

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is made as of January 15, 2016 between Saranac Lake Radio, LLC ("Seller") and Red Wolf Broadcasting Corporation ("Buyer").

Recitals

A. Seller holds a license (the "License") issued by the Federal Communications Commission (the "FCC") for the following FM translator station (the "Station"):

W291AU, Tupper Lake, NY, (FCC Facility ID 66424)

B. Pursuant to the terms and subject to the conditions set forth in this Agreement, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, the Station Assets (defined below).

Agreement

NOW, THEREFORE, taking the foregoing into account, and in consideration of the mutual covenants and agreements set forth herein, the parties, intending to be legally bound, hereby agree as follows:

ARTICLE 1: SALE AND PURCHASE

1.1 Station Assets. On the terms and subject to the conditions hereof, on the Closing Date (defined below), Seller shall sell, assign, transfer, convey and deliver to Buyer, and Buyer shall purchase and acquire from Seller, all right, title and interest of Seller in and to the License and intellectual property associated with the Station (the "Station Assets").

1.2 Retained Liabilities. The Station Assets shall be transferred to Buyer free and clear of liens, claims and encumbrances ("Liens"). Buyer does not assume and will not be deemed by execution and delivery of this Agreement or any agreement, instrument or document delivered pursuant to or in connection with this Agreement or otherwise by reason of the consummation of the transactions contemplated hereby, to have assumed any liabilities, obligations or commitments of Seller of any kind, whether or not disclosed to Buyer (the "Retained Liabilities").

1.3 Purchase Price. The purchase price to be paid for the Station Assets shall be the sum of Thirty-Five Thousand Dollars (\$35,000) (the "Purchase Price"). The Purchase Price shall be paid at Closing in cash in immediately available funds pursuant to the written instructions of Seller to be delivered by Seller to Buyer at least three (3) business days prior to Closing.

1.4 Deposit. No later than ten (10) business days from the date of this Agreement, Buyer will deposit the sum of Fifteen Thousand Dollars (\$15,000) (the "Deposit") with a mutually agreeable escrow agent (the "Escrow Agent") pursuant to an Escrow Agreement of among Buyer, Seller and the Escrow Agent. At Closing, the Deposit shall be disbursed to Seller

and applied to the Purchase Price (and any interest accrued thereon shall be disbursed to Buyer). If this Agreement is terminated by Seller pursuant to Section 10.1(c), then (i) Two Thousand Hundred Dollars (\$2,000) of Deposit shall be disbursed to Seller as liquidated damages and the sole and exclusive remedy of Seller, and (ii) the remainder of the Deposit shall be disbursed to Buyer. Seller hereby waives all other legal and equitable remedies it may otherwise have as a result of any breach or default by Buyer under this Agreement. If this Agreement is terminated for any other reason, the Deposit and any interest accrued thereon shall be disbursed to Buyer. The parties shall each instruct the Escrow Agent to disburse the Deposit and all interest accrued thereon to the party or parties entitled thereto and shall not, by any act or omission, delay or prevent any such disbursement.

1.5 Closing. The consummation of the sale and purchase of the Station Assets pursuant to this Agreement (the "Closing") shall take place on the date five (5) days after the date that the FCC Consent (defined below) either (at Buyer's option) is initially granted or becomes Final (defined below), in any case subject to the satisfaction or waiver of the last of the conditions required to be satisfied or waived pursuant to Articles 6 or 7 below (other than those requiring a delivery of a certificate or other document, or the taking of other action, at the Closing). The date on which the Closing is to occur is referred to herein as the "Closing Date." The term "Final" shall mean that action shall have been taken by the FCC (including action duly taken by the FCC's staff, pursuant to delegated authority) which shall not have been reversed, stayed, enjoined, set aside, annulled or suspended; with respect to which no timely request for stay, petition for rehearing, appeal or certiorari or *sua sponte* action of the FCC with comparable effect shall be pending; and as to which the time for filing any such request, petition, appeal, certiorari or for the taking of any such *sua sponte* action by the FCC shall have expired or otherwise terminated.


1.6 FCC Consent. Within two (2) days of the date of this Agreement, Buyer and Seller shall file an application (the "FCC Application") requesting FCC consent to the assignment of the Licenses from Seller to Buyer (the "FCC Consent"). Seller and Buyer shall diligently prosecute the FCC Application.

ARTICLE 2: SELLER REPRESENTATIONS AND WARRANTIES

Seller represents and warrants to Buyer as follows:

2.1 Organization. Seller is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization. Seller has the requisite power and authority to execute, deliver and perform this Agreement and the documents to be made pursuant hereto.

2.2 Authorization. The execution, delivery and performance of this Agreement and the documents to be made pursuant hereto has been duly authorized and approved by all necessary action of Seller (the "Seller Authorization") and does not require any further authorization or consent of Seller. This Agreement and the documents to be made pursuant hereto are legal, valid and binding agreements of Seller enforceable in accordance with their respective terms.



2.3 Licenses. Seller holds the Licenses. The Licenses are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated and have not expired. There is not pending or, to Seller's knowledge, threatened any action by or before the FCC to revoke, suspend, cancel, rescind or modify any of the Licenses (other than proceedings relating to FCC rules of general applicability).

2.4 Compliance with Law. Seller has good and marketable title to the Licenses, free and clear of Liens. Seller has complied with all laws, regulations, rules, writs, injunctions, ordinances, franchises, decrees or orders of any court or of any foreign, federal, state, municipal or other governmental authority which are applicable to the Station or the Licenses. There is no action, suit or proceeding pending or, to Seller's knowledge, threatened against Seller in respect of the Station or the Licenses. To Seller's knowledge, there are no claims or investigations pending or threatened against Seller in respect of the Station or the Licenses.

2.5 No Finder. No broker, finder or other person is entitled to a commission, brokerage fee or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Seller or any party acting on Seller's behalf.

ARTICLE 3: BUYER REPRESENTATIONS AND WARRANTIES

Buyer represents and warrants to Seller as follows:

3.1 Organization. Buyer is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization. Buyer has the requisite power and authority to execute, deliver and perform this Agreement and the documents to be made pursuant hereto.

3.2 Authority. The execution, delivery and performance of this Agreement and the documents to be made pursuant hereto has been duly authorized and approved by all necessary action of Buyer (the "Buyer Authorization") and does not require any further authorization or consent of Buyer. This Agreement and the documents to be made pursuant hereto are legal, valid and binding agreements of Buyer enforceable in accordance with their respective terms.

3.3 Qualification. Buyer is qualified to hold the Licenses under the Communications Act and the rules, regulations and policies of the FCC as they exist on the date of this Agreement.

3.4 No Finder. No broker, finder or other person is entitled to a commission, brokerage fee or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Buyer or any party acting on Buyer's behalf.

ARTICLE 4: SELLER COVENANTS

4.1 Covenants. From the date hereof until Closing, Seller shall maintain the Licenses in full force and effect, not modify the Licenses (except as provided for in Section 5.4 hereof).

ARTICLE 5: JOINT COVENANTS

5.1 Confidentiality. 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 shall be confidential and shall not be disclosed to any other person or entity, except on a confidential basis to the parties' attorneys, accountants, investment bankers, investors and lenders, and their respective attorneys for the purpose of consummating the transaction contemplated by this Agreement.

5.2 Announcements. Prior to Closing, no party shall, without the prior written consent of the other, issue any press release or make any other public announcement concerning the transactions contemplated by this Agreement, except to the extent that such party is so obligated by law, in which case such party shall give advance notice to the other, and the parties shall cooperate to make a mutually agreeable announcement.

5.3 Control. Consistent with FCC rules, control, supervision and direction of the operation of the Station prior to Closing shall remain the responsibility of Seller as the holder of the Licenses.

5.4 Construction Permit Applications. Buyer may, at its sole option, prepare modification of construction permit applications for the Station (the "Construction Permit Applications") to participate in the FCC's "AM Station Window for FM Translator Modifications." If notified by Buyer, Seller shall file or authorize Buyer to file any such Construction Permit Applications on January 29, 2016 or such other date as directed by Buyer. Buyer may also direct Seller to file an application to move the Station into the commercial band.

ARTICLE 6: SELLER CLOSING CONDITIONS

The obligation of Seller to consummate the Closing is subject to satisfaction of the following conditions at or prior to Closing:

6.1 Bringdown. The representations and warranties of Buyer made in this Agreement shall be true and correct in all material respects as of Closing, Buyer shall have performed the obligations to be performed by it under this Agreement at or prior to Closing in all material respects, and Seller shall have received a certificate dated as of Closing from Buyer (executed by an authorized officer) to the effect that the conditions set forth in this Section have been satisfied (the "Buyer Bringdown Certificate").

6.2 Proceedings. Neither Seller nor Buyer shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

6.3 FCC Consent. The FCC Consent shall have been granted.

6.4 Deliveries. Buyer shall have made the deliveries to be made by it at Closing under this Agreement.

ARTICLE 7: BUYER CLOSING CONDITIONS

The obligation of Buyer to consummate the Closing is subject to satisfaction of the following conditions at or prior to the Closing:

7.1 Bringdown. The representations and warranties of Seller made in this Agreement shall be true and correct in all material respects as of Closing, Seller shall have performed the obligations to be performed by it under this Agreement at or prior to Closing in all material respects, and Buyer shall have received a certificate dated as of Closing from Seller (executed by an authorized officer) to the effect that the conditions set forth in this Section have been satisfied (the "Seller Bringdown Certificate").

7.2 Proceedings. Neither Seller nor Buyer shall be subject to any court or governmental order or injunction restraining or prohibiting the consummation of the transactions contemplated hereby.

7.3 FCC Consent. The FCC Consent shall have been granted and, at Buyer's option, shall have become Final.

7.4 Deliveries. Seller shall have made the deliveries to be made by it at Closing under this Agreement.

ARTICLE 8: CLOSING DELIVERIES

8.1 Seller Deliveries. At Closing, Seller shall deliver or cause to be delivered to Buyer: (i) a certified copy of the Seller Authorization; (ii) the Seller Bringdown Certificate; and (iii) an Assignment of Licenses.

8.2 Buyer Deliveries. At the Closing, Buyer shall deliver to Seller: (i) the Purchase Price in accordance with the terms of this Agreement; (ii) a certified copy of the Buyer Authorization; and (iii) the Buyer Bringdown Certificate.

ARTICLE 9: SURVIVAL AND INDEMNIFICATION

9.1 Survival. The representations and warranties in this Agreement shall survive Closing for a period of twelve (12) months from the Closing Date whereupon they shall expire and be of no further force or effect, except that if within such applicable period the indemnified party gives the indemnifying party written notice of a claim for breach thereof describing in reasonable detail the nature and basis of such claim, then such claim shall survive until the earlier of resolution of such claim or expiration of the applicable statute of limitations. The covenants and agreements in this Agreement shall survive Closing until performed.

9.2 Indemnification.

(a) From and after Closing, Seller shall defend, indemnify and hold harmless Buyer from and against any and all losses, costs, damages, liabilities and expenses, including reasonable attorneys' fees and expenses ("Damages") incurred by Buyer arising out of or resulting from: (i) any breach or default by Seller under this Agreement; (ii) the Retained Liabilities; or (iii) without limiting the foregoing, the business or operation of the Station prior to Closing (including any third party claim arising from such operations).

(b) From and after Closing, Buyer shall defend, indemnify and hold harmless Seller from and against any and all Damages incurred by Seller arising out of or resulting from: (i) any breach or default by Buyer under this Agreement; or (ii) the business or operation of the Station after Closing (including any third party claim arising from such operations).

ARTICLE 10: TERMINATION AND REMEDIES

10.1 Termination. This Agreement may be terminated prior to Closing as follows:

(a) by mutual written consent of Buyer and Seller;

(b) by written notice of Buyer to Seller if Seller: (i) does not perform the obligations to be performed by it under this Agreement on the Closing Date; or (ii) otherwise breaches in any material respect any of its representations or warranties or defaults in any material respect in the performance of any of its covenants or agreements contained in this Agreement and such breach or default is not cured within the Cure Period (defined below);

(c) by written notice of Seller to Buyer if Buyer: (i) does not perform the obligations to be performed by it under this Agreement on the Closing Date; or (ii) otherwise breaches in any material respect any of its representations or warranties or defaults in any material respect in the performance of any of its covenants or agreements contained in this Agreement and such breach or default is not cured within the Cure Period;

(d) by written notice of Buyer to Seller, or by Seller to Buyer, if the FCC denies the FCC Application; or

(e) by written notice of Buyer to Seller, or by Seller to Buyer, if the Closing does not occur by the date eighteen (18) months after the date of this Agreement.

The term "Cure Period" as used herein means a period commencing the date Buyer or Seller receives from the other written notice of breach or default hereunder and continuing until the earlier of (i) fifteen (15) calendar days thereafter or (ii) the Closing Date. Termination of this Agreement shall not relieve any party of any liability for breach or default under this Agreement prior to the date of termination. Notwithstanding anything contained herein to the contrary, Sections 5.1 (Confidentiality), 5.2 (Announcements) and 11.1 (Expenses) shall survive any termination of this Agreement.

10.2 Specific Performance. In the event of a breach or threatened breach by Seller of any representation, warranty, covenant or agreement under this Agreement, at Buyer's election, in addition to any other remedy available to it, Buyer shall be entitled to an injunction restraining any such breach or threatened breach and to enforcement of this Agreement by a decree of specific performance requiring Seller to fulfill its obligations under this Agreement, in each case without the necessity of showing economic loss or other actual damage and without any bond or other security being required.

ARTICLE 11: MISCELLANEOUS.

11.1 Expenses. Each party 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, except that Buyer shall pay the FCC filing fee with respect to the request for FCC Consent.

11.2 Further Assurances. After Closing, each party hereto shall execute all such instruments and take all such actions as any other party may reasonably request, without payment of further consideration, to effectuate the transactions contemplated by this Agreement, including without limitation the execution and delivery of confirmatory and other transfer documents in addition to those to be delivered at Closing.

11.3 Assignment. This Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective successors and permitted assigns. Seller may not assign any of its rights or delegate any of its obligations hereunder, and any such attempted assignment or delegation without such consent shall be void. Buyer may assign its right to acquire the Station (in whole or in part) without Seller's consent, but any such assignment shall not relieve Buyer of any obligations under this Agreement.

11.4 Notices. Any notice pursuant to this Agreement shall be in writing and shall be deemed delivered on the date of personal delivery or confirmed delivery by a nationally recognized overnight courier service, and shall be addressed as follows (or to such other address as any party may request by written notice):

if to Seller, then to:

Saranac Lake Radio, LLC

PO Box 211

Saranac Lake, NY 12983

Attention: Ted Morgan

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

if to Buyer, then to:

Red Wolf Broadcasting Corporation

756 Colonel Ledyard Highway

Ledyard, CT 06339

Attention: John J. Fuller

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

Edinger Associates PLLC

1875 I Street, NW, Suite 500

Washington, DC 20006

Attention: Scott Woodworth

11.5 Severability. If any court or governmental authority holds any provision in this Agreement invalid, illegal or unenforceable under any applicable law, then, so long as no party is

SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT

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

BUYER:

RED WOLF BROADCASTING CORPORATION

By: 

Name: John J. Fuller

Title: President

SELLER:

SARANAC LAKE RADIO, LLC

By: 

Name: Ted Mangum

Title: Managing Member