the Buyer Confidential Information as confidential, using the same degree of care as Seller normally employs to safeguard its own confidential information from unauthorized use or disclosure, but in no event less than a reasonable degree of care.

(d) All Confidential Information obtained by Buyer (or its directors, officers, employees, representatives or Affiliates) from Seller (or its directors, officers, employees, representatives or Seller Affiliates) other than the Buyer Confidential Information (the “Seller Confidential Information”) shall be used by Buyer solely as required to perform its obligations or exercise or enforce its rights under this Agreement or any Ancillary Agreement, or comply with applicable Law, and for no other purpose. For a period of two (2) years after the Closing Date, Buyer shall not disclose, or permit the disclosure of, any of Seller Confidential Information to any Person except those Persons to whom such disclosure is necessary to permit Buyer to perform its obligations or exercise or enforce its rights under this Agreement or any Ancillary Agreement, or comply with applicable Law. Buyer shall treat, and will cause its Affiliates and the representatives of Buyer or any of its Affiliates to treat, Seller Confidential Information as confidential, using the same degree of care as Buyer normally employs to safeguard its own confidential information from unauthorized use or disclosure, but in no event less than a reasonable degree of care.

(e) In the event either party is requested pursuant to, or required by, applicable Law to disclose any of the other party’s Confidential Information (*e.g.*, Seller Confidential Information or Buyer Confidential Information, as applicable), it will notify the other party in a timely manner so that such party may seek a protective order or other appropriate remedy or, in such party’s sole discretion, waive compliance with the confidentiality provisions of this Agreement. Each party will cooperate in all reasonable respects in connection with any reasonable actions to be taken for the foregoing purpose. In any event, the party requested or required to disclose such Confidential Information may furnish it as requested or required pursuant to applicable Law (subject to any such protective order or other appropriate remedy) without liability hereunder, provided that such party

furnishes only that portion of the Confidential Information which such party is advised by an opinion of its counsel is legally required, and such party exercises reasonable efforts to obtain reliable assurances that confidential treatment will be accorded such Confidential Information.

(f) Nothing in this Section 7.02 shall be construed as preventing or in any way inhibiting either party from complying with applicable Law governing activities and obligations undertaken pursuant to this Agreement or any Ancillary Agreement in any manner which it reasonably deems appropriate.

Section 7.03 Cooperation. Seller and Buyer shall cooperate with one another in determining whether any action by or in respect of, or filing with, any Governmental Authority or other Person is required, or any actions, consents, approvals or waivers are required to be obtained from parties to any Assumed Contracts, in connection with the consummation of the transactions contemplated by this Agreement. Seller shall use commercially reasonable efforts to take such actions or make any such filings, furnish information required in connection therewith and seek to obtain timely any such actions, consents, approvals or waivers, and Buyer shall reasonably cooperate with Seller in so doing; provided, however, that neither Seller nor Buyer shall be required to pay consideration to obtain any such action, consent, approval or waiver.

Section 7.04 Control Prior to Closing. The parties acknowledge and agree that, for the purposes of the Communications Laws, this Agreement, including the covenants in Article V, are not intended to and shall not be construed to transfer Control of the Stations or to give Buyer any right to, directly or indirectly, Control, supervise or direct, or attempt to Control, supervise or direct, the programming, operations, or any other matter relating to the Stations prior to the Closing Date, and Seller shall have complete Control and supervision of the programming, operations, policies and all other matters relating to the Stations up to the time of the Closing.

Section 7.05 Public Announcements. The parties shall agree on the terms of any press release that announces the transactions contemplated hereby and thereafter agree to obtain the other party's prior written consent before issuing any press release or making any public announcement with respect to this Agreement or the transactions contemplated hereby prior to the Closing; provided, however, that either party shall be permitted without the consent of the other to issue any press releases or public statements to the extent required by applicable Law or any listing agreement with any national securities exchange; provided further, however, that prior to the issuance of such press release or public statement, the other party shall be provided notice and an opportunity to comment on such press release or public statement. Notwithstanding the foregoing, the parties acknowledge that this Agreement and the terms hereof will be filed with the FCC Application and thereby become public.

Section 7.06 Notices of Certain Events. From the date hereof until the earlier to occur of the Closing Date and such time as this Agreement is terminated in accordance with Article XI, Seller, on the one hand, and Buyer, on the other hand, shall each promptly notify the other of: (a) any notice or other communication from any Governmental Authority in connection with the transactions contemplated by this Agreement, (b) in the case of Seller, (i) the occurrence or non-occurrence of any event which, to its knowledge, has caused

any representation or warranty made by it herein to be untrue or inaccurate in any material respect at any time on or after the date hereof and prior to the Closing and (ii) any material failure on the part of Seller to comply with or satisfy any covenant, condition or agreement set forth herein to be complied with or satisfied by Seller hereunder on or after the date hereof and prior to the Closing, and (c) in the case of Buyer, (i) the occurrence or non-occurrence of any event which, to its knowledge, has caused any representation or warranty made by it herein to be untrue or inaccurate in any material respect at any time on or after the date hereof and prior to the Closing and (ii) any material failure on the part of Buyer to comply with or satisfy any covenant, condition or agreement set forth herein to be complied with or satisfied by Buyer hereunder on or after the date hereof and prior to the Closing. For clarity, the provision of notice by one party under subsection (b) or (c) shall not preclude the other party from taking any action or pursuing any remedy available to such other party permitted under this Agreement.

Section 7.07 Retention of Records.

(a) Notwithstanding anything to the contrary contained in this Agreement, Seller may retain and use, at its expense, copies of all documents or materials transferred hereunder, in each case, which (i) are used in connection with the businesses of Seller or its Affiliates, other than the Stations, (ii) Seller in good faith determines it is reasonably likely to need access to in connection with the defense (or any counterclaim, cross-claim or similar claim in connection therewith) of any suit, claim, action, proceeding or investigation against or by Seller or its Affiliates pending or threatened as of the Closing Date, or (iii) Seller in good faith determines it is reasonably likely to need access to in connection with any filing, report, or investigation to or by any Governmental Authority.

(b) Notwithstanding anything to the contrary contained in this Agreement, for a period of twelve (12) months after the Closing Date or such longer period as is required by applicable Law, each party shall maintain its records relating to the Purchased Assets.

Section 7.08 Cooperation in Litigation. Buyer and Seller shall (and shall cause their respective Affiliates to) reasonably cooperate with each other at the requesting party's expense in the prosecution or defense of any claim, litigation or other proceeding arising from or related to the conduct of the Stations and involving one or more third parties. The party requesting such cooperation shall pay the reasonable out-of-pocket expenses (excluding internal costs) incurred in providing such cooperation (including reasonable legal fees and disbursements) by the party providing such cooperation and by its respective Affiliates and its and their officers, directors, employees and agents.

Section 7.09 Other Agreements. Buyer and Seller also make the agreements set forth in Disclosure Schedule Section 7.09 attached hereto.

ARTICLE VIII. EMPLOYMENT MATTERS

Section 8.01 Employment.

(a) On or before the Closing Date, Buyer, or Buyer Assignee (hereinafter defined, and, for the purposes of this Article VIII, all references to “Buyer,” shall include “Buyer Assignee”), may offer employment to such Employees employed immediately prior to the Closing Date that Buyer, at Buyer’s sole discretion, elects to extend offers. Such offers shall be on such terms and conditions that Buyer sets in its sole discretion, provided that Buyer shall give consideration to hiring the Employees of the Stations desiring to continue to work at the Stations at which they are currently employed. Within forty-five (45) days after the date of this Agreement, Buyer shall notify Seller in writing as to which Employees it will offer employment upon Closing. For the purposes hereof, all Employees who accept Buyer’s offer of employment and commence employment on the Employment Commencement Date are hereinafter referred to collectively as the “Transferred Employees”, and the “Employment Commencement Date” as referred to herein shall mean the date immediately following the Closing Date. Notwithstanding anything in this Agreement to the contrary, Buyer will be responsible for paying all accrued but not yet paid sales commissions and bonuses to Transferred Employees to the extent such amounts are “Current Liabilities” for purposes of determining Working Capital. To Seller’s Knowledge, Seller is not party to any written employment agreements, and Seller shall indemnify Buyer and hold Buyer harmless against any claims of or obligations of former employees of Seller alleging the existence of such written employment agreements. Buyer shall have no obligations to employees who are not Transferred Employees, and Seller shall indemnify Buyer and hold Buyer harmless against the claims of any employees who are not Transferred Employees.

(b) Seller shall retain responsibility for and continue to pay all medical, life insurance, disability and other welfare plan expenses and benefits for each Transferred Employee with respect to claims incurred under the terms of the Employee Plans by such Transferred Employees or their covered dependents prior to the Employment Commencement Date. Seller shall maintain a medical plan after the Closing Date, which shall provide COBRA coverage with respect to all Employees that are not Transferred Employees. In addition, Seller shall retain all COBRA liability under Section 4980B of the Code and the Treasury Regulations promulgated thereunder with respect to continuation coverage to qualified beneficiaries, including the Transferred Employees, whose qualifying event occurs prior to, or in connection with, the transaction described in this Agreement. The terms “continuation coverage,” “qualified beneficiary” and “qualifying event” shall have the same meaning ascribed to them under Section 4980B of the Code and the Treasury Regulations promulgated thereunder. Buyer shall be responsible for all compensation and benefits arising after the Employment Commencement Date (in accordance with Buyer’s employment terms) for the Transferred Employees. Buyer shall grant service credit to Transferred Employees for all unused vacation accrued as of Closing, and to the extent Buyer has received a credit in the proration calculations for Transferred Employees’ accrued vacation, Buyer will assume all liabilities up to the amount of that credit for unpaid, accrued vacation of each Transferred Employee as of the Employment

Commencement Date. The prorations shall include an adjustment for employee leave (if any) accrued in the calendar year in which Closing occurs.

(c) Seller shall be liable for any claims made or incurred by Transferred Employees and their beneficiaries through the Closing Date under the Seller's employee benefit plans. For purposes of the immediately preceding sentence, a charge will be deemed incurred, in the case of hospital, medical or dental benefits, when the services that are the subject of the charge are performed and, in the case of other benefits (such as disability or life insurance), when an event has occurred or when a condition has been diagnosed that entitles the employee to the benefit.

(d) Buyer shall be liable for any claims made or incurred by Transferred Employees and their beneficiaries beginning on the Closing Date under Buyer's employee benefit plans, if in existence. For purposes of the immediately preceding sentence, a charge will be deemed incurred, in the case of hospital, medical or dental benefits, when the services that are the subject of the charge are performed and, in the case of other benefits (such as disability or life insurance), when an event has occurred or when a condition has been diagnosed that entitles the employee to the benefit.

(e) Buyer shall permit Transferred Employees (and their spouses and dependents) to participate in its "employee welfare benefit plans" (including without limitation health insurance plans) and "employee pension benefit plans" (as defined in ERISA) in which similarly situated employees are generally eligible to participate, with coverage effective immediately upon Closing (and without exclusion from coverage on account of any pre-existing condition), with service with Seller as deemed service with Buyer for purposes of any length of service requirements, waiting periods, vesting periods and differential benefits based on length of service, and with credit under any welfare benefit plan for any deductibles or co-insurance paid for the plan year of the Closing Date under any plan maintained by Seller. Notwithstanding the foregoing, Buyer shall only implement these provisions if it adopts such employee welfare benefit plans within one year of the Closing Date and has received the approval of its insurer and/or its stop-loss carrier that it is permissible to do so. This provision shall survive Closing.

(f) Buyer shall also permit each Transferred Employee who participates in Seller's 401(k) plan, if any, to elect, if permitted by the terms and conditions of any 401(k) plan implemented by Buyer, to make direct rollovers of their account balances into Buyer's 401(k) plan as soon as administratively feasible after Closing, including the direct rollover of any outstanding loan balances such that they will continue to make payments under the terms of such loans under Buyer's 401(k) plan, subject to compliance with applicable law and subject to the reasonable requirements of Buyer's 401(k) plan. Notwithstanding the foregoing, the provisions of this Subsection shall only apply if: (i) the terms of any Buyer 401(k) plan permits rollovers, (ii) participants can comply with such plan requirements, including documentation, and (iii) the third party administrator of the plan can undertake such a transfer.

Section 8.02 WARN Act. On or before the Closing Date, Seller shall provide Buyer with a true, correct and complete list of all Employees whose employment has been

terminated within ninety (90) calendar days preceding the Closing Date, or whose work hours have been reduced within six (6) months preceding the Closing Date; such list shall indicate the employee's name, site of employment, position or job title, starting date of employment, and date of employment loss, termination or layoff, and, if applicable, the amount of hour reduction for each calendar month during the six (6) month period preceding the Closing Date. Subject to Seller providing the list described in the preceding sentence, Buyer shall not take any action on or after the Closing Date that would cause any termination of employment of any employees by Seller that occurs before the Closing to constitute a "plant closing" or "mass layoff" under the Worker Adjustment and Retraining Act of 1988, as amended (the "WARN Act") or any similar state or local Law, or to create any liability to Seller or its Affiliates for any employment terminations under applicable Law. Assumed Liabilities assumed by Buyer pursuant to Section 2.03 shall include all liabilities with respect to any amounts (including any severance, fines or penalties) payable under or pursuant to the WARN Act or any similar state or local Law with respect to any Employees who do not become Transferred Employees as a result of Buyer's failure to extend offers of employment as required by Section 8.01 or in connection with events that occur from and after the Closing, and Buyer shall reimburse Seller for any such amounts.

ARTICLE IX. TAX MATTERS

Section 9.01 Bulk Sales. Seller and Buyer hereby waive compliance with the provisions of any applicable bulk sales Law and no representations, warranty or covenant contained in this Agreement shall be deemed to have been breached as a result of such non-compliance.

Section 9.02 Transfer Taxes. All Transfer Taxes arising out of or in connection with the transactions effected pursuant to this Agreement shall be shared equally by Buyer and Seller. If Seller has the primary responsibility under applicable Law for the payment of any particular Transfer Tax, Seller shall prepare the relevant Tax Return and notify Buyer in writing of the Transfer Taxes shown on such Tax Return. Buyer shall pay Seller an amount equal to such Transfer Taxes in immediately available funds no later than the date that is the later of: (i) five (5) Business Days after the date of such notice or (ii) two (2) Business Days prior to the due date for such Transfer Taxes. Seller and Buyer shall cooperate in the preparation, execution and filing of all Transfer Tax Returns and shall cooperate to seek and to secure any available exemptions from such Transfer Taxes.

Section 9.03 Intentionally Omitted.

Section 9.04 Intentionally Omitted.

Section 9.05 Taxes and Tax Returns. Seller shall be liable for the preparation and proper filing, on a timely basis true, of complete and accurate Tax Returns and other documentation, along with all payments required, for any and all Taxes incurred with respect to the Purchased Assets and the Stations for any Pre-Closing Tax Period. Buyer shall be liable for the preparation and proper filing, on a timely basis true, of complete and accurate Tax Returns and other documentation, along with all payments required for any and all Taxes incurred with respect to the Purchased Assets and the Stations for any Post-Closing Tax Period.

Notwithstanding the foregoing, the Stations' Taxes shall be included in the Working Capital and any adjustments related thereto.

Section 9.06 Purchase Price Allocation. The parties will allocate the applicable portions of the Purchase Price among the Purchased Assets in accordance with the fair market value of such assets and in further accordance with Section 1060 of the Code and the Treasury Regulations promulgated thereunder (and any similar provisions of state, local, or foreign Law, as appropriate) (the "Allocation"). Seller will prepare and deliver to Buyer a draft schedule documenting the proposed Allocation within forty-five (45) days following full execution of this Agreement. Buyer shall have thirty (30) days after delivery of the draft Allocation from Seller to propose any changes. The parties will work cooperatively and in good faith to mutually agree on the Allocation and in no event shall this be completed later than ten (10) business days prior to Closing, but the failure to reach such agreement shall not be a condition precedent to Closing. In the event that the parties are unable to mutually agree on the Allocation, Buyer and Seller shall submit to the Accounting Firm for review and final and binding resolution any and all matters that remain in dispute. Buyer and Seller shall use commercially reasonable efforts to cause the Accounting Firm to render a decision resolving the matters in dispute and finalize the Allocation within thirty (30) days. The fees and expenses of the Accounting Firm pursuant to this Section 9.06 shall be borne by Buyer and Seller equally. After the Allocation is mutually agreed upon by the parties or determined by the Accounting Firm: (i) each of the parties agrees to prepare and file all applicable Tax Returns, information returns, forms and other Tax reports and documents (and attachments thereto) in a manner wholly consistent with such Allocation; and (ii) no party shall take any position inconsistent with such allocation on any Tax Return or in any audit or judicial or administrative proceedings (except to the extent otherwise required by a final "determination" within the meaning of Section 1313(a) of the Code).

ARTICLE X CONDITIONS TO CLOSING

Section 10.01 Conditions to Obligations of Seller.

The obligation of Seller to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or waiver, at or prior to the Closing, of each of the following conditions:

(a) The representations and warranties of Buyer made in this Agreement shall be true and correct in all respects as of the date of this Agreement, and the representations and warranties of Buyer made in this Agreement shall be correct in all material respects as of the Closing Date, as though made on and as of the Closing Date (except to the extent such representations and warranties speak as of an earlier date, in which case such representations and warranties shall have been true and correct as of such earlier date). Buyer shall have performed in all material respects all obligations required to be performed by it under this Agreement on or prior to the Closing Date. Seller shall have received a certificate dated as of the Closing Date from Buyer, executed by an authorized officer of Buyer, to the effect that the conditions set forth in this Section 10.01(a) have been satisfied.

(b) No provision of any applicable Law and no Governmental Order shall prohibit the consummation of the transactions contemplated hereby.

(c) The FCC Consent shall have been granted to the assignment of the FCC Licenses for all of the Stations and shall be in full force and effect and shall be an initial order of the FCC.

(d) Buyer shall have made, or be ready at Closing to make, the deliveries contemplated by Section 2.08(a) and Section 2.08(c) and execute and deliver each Ancillary Agreement to which Buyer is a party (other than the Escrow Agreement). In addition, Buyer shall have delivered to Seller:

(i) a certificate of the Secretary of State of the jurisdiction in which Buyer is organized as to the good standing (or such equivalent thereof in jurisdictions that do not issue good standing certificates) as of a recent date of Buyer in such jurisdiction; and

(ii) a certificate of an officer of Buyer, given by such officer on behalf of Buyer and not in such officer's individual capacity, certifying as to the resolutions of the board of directors (or equivalent governing body) of Buyer authorizing this Agreement and the transactions contemplated hereby.

(e) Radio Ultra, S.A. de C.V., a company duly incorporated and validly existing in accordance with the laws of Mexico ("Radio Ultra") shall have consummated, either previously or simultaneously with the Closing of this Agreement, the acquisition of radio stations XHRR, Reynosa, Tamaulipas, XHCAO, Ciudad Camargo, Tamaulipas, and XHAVO, Rio Bravo, Tamaulipas (collectively, the "Mexican Stations"), all in the United Mexican States, which are owned by Affiliates of Seller, Radio BMP de Ciudad Camargo, S.A. de C.V. and Radio BMP de Reynosa, S.A. de C.V. (collectively, "BMP"), pursuant to the terms of that certain Asset Purchase Agreement and Assignment of Rights Agreement, dated on or about of even date herewith (the "Mexican Purchase Agreement"), by and between Radio Ultra and BMP, which, if consummated by the Buyer or Radio Ultra has not been subject to any divestment of one or more of the Mexican Stations pursuant to an action taken by a governmental entity of the United Mexican States.

Section 10.02 Conditions to Obligations of Buyer.

The obligations of Buyer to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or waiver, at or prior to the Closing, of each of the following conditions:

(a) The representations and warranties of Seller made in this Agreement shall be true and correct in all respects as of the date of this Agreement, and the representations and warranties of Seller made in this Agreement shall be correct in all material respects as of the Closing Date as though made on and as of the Closing Date (except to the extent such representations and warranties speak as of an earlier date, in which case such representations and warranties shall have been true and correct as of such earlier date), except for such changes expressly contemplated or permitted by this Agreement. Seller shall have performed in all material respects all obligations required to be performed by it under this Agreement on or

prior to the Closing Date. Buyer shall have received a certificate dated as of the Closing Date from Seller, executed by an authorized officer of Seller, to the effect that the conditions set forth in this Section 10.02(a) have been satisfied. Notwithstanding anything in this Agreement to the contrary, Seller shall not be deemed to have breached any of its representations or warranties or failed to comply with any of its covenants or agreements contained in this Agreement to the extent such breach or failure results from Buyer's (or its subsidiaries') performance of its obligations under the Consulting Agreement.

(b) No provision of any applicable Law and no Governmental Order shall prohibit the consummation of the transactions contemplated hereby.

(c) Seller shall have made, or stand ready at Closing to make, the deliveries contemplated in Section 2.08(b) and Section 2.08(c) and execute and deliver each Ancillary Agreement to which Seller is a party (other than the Escrow Agreement). In addition, Seller shall have delivered to Buyer:

(i) a certificate of the Secretary of State of the jurisdiction in which Seller is organized as to the good standing (or such equivalent thereof in jurisdictions that do not issue good standing certificates) as of a recent date of Seller in such jurisdiction; and

(ii) a certificate of an officer of Seller, given by such officer on behalf of Seller and not in such officer's individual capacity, certifying as to resolutions of the board of directors (or equivalent governing body) of Seller authorizing this Agreement and the transactions contemplated hereby.

(d) Seller shall have obtained and delivered (and, in the case of an affirmative consent, delivered) the consents to assignment identified on Disclosure Schedule Section 3.07 as being conditions to Closing.

(e) If required, Seller shall have delivered to Buyer: (i) fully executed Lien releases executed by the applicable Lien holder, and (ii) termination statements on Form UCC-3, or amendment statements on Form UCC-3, or other appropriate releases, which when filed or delivered will release and satisfy any and all Liens relating to the Purchased Assets other than Permitted Liens, together with proper authority to file such termination statements or amendment statements or other releases at and following the Closing.

(f) The FCC Consent shall have been granted by Final Order and shall be in full force and effect. Buyer may waive, at Buyer's absolute discretion, the requirement of a Final Order and close upon receipt of an initial order from the FCC.

(g) Buyer or Radio Ultra shall have consummated, either previously or simultaneously with the Closing of this Agreement, the acquisition of the Mexican Stations, all in the United Mexican States, which are owned by BMP, pursuant to the terms of the Mexican Purchase Agreement, by and between Radio Ultra and BMP, which, if consummated by the Buyer or Radio Ultra has not been subject to any divestment of one or more of the Mexican Stations pursuant to an action taken by a governmental entity of the United Mexican States.

(h) Buyer shall have received duly completed and executed certificates of non-foreign status from Seller, in accordance with Section 1.1445-2(b)(2) of the Code.

ARTICLE XI. TERMINATION

Section 11.01 Termination. This Agreement may be terminated prior to the Closing as follows:

(a) By the mutual written consent of Seller and Buyer;

(b) Either by Seller or by Buyer:

(i) if the Closing shall not have occurred within two (2) years from the execution date of this Agreement (the “Termination Date”) so long as the terminating party is not then in breach of any of its representations, warranties, covenants or agreements contained in this Agreement to the extent that would give the other party the right not to proceed with the Closing pursuant to Section 11.01(c) or Section 11.01(d), as the case may be; provided, however, that if, as of the Termination Date, all conditions precedent under Article X have been satisfied or waived (other than those conditions that by their nature may be satisfied at the Closing) other than the condition set forth in Section 10.01(e) and Section 10.02(g), then Seller or Buyer may, each at its option and in its sole discretion, by written notice to the other, extend the Termination Date, by up to three (3) months; or

(ii) if there shall be any Law that prohibits consummation of the transactions contemplated by this Agreement or if a Governmental Authority of competent jurisdiction shall have issued a Governmental Order enjoining or otherwise prohibiting consummation of the transactions contemplated by this Agreement;

(c) By Seller:

(i) upon a breach of any representation, warranty, covenant or agreement on the part of Buyer set forth in this Agreement, or if any representation or warranty of Buyer shall have become untrue, in either case such that the condition set forth in Section 10.01(a) would not be satisfied, unless such breach or untruth can be cured prior to Closing and after receipt of written notice thereof, Buyer proceeds in good faith to cure such breach or untruth as promptly as practicable; provided, however, that Seller shall not have the right to terminate this Agreement pursuant to this Section 11.01(c)(i) if Seller is then in breach of any of its representations, warranties, covenants or agreements contained in this Agreement to an extent which would give Buyer the right not to close pursuant to Article X; provided, however, that no cure period shall apply to Buyer’s obligation to pay the Purchase Price at Closing; or

(ii) if all of the conditions set forth in Section 10.01 have been satisfied (other than those conditions that by their nature cannot be satisfied other than at the Closing, and Buyer fails to consummate the transactions contemplated by this Agreement on the date the Closing should have occurred pursuant to Section 2.08 and Seller stood ready, willing and able to consummate the transactions contemplated by this Agreement on such date.

(d) By Buyer:

(i) upon a breach of any representation, warranty, covenant or agreement on the part of Seller set forth in this Agreement, or if any representation or warranty of Seller shall have become untrue, in either case such that the condition set forth in Section 10.02(a) would not be satisfied, unless such breach or untruth can be cured prior to Closing and after receipt of written notice thereof, Seller proceeds in good faith to cure such breach or untruth as promptly as practicable; provided, however, that Buyer shall not have the right to terminate this Agreement pursuant to this Section 11.01(d)(i) if Buyer is then in breach of any of its representations, warranties, covenants or agreements contained in this Agreement to an extent which would give Seller the right not to close pursuant to Article X; or

(ii) if all of the conditions set forth in Section 10.01 have been satisfied (other than those conditions that by their nature cannot be satisfied other than at the Closing) and Seller fails to consummate the transactions contemplated by this Agreement on the date the Closing should have occurred and Buyer stood ready, willing and able to consummate the transactions contemplated by this Agreement on that date.

(e) The party desiring to terminate this Agreement pursuant to this Section 11.01 (other than pursuant to Section 11.01(a)) shall give written notice of such termination to the other party specifying the clause in this Section 11.01 under which such notice is given and the basis therefor.

Section 11.02 Effect of Termination.

(a) In the event of a valid termination of this Agreement pursuant to Section 11.01, this Agreement (other than Section 7.02, this Section 11.02, and Article XIII, which shall remain in full force and effect) shall forthwith become null and void, and no party hereto (nor any of their respective Affiliates, directors, officers or employees) shall have any liability or further obligation to the other, Except as provided in Section 11.02(b) below, termination of this Agreement shall not relieve a party of any liability for breach or default of this Agreement prior to the date of termination.

(b) If this Agreement is terminated by Seller in accordance with the terms of Section 11.01(c), then Seller shall be entitled to the Escrow Deposit (less all interest earned thereon which shall be paid to Buyer) as liquidated damages (the “Liquidated Damages Amount”), and the parties to the Escrow Agreement shall immediately deliver joint written instructions to the Escrow Agent directing such disbursement. The parties understand and agree that the amount of liquidated damages represents Seller’s and Buyer’s reasonable estimate of actual damages and does not constitute a penalty. In the event that Seller terminates this Agreement in accordance with its terms, the payment of the Escrow Deposit shall be Seller’s sole and exclusive remedy for damages of any nature or kind that Seller may suffer as a result of Buyer’s breach or default under this Agreement or Buyer’s failure to consummate the transactions contemplated by this Agreement. The parties hereto acknowledge and agree that the Liquidated Damages Amount is reasonable in light of the substantial but indeterminate harm anticipated to be caused by 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 transactions to be consummated hereunder.

(c) If this Agreement is terminated by Buyer in accordance with the terms of Section 11.01(d), then Buyer shall be entitled to the Escrow Deposit (together with all interest earned thereon), and the parties to the Escrow Agreement shall immediately deliver joint written instructions to the Escrow Agent directing such disbursement.

(d) If this Agreement is terminated by Buyer or Seller, pursuant to Sections 11.01(a) or 11.01(b), then Buyer shall be entitled to the Escrow Deposit (together with all interest earned thereon), and the parties to the Escrow Agreement shall immediately deliver joint written instructions to the Escrow Agent directing such disbursement.

ARTICLE XII. SURVIVAL; INDEMNIFICATION

Section 12.01 Survival. The representations and warranties of the parties hereto contained in or made pursuant to this Agreement or in any certificate or other writing furnished pursuant hereto or in connection herewith shall survive in full force and effect until the twelve (12) month anniversary of the Closing Date, except that where such representations and warranties involve matters that affect the status of any licenses or authorizations issued by the FCC, in which event an eighteen (18) month survival period shall apply. None of the covenants and agreements shall survive the Closing except to the extent such covenants and agreements contemplate performance after the Closing, in which case such covenants and agreements shall survive until performed. No claim may be brought under this Agreement unless written notice describing in reasonable detail the nature and basis of such claim is given on or prior to the last day of the applicable survival period. In the event such notice is given, the right to indemnification with respect thereto shall survive the applicable survival period until such claim is finally resolved and any obligations thereto are fully satisfied.

Section 12.02 Indemnification by Buyer.

(a) Subject to this Article XII, Buyer shall indemnify against and hold harmless Seller, and its Seller Affiliates and their respective employees, officers and directors (collectively, the “Seller Indemnified Parties”) from, and agrees to promptly defend any Seller Indemnified Party from and reimburse any Seller Indemnified Party for, any and all losses, damages, costs, expenses, liabilities, obligations and claims of any kind (including any Action brought by any Governmental Authority or Person and including reasonable attorneys’ fees and expenses reasonably incurred) (collectively, “Losses”), incurred by any Seller Indemnified Party or to which any Seller Indemnified Party becomes subject, as a result of or in connection with:

(i) any breach of any representations or warranties of Buyer contained in this Agreement (each such breach, a “Buyer Warranty Breach”);

(ii) any breach or nonfulfillment of any agreement or covenant of Buyer under this Agreement;

(iii) the Assumed Liabilities; and

(iv) the business and operations of the Stations following the Effective Time.

(b) Notwithstanding any other provision to the contrary, Buyer shall not be required to indemnify and hold harmless any Seller Indemnified Party pursuant to Section 12.02(a)(i) unless: (A) such Seller Indemnified Party has asserted a claim with respect to such matters within the survival period set forth in Section 12.01 and (B) the aggregate amount of Seller Indemnified Parties' Losses resulting from Buyer Warranty Breaches is in excess of Forty Thousand U.S. Dollars (USD 40,000.00) (the "Threshold"); provided, however, that the cumulative indemnification obligation of Buyer under Section 12.02(a)(1) shall in no event exceed the Post-Closing Escrow Fund (the "Cap"); provided further, however, that neither the Threshold nor the Cap shall apply in the case of any indemnification in respect of Losses for breach of any representation or warranty of Buyer contained in Section 4.01 (Existence and Power), Section 4.02 (Corporate Authorization) or Section 4.07 (Brokers). Upon reaching the Threshold, the Losses subject to indemnification shall be in the full amount of the Losses incurred and not subject to the Threshold (e.g., Losses in the amount of Forty Thousand U.S. Dollars (USD 40,000.00) shall be indemnified in the full amount owed and not in the amount in excess of Forty Thousand U.S. Dollars (USD 40,000.00)).

Section 12.03 Indemnification by Seller.

(a) Subject to this Article XII, Seller shall indemnify against and hold harmless Buyer, its Affiliates, and each of their successors and assigns, and their respective employees, officers and directors (collectively, the "Buyer Indemnified Parties") from, and agrees to promptly defend any Buyer Indemnified Party from and reimburse any Buyer Indemnified Party for, any and all Losses incurred by any Buyer Indemnified Party or to which any Buyer Indemnified Party becomes subject, as a result of or in connection with:

(i) any breach of any representations or warranties of Seller contained in this Agreement (each such breach, a "Seller Warranty Breach");

(ii) any breach or nonfulfillment of any agreement or covenant of Seller under this Agreement;

(iii) the Excluded Liabilities and the Excluded Assets; and

(iv) the business and operations of the Stations prior to the Effective Time (except for Assumed Liabilities).

(b) Notwithstanding any other provision to the contrary, Seller shall not be required to indemnify and hold harmless any Buyer Indemnified Party pursuant to Section 12.03(a)(i) unless: (i) such Buyer Indemnified Party has asserted a claim with respect to such matters within the survival period set forth in Section 12.01 and (ii) the aggregate amount of Buyer Indemnified Parties' Losses resulting from Seller Warranty Breaches is in excess of the Threshold; provided, however, that the cumulative indemnification obligation of Seller under Section 12.03(a)(i) shall in no event exceed the Cap; provided further, however, that neither

the Threshold nor the Cap shall apply in the case of any indemnification in respect of Losses for breach of any representation or warranty of Seller contained in Section 3.01 (Corporate Existence and Power), Section 3.02 (Corporate Authorization), Section 3.16 (Brokers), or Section 3.19 (Title). Upon reaching the Threshold, the Losses subject to indemnification shall be in the full amount of the Losses incurred and not subject to the Threshold (e.g., Losses in the amount of Forty Thousand U.S. Dollars (USD 40,000.00) shall be indemnified in the full amount owed and not in the amount in excess of Forty Thousand U.S. Dollars (USD 40,000.00)). Notwithstanding anything in this Agreement to the contrary, Seller shall not be deemed to have breached any of its representations or warranties or failed to comply with any of its covenants or agreements contained in this Agreement to the extent such breach or failure results from Buyer's (or its subsidiaries') performance of its obligations under the Consulting Agreement.

Section 12.04 Notification of Claims.

(a) A party entitled to be indemnified pursuant to Section 12.02 or Section 12.03 (the "Indemnified Party") shall promptly notify the party liable for such indemnification (the "Indemnifying Party") in writing of any claim or demand that the Indemnified Party has determined has given or could give rise to a right of indemnification under this Agreement; provided, however, that a failure to give prompt notice or to include any specified information in any notice will not affect the rights or obligations of the Indemnified Party except and only to the extent that, as a result of such failure, the Indemnifying Party's ability to remedy, contest, defend or settle such claim or demand is materially prejudiced or the amount of Losses with respect to such claim or demand increases. Subject to the Indemnifying Party's right to defend in good faith Third Party Claims as hereinafter provided, the Indemnifying Party shall satisfy its obligations under this Article XII within thirty (30) days after the receipt of written notice thereof from the Indemnified Party.

(b) If the Indemnified Party shall notify the Indemnifying Party of any claim or demand pursuant to Section 12.04(a) made upon such Indemnified Party by any Person other than the other party hereto and Buyer's and Seller's respective Affiliates (a "Third Party Claim"), the Indemnifying Party shall have the right to employ counsel reasonably acceptable to the Indemnified Party to defend any such Third Party Claim asserted against the Indemnified Party for so long as the Indemnifying Party shall continue in good faith to diligently defend against such action or claim. The Indemnified Party shall have the right to participate in the defense of any such Third Party Claim at its own expense. The Indemnifying Party shall notify the Indemnified Party in writing, as promptly as possible (but in any case five (5) Business Days before the due date for the answer or response to a claim) after the date of the notice of the Third Party Claim given by the Indemnified Party to the Indemnifying Party of its election to defend in good faith any such Third Party Claim. So long as the Indemnifying Party is defending in good faith any such Third Party Claim, the Indemnified Party shall not settle or compromise such claim or demand without the consent of the Indemnifying Party, which consent shall not be unreasonably withheld, and the Indemnified Party shall make available to the Indemnifying Party or its agents all records and other material in the Indemnified Party's possession reasonably required by it for its use in contesting any Third Party Claim. Whether or not the Indemnifying Party elects to defend any such claim or demand, the Indemnified Party shall have no obligations to do so. In the event: (i) the Indemnifying Party elects not to

defend such Third Party Claim or fails to give timely notice of its election to defend such Third Party Claim; or (ii) the Indemnifying Party elects to defend such Third Party Claim but fails to diligently defend such Third Party Claim in good faith, the Indemnified Party shall have the right to conduct the defense thereof and to settle or compromise such Third Party Claim; provided that the Indemnified Party shall not settle or compromise any such Third Party Claim without the consent of the Indemnifying Party (such consent not to be unreasonably withheld), unless the Indemnifying Party is given a full and complete release of any and all liability by all relevant parties relating thereto and has no obligation to pay any damages.

Section 12.05 Net Losses; Subrogation; Mitigation; Adjustments.

(a) Notwithstanding anything contained herein to the contrary, the amount of any Losses incurred or suffered by an Indemnified Party shall be calculated after giving effect to (i) any insurance proceeds actually received by the Indemnified Party (or any of its respective Affiliates) with respect to such Losses (net of any increase in premiums or retroactive premium adjustment attributable to such recovery) and (ii) any recoveries obtained by the Indemnified Party (or any of its respective Affiliates) from any other third party. Each Indemnified Party shall exercise commercially reasonable efforts to obtain such proceeds, benefits and recoveries. If any such proceeds, benefits or recoveries are actually received by an Indemnified Party (or any of its respective Affiliates) with respect to any Losses after an Indemnifying Party has made a payment to the Indemnified Party with respect thereto, the Indemnified Party (or such respective Affiliate) shall pay to the Indemnifying Party the amount of such proceeds, benefits or recoveries (net of any increase in premiums or retroactive premium adjustment attributable to such recovery). With respect to any Losses incurred or suffered by an Indemnified Party, no liability shall attach to the Indemnifying Party in respect of any Losses to the extent that the same Losses have been recovered by such Indemnified Party from the Indemnifying Party, accordingly, an Indemnified Party may only recover once in respect of the same Loss.

(b) Upon making any payment to an Indemnified Party in respect of any Losses, the Indemnifying Party shall, to the extent of such payment, be subrogated to all rights of the Indemnified Party (and its respective Affiliates) against any third party in respect of the Losses to which such payment relates. Such Indemnified Party (and its respective Affiliates) and the respective Indemnifying Party shall execute upon request all instruments reasonably necessary to evidence or further perfect such subrogation rights.

(c) Buyer and Seller shall use commercially reasonable best efforts to mitigate any Losses, whether by asserting claims against a third party or by otherwise qualifying for a benefit that would reduce or eliminate an indemnified matter; provided, however, that no party shall be required to use such efforts if they would be demonstrably detrimental in any material respect to such party.

(d) Any calculation of Losses for purposes of this Article XII shall be (i) reduced to take account of any net Tax benefit actually realized by the Indemnified Party arising from the deductibility of any such Loss in the year such Loss is incurred and (ii) increased to take account of any net Tax liability actually realized by the Indemnified Party arising from the receipt or accrual of any indemnity obligation hereunder; provided that the

mitigation provisions hereof shall not require any party to take any action with respect to any Tax filing or claim, even if such filing or claim would likely result in a net Tax benefit. To the extent permitted by Law, all indemnity payments made pursuant to this Agreement shall be treated by the parties hereto as an adjustment to the Purchase Price.

Section 12.06 Exclusive Remedies. Buyer and Seller acknowledge and agree that, if the Closing occurs, (i) the indemnification provisions of this Article XII shall be the sole and exclusive remedies of Buyer and Seller for any breach of the representations or warranties or nonperformance of any covenants and agreements of Buyer or Seller contained in this Agreement or any Ancillary Agreement, except for any breach of any covenant or agreement that provides for performance following the Closing Date for which the remedies of specific performance, injunctive relief, non-monetary declaratory judgment or any other non-monetary equitable remedies may be applicable under applicable Law and (ii) Buyer's post-Closing recovery from Seller arising out of this Agreement shall be limited to the Post-Closing Escrow Fund (which are to be held and administered under the terms of the escrow agreement established pursuant to the Assurance Agreement). Buyer and Seller further agree that neither party shall have any liability to the other party under any circumstances, whether under this Article XII or otherwise under this Agreement, for special, indirect, consequential, punitive or exemplary damages, or lost profits, diminution in value or any damages based on any type of multiple of earnings of any Indemnified Party, except to the extent such Losses are claimed by a third party in connection with a Third Party Claim. Nothing contained in this Agreement shall relieve or limit the liability of either party from and after the Closing for any liability or Losses arising out of or resulting from fraud, intentional misrepresentation or willful breach in connection with the transactions contemplated in this Agreement or the Ancillary Agreements.

ARTICLE XIII. GENERAL PROVISIONS

Section 13.01 Expenses. Except as may be otherwise specified herein, all costs and expenses, including fees and disbursements of counsel, financial advisors and accountants, incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses, whether or not the Closing shall have occurred.

Section 13.02 Notices. All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be deemed to have been duly delivered and received (a) on the date of personal delivery, or (b) on the date of delivery if dispatched via a nationally recognized overnight courier service, to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 13.02):

If to Seller:

c/o R Communications
107 Calle del Norte
Laredo, TX 78041

Attention: Carlos Rodriguez

With a copy, which shall not constitute notice, to:

Wiley Rein LLP
1776 K Street, N.W.
Washington, D.C. 20006
Attention: Gregory Masters and
Jessica Rosenthal

If to Buyer:

Leading Media Group Corp.
5633 Richmond Avenue
Houston, Texas 77057
Attention: Hugo Chapa

With a copy, which shall not constitute notice, to:

Thompson Hine LLP
Suite 700
1919 M Street, N.W.
Washington, D.C. 20036
Attention: Barry A. Friedman

Section 13.03 Headings. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

Section 13.04 Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced because of any Law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner that is adverse to either party hereto. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

Section 13.05 Entire Agreement. This Agreement, the Disclosure Schedules and Exhibits hereto, the Ancillary Agreements, the Consulting Agreement and the Non-Solicitation Agreement constitute the entire agreement of the parties hereto with respect to the subject matter hereof and thereof and supersede all prior agreements and undertakings, both written and oral, between Seller and Buyer with respect to the subject matter hereof and thereof, except as otherwise expressly provided herein. Notwithstanding the foregoing, Buyer

and Seller acknowledge and agree that the Post-Closing Escrow Fund will be held in an escrow account established pursuant to the Assurance Agreement. No party makes any representation or warranty with respect to the transactions contemplated by this Agreement except as expressly set forth in this Agreement. Without limiting the generality of the foregoing, Seller makes no representation or warranty to Buyer with respect to any projections, budgets, or other estimates of the Stations' revenues, expenses or results of operations, or, except as expressly set forth in Article 3, any other financial or other information made available to Buyer with respect to the Stations.

Section 13.06 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither party may assign its rights or delegate its obligations under this Agreement without the other party's prior written consent; provided, that, no later than the date of the filing the FCC Application, Buyer may assign this Agreement to an Affiliate (any such Affiliate is referred to herein as, a "Buyer Assignee") upon written notice to, but without consent of, Seller, provided that (i) any such assignment or delegation does not delay or impede (x) the filing and/or processing of the FCC Application, (y) grant of the FCC Consent or (z) Closing, and (ii) Buyer shall remain liable for all of its obligations hereunder.

Section 13.07 No Recourse. Notwithstanding any of the terms or provisions of this Agreement, Seller, on the one hand, and Buyer, on the other hand, agree that neither it nor any Person acting on its behalf may assert any claims or cause of action against any employee, officer, director, member or trustee of the other party or stockholder, member or trustee of such other party in connection with or arising out of this Agreement or the transactions contemplated hereby.

Section 13.08 No Third-Party Beneficiaries. Except as expressly provided in Article XII, this Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 13.09 Amendments and Waiver.

(a) This Agreement may not be amended or modified except by an instrument in writing signed by Seller and Buyer.

(b) Either party may (i) extend the time for the performance of any of the obligations or other acts of the other party hereto, (ii) at any time prior to the Closing, waive any inaccuracies in the representations and warranties of the other party hereto contained herein or in any document delivered pursuant hereto or (iii) waive compliance by the other party hereto with any of the agreements or conditions contained herein. Any such extension or waiver shall be valid only if set forth in an instrument in writing signed by the party to be bound thereby.

(c) No failure or delay by either party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise

thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by Law.

Section 13.10 Governing Law. The construction and performance of this Agreement shall be governed by, and construed in accordance with, the Laws of the State of Texas without regard to its principles of conflict of law that would subject the construction hereof or resolution of any dispute hereunder to the substantive Laws of another jurisdiction.

Section 13.11 Specific Performance; Equitable Relief. Seller agrees that irreparable damage for which monetary damages, even if available, would not be an adequate remedy, would occur in the event that Seller does not perform the provisions of this Agreement (including failing to take such actions as are required of it hereunder to consummate this Agreement) in accordance with their specified terms or Seller otherwise breaches such provisions. Seller acknowledges and agrees that Buyer shall be entitled to an injunction, specific performance and other equitable relief to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof, this being in addition to any other remedy to which Buyer is entitled at law or in equity subject to the limitations in this Agreement. Seller agrees that it will not oppose the granting of an injunction, specific performance and other equitable relief on the basis that Buyer has an adequate remedy at law or an award of specific performance is not an appropriate remedy for any reason at law or equity. If Buyer seeks an injunction to enforce specifically or to enforce specifically the terms and provisions of this Agreement, Buyer shall not be required to provide any bond or other security in connection with any such order or injunction.

Section 13.12 WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR TO THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 13.13 Counterparts. This Agreement may be executed in one or more counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or e-mail shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 13.14 No Presumption. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting or causing any instrument to be drafted.

Section 13.15 Disclosure Schedules

(a) The parties acknowledge and agree that (i) matters reflected in the Disclosure Schedules are not necessarily limited to the matters required by this Agreement to be disclosed in the Disclosure Schedules, (ii) the Disclosure Schedules may include certain items and information solely for informational purposes for the convenience of the parties and

(iii) the disclosure by Seller of any matter in the Disclosure Schedules shall not be deemed to constitute an acknowledgment by Seller that the matter is required to be disclosed by the terms of this Agreement or that the matter is material. The specification of any dollar amount in the representations and warranties contained in this Agreement or the inclusion of any specific item in the Disclosure Schedules are not intended to imply that such amounts are within or outside the ordinary course of business or material for purposes of this Agreement.

(b) If and to the extent any information required to be furnished in any section of the Disclosure Schedules is contained in this Agreement or in any section of the Disclosure Schedules, such information shall be deemed to be included in all sections of the Disclosure Schedules to the extent that the relevance of any such information to any other section of the Disclosure Schedules is readily apparent from the text of such disclosure. Seller has disclosed the information contained in the Disclosure Schedules solely for purposes of this Agreement, and no information contained therein shall be deemed to be an admission by any party thereto to any third party of any matter whatsoever, including of any violation of Law or breach of any agreement.

4844-9647-2968

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this Asset Purchase Agreement as of the date first set forth above.

SELLER:

MBM RADIO LAREDO LLC

By: _____

Name:

Title:

MBM TEXAS VALLEY LLC

By: _____

Name:

Title:

BUYER:

LEADING MEDIA GROUP CORP.

By: _____

Name:

Title:

IN WITNESS WHEREOF, the parties have executed this Asset Purchase Agreement as of the date first set forth above.

SELLER:

MBM RADIO LAREDO LLC

By: _____

Name:

Title:

MBM TEXAS VALLEY LLC

By: _____

Name:

Title:

BUYER:

LEADING MEDIA GROUP CORP.

By: _____

Name:  HUGO I. CHAPA

Title: CEO

Disclosure Schedule Section 3.12
FCC Licenses

Licensee: MBM Radio Laredo LLC

Station: KBDR(FM), Mirando City, Texas (Facility ID No. 906)

| <u>Call Sign</u> | <u>Type</u> | <u>File No.</u> | <u>Expiration</u> |
|------------------|-----------------------|------------------|-------------------|
| KBDR | Main Station License | BMLH-20100601AFL | August 1, 2021 |
| KBDR | Renewal Authorization | BRH-20130401APN | August 1, 2021 |
| WMF686 | Aural STL | | August 1, 2021 |

Antenna Structure Registrations: 1273562, 1050013 (associated with WMF686)

Owner: American Towers, LLC

Station: KBDR-FM1, Laredo, Texas (Facility ID No. 907)

| <u>Call Sign</u> | <u>Type</u> | <u>File No.</u> | <u>Expiration</u> |
|------------------|-----------------------|-------------------|-------------------|
| KBDR-FM1 | Main Station License | BLFTB-19991206ADM | August 1, 2021 |
| KBDR-FM1 | Renewal Authorization | BRH-20130401APN | August 1, 2021 |

Antenna Structure Registrations: 1050013

Owner: American Towers, LLC

Station: KNEX(FM), Laredo, Texas (Facility ID No. 42148)

| <u>Call Sign</u> | <u>Type</u> | <u>File No.</u> | <u>Expiration</u> |
|------------------|-----------------------|-----------------|-------------------|
| KNEX | Main Station License | BLH-20031112AIH | August 1, 2021 |
| KNEX | Renewal Authorization | BRH-20130401APW | August 1, 2021 |
| WMF920 | Aural STL | | August 1, 2021 |

Antenna Structure Registrations: 1051406

Owner: Gray Television Group, LLC

Licensee: MBM Texas Valley LLC

Station: KBUC(FM), Raymondville, Texas (Facility ID No. 18654)

| <u>Call Sign</u> | <u>Type</u> | <u>File No.</u> | <u>Expiration</u> |
|------------------|-----------------------|------------------|-------------------|
| KBUC | Main Station License | BMLH-20140509ABE | August 1, 2021 |
| KBUC | Renewal Authorization | BRH-20130401ARP | August 1, 2021 |
| WHN358 | Aural STL | | August 1, 2021 |

Antenna Structure Registrations: 1050345, 1051982 (associated with WHN358)

Owner: MBM Texas Valley LLC

Station: KURV(AM), Edinburg, Texas (Facility ID No. 70463)

| <u>Call Sign</u> | <u>Type</u> | <u>File No.</u> | <u>Expiration</u> |
|------------------|-----------------------|-----------------|-------------------|
| KURV | Main Station License | BL-19870601AM | August 1, 2021 |
| KURV | Renewal Authorization | BR-20130401ARU | August 1, 2021 |
| WQLY237 | Aural STL | | August 1, 2021 |
| KLB665 | Remote Pickup | | August 1, 2021 |

Antenna Structure Registrations: 1051982, 1051983, 1051984, 1051985

Owner: MBM Texas Valley LLC