

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (the “Agreement”) is made this 17th day of November, 2010, by and between Revitalization Partners, LLC in its capacity as the court appointed General Receiver (“Receiver” or “Seller”) for New Northwest Broadcasters, LLC, a Washington limited liability company (“NNB”) and Townsquare Media, LLC, a Delaware limited liability company (“Buyer”).

WITNESSETH:

WHEREAS, the Receiver was appointed as a general receiver for NNB on May 17, 2010 in case No. 10-2-17616-1 SEA (“Receivership”) of the King County, Washington Superior Court (the “Court”);

WHEREAS, Seller is the holder of certain licenses, permits and authorizations (the “Licenses”) issued by the Federal Communications Commission (the “FCC”) for the radio broadcast stations listed below (collectively, the “Stations”):

| | |
|-----------------------------------|---------------------------------|
| KJOX(AM), Yakima, Washington | (1390 KHz, Facility No. 49875) |
| KRSE(FM), Yakima, Washington | (105.7 MHz, Facility No. 49876) |
| KARY-FM, Grandview, Washington | (100.9 MHz, Facility No. 53674) |
| KXDD(FM), Yakima, Washington | (104.1 MHz, Facility No. 7919) |
| KHHK(FM), Yakima, Washington | (99.7 MHz, Facility No. 36031) |
| KBBO(AM), Selah, Washington | (980 KHz, Facility No. 7918) |
| KEGX(FM), Richland, Washington | (106.5 MHz, Facility No. 53140) |
| KIOK(FM), Richland, Washington | (94.9 MHz, Facility No. 12455) |
| KALE(AM), Richland, Washington | (960 KHz, Facility No. 63359) |
| KTCR(AM), Kennewick, Washington | (1340 KHz, Facility No. 53139) |
| KKSR(FM), Walla Walla, Washington | (95.7 MHz, Facility No. 35717) |
| KUJ-FM, Burbank, Washington | (99.1 MHz, Facility No. 77777) |

WHEREAS, in accordance with applicable FCC requirements, Seller wishes to sell, transfer and assign, and Buyer wishes to purchase, acquire and assume, the Licenses and the other Station Assets (as defined herein) and the Assumed Liabilities (as defined herein) pursuant to the terms of this Agreement and an order of the Court (the “Approval Order”) approving the sale free and clear of any liens (the “Liens”);

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:

ARTICLE I.

PURCHASE AND SALE OF ASSETS; ASSUMPTION OF LIABILITIES

1.1 **Purchase and Sale of Assets.** Subject to the terms and conditions set forth below, Seller agrees to assign, sell and transfer to Buyer, free and clear of all Liens, and Buyer

agrees to purchase, acquire and assume from Seller, the following assets, properties and business (except for Excluded Assets (as defined herein)) real or personal, tangible or intangible, used or to be used or otherwise relating to the Stations (collectively the “Station Assets”):

(a) the Licenses and any and all other FCC authorizations pertaining to the Stations, including any renewals or modifications thereof between the date hereof and Closing, that are set forth and more fully described on Schedule 1.1(a) hereto;

(b) any and all pending applications before the FCC which relate to the Stations that are set forth and more fully described on Schedule 1.1(b) hereto;

(c) all of Seller’s right, title and interest in the land, buildings, easements, land purchase contracts, tower registrations, and tower permits relating to the Stations that are set forth and more fully described on Schedule 1.1(c) hereto, including but not limited to all improvements located on, and all rights, title and interest under same (the “Real Property”);

(d) all of Seller’s right, title and interests under those existing agreements, contracts, commitments, programming and product contracts and leases (including without limitation, all real estate and office leases) entered into in the ordinary course of the Stations’ business relating to the operation of the Stations that are set forth and more fully described on Schedule 1.1(d) hereto (the “Assumed Contracts”);

(e) all of Seller’s right, title and interest in and to the Stations’ call letters and rights in and to the trademarks, trade names, service marks, internet domain names, copyrights, jingles, slogans, logos and other intangible property which are used or held for use solely in the operations of the Stations, including without limitation those set forth and more fully described on Schedule 1.1(e) hereto;

(f) all of Seller’s right, title and interest in supplies, equipment, transmitters, antennas, cables, towers, vehicles, furniture, fixtures, spare parts, inventories, other property purchased but not installed, and other tangible personal property of every kind and description used or held for use in the operation of the Stations, including without limitation those set forth and more fully described on Schedule 1.1(f) hereto;

(g) all of Seller’s right, title and interest in and to any files, documents, records, and books of account (or copies thereof) relating to the operation of the Stations, including local public files, programming information and studies, engineering data, advertising studies, marketing and demographic data, sales correspondence, list of advertisers, credit and sales reports, and logs, but excluding records comprising or related to the Excluded Assets; and

(h) all of Seller’s right, title and interest in other assets, properties and businesses, real or personal, tangible or intangible, primarily used or otherwise primarily related to the Stations, or located on or at the Real Property, except for the Excluded Assets.

1.2 **Excluded Assets.** Nothing contained herein shall be deemed to sell, transfer, assign or convey the Excluded Assets to Buyer, and Seller shall retain all right, title and interest

to, in and under the Excluded Assets. “Excluded Assets” shall mean all assets, properties, interests, and rights of Seller in each of the following assets:

(a) cash, cash equivalents and cash items of any kind whatsoever, certificates of deposit, money market instruments, bank balances and rights in and to bank accounts, Treasury bills and marketable securities and other securities existing as of the Closing Date;

(b) all of Seller’s deposits or prepaid charges and expenses paid in connection with or relating to any Excluded Assets;

(c) any claim, right or interest of Seller in or to any refund, rebate, abatement or other recovery for taxes, together with any interest due thereon or penalty rebate arising therefrom, for any tax period (or portion thereof) ending on or before the Closing Date;

(d) any rights, claims or causes of action of Seller against third parties relating to assets, properties, business or operations of Seller arising out of events occurring on or prior to the Closing Date;

(e) contracts of insurance and insurance plans and the assets thereof, promissory notes, amounts due from employees, bonds, letters of credit or other similar items and any cash surrender value in regard thereto;

(f) corporate records and other books and records that pertain to internal corporate matters of NNB; and

(g) any rights of Seller as of the Closing Date to payment for the sale of advertising time and other goods and services by the Stations prior to the Closing Date (the “Accounts Receivable”).

1.3 **Assumption of Liabilities.** On the terms and subject to the conditions set forth in this Agreement, at the Closing Buyer shall assume, effective as of the Closing, and shall timely perform and discharge in accordance with their respective terms, the following Liabilities (as defined below) (collectively, the “Assumed Liabilities”):

(a) all Liabilities of Seller arising from or after Closing under the Assumed Contracts and not as a result of any previous breach or default thereunder by Seller;

(b) all Liabilities relating to amounts required to be paid by Buyer hereunder;

(c) all Transfer Taxes (as defined below);

(d) all taxes related to the Station Assets that are required to be paid after the Closing Date, other than income taxes of Seller or taxes imposed in lieu thereof; and

(e) all other Liabilities with respect to the Station Assets arising after the Closing Date.

1.4 **Excluded Liabilities.** Buyer shall not assume, nor be obligated to pay, perform or discharge, any debts, obligations, liabilities, or commitments of any nature, known or unknown, direct or indirect, accrued or unaccrued, liquidated or unliquidated, fixed or contingent, legal, statutory, contractual or otherwise, disclosed or undisclosed (the “Liabilities”), of Seller (whether or not related to the Station Assets) or otherwise relating to or arising from the Station Assets or the operation of the Stations not expressly set forth in Section 1.3 above (such Seller retained liabilities are referred to, collectively, as “Excluded Liabilities”), including, without limitation, the following Liabilities:

- (a) all Liabilities arising out of Excluded Assets;
- (b) all Liabilities for taxes of Seller relating to the Station Assets for any tax payable on or before the Closing Date, except Transfer Taxes;
- (c) any indebtedness or other debt obligation of Seller,
- (d) any Liabilities to current or former employees, consultants and contractors of Seller, except as they might arise in an Assumed Contract;
- (e) any Liability relating to litigation, arbitration, investigation, claim or proceeding pending or threatened against Seller or its assets based on acts or omissions occurring prior to the Closing; and
- (f) any Liability arising out of or payable upon consummation of the transactions contemplated by this Agreement that are not expressly assumed by Buyer hereunder (such as change-of-control payments, phantom stock payments, “success bonuses” or any broker’s fees) , except Transfer Taxes.

1.5 **Cure Amounts.** At Closing and pursuant to RCW 7.60.130 and the terms of the Approval Order, Seller shall assume and assign to Buyer and Buyer shall assume from Seller, the Assumed Contracts. Any cure amounts required by the Approval Order necessary to cure all defaults and to pay all actual or pecuniary losses that have resulted from such defaults under the Assumed Contracts shall be paid by Seller, and not by Buyer, and Buyer shall have no liability therefore; provided, however, that if the cure amounts materially exceed the amounts set forth on Schedule 1.5, Seller shall not be required to assume and assign such Assumed Contract. In such a case, Buyer shall not have the right to terminate this Agreement as a result of the failure by Seller to assume and assign to Purchaser any Assumed Contract unless any such failure results in a material adverse effect.

1.6 **Seller’s Accounts Receivable.** The Account Receivable with respect to the period prior to the Closing Date shall be the property solely of the Seller and shall be collected by Buyer on behalf of Seller pursuant to the terms and subject to the conditions of this Section 1.6. The Buyer shall collect the Accounts Receivable without additional fee, commission, or other remuneration.

(a) Within ten (10) days after the Closing Date, the Seller shall deliver to Buyer a complete and detailed list of all of the Accounts Receivable (the “Schedule of Accounts Receivable”).

(b) For a period of one hundred twenty (120) days following the Closing Date (the “Collection Period”), Buyer shall, as the Seller’s agent, attempt to collect such Accounts Receivable as shown on the Schedule of Accounts Receivable and upon such collection, such Accounts Receivable shall be held by Buyer and paid over to Seller as provided herein. Buyer shall not be required to institute any legal proceedings to enforce the collection of such Accounts Receivable or to refer any of such Accounts Receivable to a collection agency. Seller shall provide Buyer a power of attorney or other required authorization for the limited purpose of allowing Buyer to endorse and deposit checks and other instruments received in payment of such Accounts Receivable. Buyer shall not adjust any such Accounts Receivable or grant credit without Seller’s prior written consent. Any Accounts Receivable amounts collected on behalf of the Seller shall be paid to the Seller within fifteen (15) calendar days after the end of each month during the Collection Period. Along with such payment, Buyer shall provide Seller with a detailed statement of the Accounts Receivable that have been collected during the prior month and any other information reasonably requested by Seller. Any obligations of Buyer under this Section 1.6 may be performed, as appropriate, by or on the behalf of the Divestiture Trust, provided that no such election by Buyer shall relieve Buyer of its responsibility to Seller for performance in accord and with this Agreement.

(c) Within fifteen (15) calendar days after the end of the Collection Period, Buyer shall deliver to the Seller a statement listing all uncollected Accounts Receivable, together with all files concerning the collection or attempts to collect such Accounts Receivable. Other than cooperating with any subsequent reasonable request for information by the Seller, Buyer’s responsibility for such Accounts Receivable thereafter shall cease. Buyer shall incur no liability to the Seller for any uncollected Accounts Receivable. Thereafter, Seller shall have the right to collect such uncollected Accounts Receivable.

(d) Except to remit collected Accounts Receivable in accordance herewith, Buyer shall have no liability or obligation to the Seller with respect to the collection of its Accounts Receivable or the performance of its obligations hereunder, and shall not be obligated to take any action to collect such accounts. All payments received by Buyer from any customer whose name appears in the Schedule of Accounts Receivable and who is also a customer of Buyer or of Divestiture Trustee shall be credited as payment of the account or invoice designated by such customer in writing. In the absence of any such designation by the customer, payments shall be first credited to the oldest invoice which is not disputed by said customer.

ARTICLE II. **CONSIDERATION**

2.1 Purchase Price and Payment.

(a) The purchase price for the Station Assets shall be **SIX MILLION DOLLARS (\$6,000,000.00)** (the “Purchase Price”) which shall be due and payable at the

Closing via a wire transfer of immediately available federal funds. Contemporaneously with the execution of this Agreement, Seller shall deliver to U.S. Bank, National Association (“Escrow Agent”) the amount of **SIX HUNDRED THOUSAND DOLLARS (\$600,000.00)** (“Escrow Deposit”), which sum was previously deposited by Buyer with Seller, which shall be governed by the terms of an escrow agreement to be entered into by Buyer, Seller, and the Escrow Agent coincident with the execution and delivery of this Agreement. The Escrow Deposit shall be credited towards the Purchase Price, and shall be governed by the terms of an escrow agreement.

(b) Upon Closing, Kalil and Company (“Kalil”) shall receive a broker fee equal to \$277,000.00 that shall be the sole responsibility of, and paid by, Seller.

(c) All revenues and all expenses arising from the Station Assets shall be allocated between Buyer and Seller in accordance with generally accepted accounting principles, consistently applied, and to effect the principle that Seller shall receive all revenues and shall be responsible for all expenses, costs and liabilities related to the period prior to the Closing Date, and Buyer shall receive all revenue and shall be responsible for all expenses, costs and liabilities related to the period on and subsequent to the Closing Date.

ARTICLE III. **REPRESENTATIONS AND WARRANTIES OF SELLER**

Seller hereby represents and warrants to Buyer as follows:

3.1 **Organization, Standing and Qualification.** Seller is the general receiver of NNB and has all requisite power and authority to enter into this Agreement and the other documents and instruments to be executed and delivered by Seller and to carry out the transactions contemplated hereby and thereby, subject to the provisions of any Approval Order.

3.2 **Authorization and Binding Obligation.** Except for such authorization as is required by the Court, (a) the execution, delivery and performance of this Agreement by Seller have been duly and validly authorized by all necessary action on the part of Seller; and (b) this Agreement has been duly signed and delivered by Seller and constitutes the legal, valid and binding obligations of Seller, enforceable in accordance with its terms and the terms of any Approval Order, except as the enforceability may be affected by the Receivership and other similar laws affecting creditors’ rights generally, and by judicial discretion in the enforcement of equitable remedies.

3.3 **FCC and Governmental Matters.**

(a) Seller is the FCC-authorized licensee of the Licenses attached as Schedule 1(a), and said licenses are, and, at Closing will be, in effect in accordance with their terms and will not have been revoked, suspended, canceled, rescinded or terminated. Seller has no other authorizations, construction permits or licenses issued by the FCC pertaining to the Stations. Except as disclosed in Schedule 3.3(a), (i) there is not pending, or, to Seller’s knowledge, threatened, any action before the FCC to revoke, suspend, cancel or rescind any of the Licenses (other than proceedings to amend FCC rules of general applicability); (ii) there is not now issued,

pending, outstanding, or to Seller's knowledge, threatened, by or before the FCC, any order to show cause, notice of violation, notice of apparent liability, or notice of forfeiture or complaint against Seller, the Stations or any of the Licenses; and (iii) Seller has received no written communication from the FCC indicating that Seller is not in substantial compliance in all material respects with all applicable requirements of the FCC.

(b) To the knowledge of Seller, all regulatory fees required to be paid to the FCC by Seller have been paid or have been waived or deferred.

(c) To Seller's knowledge, Seller is, in all respects material to the transactions described herein, in compliance with all requirements of law, federal, state and local, and all requirements of governmental authorities having jurisdiction over it including, without limitation, the Communications Act of 1934, as amended, and the rules and published policies of the FCC promulgated pursuant thereto (collectively, the "Communication Laws").

3.4 **Absence of Litigation.** Except for matters pending before the Court, and except as otherwise set forth on Schedule 3.4, there is no suit, action, proceeding or investigation now pending or, to the best knowledge of Seller, threatened before any federal, state or local court, grand jury, administrative or regulatory body, arbitration or mediation panel or similar body, to against Seller or in any way involving or relating to the Station Assets, or which may result in any judgment, order, decree, liability, award or other determination which will, or could, have any material adverse effect upon any of the Station Assets, nor to the knowledge of Seller are there any grounds therefore. There is no order, judgment or decree of any court or governmental agency, and to the knowledge of Seller there are no circumstances that could be reasonably expected to result in any such order, judgment or decree, enjoining Seller from selling and transferring the Licenses or any of the Station Assets to Buyer pursuant to this Agreement.

3.5 **Title to the Purchased Assets.** All of the Seller's right, title and interest in the Station Assets will be transferred at the Closing to Buyer free and clear of all Liens pursuant to the Approval Order.

3.6 **Brokers and Finders.** Except for Kalil, there is no investment banker, broker, finder, financial advisor or other intermediary who has been retained by or is authorized to act on behalf of Seller who might be entitled to any fee or commission in connection with the transactions contemplated by this Agreement (collectively a "Seller Broker"). It is understood and agreed that all liabilities relating to any such Seller Broker are the sole and exclusive obligations of Seller and are Excluded Liabilities.

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

Buyer represents and warrants to Seller as follows:

4.1 **Organization and Standing.** Buyer is a limited liability company organized under the laws of the State of Delaware, and has all requisite corporate power and authority to

enter into this Agreement and the other documents and instruments to be executed and delivered by Buyer and to carry out the transactions contemplated hereby and thereby.

4.2 **Authorization and Binding Obligation.** The execution, delivery and performance of this Agreement by Buyer have been duly and validly authorized by all necessary action on the part of Buyer. This Agreement has been duly signed and delivered by Buyer and constitutes the legal, valid and binding obligations of Buyer, enforceable against it in accordance with its terms, except as the enforceability may be affected by bankruptcy, insolvency or other similar laws affecting creditors' rights generally, and by judicial discretion in the enforcement of equitable remedies.

4.3 **Absence of Violation, Conflicting Agreements.** Buyer's execution, delivery and performance of this Agreement (with or without the giving of notice, lapse of time, or both): (i) do not require the consent of any third party other than the FCC; (ii) will not violate any provision of its Certificate of Formation or Operating Agreement; (iii) will not violate any applicable law, judgment, order, injunction, decree, rule, regulation, ordinance or ruling of any court or governmental authority; (iv) will not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by the terms of any agreement, instrument, license or permit to which Buyer is a party or by which Buyer may be bound, such that Buyer could not acquire the Station Assets.

4.4 **Absence of Litigation.** There is no suit, action, proceeding or investigation pending or, to Buyer's knowledge, threatened before any federal, state or local court, grand jury, administrative or regulatory body, arbitration, or mediation panel or similar body, to which Buyer is a party, which seeks to enjoin or prohibit or otherwise to question the validity of any action taken or to be taken by Buyer pursuant to or in connection with this Agreement.

4.5 **Financial Ability.** Buyer has and will have the funds available to purchase the Stations pursuant to the consideration provisions set forth under Section 2.1(a) of this Agreement at the Closing.

4.6 **Condition of the Station Assets.** Notwithstanding anything contained in this Agreement to the contrary, Buyer acknowledges and agrees that Seller is not making any representations or warranties whatsoever, express or implied, beyond those expressly given by Seller in Article III hereof (as modified by the schedules hereto as supplemented or amended), and Buyer acknowledges and agrees that, except for the representations and warranties contained therein, the Station Assets are being sold on a "where is" and, as to condition, "as is" basis. Buyer acknowledges that it has conducted, to its satisfaction, its own independent investigation of the Station Assets and, in making the determination to proceed with the transactions contemplated by this Agreement, Buyer has relied on the results of its own independent investigation, and is not relying on any statements or representations of Seller, or any of its employees or agents, other than those representations or warranties expressly set forth in Article III hereof.

4.7 **FCC Matters.** Subject to the divestiture of those radio broadcast stations identified in Schedule 4.7 hereto (the “Divestiture Stations”), (a) Buyer is legally, financially and otherwise qualified to assume and hold the Licenses and to acquire, own, and operate the Stations under the Communications Laws, including all provisions thereof relating to attribution of media ownership, foreign ownership and control, and character qualifications; (b) Buyer knows of no fact that would, under the Communications Laws (i) disqualify Buyer as an assignee of the Licenses or as the owner and operator of the Stations or (ii) cause the FCC to fail or refuse to grant the FCC Application in a timely manner; and (c) no waiver of any FCC rule or policy is necessary to be obtained for the grant of the FCC Application; nor, except for the use of a divestiture trust as provided in Section 5.3, will processing pursuant to any exception to any FCC rule or policy of general applicability be requested or required in connection with Buyer’s consummation of the transactions contemplated by this Agreement. Buyer has the requisite legal power and authority to cause the divestiture as provided in this Agreement of each of the Divestiture Stations that is not included among the Stations.

4.8 **Brokers and Finders.** There is no investment banker, broker, finder, financial advisor or other intermediary who has been retained by or is authorized to act on behalf of Buyer who might be entitled to any fee or commission in connection with the transactions contemplated by this Agreement (collectively a “Buyer Broker”). It is understood and agreed that all liabilities relating to any Buyer Broker are the sole and exclusive liability of Buyer.

ARTICLE V. **COVENANTS**

5.1 **Covenants of Seller.** Between the date hereof and the Closing Date, except as contemplated by this Agreement or with the prior written consent of Buyer, Seller hereby covenants and agrees:

(a) to operate, or cause the operation of, the Stations in the ordinary course of business to the extent permitted by RCW 7.60.060(1) or authorized by order of the Court;

(b) not to sell, transfer or further encumber (including without limitation permitting a Lien to come into existence) any of the Station Assets;

(c) keep in full force and effect, without amendment, cancellation or other modification, all Assumed Contracts; pay all sums payable thereunder when due; and pay all taxes as and when they become due;

(d) upon execution of this Agreement and reasonable advance notice received from Buyer, Seller shall (a) afford Buyer and its authorized representatives full and free access, during regular business hours, to Seller’s and NNB’s personnel, properties, contracts, books and records and other documents and data, such rights of access to be exercised in a manner that does not unreasonably interfere with the operation of the Stations; (b) afford Buyer and its authorized representatives access to copies of all such contracts, Licenses, books and records and other existing documents and data relating to the Station Assets; (c) afford Buyer and its authorized representatives access to such additional financial, operating and other relevant data and

information relating to the Station Assets as Buyer may reasonably request and permit Buyer to review and make inquiries and obtain responses from NNB's personnel and representatives concerning such information and any information provided prior to the date hereof; (d) allow Buyer and its authorized representatives access to conduct environmental surveys and studies on and in respect of the Real Property; and (e) otherwise cooperate and assist, to the extent reasonably requested by Buyer, with Buyer's review and examination of the properties and assets, and financial condition and results of operations, of or related to the Station Assets, provided, however, that no such investigation or examination shall be permitted to the extent that it would require Seller to disclose information subject to attorney-client privilege or conflict with any confidentiality obligations to which Seller is bound;

(e) to promptly notify Buyer in writing of the commencement of any material claim, suit, action, arbitration, legal, administrative or other proceeding, governmental investigation or tax audit against (i) Seller or (ii) any other party that relates in any way to, or that could reasonably be expected to have a material adverse effect on the Licenses or any of the Station Assets;

(f) to promptly notify Buyer in writing if Seller becomes aware that any representation or warranty made in this Agreement by Seller or NNB is no longer true and correct;

(g) to cooperate fully with Buyer in taking any and all actions necessary or desirable for the consummation of the transactions contemplated by this Agreement; and

(h) to, as soon as are reasonably practicable following execution of this Agreement, file with the Court a motion (the "Sale Motion") seeking entry of an Approval Order, in form and content satisfactory to Buyer, including without limitation, providing for the sale of the Station Assets free and clear of all Liens, and authorizing and approving the transactions contemplated by this Agreement, pursuant to RCW 7.60.260(2) with such Sale Motion and form of Approval Order each to be in a form approved by the Buyer and take any and all actions, and make such deliveries, motions, and filings as reasonably necessary, or as reasonably requested by Buyer, to obtain as soon as practicable the Approval Order.

5.2 Joint Covenants.

(a) FCC Application. Buyer and Seller shall cooperate fully with each other (and cause their respective counsel so to cooperate) in taking any actions necessary to obtain the FCC Consent, including (i) the filing of an application (the "FCC Application") with the FCC for all necessary consents of the FCC to the assignment of the Licenses to Buyer or its assignee as proposed in this Agreement, and (ii) the defense against any petition to deny or informal objection filed against the FCC Application. Each party shall prepare its portion of the FCC Application, which shall be filed with the FCC within fifteen (15) business days after the execution of this Agreement. Buyer shall pay all FCC filing fees associated with the FCC Application. Each party shall pay its own attorney fees incurred in filing and prosecuting the FCC Application. The FCC actions or orders granting the FCC Application without any material adverse conditions other than those of general applicability are referred to collectively as the

“FCC Consent,” provided that the following shall be deemed to be customarily imposed conditions and not “material adverse conditions”: (i) any condition that arises from or that adversely affects a party because of that party’s breach of its representations, warranties, or covenants under this Agreement; (ii) any condition requiring the divestiture of the Divestiture Stations or imposing reporting conditions and schedules regarding such divestitures; or (iii) any condition imposed to preserve the independence of the Divestiture Trustee from Buyer. The parties hereto acknowledge that the purchase and sale of the Station Assets as contemplated by this Agreement is subject to the receipt of the FCC Consent. Each party will promptly provide to the other party a copy of any pleading, order or other document served on or delivered to it relating to the FCC Application. Buyer and Seller shall take or cause to be taken all commercially reasonable actions necessary or appropriate to permit the FCC to grant the FCC Consent at the earliest practicable date and agree to comply with all conditions imposed on it (or its affiliates) by the FCC Consent that are applicable to radio broadcast stations generally, that are customarily imposed on similarly situated radio broadcast stations or that arise out of such party’s breach of this Agreement. Each of Buyer and Seller shall use its commercially reasonable efforts to oppose any petitions to deny or other objections filed with respect to the FCC Application and any requests for reconsideration or review of the FCC Consent. Neither Seller, on the one hand, nor Buyer, on the other hand, shall agree to participate in any meeting with the FCC in respect of any filing, consent, approval, investigation or other inquiry relating to this Agreement or the transactions contemplated hereby unless it consults with the other party in advance and, to the extent permitted by the FCC, gives the other party the opportunity to attend and participate in such meeting.

(b) Other Consents. Seller shall use its commercially reasonable efforts, and Buyer shall cooperate with Seller, to obtain at the earliest practicable date all consents and approvals required to consummate the transactions contemplated by this Agreement; provided, however, that Seller shall not be obligated to pay any consideration therefor to any third party from whom consent or approval is requested or to initiate any litigation or legal proceedings to obtain any such consent or approval.

(c) Further Assurances. Each of Seller and Buyer shall use its commercially reasonable efforts to (i) take all actions necessary or appropriate to consummate the transactions contemplated by this Agreement and (ii) cause the fulfillment at the earliest practicable date of all of the conditions to their respective obligations to consummate the transactions contemplated by this Agreement. At and after the Closing, 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.

(d) Confidentiality. Buyer and Seller acknowledge and agree that the Evaluation Material (as defined in the Confidentiality Agreement) provided to Buyer or its affiliates in connection with this Agreement, including under Section 5.1(d), and the consummation of the transactions contemplated hereby, is subject to the terms of the confidentiality agreement between Buyer’s affiliate, GAP Radio Broadcasting, LLC and Seller dated July 15, 2010 (the “Confidentiality Agreement”), the terms of which are incorporated herein by reference. Further, Seller agrees that it will, when requested by Buyer, provide or that

Buyer is authorized to provide Evaluation Material to the Divestiture Trustee and other third parties identified by Buyer or the Divestiture Trustee as potential purchasers of the Divestiture Stations or otherwise to accommodate any divestitures of such Stations as deemed necessary to facilitate the obtaining of the FCC Consent. Neither party shall issue a press release or make a public announcement concerning this Agreement and the transactions contemplated hereby at any time without the prior approval of the other party, except as required by law.

(e) Employee Communications. Notwithstanding anything provided for herein to the contrary, Seller and Buyer agree that only promptly following the filing of the FCC Application and the Divestiture Application shall the parties inform the employees of both Seller and Buyer of this Agreement and the transactions contemplated hereby, by written communication or employee meeting, the form and substance of such communication to be reasonably approved by both parties, in order to assist in preserving the value of the respective businesses.

5.3 Covenants of Buyer.

(a) Buyer expeditiously shall take, and shall cause its principals and affiliates expeditiously to take, any and all necessary action for the assignment of the Divestiture Stations to a divestiture trust (the “Divestiture Trust”) validly organized and existing under the laws of the jurisdiction of its organization and conforming to the requirements of the Communications Laws respecting non-attribution trusts such that, upon assignment of the Divestiture Stations to the Divestiture Trust, neither Buyer nor any of Buyer’s attributable principals will hold an attributable interest in the Divestiture Stations within the meaning of the Communications Laws. Buyer shall have the sole responsibility (i) to create the Divestiture Trust and to select the trustee thereof (the “Divestiture Trustee”) and (ii) to ensure that the Divestiture Trust is configured and the Divestiture Trustee is selected so as to permit Buyer to qualify under the Communication Laws as the assignee of the Licenses it will retain and to fulfill each of its covenants, representations and warranties in this Agreement pertaining thereto.

(b) Concurrently with the submission of the FCC Application to the FCC, Buyer shall submit or cause to be submitted to the FCC one or more applications (the “Divestiture Applications”) for FCC consent to the assignment of the Divestiture Stations to the Divestiture Trust (the “Divestiture Consent”). Buyer shall promptly provide to Seller (and cause Divestiture Trustee promptly to provide to Buyer) a copy of any pleading, order or other document served on or delivered to it relating to the Divestiture Application. Buyer shall take or cause to be taken all commercially reasonable actions necessary or appropriate to permit the FCC to grant the Divestiture Consent at the earliest practicable date and comply and cause the Divestiture Trust to comply with all conditions imposed. Buyer shall use (and shall cause Divestiture Trustee to use) its commercially reasonable efforts to oppose any petitions to deny or other objections filed with respect to the Divestiture Applications and any requests for reconsideration or review of the Divestiture Consent. Buyer shall not agree (and Buyer shall cause Divestiture Trustee not to agree) to participate in any meeting with the FCC in respect of any filing, consent, approval, investigation or other inquiry relating to the divestiture transactions or the other transactions contemplated hereby unless Buyer and Divestiture Trustee

consult with Seller in advance and, to the extent permitted by the FCC, give Seller the opportunity to attend and participate in such meeting.

(c) The Divestiture Trust and the Divestiture Trustee shall be legally, financially and otherwise qualified to assume and hold the Licenses being conveyed to the Divestiture Trust and to acquire, own, and operate the Divestiture Stations under the Communications Laws, including all such provisions relating to media ownership attribution, foreign ownership and control, and character qualifications. The Divestiture Trustee shall not be, or be owned or controlled by, any person or entity as to which Buyer knows of any fact that would, under the Communications Laws, (i) disqualify the Divestiture Trustee as an assignee of the Divestiture Stations or as the owner and operator of the Divestiture Stations or (ii) cause the FCC to fail to grant the Divestiture Applications in a timely manner; and no waiver of any FCC rule or policy shall be necessary for the grant of the Divestiture Applications; nor except for the use of a divestiture trust as provided in this Section 5.3, shall processing pursuant to any exception to any FCC rule or policy of general applicability be required in connection with the obtaining of the Divestiture Consent or the consummation of the divestiture transactions by the Divestiture Trust or the Divestiture Trustee.

ARTICLE VI. **CLOSING**

6.1 **Time and Place.** The closing of the sale of the Station Assets to Buyer from Seller (the “Closing”) shall take place at a business office location in Seattle, WA and on a business day each specified by notice of Seller to Buyer within ten (10) business days following the later of (a)(i) the date of issuance by the FCC of the public notice by the FCC of the grant of the FCC Consent and the Divestiture Consent if no petitions to deny or informal objections were timely filed against the FCC Applications or the Divestiture Applications or (ii) the date that the FCC Consent becomes a Final Order if any timely petitions or objections were filed against the FCC Applications or the Divestiture Applications or (b) the date of issuance of the Approval Order by the Court, or at such other time and place as the parties may mutually agree (such date, the “Closing Date”). The Closing may be effected via overnight or electronic delivery. As used herein a “Final Order” means that the FCC Consent and the Divestiture Consent have not been vacated, reversed, stayed, set aside, annulled or suspended; with respect to which no timely appeal, timely request for stay, or timely petition for reconsideration, rehearing or review by any person, or review by the FCC on its own motion, is pending; and as to which the time for filing any such appeal, request, petition for reconsideration, rehearing or review by any person, or review by any person, or review by the FCC on its own motion has expired.

6.2 **Seller’s Deliveries at Closing.** At Closing, Seller shall deliver or cause to be delivered to Buyer the following:

(a) a Bill of Sale, Receiver’s Deed to Real Property and all other documents required to be delivered by the Receiver or NNB prior to the Closing pursuant to this Agreement and such other instruments (including, without limitation, such affidavits, releases and other instruments necessary for the issuance of the title insurance policies) in form and substance satisfactory to Buyer and its counsel, as are required to effectively vest in Buyer good and

marketable title in and to all of the Station Assets, free and clear of any and all Liens, along with any other documents or instruments reasonably required by Buyer to consummate the transactions contemplated hereby and reasonably requested of the Receiver or NNB at or prior to the Closing. For purposes of this Agreement, all such documents are defined as the “Transaction Documents”;

(b) copies of the Licenses, together with a copy of the FCC Consent, and all other files, records and correspondence pertaining to the Licenses or the Stations in Seller’s possession that are not Excluded Assets;

(c) releases, including, without limitation, termination statements under any applicable Uniform Commercial Code of any financing statements filed in respect of any Station Assets, evidencing discharge, removal and termination of all Liens on Station Assets, provided, however, Seller is only required to use commercially reasonable efforts to obtain such releases and if such efforts are employed by Seller and such releases are not obtained, the condition shall be deemed fulfilled;

(d) tax clearance certificates issued by the applicable state agency in each of the jurisdictions where the Stations do business, provided, however, Seller is only required to use commercially reasonable efforts to obtain such tax clearance certificates and if such efforts are employed by Seller and such tax clearance certificates are not obtained, the condition shall be deemed fulfilled;

(e) instructions, submitted jointly with Buyer, to the Escrow Agent, to disburse the Escrow Amount to Seller; and

(f) certificate executed by Seller containing a representation and warranty of Seller that the conditions set forth in Sections 9.1 and 9.3 have been satisfied.

6.3 Buyer’s Deliveries at Closing. At Closing, Buyer shall deliver or cause to be delivered to Seller the following:

(a) Purchase Price as provided in Section 2 hereof, less the Escrow Amount, by wire transfer or immediately available funds;

(b) certificate executed by Buyer containing a representation and warranty of Buyer that the conditions set forth in Sections 9.2 and 9.3 have been satisfied;

(c) instructions, submitted jointly with Seller, to the Escrow Agent, to disburse the Escrow Amount to Seller; and

(d) evidence reasonably satisfactory to the Seller that the Divestiture Consent has been granted and that the divestiture transactions have been consummated in accordance with this Agreement and the Communications Laws.

6.4 **Closing Costs.** At Closing, Seller will pay: (i) one half of the escrow fees of Escrow Agent; and (ii) cost of any standard owner's title insurance policy in respect of the Real Property. Buyer will pay: (i) one half of the escrow fees of Escrow Agent; (ii) all recording fees; (iii) the cost of any extended title insurance policy in respect of the Real Property; and (iv) any Transfer Taxes (as defined below).

ARTICLE VII. **TERMINATION**

7.1 **Termination by Buyer.** Buyer may terminate this Agreement, if not then in material default, upon written notice to Seller, upon the occurrence of any of the following:

(a) if FCC approval is denied or approval has not been received within nine (9) months from the date the FCC Application is filed, provided, however, such period may be extended by Seller pursuant to Section 7.2(a); or

(b) if the Seller defaults in the observance or in the due and timely performance of any of its material representations, warranties, covenants or agreements contained herein and such default has not been cured within twenty (20) days after receiving written notice from the Buyer.

7.2 **Termination by Seller.** Seller may terminate this Agreement, if not then in material default, upon written notice to Buyer, upon the occurrence of any of the following:

(a) if FCC approval is denied or approval has not been received within the nine-month period after the FCC Application is filed, provided, however, that Seller may, in its sole discretion, extend such period by up to an additional six (6) months upon written notice to Buyer at any time prior to expiration of the initial nine-month period;

(b) if the Court shall enter an order approving a Competing Bid (as defined herein), in accordance with the provisions of Section 8.1 herein; or

(c) if the Buyer defaults in the observance or in the due and timely performance of any of its material representations, warranties, covenants or agreements contained herein, and such default has not been cured within twenty (20) days after receiving written notice from the Seller.

7.3 **Effect of Termination.**

(a) In the event that this Agreement is validly terminated as provided herein, then each of the parties shall be relieved of its duties and obligations arising under this Agreement after the date of such termination and such termination shall be without liability to Buyer or Seller, subject to the provisions of this Section 7.3; provided, however, that the obligations of the parties set forth in Article X hereof shall survive any such termination and shall be enforceable hereunder.

(b) Nothing in this Article VII shall relieve Buyer or Seller of any liability for a breach of this Agreement prior to the date of termination, provided that Seller's liability hereunder shall be limited to a return of Buyer's Deposit.

(c) The Confidentiality Agreement shall survive any termination of this Agreement and nothing in this Article VII shall relieve Buyer or Seller of their respective obligations thereunder.

ARTICLE VIII. COURT MATTERS

8.1 **Competing Transaction.** This Agreement is subject to approval by the Court and the consideration of higher or better competing bids received prior to entry of the Approval Order (each a "Competing Bid"). From the date of this Agreement and until the date that the Court shall have approved this Agreement and entered the Approval Order and not thereafter, Seller may respond to any inquiries or offers to purchase all or any part of the Station Assets and perform any and all other acts related thereto which are required under applicable law, including, without limitation, supplying information relating to the Stations or the Station Assets to prospective purchasers.

ARTICLE IX. CONDITIONS TO CLOSING

9.1 **Conditions to Obligations of Buyer.** The obligation of Buyer to consummate the transactions contemplated by this Agreement is subject to the fulfillment (or waiver by Buyer) at (or simultaneously with the effectiveness of the Closing) or prior to the Closing of the following conditions:

(a) each of the representations and warranties made by Seller in this Agreement shall be true and correct on the Closing Date with the same form and effect as though such representations and warranties had been made on and of such time;

(b) all of the covenants and obligations that Seller and NNB are required to comply with or to perform at or prior to Closing shall have been complied with and performed in all material respects;

(c) Buyer shall have received each of the items set forth in Section 6.2 to the extent such items exist;

(d) Seller shall have obtained all consents necessary to assign the Assumed Contracts consistent with the Approval Order; and

(e) Buyer shall have completed its environmental surveys and studies and determined that there are no material Liabilities related to environmental matters regarding the Station Assets.

9.2 **Conditions to Obligations of Seller.** The obligation of Seller to consummate the transactions contemplated by this Agreement is subject to the fulfillment (or waiver by Seller), at (or simultaneously with the effectiveness of the Closing) or prior to the Closing of the following conditions:

(a) each of the representations and warranties made by Buyer in this Agreement shall be true and correct on the Closing Date with the same form and effect as though such representations and warranties had been made on and of such time;

(b) all of the covenants and obligations that Buyer is required to comply with or to perform at or prior to Closing shall have been complied with and performed in all material respects;

(c) Seller shall have received each of the items set forth in Section 6.3; and

(d) the FCC shall have granted the Divestiture Consent, the divestiture transactions shall have been consummated in accordance with the FCC Consent and the Communications Laws, and any condition to the FCC Consent required to be satisfied at or prior to the Closing shall have been satisfied.

9.3 **Conditions to Obligations of Buyer and Seller.** The respective obligations of Buyer and Seller to consummate the transactions contemplated by this Agreement are subject to the fulfillment, on or prior to the Closing Date, of each of the following conditions (any or all of which may be waived by Buyer and Seller in whole or in part to the extent permitted by applicable law):

(a) the FCC shall have issued the FCC Consent and the Divestiture Consent;

(b) there shall not be in effect any preliminary or permanent injunction or other order or decree issued by any federal, state, local, municipal, governmental or quasi-governmental authority or court of competent jurisdiction restraining, enjoining or otherwise prohibiting the consummation of the transactions contemplated hereby; and

(c) the Court shall have entered the Approval Order, in form and content that is acceptable to Buyer, including without limitation that the conveyance of the Station Assets will be free and clear of all Liens, and not stayed.

9.4 **Frustration of Closing Conditions.** Neither Seller nor Buyer may rely on the failure of any condition set forth in this Article IX if such failure was caused by such party's failure to comply with any provision of this Agreement.

ARTICLE X. MISCELLANEOUS

10.1 **Specific Performance.** The parties recognize and agree that the Station Assets are unique and that if, prior to Closing, either party breaches this Agreement and refuses to

perform under the provisions hereof, the non-breaching party would be damaged irreparably and the award of monetary damages alone would not be adequate to compensate the non-breaching party for its injury. The non-breaching party shall therefore be entitled to obtain specific performance of the terms of this Agreement, and to injunctive or other equitable relief as remedies or any such breach or failure to perform, without waiving any other rights the non-breaching party receives herein or may have at law or equity.

10.2 **Assignability.** Each party agrees that the entirety of the other party's unperformed rights, duties, benefits and obligations under this Agreement are assignable to a directly or indirectly commonly owned affiliate or affiliates, provided that such party or parties agree to accept such assignment and assume all such obligations hereunder. Further, Buyer shall be permitted to so assign this Agreement to third parties to accommodate any divestitures of certain of the Stations as deemed necessary to allow the parties hereto to obtain the FCC Consent. Any other assignment shall require the prior written consent of the other party, which shall not be unreasonably withheld. No assignment by Buyer of its rights under this Agreement, either in whole or in part, shall relieve Buyer of any of its obligations under this Agreement; and, in the event of any breach or failure to close on the part of Buyer or any assignee of Buyer, Seller may elect to proceed solely against Buyer for the full amount of any damages Seller may have sustained by reason of such breach or failure to close. Notwithstanding any assignment of rights of Buyer, Seller shall have no obligation to proceed to Closing unless all of Seller's rights in each of the Stations will be assigned at a single Closing (or a series of closings) on a single day.

10.3 **Taxes.** Buyer shall be solely responsible for any sales, use, excise or transfer tax due as a result of this transaction (the "Transfer Taxes"). To the extent that Seller shall be required to pay any Transfer Taxes, Buyer shall promptly reimburse Seller, as applicable, for such Transfer Taxes.

10.4 **Attorney Fees.** Should any party default in the performance of any of the terms or conditions of this Agreement, which default results in the filing of a lawsuit for damages, specific performance, or other permitted remedy, the prevailing party in such lawsuit shall be entitled to its reasonable legal fees and expenses, including such fees and expenses at the appellate level.

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

10.6 **Governing Law.** This Agreement shall be governed, construed and enforced in accordance with the laws of the State of Washington, without regard to the choice of law provisions thereof. Venue of any dispute arising out of this Agreement shall reside exclusively in the Court.

10.7 **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.

10.8 **Notices.** All notices, demands, requests or other communication required or permitted hereunder shall be in writing and sent by certified, express or registered mail, return receipt requested, postage prepaid, overnight air courier service or personal delivery to the address specified below (or to such other address which a party shall specify to the other party in accordance herewith):

If to Buyer:
Townsquare Media, LLC
60 Arch Street
Greenwich, Connecticut 06830
Attn: Alex Berkett

With a copy to:

Jones Day
1420 Peachtree Street, N.E.
Suite 800
Atlanta, Georgia 30309
Attn: John E. Zamer
(which shall not constitute notice)

If to Seller:

Revitalization Partners, LLC
Attn: Alan M. Davis, Principal
2815 Eastlake Avenue E, Suite 300
Seattle, WA 98102

With a copy to:

Charles R. Ekberg
Lane Powell PC
1420 Fifth Avenue, Suite 4100
Seattle, WA 98101-2338
(which shall not constitute notice)

Notice shall be deemed to have been given on the date of personal delivery, the date set forth in the records of the delivery service, or on the return receipt.

10.9 **Multiple Counterparts and Facsimile Signatures.** 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. Counterpart signatures to the Agreement delivered and received by facsimile or email shall be acceptable and binding to both parties.

10.10 **Entire Agreement.** This Agreement, the schedules and exhibits hereto, and all documents to be delivered by the parties pursuant hereto, collectively represent 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.

10.11 **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.

10.12 **No Waiver.** Unless otherwise specifically agreed in writing to the contrary: (i) the failure of any party at any time to require performance by the other of any provision of this Agreement shall not affect such party's right thereafter to enforce the same; (ii) no waiver by any party of any default by another shall be taken or held to be a waiver by such party of any other preceding or subsequent default; and (iii) no extension of time granted by any party for the performance of any obligation or act by any other party shall be deemed to be an extension of time for the performance of any other obligation or act hereunder.

10.13 **Further Assurances.** Upon the signing of this Agreement, Seller will use its best efforts, and Buyer will reasonably cooperate with Seller, to secure the FCC Consent and any related authorizations or fulfillment of any conditions hereto. The parties acknowledge that FCC Consent is required to transfer of the Licenses, and agree not to consummate such transfer before such consent has been obtained. At and after the Closing, 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.

10.14 **Interpretation.** The language used in this Agreement shall be deemed to be the language chosen by the parties to express their mutual intent. In the event that an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties, and no presumption or burden of proof shall arise favoring or disfavoring any person or entity by virtue of the authorship of any of the provisions of this Agreement.

[Signature pages follow]

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

RECEIVER:

REVITALIZATION PARTNERS,
LLC,
a Washington limited liability
company

By: Alan M. Davis
Alan M. Davis
Its Principal

BUYER:

TOWNSQUARE MEDIA, LLC,
a Delaware limited liability company

By: _____
Alex Berkett
Its Senior Vice President

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

RECEIVER:

REVITALIZATION PARTNERS,
LLC,
a Washington limited liability
company

By: _____
Alan M. Davis
Its Principal

BUYER:

TOWNSQUARE MEDIA, LLC,
a Delaware limited liability company

By: _____

Alex Berkett
Its Senior Vice President