

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT, dated as of November __, 2012 (this "Agreement"), by and between DJSG Partners, LP, a Texas limited partnership and its general partner DJSG GP, LLC, a Texas limited liability company ("Seller"), and Texarkana Radio Center, LLC, an Alaska limited liability company, and its wholly owned subsidiary Texarkana Radio Center Licenses, LLC ("TRCLLC") (together or individually, as the case may be, "Buyer").

WITNESSETH:

WHEREAS, Seller is the licensee of FM translator K288FI, licensed to Texarkana, Texas (the "Station"); and

WHEREAS, on the terms and conditions described herein, Seller desires to sell, and Buyer desires to purchase, the Station; and

WHEREAS, the transaction contemplated hereby is related to transactions for purchase of certain other radio stations between Buyer and affiliates of Seller (the "Related Transactions" including Arklatex, LLC, and Jo-Al Broadcasting, Inc., which transactions shall close in conjunction with this Agreement, whereby:

- (a) Buyer is purchasing radio station assets from Arklatex, LLC, pursuant to a separate asset purchase agreement,
- (b) Buyer is purchasing all the stock of Jo-Al Broadcasting, Inc., from Seller, pursuant to a stock purchase agreement,
- (c) Seller is financing Buyer's purchase of these assets and stock, and
- (d) The Seller will borrow money from one or more banks (the "Bank") in order to finance Buyer's purchase of these assets and stock.); and

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

1. Sale of Assets.

(a) On the Closing Date (as hereinafter defined), Seller shall sell, assign and transfer to Buyer, and Buyer shall purchase and assume from Seller, all of the assets, properties, interests and rights of Seller of whatsoever kind and nature, which are owned by Seller and/or used or useful in connection with the operation of the Station (the "Assets") (but excluding the Excluded Assets described in subparagraph (c) below), including without limitation:

(i) All of Seller's equipment, machinery, furniture, furnishings, fixtures, office materials, vehicles and other tangible personal property used or useful in the conduct of the business or operations of the Station (the "Tangible Personal Property") set forth on Schedule 1 hereto;

(ii) All of the licenses, construction permits and other authorizations, including the FCC Authorizations (collectively, the "Licenses"), issued by the FCC, the Federal Aviation Administration (the "FAA"), and any other federal, state or local governmental authorities to Seller in connection with the conduct of the business and the full on-air operations of the Station, including without limitation, those set forth on Schedule 2 hereto;

(iii) A lease to be entered into for the Station's transmission facility, as well as the agreements and contracts (if any) listed in Schedule 3 hereto;

(iv) All logs, books, files, data, software, FCC and other governmental applications, equipment manuals and warranties, and other records relating to the full on-air broadcast operations of the Station, including without limitation all electronic data processing files and systems, FCC filings and all records required by the FCC to be kept by the Station; and

(v) All of Seller's right, title and interest in and to all copyrights, licenses, patents, trademarks, service marks, logos and trade names (including the call letters K288FI and any variation thereof) used in connection with the operation of the Station and all goodwill associated therewith, and other similar intangible rights and interests.

(b) The Assets shall be transferred to Buyer free and clear of all debts, security interests, mortgages, trusts, claims, pledges, and other liens, liabilities and encumbrances of every kind and nature ("Liens"), except for liens for taxes, assessments and other governmental charges not yet due and payable, liens that will be discharged on or prior to the Closing Date, and security interests of Seller and the Bank created in conjunction with the consummation of this transaction ("Permitted Liens"). Except for obligations to be performed on and after the closing date on the contracts and agreements acquired by Buyer from Seller listed on Schedule 3 (if any), Buyer is not agreeing to, and shall not assume any liability, obligation, undertaking, expense or agreement of Seller of any kind, absolute or contingent, known or unknown, and the execution and performance of this Agreement shall not render Buyer liable for any such liability, obligation, undertaking, expense or agreement. All of such liabilities and obligations shall be referred to herein as the "Retained Liabilities."

(c) The following assets relating to the business of the Station shall be retained by Seller and shall not be sold, assigned or transferred to Buyer (the "Excluded Assets"):

(i) Cash on hand and in banks (or their equivalents) and ;

(ii) All rights of Seller under all contracts, leases and agreements, including contracts of insurance and insurance proceeds or claims made by Seller relating to property or equipment repaired, replaced, restored by Seller prior to the Closing Date;

- (iii) All deposits and all prepaid expenses and taxes; and
- (iv) Seller's organizational records.

2. **Purchase Price.**

(a) Upon the terms and subject to the conditions contained in this Agreement, and in consideration of the sale of the Assets, on the Closing Date Buyer shall pay to Seller the sum of Three Hundred Fifty Thousand Dollars (\$350,000) (the "Purchase Price"), payable by Buyer as further set forth in the Asset Purchase Agreement for the Related Transactions. Seller acknowledges and agrees that the cash and note consideration to be received at the Closing of the Related Transactions will be applied toward the Purchase Price due hereunder, and that a receipt will be delivered upon Seller's receipt of the Purchase Price.

(b) The parties agree to prorate all expenses arising out of the operation of the Station which are incurred, accrued or payable, as of 11:59 p.m. local time of the day preceding the Closing. The items to be prorated shall include, but not be limited to, power and utilities charges, personal property taxes upon the basis of the most recent tax bills and information available, security deposits, and similar prepaid and deferred items. FCC regulatory fees are excluded from proration; all FCC regulatory fees due prior to Closing shall be paid by Seller and all FCC regulatory fees due after Closing shall be paid by Buyer. On the Closing Date, the prorations shall, insofar as feasible, be determined and paid on the Closing Date, with final settlement and payment to be made within forty-five (45) days after the Closing Date.

(c) The parties have mutually determined an allocation of Purchase Price and each party shall file all tax returns including information consistent with that allocation.

3. **FCC Consent; Assignment Application.** At the earliest mutually agreeable date, but not later than ten (10) days after the date of this Agreement, Buyer and Seller shall execute, file and vigorously prosecute an application with the FCC (the "Assignment Application") requesting its consent to the assignment, from Seller to Buyer, of the Station's FCC Licenses ("FCC Consent"). Buyer and Seller shall take all reasonable steps to cooperate with each other and with the FCC to secure such FCC Consent without delay, and to promptly consummate this Agreement in full.

4. **Closing Date; Closing Place.** The closing (the "Closing") of the transactions contemplated by this Agreement shall occur on the same date as the closing date of the Related Transactions (the "Closing Date"). The Closing shall be held by mail or in such other manner as mutually agreed upon by the parties.

5. **Representations and Warranties of Seller.** Seller hereby makes the following representations and warranties to Buyer which shall be true as of the date hereof and on the Closing Date:

(a) Seller is either a limited partnership or a limited liability company duly formed, validly existing and in good standing in the State of Texas, and has the requisite power and authority to own, lease and operate its properties and to carry on its business as now being conducted. Seller has the power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by Seller and no other proceedings on the part of Seller are necessary to authorize this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Seller and constitutes the legal, valid and binding obligation of Seller enforceable in accordance with its terms, except as may be limited by bankruptcy, insolvency or other laws affecting generally the enforcement of creditors' rights or the application of principles of equity.

(b) The execution, delivery and performance of this Agreement by Seller will not (i) result in a default (or give rise to any right of termination, cancellation or acceleration) under or conflict with any of the terms, conditions or provisions of any note, bond, mortgage, indenture, agreement, lease or other instrument or obligation relating to the Station and to which Seller is subject, except for such defaults (or rights of termination, cancellation or acceleration) as to which requisite waivers or consents have been obtained and delivered to Buyer, (ii) violate any law, statute, rule, regulation, order, writ, injunction or decree of any federal, state or local governmental authority or agency and which is applicable to Seller or the Station, (iii) result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever on the Station, or (iv) require the consent or approval of any governmental authority, lending institution or other third party other than the FCC Consent.

(c) Seller is the authorized legal holder of the FCC Licenses identified on Schedule 2 hereto. The FCC Licenses are validly issued and are in full force and effect. Seller is in compliance in all material respects with all applicable federal, state and local laws, rules and regulations, including, without limitation, the Communications Act of 1934, as amended, and the rules, regulations and policies of the FCC. There is not now pending or threatened any action by or before the FCC to revoke, cancel, rescind or modify the FCC Licenses.

(d) There is no litigation pending by or against, or to the best of Seller's knowledge after due inquiry, threatened against Seller which relates to the Station.

(e) SELLER MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, AS TO THE MERCHANTABILITY, MARKETABILITY, FITNESS OR SUITABILITY FOR A PARTICULAR PURPOSE, OR ANY OTHER MATTER WITH RESPECT TO ANY OF THE ASSETS. ANY IMPLIED WARRANTIES ARE EXPRESSLY DISCLAIMED AND EXCLUDED.

6. **Representations and Warranties of Buyer.** Buyer hereby makes the following representations and warranties to Seller which shall be true as of the date hereof and on the Closing Date:

(a) Buyer is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Alaska, and has the requisite power and authority to own, lease and operate its properties and to carry on its business as now being conducted.

(b) Buyer has the legal and financial power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by Buyer and no other proceedings on the part of Buyer are necessary to authorize this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Buyer and constitutes the legal, valid and binding agreement of Buyer enforceable in accordance with its terms, except as may be limited by bankruptcy, insolvency or other laws affecting generally the enforcement of creditors' rights or the application of principles of equity.

(c) The execution, delivery and performance of this Agreement by Buyer will not (i) conflict with or result in any breach of any provision of the articles of incorporation or by-laws of Buyer, or (ii) result in a default (or give rise to any right of termination, cancellation or acceleration) under or conflict with any of the terms, conditions or provisions of any note, bond, mortgage, indenture, agreement, lease or other instrument or obligation, relating to its own business, except for such defaults (or rights of termination, cancellation or acceleration) as to which requisite waivers or consents have been obtained and delivered to Seller, (iii) violate any law, statute, rule, regulation, order, writ, injunction or decree of any federal, state or local governmental authority or agency and which is applicable to Buyer, or (iv) require the consent or approval of any governmental authority, lending institution or other third party other than the FCC Consent.

(d) Buyer is legally, financially and technically qualified to acquire the Station.

(e) There is no litigation, proceeding or governmental investigation pending or to the knowledge of Buyer, threatened, in any court, arbitration board, administrative agency, or tribunal against or relating to Buyer that would prevent or materially impede the consummation by Buyer of the transactions contemplated by this Agreement.

7. **Seller Covenants.** Seller covenants with Buyer that, between the date hereof and the Closing Date, it shall act in accordance with the following:

(a) Seller shall render accurate at and as of the Closing Date the representations and warranties made by it in this Agreement, and between the date hereof and the Closing Date Seller shall operate the Station only in the ordinary course of business.

(b) If any event should occur which would prevent the consummation of the transactions contemplated hereunder (other than an event proximately caused by Buyer), Seller shall use its best efforts to cure such event as expeditiously as possible.

8. **Buyer Covenants.** Buyer covenants with Seller that, between the date hereof and the Closing Date, it shall act in accordance with the following:

(a) Buyer shall render accurate at and as of the Closing Date the representations and warranties made by it in this Agreement.

(b) If any event should occur which would prevent the consummation of the transactions contemplated hereunder (other than an event proximately caused by Seller), Buyer shall use its best efforts to cure such event as expeditiously as possible.

9. **Conditions Precedent to Obligation to Close.**

(a) The performance of the obligations of Seller hereunder is subject to the satisfaction of each of the following express conditions precedent:

(i) Buyer shall have performed and complied in all material respects with all of the agreements, obligations and covenants required by this Agreement to be performed or complied with by Buyer prior to or as of the Closing Date;

(ii) The representations and warranties of Buyer set forth in this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same effect as if made on and as of the Closing Date;

(iii) Public notice of the FCC Consent contemplated by this Agreement shall have been released;

(iv) No suit, action, claim or governmental proceeding shall be pending, and no order, decree or judgment of any court, agency or other governmental authority shall have been rendered, against any party hereto which: (x) would render it unlawful, as of the Closing Date, to effect the transactions contemplated by this Agreement in accordance with its terms; (y) questions the validity or legality of any transaction contemplated hereby; or (z) seeks to enjoin any transaction contemplated hereby;

(v) The Related Transactions shall stand ready to close, and shall be consummated simultaneously with the transaction contemplated hereby, and financing shall be obtained upon terms acceptable to Lender.

(b) The performance of the obligations of Buyer hereunder is subject to the satisfaction of each of the following express conditions precedent:

(i) Seller shall have performed and complied in all material respects with all the agreements, obligations and covenants required by this Agreement to be performed or complied with by Seller prior to or as of the Closing Date;

(ii) The representations and warranties of Seller set forth in this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same effect as if made on and as of the Closing Date;

(iii) The FCC Consent contemplated by this Agreement shall have become a Final Order, or, by agreement of the parties, on receipt of FCC Staff Approval;

(iv) No suit, action, claim or governmental proceeding shall be pending, and no order, decree or judgment of any court, agency or other governmental authority shall have been rendered, against any party hereto which: (x) would render it unlawful, as of the Closing Date, to effect the transactions contemplated by this Agreement in accordance with its terms; (y) questions the validity or legality of any transaction contemplated hereby; or (z) seeks to enjoin any transaction contemplated hereby;

(v) There shall not be any Liens on the Assets or any financing statements of record except those to be terminated by Seller on or before the Closing Date and Permitted Liens;

(vi) On the Closing Date the Station shall be broadcasting at 90% of its full authorized power.

(vii) The Related Transactions shall stand ready to close, and shall be consummated simultaneously with the transaction contemplated hereby.

10. **Closing Deliveries.**

(a) At the Closing, Seller will deliver to Buyer the following, each of which shall be in form and substance satisfactory to Buyer and its counsel:

(i) A bill of sale in a form acceptable to Buyer and other instruments of transfer and conveyance, dated the Closing Date, in form and substance so as to effectively and legally transfer and assign to Buyer the Assets and effectively vest in Buyer good and marketable title to the Assets;

(ii) An Assignment and Assumption of FCC Authorizations;

(iii) A certificate, dated the Closing Date, executed by the General Partner of Seller, certifying the fulfillment of the conditions set forth in Section 9.1(b)(i) and (ii) hereof;

(iv) Resolutions of Seller's general partner authorizing and approving the execution and delivery of this Agreement and authorizing the consummation of the transactions contemplated hereby;

(v) A certificate of existence or good standing for the Seller from the Secretary of State of the State of Texas;

(vi) UCC-3 termination statements with respect to any lien of record;
and

(vii) Such other documents, instruments and agreements necessary to consummate the transactions contemplated by this Agreement or as Buyer shall reasonably request, each in form and substance satisfactory to Buyer and its counsel.

(b) Prior to or at the Closing, Buyer will deliver to Seller the following, each of which shall be in form and substance satisfactory to Seller and its counsel:

(i) The Purchase Price as defined in Section 2(a);

(ii) An Assignment and Assumption of FCC Authorizations;

(iii) A certificate, dated the Closing Date, executed by the President of Buyer, certifying the fulfillment of the conditions set forth in Section 9.1(a)(i) and (ii) hereof;

(iv) Such other documents, instruments and agreements necessary to consummate the transactions contemplated by this Agreement or as Seller shall reasonably request, each in form and substance satisfactory to Seller and its counsel.

11. **Indemnification.**

(a) Following the Closing Seller shall indemnify, defend and hold harmless Buyer with respect to any and all demands, claims, actions, suits, proceedings, assessments, judgments, costs, losses, damages, liabilities and expenses (including, without limitation, interest, penalties, court costs and reasonable attorneys' fees) ("Damages") asserted against, resulting from, imposed upon or incurred by Buyer directly or indirectly relating to or arising out of: (i) the breach by Seller of any of its representations or warranties, or failure by Seller to perform any of its covenants, conditions or agreements set forth in this Agreement; and (ii) any and all claims, liabilities and obligations of any nature, absolute or contingent, relating to Seller's ownership of the Station prior to the Closing.

(b) Following the Closing Buyer shall indemnify, defend and hold harmless Seller with respect to any and all Damages asserted against, resulting from, imposed upon or incurred by Seller directly or indirectly relating to or arising out of: (i) the breach by Buyer of any of its representations, warranties, or failure by Buyer to perform any of its covenants, conditions or agreements set forth in this Agreement; and (ii) any and all claims, liabilities and obligations of any nature, absolute or contingent, relating to the ownership of the Station subsequent to the Closing.

(c) The several representations and warranties of Seller and Buyer contained in or made pursuant to this Agreement shall be deemed to have been made on the date of this Agreement and on the Closing Date, shall survive the Closing Date for a period of one (1) year following the Closing Date or, in the case of a third-party claim, until the applicable statute of limitations with respect to such claim shall have expired.

12. **Termination.**

(a) (This Agreement may be terminated by either Buyer or Seller, if the party seeking to terminate is not in default or breach of any of its material obligations under this Agreement, upon written notice to the other upon the occurrence of any of the following: (i) if, on or prior to the Closing Date, the other party breaches any of its material obligations contained herein, and such breach is not cured by the earlier of the Closing Date or thirty (30) days after receipt of the notice of breach from the non-breaching party; or (ii) if the Assignment Application is denied by Final Order; or (iii) if there shall be in effect any judgment, final decree or order that would prevent or make unlawful the Closing of this Agreement; or (iv) if the Closing has not occurred prior to the date six months from the date hereof, provided, however, that if the sole reason the Closing has not occurred is due to a delay of the FCC Order or FCC approval of a Related Transaction, the termination date shall be extended for a period of six additional months.

(b) Subject to Buyer's right to pursue specific performance as provided in Section 13 below, upon termination of this Agreement by Buyer due to a breach by Seller of any of its material obligations under this Agreement, Buyer may seek all rights and remedies that it may have in equity or at law. Upon termination of this Agreement by Seller due to a breach by Buyer of any of its material obligations under this Agreement, Seller may seek all rights and remedies that it may have in equity or at law, but limited to the amount of the Purchase Price.

13. **Specific Performance.** Seller and Buyer each recognize and acknowledge that in the event Seller fails to perform its obligation to consummate the transaction contemplated hereby, money damages alone will not be adequate to compensate Buyer for its injury. Seller and Buyer, therefore, each agree and acknowledge that in the event of Seller's failure to perform its obligation to consummate the transaction contemplated hereby, Buyer shall be entitled to specific performance of the terms of this Agreement and of Seller's obligation to consummate the transaction contemplated hereby. If any action is brought by Buyer to enforce this Agreement, Seller shall waive the defense that there is an adequate remedy at law.

14. **Notices.** All notices, elections and other communications permitted or required under this Agreement shall be in writing and shall be deemed effectively given or delivered upon personal delivery (or refusal thereof), or twenty-four (24) hours after delivery to a courier service which guarantees overnight delivery, or five (5) days after deposit with the U.S. Post Office, by registered or certified mail, postage prepaid, and, in the case of courier or mail delivery, addressed as follows (or at such other address for a party as shall be specified by like notice):

If to Seller, to:

DJSG Partners, LP

Attn: Donald T. Jack, Jr.
2800 Cantrell Road, Suite 500
Little Rock, AR 72202

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

Lynn Lile Wright, Attorney at Law
Jack, Nelson, Jones & Bryant, PA
2800 Cantrell Road, Suite 500
Little Rock, AR 72202

And to:

DJSG Partners, LP
Attn: Scott Gray
1031 Hickory Creek Drive
Alexander, AR 72002

If to Buyer, to:

Texarkana Radio Center, LLC
Attn: Richard Burns
c/o Juneau Radio Center
3161 Channel Drive
Juneau, AK 99801

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

David M. Silverman, Esq.
Davis Wright Tremaine LLP
1919 Pennsylvania Ave. NW, Suite 800
Washington, D.C. 20006-3401

15. **Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the State of Texas, without giving effect to the choice of law principles thereof.

16. **Partial Invalidity.** Wherever possible, each provision hereof shall be interpreted in such manner as to be effective and valid under applicable law, but in case any provision contained herein shall, for any reason, be held to be invalid or unenforceable, such provision shall be ineffective to the extent of such invalidity or unenforceability without invalidating the remainder of such provision or any other provisions hereof, unless such a construction would be unreasonable.

17. **Counterparts.** This Agreement may be executed in several counterparts, each of which will be deemed to be an original but all of which together will constitute one and the same instrument.

18. **Expenses.** Except as otherwise set forth in this Section, each party hereto shall be solely responsible for all costs and expenses incurred by it in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement. Any sales or transfer taxes and fees relating to the conveyance of the Station to Buyer shall be borne by Buyer.

19. **Assignment.** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. No party may assign its interest or delegate its duties under this Agreement without the prior written consent of the other party.

20. **Entire Agreement.** This Agreement, and the exhibits attached hereto, supersede all prior agreements and understandings between the parties with respect to the subject matter hereof and may not be changed or terminated orally, and no attempted change, amendment, or waiver of any of the provisions hereof shall be binding unless in writing and signed by both parties.

[THE NEXT PAGE IS THE SIGNATURE PAGE]

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

Texarkana Radio Center, LLC

By: 

R. S. BURNS
LICENCED

Texarkana Radio Center, LLC

By: 

R. S. BURNS

DJSG PARTNERS, LP, by its general partner
DJSG GP, LLC

By: 



Schedule 2 -- Licenses

Call Sign	Facility ID	Community of License	FCC File No.	Expiration Date
FM Translator K288FI	156973	Texarkana, TX	BLFT- 20070611AAL	08/01/2013
Auxiliary Licenses -- None				
ASRs -- None				