

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (the "Agreement") is made this 24th day of September, 2010 by and between Pinnacle Media, LLC ("Seller") and Kaleidoscope Foundation, Inc. ("Buyer").

WITNESSETH:

WHEREAS, Seller is the licensee of the following low power television stations (which are collectively called the "Stations"):

- (a) KFFS-CA (Facility ID No. 52430), licensed to Fayetteville, Arkansas;
- (d) KRAH-CA (Facility ID No. 52423), licensed to Paris, Arkansas;
- (i) KSJF-CA (Facility ID No. 52425), licensed to Poteau, Oklahoma
- (j) KKAF-CA (Facility ID No. 52432), licensed to Siloam Springs, Arkansas;
- (k) KHMF-CA (Facility ID No. 52420), licensed to Bentonville, Arkansas.

WHEREAS, in accordance with applicable requirements, Seller wishes to sell the assets of the Stations and assign the Licenses to Buyer and Buyer wishes to buy the assets of the Stations and acquire the Licenses from Seller;

NOW THEREFORE, in consideration of the foregoing and of the mutual agreements and covenants contained herein, the parties, intending to be legally bound, agree as follows:

1. **Purchase and Sale of Assets.** The Stations are being transferred from Seller to Buyer as a charitable donation. The valuation will be determined by an appraisal performed by Holt Media, or another mutually agreeable appraiser, prior to Closing. Subject to the terms and conditions set forth below, Seller agrees to assign, sell and transfer to Buyer, and Buyer agrees to purchase from Seller, the following assets, all of which Seller agrees are now, and on the Transfer Date (as defined) shall be, free and clear of any and all liens, claims, petitions, charges and encumbrances of any nature whatsoever ("Liens"):

- (a) the Licenses and any and all other FCC authorizations pertaining to the Stations;

(b) any and all pending applications before the FCC which relate to the Stations or the Licenses;

(c) all of Seller's books and records relating to the Licenses or the Stations, copies of which have already been provided to Buyer or will be provided to Buyer upon reasonable request by Seller;

(d) all of Seller's proprietary information, technical information, demographic and market data, coverage maps, diagrams and the like which relate to the Licenses or to the future business of the Stations;

(e) all of the Seller's leases, land purchase contracts, tower registrations, tower permits relating to the Stations, attached as Schedule 1(e), subject to the consent of the owner of the tower used by Seller, which shall be obtained by Seller prior to Closing; and,

(f) all of the Seller's supplies, equipment, inventories and other property purchased but not installed, as more fully described in Schedule 1(f) hereto.

Hereafter, all such assets shall be referred to as the "Stations' Assets."

2. Purchase Price and Payment.

a. **Consideration.** Subject to the terms and conditions set forth herein, in consideration for the sale, assignment, conveyance, transfer and delivery of the Stations' Assets, Buyer shall, at the Closing, assume the Assumed Liabilities as provided in this agreement.

b. **Seller's Warranty.** Seller is the sole holder of the Licenses which is, and at Transfer (as defined) will be in full force and effect and has not been revoked, suspended, canceled, rescinded, terminated or modified and has not expired. Seller is aware of no facts and has received no notice or other communication from the FCC indicating that Seller is not in compliance in all material respects with all applicable requirements of the FCC.

3. **Buyer Qualified.** Buyer is legally, financially and otherwise qualified to acquire and operate the Stations' Assets consistent with the Communications Act of 1934, as amended, and the rules and regulations of the Federal Communications Commission ("FCC"). To the best of Buyer's knowledge, no circumstances exist which reasonably could support a conclusion by the FCC that Buyer lacks the requisite qualifications to acquire and operate the Stations.

4. **Deliveries at Transfer.** At Transfer, Seller shall deliver or cause to be delivered to Buyer the following:

(a) An original copy of the Licenses, together with a copy of the FCC's consent to assignment of the Licenses to Buyer or its assignee, and all other files, records and correspondence pertaining to the Licenses or the Stations in Seller's possession;

(b) Written evidence satisfactory to Buyer of the transfer of title to the Stations' Assets;

(c) A Bill of Sale, and other such documents or instruments as Buyer may reasonably request to carry out the transaction contemplated by this Agreement. For purposes of this Agreement, all such documents are defined as the "Transaction Documents"; and,

5. **Transfer.** The Transfer of the Stations' Assets from Seller to Buyer ("Transfer") will take place within fifteen business (15) days following the date on which the FCC Consent becomes a Final Order, or at such other time and place as the parties may mutually agree (such date, the "Transfer Date"). Transfer may occur via facsimile.

6. **Benefit and Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

7. **Governing Law.** This Agreement shall be governed, construed and enforced in accordance with the laws of the State of Arkansas, without regard to the choice of law provisions thereof. Any litigation arising from the Agreement shall be brought in the Arkansas State Courts or Federal Courts located in Arkansas.

8. **Construction.** The parties acknowledge and agree that this Agreement has been fully negotiated between them and shall not be interpreted or construed against the drafting party.

9. **Multiple Counterparts.** This Agreement may be signed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

10. **Entire Agreement.** This Agreement collectively represents the entire understanding and agreement between Buyer and Seller with respect to the subject matter hereof. This Agreement supersedes all prior memoranda and agreements between the parties hereto, and may not be modified, supplemented or amended, except by a written instrument signed by each of the parties hereto designating specifically the terms and provisions so modified, supplemented or amended.

11. **Captions.** The section captions and headings in this Agreement are for convenience and reference purposes only and should not affect in any way the meaning or interpretation of this Agreement.

12. **Further Assurances.** Upon the signing of this Agreement, Seller will use its best efforts, and Buyer will reasonably cooperate with Seller, to secure FCC authorization for the transfer of the Licenses and the other Assets of the Stations and any related authorizations or fulfillment of any conditions hereto. The parties acknowledge that FCC consent is required to transfer the Licenses, and agree not to effect such transfer before such consent has been obtained. At and after the Transfer, Buyer and Seller will, without further consideration, execute and deliver such further instruments and documents and do such other acts and things that the other party may reasonably request in order to effect or confirm the transactions contemplated by this Agreement.

13. **Brokers and Financial Advisors.** No Person has acted, directly or indirectly, as a broker, finder or financial advisor for Seller or Buyer or any of their Affiliates in connection with the transactions contemplated by this Agreement.

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

PINNACLE MEDIA, LLC

By: _____

Gregory Fess
Member

KALEIDOSCOPE FOUNDATION, INC.

By: _____

Larry E. Morton
Director