

**K221BI ASSET PURCHASE AGREEMENT**

THIS ASSET PURCHASE AGREEMENT (the "Agreement") is entered into as of the \_\_\_ day of May, 2013 (the "Effective Date"), by and between **John Byers** ("Seller") and **MCC Radio, LLC** ("Buyer").

**WITNESSETH:**

**WHEREAS**, Seller is the licensee of FM broadcast translator station K221BI, East Wenatchee, Washington (Facility ID No. 28633) (the "Station"); and

**WHEREAS**, Seller desires to sell and assign and Buyer desires to purchase and acquire certain assets owned or held by Seller for use in the operation of the Station; and

**WHEREAS**, the license issued by the Federal Communications Commission ("Commission" or "FCC") for the operation of the Station (the "License") may not be assigned to Buyer without the prior written consent of the Commission;

**NOW, THEREFORE**, in consideration of the mutual promises, covenants, and conditions contained herein, the parties do hereby agree as follows:

1. **SALE OF ASSETS AND ASSIGNMENT OF LICENSES**

At the Closing, Seller shall sell or assign and transfer to Buyer and Buyer shall purchase from Seller the following assets ("Assets"), free and clear of liens, encumbrances, and other security interests except as specifically provided herein:

A. **Equipment**: The following tangible personal property of Seller that is used in the operation of the Station:

1. (1) Scala HDCA-5 Yagi Antenna 103.3 MHz
2. (1) Scala HDCA-5 Yagi Antenna 92.1 MHz
3. (1) dB Elettronica DCV-FM FM Translator s/n 60691081 (input: 103.3 MHz, output: 92.1 MHz)
4. (1) Continental 802A 50 watt FM Exciter s/n 963 dom 7/21/88
5. (1) Microwave Filter Company 3634-FM Narrow Bandpass Filter datecode 9801
6. (1) Middle Atlantic U2 Rack Shelf
7. (2) 3' RG-213 Jumper Cables (N-male connectors)
8. (1) 3' RG-58 Jumper Cable (BNC connectors)
9. 40' Andrew LDF4-50A 1/2" foam coax w/ N-female connectors
10. 85' Andrew LDF4-50A 1/2" foam coax w/ N-female connectors

B. **Licenses and Authorizations**: The license issued by the FCC authorizing operation of the Station (FCC file no. BRFT-20050919AHR, renewed January 26, 2006 and expiring February 1, 2014), together with all other licenses, permits, permissions and other authorizations that are issued by other governmental agencies and that are associated

exclusively with the Station, and all applications for modification, extension or renewal thereof pending on the Closing Date.

C. **Contracts**: The month-to-month agreement with Tom Read for Wenatchee Heights location.

D. **Intangible Personal Property**: All good will, trademarks, service marks, copyrights, trade names, common law property rights and all other intangible personal property owned by Seller and intended for use by it in connection with the operation of the Station.

E. **Records**: Such of Seller's files, warranties, technical data, reports and other records relating exclusively to the Station as Buyer may reasonably request.

## 2. **ASSETS EXCLUDED**

It is understood and agreed that the Assets purchased pursuant to this Agreement shall not include (a) any tangible personal property other than the Equipment, it being understood that Buyer shall provide all other equipment needed to program and operate the Station; (b) any right to occupy the Station's current transmitter site, other than the month-to-month arrangement of the Lease, and any other studio or office sites to be used in the operation of the Station, it being understood that the Buyer intends to move the Station to another site of its choice; (c) assets (other than those specifically listed in Paragraphs A, B and C of Section 1) held by Seller and intended for use in Seller's other businesses; (d) Seller's cash, bank accounts, accounts or notes receivable and investment; and (e) Seller's tax and corporate records.

## 3. **PURCHASE PRICE AND TERMS**

The purchase price for the Assets being purchased by Buyer hereunder (the "Purchase Price") is Forty Five Thousand Dollars (\$45,000), all of which shall be due and payable at the Closing. Five Thousand Dollars (\$5,000) of the Purchase Price shall be allocated to the Equipment. Both Buyer and Seller shall rely upon such allocation for all tax reporting purposes.

## 4. **PRORATIONS AND ADJUSTMENTS**

All taxes, prepayments (to the extent Buyer obtains the asset for which such prepayment was made), deposits and any income and operating expenses of the Station shall be prorated between Buyer and Seller as of 12:01 a.m. on the Closing Date. Insofar as feasible, proration under this paragraph shall be determined and paid on the Closing Date as an adjustment to the Purchase Price, with a final accounting of prorated items, and the sum due from one party to another pursuant to this proration paid, within sixty (60) days after the Closing Date.

5. **EXPENSES**

All expenses incurred with respect to the preparation and implementation of this Agreement and the transactions contemplated hereunder shall be paid by the party incurring the same, provided, however, that FCC filing fees for the application described in Paragraph 7, and recording fees, documentary stamp taxes, revenue stamps and all other similar charges on conveyances from Seller to Buyer, if any, will be one-half by Buyer and one-half by Seller.

6. **ASSUMPTION OF LIABILITIES**

At the Closing Buyer shall not assume responsibility for any of Seller's liens, taxes, debts, accounts payable, contracts or employment-related obligations, including severance pay, health insurance or retirement plans, or any other liabilities.

7. **FILING OF FCC APPLICATIONS**

Buyer and Seller agree to proceed no later than five (5) days from the Effective Date to file an application requesting FCC consent to the transactions herein set forth (the "Assignment Application"). The parties agree to prosecute the Application, defend it against challenges and file any amendments or additional information requested by the FCC, all in good faith and with due diligence, such that it may be granted and become "Final" (that is, no longer subject to reconsideration, review or appeal by the FCC or any court of competent jurisdiction) as soon as possible.

8. **TERMINATION**

A. If the Commission has not granted the Assignment Application within nine months after the Effective Date, then either Buyer or Seller may terminate this entire Agreement upon written notice to the other, provided that the party seeking to terminate is not in default hereunder.

B. Either party may terminate this Agreement if the other shall be in material breach hereof and if the said breach shall not have been cured within ten (10) days of written notice thereof by the party seeking to terminate, **provided, however**, that if any such breach is not reasonably susceptible of being cured within ten (10) days, then the party in breach shall have undertaken to cure the breach with all reasonable diligence and shall have cured the breach as promptly as is reasonably practicable.

9. **REPRESENTATIONS AND WARRANTIES OF SELLER**

Seller makes the following representations and warranties, all of which have been relied upon by Buyer in entering into this Agreement and, except as specifically otherwise provided, all of which shall be true and correct on the Closing Date:

A. **Organization**: Seller is an individual US citizen and has full power and authority to enter into and perform this Agreement.

B. **Authorization**: The execution, delivery and performance of this Agreement have been duly authorized by the Seller, and constitutes a valid and binding Agreement of Seller, enforceable in accordance with its terms.

C. **No Contravention**: The execution, delivery and performance of this Agreement by Seller will not result in the breach of, or constitute a default under, or violate any provision of, any agreement or other instrument to which Seller is a party or by which he or any of the Assets is bound or affected.

D. **Equipment**: Seller has good and marketable title to the Equipment, free and clear of all mortgages, liens, charges or encumbrances. Seller makes no representation as to the condition or sufficiency of the Equipment, which Buyer has had an opportunity to assess.

E. **Compliance with Laws; Litigation**: There is no judgment outstanding and, to the best of Seller's knowledge, no litigation, proceeding or investigation of any nature (other than that intended to affect substantial segments of the industry as a whole) pending or threatened which is likely to materially and adversely affect the operation of the Station, the use by Buyer of the Assets, or Seller's ability to timely consummate all of the transactions contemplated herein.

#### 10. **COVENANTS OF SELLER**

A. **Negative**: Between the date hereof and the Closing Date or earlier termination of this Agreement, Seller will not sell, assign, lease, convey, or otherwise transfer or dispose of any of the Assets, whether now owned or hereafter acquired other than in the ordinary course of business, unless, in the case of the Equipment, the same are replaced in the normal course of business by assets of at least equal quality and usefulness, nor create any lien or encumbrance upon any of the Assets.

B. **Affirmative**: Pending the Closing Date, Seller will:

(i) Give to Buyer, its counsel, engineers, accountants and other authorized representatives, reasonable access during normal business hours to all of the properties, premises, books and records pertaining to the Station for the purposes of inspection;

(ii) Promptly notify Buyer of any unusual or material developments with respect to the Station; and remove any and all violations of Commission rules or regulations which come to its attention or assume responsibility for the costs of removing same, including the payment of any fines that may be assessed for any such violation; and

(iii) Maintain the Equipment in its present condition (reasonable wear and tear excepted) and operate the Station in the ordinary course.

11. **REPRESENTATIONS, WARRANTIES AND COVENANTS OF BUYER**

Buyer makes the following representations, warranties and covenants, all of which have been relied upon by Seller in entering into this Agreement and, except as specifically otherwise provided, all of which shall be true and correct on the Closing Date:

A. **Organization**: Buyer is a limited company duly organized, validly existing, and in good standing under the laws of the State of Georgia, is authorized to do business in the State of Washington, and has full power and authority to enter into and perform this Agreement.

B. **Authorization**: The execution, delivery and performance of this Agreement has been duly authorized by Buyer, and constitutes a valid and binding agreement of Buyer, enforceable in accordance with its terms.

C. **No Contravention**: The execution, delivery and performance of this Agreement by Buyer will not violate any provision of its organizational documents and will not result in the breach of, or constitute a default under, or violate any provision of, any agreement or other instrument to which Buyer or any of its principals is a party or by which it or they is bound or affected.

D. **Qualification**: Buyer is fully qualified, legally and financially, to become the licensee of the Station and to timely consummate all of the transactions contemplated by this Agreement.

12. **CONTROL OF STATION**

Nothing contained in this Agreement shall be construed as giving Buyer any right to directly or indirectly supervise or direct the operation of the Station prior to the Closing. Such operation shall be the sole responsibility of Seller. Effective on the Closing Date and thereafter, Seller shall have no control over, nor right to intervene or participate in, the operation of the Station.

13. **RISK OF LOSS**

The risk of loss or damage to any of the Assets shall be upon Seller prior to the Closing, and thereafter upon Buyer. In the event of such loss or damage prior to the Closing, Seller shall promptly replace, repair or restore any such damaged Assets as promptly as practicable and apply the proceeds of, or any claim for any loss payable under, any insurance policy with respect thereto to repair, replace, or restore such lost or damaged assets.

14. **CLOSING DATE AND PLACE**

The Closing Date and time shall be fixed by Buyer by giving at least five (5) days' written notice thereof to Seller. Unless extended by mutual written consent of Buyer and Seller, the date of Closing shall be ten (10) days after grant of the Assignment Application, provided, however, that if a petition to deny shall have been filed against the Assignment Application then either Buyer or Seller may defer closing until ten (10) days after grant of the Assignment Application shall have become Final; provided, further, that Buyer may defer Closing during any time when the Equipment or Station is not operational. The Closing shall take place at the Seller's offices or at such other location or in such other manner as the parties may mutually agree. At the Closing, Seller shall deliver to Buyer such bills of sale, assignments and other instruments of conveyance transferring title of the Assets as Buyer may reasonably request.

15. **REMEDIES UPON TERMINATION OR DEFAULT**

If this Agreement is terminated due to no fault of either Buyer or Seller, then neither party shall have any liability to the other. If the Agreement is terminated due to a material default of either the Buyer or Seller then, in addition to any other remedies to which each may be entitled, Buyer or Seller may seek a decree of specific performance, it being agreed by both Buyer and Seller that the Assets to be conveyed hereunder are unique and irreplaceable, and that monetary damages alone may not suffice to compensate Buyer for the loss of an opportunity to acquire the Station or the Seller for the loss of an opportunity to divest under the terms set forth herein.

16. **INDEMNIFICATION**

Seller shall indemnify, defend, and hold Buyer harmless against all claims, demands and legal actions and will reimburse Buyer for any damages (including legal fees incurred with respect to same) resulting from, or arising out of, the material breach by Seller of any of its representations, warranties or covenants set forth herein. Buyer shall indemnify, defend and hold Seller harmless against all claims, demands and legal actions, and will reimburse Seller for any damages (including legal fees incurred with respect to same) resulting from, or arising out of, the material breach by Buyer of any of its representations, warranties or covenants set forth herein. Should any claims covered by the foregoing provisions be asserted against either party, the party being charged shall notify the other promptly and give it an opportunity to defend the same; the parties shall extend reasonable cooperation to each other in connection with such defense.

17. **SURVIVAL**

The representations, warranties, covenants, and agreements contained herein and in any certificate or other instrument delivered pursuant hereto shall be deemed and construed to be continuous and shall survive the Closing hereunder for a period of six (6) months.

18. **BROKER/FINDER**

Buyer and Seller hereby mutually represent that there are no finders, consultants or brokers involved in this transaction and that neither Seller nor Buyer has agreed to pay any brokers', finders' or consultants' fees in connection with this transaction.

19. **NOTICES**

All necessary notices, demands and requests shall be deemed duly given if mailed by registered or certified mail, postage prepaid, addressed as follows:

Seller: John Byers  
654 N.W. 3<sup>rd</sup> Avenue  
Canby, Oregon 97013

Buyer: MCC Radio, LLC  
725 Broad Street  
Augusta, Georgia 30901  
Attn: William S. Morris III, Chairman

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

James Bayes, Esq.  
Wiley Rein, L.L.P.  
1776 K Street, NW  
Washington, DC 20006

16. **CONSTRUCTION**

This Agreement shall be construed and enforced in accordance with the laws of the State of Washington. If any provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall not be affected thereby, and to this end only the provisions of this Agreement are declared severable.

21. **ASSIGNMENT AND BENEFIT**

This Agreement is not assignable by either Buyer or Seller without written consent of the other. This Agreement and all of the obligations set forth herein shall be binding upon the parties and their respective heirs, assigns and successors.

22. **COOPERATION**

Each party hereto agrees to perform such further acts and to execute and deliver such further documents as may be necessary or desirable to effectuate the purposes of this Agreement.

23. TIME OF ESSENCE

Time is of the essence with respect to every provision of this Agreement.

24. ENTIRE AGREEMENT

This Agreement embodies the entire agreement among the parties and supersedes all prior agreements and understandings among the parties. No attempted change, termination or waiver of any of the provisions hereof shall be binding except by a written instrument signed by the party against which the same is sought to be enforced.

25. EXECUTION IN COUNTERPARTS

This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute a single instrument.

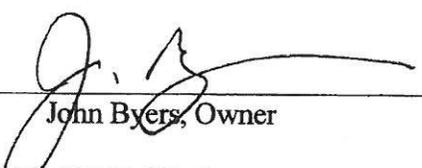
**EXECUTED** on the day first above written.

ATTEST:

**John Byers**

\_\_\_\_\_

By

  
John Byers, Owner

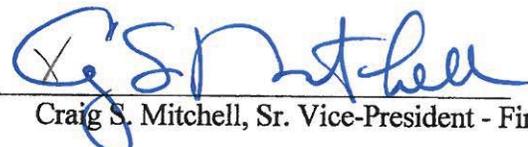
6/30/13

ATTEST:

**MCC RADIO, LLC**

\_\_\_\_\_

By

  
Craig S. Mitchell, Sr. Vice-President - Finance