

## ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement ("Agreement") is made and entered into as of the 22nd, day of January, 2014, by and between **VCY AMERICA INC.** ("Assignee" or "Buyer") and **WWJC, INC.** ("Assignor" or "Seller")

### WITNESSETH:

**WHEREAS**, Assignor is the licensee of and operates Station WWJC(AM), Duluth, Minnesota (the "Station"), pursuant to a license issued by the Federal Communications Commission (the "Commission"), and owns and/or has rights to the use of certain assets used in the operation of the Station; and

**WHEREAS**, Assignor desires to sell and assign certain of the assets used and useful in the operation of the Station, including the Station license issued by the Commission, to Assignee, and Assignee desires to purchase certain of the assets used and useful in the operation of the Station, and acquire the Station license issued by the Commission;

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements contained herein, and other good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, Assignor and Assignee agree as follows:

#### **I. Purchase and Sale of Properties and Assets.**

**1.1 Station Assets.** Subject to and in reliance upon the representations, warranties and agreements herein set forth, and subject to the terms and conditions herein contained, on the Closing Date (as defined in Section 5.3 hereof), Assignor agrees to sell, assign, transfer and deliver to Assignee, and Assignee agrees to purchase, accept and assume the "Assets," such term being defined to include the following:

- a. Scheduled Assets.** The assets listed on Schedule 1.1.a.1 hereto (the "Scheduled Assets"). Assignor shall not assign, and shall remove from the premises prior to Closing, the assets listed on Schedule 1.1.a.2 hereto (the "Excluded Assets"), but shall retain the Excluded Assets. Assignee may remove, discard or otherwise dispose of, or retain for its account, Excluded Assets remaining on the Real Property after Closing, in Assignee's sole discretion.
- b. Licenses and Authorizations.** The licenses, permits and authorizations issued by the Commission listed on Schedule 1.1.b. hereto, together with any renewals, extensions, amendments or modifications thereof and additions thereto made between the date of this Agreement and the Closing Date, as well

as the rights of Assignor in and to the call letters "WWJC" and all other licenses, authorizations, permits, consents and certificates of any kind issued by the Commission relating to the operation of the Station (the "Licenses").

- c. Agreements, Leases and Contracts.** The business agreements, leases, and contracts listed individually on Schedule 1.1.c. hereto including any renewals, extensions, amendments or modifications thereof occurring between the date hereof and the Closing Date; together with such agreements as Assignor shall enter into in the ordinary course of business subsequent to the date hereof and which Assignee shall elect to have assigned.
- d. Intellectual Property Rights/Etc.** All copyrights, trademarks, service marks or other similar rights listed on Schedule 1.1.d. hereto, together with any additions or modifications thereto made by Assignor in the ordinary course of business between the date hereof and the Closing Date, as well as promotional themes and concepts, logos, jingles, audience data and rights under permits, licenses and authorizations applied for or issued by any governmental agency, commission or body other than the Commission.
- e. Business and Commission Records.** All logs, books and business records (or true copies thereof), all electronic data processing systems, data, records and all documentation used in connection with the operation of the Station and the conduct of its business as of the date hereof and the Closing Date subject to any applicable license agreement related to any software or software licenses not being assigned to Assignee hereunder; and the original Public Inspection File required to be maintained with respect to the Station pursuant to Section 73.3526 of the Commission's Rules, 47 C.F.R. §73.3526. Assignor shall, however, retain all of Assignor's corporate records.
- f. Real Property.** Assignor's real property, legal descriptions of which are attached at Exhibit 1.1.f.a hereto, and copies of Assignor's real property leases listed in Schedule 1.1.c, which are attached at Exhibit 1.1.f.2 hereto.

- 1.2 Accounts Receivable, Cash and Deposits.** It is understood that no accounts receivable, cash, bank deposits, or investment securities existing at the Closing Date pertaining to the Stations' Assets, the operation of the Station or the conduct of its business shall be conveyed, sold, assigned or transferred from Assignor to Assignee hereunder.

- 1.3 Liabilities to be Assumed.** Except as otherwise provided herein, Assignee does not assume or incur and shall not be charged with any liabilities or obligations of any nature whatsoever, contingent or otherwise, arising prior to, or in connection with the Closing.
- II. Purchase Price and Method of Payment.** Subject to the adjustments in price described in Section III hereof, the purchase price for the Assets acquired hereunder shall be Four Hundred Thousand Dollars (\$400,000.00), to be paid in cash (including by electronic funds transfer) at Closing
- 2.1 Earnest Money Deposit.** Assignee has deposited in escrow with Clifton Gardiner & Company, LLC, a good faith deposit in the amount of Forty Thousand Dollars (\$40,000.00) pursuant to that one certain Deposit Agreement of even date herewith; which amount shall be delivered to Assignor at Closing in partial payment of the Purchase Price.
- 2.2 Balance of Purchase Price.** On the Closing Date, Assignee shall deliver to Assignor, by cash or wire transfer, the balance of the Purchase Price due following application of any credits pursuant to Section III hereof.
- III. Adjustments and Assumptions.** The operation of the Station, the cash income and the expense attributable thereto up to 12:01 A.M. on the Closing Date (the "adjustment time") shall, except as otherwise expressly provided in this Agreement, be for the account of Assignor and thereafter shall be for the account of Assignee. Charges such as power and utility expenses, lease rents, prepaid time sales agreements, wages, commissions, payroll taxes, vacation pay and other fringe benefits of employees of the Assignor who enter the employment of Assignee, and similar prepaid and deferred items shall be prorated between the Assignor and Assignee. All proration shall be made and paid insofar as feasible on the Closing Date, with a final settlement within ninety (90) days after the Closing Date.
- IV. Commission Application.** The parties shall cause an application for Commission consent to assignment of the Station Licenses and authorizations to be filed with the Commission as expeditiously as possible and within five (5) business days of the execution of this Agreement; and such application shall be prosecuted in good faith and with due diligence. The parties hereto shall each bear their own legal fees and any and all costs and expenses not specified herein with respect to the assignment of the Assets covered by this Agreement.
- V. The Closing.**
- 5.1 Commission Consent.** Consummation of the transactions contemplated hereunder is conditioned upon the Commission's consent, in writing, to the assignment to Assignee of the Commission licenses and authorizations listed on Schedule 1.1.b hereto, without any conditions materially adverse to Assignee and on terms no more onerous to Assignee than are the terms to

Assignor under the existing Commission licenses and authorizations for the station.

**5.2 Failure to Obtain Commission Consent.** If (i) the Commission has failed or refused to grant its consent to the assignment of the aforesaid licenses and/or any other transactions contemplated hereunder by an effective order that will permit a Closing by July 1, 2014; or (ii) the application for consent to assignment of the licenses is designated for hearing, either Assignor or Assignee may, upon written notice to the other, terminate this Agreement provided that the party desiring to terminate is not in default or breach, or is not the cause of the Commission's failure to act.

**5.3 Closing.** The date of Closing (herein referred to as the "Closing Date") and the time thereof shall be as mutually agreed to by the parties hereto, and Closing shall be conducted by mail (or e-mail with subsequent exchange of originally executed documents) and wire transfer; provided, that absent such mutual agreement the Closing shall take place at 10:00 A.M. at the offices of Maki & Overom LTD 31 West Superior Street, Suite 402 Duluth Minnesota 55802, on a normal business day designated by Assignee in a written notice to all other parties hereto, which date shall be not more than ten (10) days following the date on which the Commission's consent to the assignment of the Stations' license to Assignee is granted.

**5.4 Control of Station and Access to Information.** Until the Closing hereunder, Assignor shall have complete control of the Station, its equipment and operation. Assignee shall be entitled, however, to reasonable inspection during normal business hours of the Station Assets to be assigned hereunder.

**VI. Assignor's Representations and Warranties.** Assignor represents, warrants and agrees as follows:

**6.1 Due Incorporation.** Assignor is a corporation duly organized, validly existing and in good standing under laws of the State of Minnesota, and has the corporate power and authority to own the Stations' Assets and to carry on the business of the Station as now being conducted by it in the State of Minnesota.

**6.2 Authorization of Agreement; No Breach.** The execution, delivery and performance of this Agreement have been duly and validly authorized and approved by Assignor's Board of Directors and Stockholders, if any, and (assuming the receipt of all necessary approvals from the Commission) Assignor has full power and authority to execute, deliver and perform this Agreement and to consummate the transactions hereby contemplated. Neither execution, delivery and performance, nor compliance by Assignor with the terms and provisions hereof will (assuming receipt of all necessary approvals from the Commission) conflict with or result in a breach of any of the terms,

conditions or provisions of the charter or by-laws of Assignor or of any judgment, order, injunction, decree, law, regulation or ruling of any court or other governmental authority to which Assignor is subject or, of any agreement, lease or contract listed on any schedule delivered pursuant hereto. This Agreement constitutes the valid and binding obligation of Assignor, enforceable in accordance with its terms.

**6.3 Licenses, Authorizations and Other Commission Matters.** On the date hereof, the licenses, construction permits and authorizations set forth in Schedule 1.1.b hereof are in full force and effect and constitute all licenses, construction permits and authorizations from the Commission and, to the knowledge of Assignor, other regulatory bodies which are required for the operation of the Station and the conduct of its business as conducted on the date hereof. To the best of Assignor's knowledge, except as set forth in Schedule 6.3 hereto, no violation of any federal, state or local law or regulation exists with respect to the operation of the Station which could have a material adverse effect on the business, profits, properties or condition (financial or otherwise) of the Station and to the best of Assignor's knowledge the Station and its physical facilities, electrical and mechanical systems and equipment are being, and pending Closing will be, operated and maintained in accordance with the terms of Station's Commission authorizations and the rules and regulations of the Commission. To the best of Assignor's knowledge, except as set forth in Schedule 6.3 hereto, the "Public Inspection File" of the Station will be complete and in full compliance with Section 73.3526 of the Commission's rules and regulations on the Closing Date. To the best of Assignor's knowledge, except as set forth in Schedule 6.3 hereto, all ownership and other reports and documents required to be filed with the Commission with respect to the Station have been duly and timely filed and are true, correct and complete.

**6.4 Conduct of Business.** On the date hereof and prior to Closing, Assignor operates and shall operate the Station in the ordinary course of business. Prior to Closing Assignor shall conduct the Station's business and manage the Assets in the same manner as heretofore conducted and managed and will use its best efforts to maintain the business of the Station and preserve intact its business organization and relationships with employees, advertisers, supporters, contributors, suppliers and other business contacts, and Assignor will not dispose of, lease, license or acquire, any asset of the Station other than in the ordinary course of business.

**6.5 Personal Property.** The Assets conveyed by Assignor at the Closing will, on the Closing Date, be in good operating condition and repair, capable of operating the Station as specified in the Station's license, except as specified on schedule 6.5 hereto. To the best of Assignor's knowledge, except as set forth on Schedule 6.5, Assignor now has, and by virtue of the deliveries at the

Closing, Assignee will obtain, good and marketable title to the Assets, free and clear of all claims, liens, encumbrances, security interests, equities, charges or restrictions, and no property other than the Assets is reasonably necessary to operate the Station or to conduct the business of the Station as presently conducted. Except as set forth on Schedule 6.5, no financing statement under the Uniform Commercial Code or similar law naming Assignor as a debtor and relating to the Assets has been filed in any jurisdiction, and Assignor is not bound under any agreement or arrangement authorizing the filing of any such financing statement.

## **6.6 Real Property.**

- a.** Schedule 1.1.f.1 contains descriptions of all real property leased by Assignor and a copy of each lease (the “Real Property Leases”) is attached at Exhibit 1.1.f.2. Schedule 1.1.f.1 also contains the legal description(s) of all real property owned by Assignor (the “Owned Real Property”). Assignor has good and marketable fee simple title to the owned Real Property free and clear of Liens other than Permitted Liens and liens that will be discharged at Closing.
- b.** The Owned Real Property is available for immediate use in the operation of the Station. Assignor has not received written notice or is not otherwise aware of any violation of law, municipal or county ordinances or other legal requirements with respect to the Owned Real Property or with respect to the use or occupancy thereof or the improvements thereon. Assignor has not received any written notice or is not otherwise aware of any pending or threatened termination or impairment of access to or use of the Owned Real Property or discontinuation of necessary sewer, water, electrical, gas, telephone or other utilities or services. The Owned Real Property is accessible by public road, access or right of way, and to Assignor’s knowledge, will continue to have such access in the future.
- c.** Assignor has not received any written notice or is not otherwise aware (i) that either the whole or any portion of the Real Property is to be condemned, requisitioned or otherwise taken by any public authority, (ii) of any violation of restrictive covenants, deed restrictions or governmental requirements on the Real Property (including code restrictions and compliance with the Americans with Disabilities Act) which have not been remedied, (iii) of any proceedings which would cause the change, redefinition or other modification of the zoning classification or

(iv) any proceedings to widen or realign any street or highway adjacent to the Real Property.

- d. Assignor owns a valid interest as lessee under the Real Property Leases free and clear of all liens other than permitted liens. Each Real Property Lease is in full force and effect, and is valid, binding and enforceable in accordance with its terms against Assignor and, to Assignor's knowledge, the other parties thereto. Assignor has performed its obligations under each such lease in all material respects and is not in material breach or default thereunder. Each such Real Property Lease provides sufficient access to the Station's facilities.
- e. Assignor is not in default under any mortgage encumbering the Property, and during the period commencing on the date of execution of this Agreement and ending on the Closing Date, Assignor shall make all payments required to be made under any such mortgage or lease in the manner and at the times provided thereunder, and during said period Assignor will perform all of Assignor's other obligations thereunder.
- f. No portion of the Real Property is in the possession of any third party, and no third party has any right, contingent or otherwise, thereto.

**6.7 Agreements.** To the best of Assignor's knowledge, the agreements, leases and contracts listed on Schedule 1.1.c. hereto constitute valid and binding obligations of Assignor and are in full force and effect as of the date hereof, and with the exception of agreements, leases and contracts which (i) will have expired according to their terms or (ii) will have been terminated by the mutual consent of the parties thereto in the ordinary course of business (to the extent permitted by this Agreement), will on the Closing Date constitute valid and binding obligations of Assignor and of the respective other parties thereto, and be in full force and effect. As of the date hereof, Assignor is not in material default under any of such agreements, leases, commitments or orders, and has not received or given written notice of any material default thereunder from or to any of the other parties thereto and will not have received any such notice at or prior to the Closing.

**6.8 Intangible Property.** Assignor is not aware of any infringement by any party of any of its marks, service marks, trademarks, trade names, copyrights or trade secrets, or licenses thereof relating to the Station. Assignor has no knowledge that the operation of the Station infringes, and no one has asserted to Assignor or any of its affiliates that such operation infringes, any patent, patent rights, patent application, invention, trade secret, mark, service mark,

trademark, trade name, copyright, or other such right or any license thereof of any other party.

- 6.9 No Litigation.** There is as of the date hereof no suit, legal action, administrative arbitration or other proceeding or governmental investigation pending or, to Assignor's knowledge, threatened which individually or in the aggregate materially adversely affects the title or interest of Assignor in any of the Assets or the operation of the Station or the conduct of its business.
- 6.10 Legal Compliance.** To the best of Assignor's knowledge, neither the operation of the Station nor the use of the Station's premises or any structure or structures thereon are at the present time, nor will it be as of the Closing hereunder, in violation of any laws, regulations (including, without limitation, zoning regulations), ordinances, orders or requirements of any state or local governmental authority.
- 6.11 Commission Compliance.** To the best of Assignor's knowledge, the Station is at the present time and shall continue to be as of the Closing hereunder operated and maintained in accordance with the Commission licenses, the Communications Act of 1934, as amended, and the Rules and Regulations of the Commission, and all applications, reports and other disclosures required by the Commission with respect to the Station have been and will be as of the Closing Date hereunder, duly filed.
- 6.12 Employment Agreements, etc.** There are no employment agreements, collective bargaining agreements, deferred compensation, pension, profit-sharing or retirement plans or arrangements presently in force. Assignor has no commitment to create any of the above-referenced plans nor will it enter into any such commitments or arrangements, or create any such plans while this Agreement is in effect. All employees of the Station will be terminated as of the Closing Date, and the duties and responsibilities with respect to the Station of all employees of Assignor, Assignor's contractors (other than Assignee) or any party other than Assignee shall be terminated as of the Closing Date, and all payments of salary, accumulated vacation time or sick time, and any and all other amounts due such parties shall be the responsibility of the Assignor. Assignor reserves the right to enter into such agreements as it chooses with respect to any of its current employees provided that no such agreement will be binding on Assignee.
- 6.13 Taxes.** All federal, state, local and other tax returns and reports of, or with respect to, the business or operations of the Station or the Assets required to have been filed on or prior to the date hereof are correct and complete, and have been duly and timely filed, and all taxes, assessments, fees and other governmental charges due prior to the date hereof have been paid.



**6.14 Accuracy of Information.** No statement made by Assignor and no information provided by Assignor herein or in connection with the negotiations covering the purchase and sale of the Assets contains any untrue statement of a material fact or omits a material fact necessary to make the statements contained therein or herein not misleading and there is no fact which the Assignor has not disclosed to Assignee in writing which materially affects adversely nor, so far as the Assignor can now foresee, will materially affect adversely the Assets or the business or condition (financial or otherwise) of the Station.

**6.20 Barter Transactions.** All existing arrangements for the exchange of commercial time for consideration other than money ("barter transactions") have been or will be identified to Assignee, and Assignor will use good faith efforts to cause advertisers to use, prior to the Closing Date, the time available under such barter agreements. Furthermore, between the date of this Agreement and the Closing, Assignor shall not conclude any further barter agreements requiring performance in whole or in part by Assignee, without Assignee's express consent.

**6.21 Insurance.** Assignor currently has, and shall maintain in effect through Closing, insurance coverage on the Assets with coverage limits as set forth on Schedule 6.21 attached hereto.

**VII. Assignee's Representations and Warranties.** Assignee represents, warrants and agrees as follows:

**7.1 Standing, No Breach.** Assignee has the power and authority to execute, deliver and perform this Agreement and to consummate the transactions contemplated hereby. As of the Closing Date, neither such execution, delivery and performance nor compliance by Assignee and the terms and provisions hereof will (assuming receipt of all necessary approvals from the Commission) conflict with or result in a breach of any of the terms, conditions or provisions of any judgment, order, injunction, decrees, regulation or ruling of any court or other governmental authority to which Assignee is subject, or any agreement or contract to which Assignee is a party or to which he is subject, or constitute a material default thereunder. This Agreement shall constitute the valid and binding obligation of Assignee.

**7.2 Qualification.** Assignee has no knowledge of any facts which would, under present law (including the Communications Act of 1934, as amended) and present rules, regulations and practices of the Commission, disqualify Assignee as an assignee of the licenses, permits and authorizations listed on Schedule 1.1.b. hereto, or as owner and operator of the Station and Assets, and Assignee will not take, or unreasonably fail to take, any action which Assignee knows or has reason to know would cause such disqualification (it being understood that Assignee has an active duty to attempt to ascertain any

reasons that would cause such disqualification). Should Assignee become aware of any such facts, he will promptly notify Assignor in writing thereof, will use its best efforts to prevent any such disqualification and will have thirty (30) days within which to cure such potentially disqualifying factor.

**VIII. Brokerage.** Each party hereto represents to the other that it has no agreement with a broker or brokers with respect to this transaction, other than an agreement between Assignor and the media brokerage firm of Clifton Gardiner & Company, the fee of which shall be the sole responsibility of Assignor. If, because of any direct or indirect dealings by either Assignee or Assignor with any (other) broker or finder in connection with the transactions contemplated by this Agreement, such broker or finder should claim a broker's commission or finder's fee in connection with this Agreement or the transactions contemplated hereby, the party which had such dealings with such broker or finder shall pay any such commission or fee if it becomes due and shall indemnify and hold harmless the other party from and against any and all damages, costs and expenses, including, without limitation, attorneys' fees, incurred by such other party as a result of claims against such other party for any such fee or commission.

**IX. Affirmative Covenants of Assignor.** Between the date of this Agreement and the Closing Date, Assignor will:

**9.1 Commission Compliance.** At all times operate the Station under the terms of the Licenses, in the usual and ordinary course of business, and in conformity with all applicable laws, ordinances, regulations, rules and orders; and will file with the Commission all applications and other documents required to be filed in connection with the operation of the Assets.

**9.2 Conduct of Business.** Conduct its business diligently and in the ordinary course and consistent with past practice. Assignor will use its best efforts to assure the preservation of the business organization, the physical plant, including all transmitting facilities and studio facilities of the Station and the maintenance of the audience and business reputation in the communities and areas served by the Station, and will conduct the business and operation of the Station in a fiscally sound manner consistent with the operation of the Station prior to the date hereof, including, without limitation, sales, promotions, bookkeeping and record keeping practices and policies.

**9.3 Access to Information.** Provide Assignee and representatives of Assignee, with reasonable access during normal business hours to the properties, titles, contracts, books, files, logs, records and affairs of the Station, and furnish such additional information concerning the Station as Assignee may from time to time reasonably request.

**9.4 Maintenance of Assets.** Maintain the Assets in the same operating condition, repair and order, as upon Assignee's inspection of the Assets on January 9, 2014.

- 9.5 Barter Obligations.** Use its best efforts to satisfy and complete by the Closing Date all obligations owing by Assignor to advertisers for the sale of time on the Station for anything other than cash, except as may be expressly approved by Assignee.
- 9.6 Taxes, etc.** Pay or cause to be paid or provided for all income, property, use, franchise, excise, social security, withholding, workmen's compensation and unemployment insurance taxes and all other taxes on or relating to the Assets, the Station, and its employees, which are required to be paid to city, county, state, federal and other governmental units for all periods preceding the Closing Date.
- X. Negative Covenants of Assignor.** Between the date hereof and the Closing Date, except as contemplated by this Agreement, Assignor will not, without the prior written consent of Assignee:
- 10.1 Employment Agreements.** Enter into any agreements with employees, increase the compensation or bonuses payable to or to become payable by Assignor to any employees, or effect any changes in the management, personnel policies or employee benefits, except in the ordinary course of business. Assignor reserves the right to enter into such agreements as it chooses with any of its current employees provided that no such agreement will be binding on Assignee.
- 10.2 Liens, etc.** Create, assume or permit to exist any new mortgage, deed of trust or pledge covering or further subject to any lien or encumbrance, any of the Assets, whether now owned or hereafter acquired.
- 10.3 Sale of Assets.** Sell, assign, lease or otherwise transfer or dispose of any of the Assets, whether now owned or hereafter acquired, except for immaterial dispositions of property of nominal value in the normal and usual course of business or dispositions in connection with the replacement of such Assets with similar property or Assets of an equal or greater value and utility.
- 10.4 Agreements, etc.** (i) Enter into any new time sales agreements for the Station except in the usual and ordinary course of business, cancelable upon thirty (30) days notice without penalty or premium, and substantially at rate card values in accordance with normal business practices of the Station for the period in question; (ii) renegotiate, modify, amend or terminate any agreements involving more than One Thousand Dollars (\$1,000.00); or (iii) enter into any new contracts, agreements or understandings for the Station involving more than One Thousand Dollars (\$1,000.00) in any single instance or more than Two Thousand Five Hundred Dollars (\$2,500.00) in the aggregate of all such agreements, unless the same are cancelable on more than thirty (30) days notice without penalty or premium.

**10.5 Commission Compliance.** Violate any rules, regulation or policies of the Commission, or cause or permit any of the Commission licenses or construction permits listed on Schedule 1.b. to lapse, to be modified in any material respect, or to become impaired in any manner.

**10.6 Standstill.** Until termination of this Agreement by a party not then in breach of the terms hereof, or the later of that date which is six months following the execution of this Agreement or 10-days after Commission grant of the application for consent to the transaction contemplated hereby, Assignor shall refrain from negotiating or entering into any agreements with respect to the sale of the Station with any party other than Assignee.

**XI. Performance by Assignee.** The obligations of Assignee hereunder are subject to the satisfaction of each of the following conditions at or before the Closing hereunder:

**11.1 Representations and Warranties; Performance.** The representations and warranties of Assignor contained in this Agreement shall be true and correct in all material respects at the time of Closing hereunder as though made at and as of such time, and each and all of the agreements of the Assignor to be performed on or prior to the Closing hereunder pursuant to the terms of this Agreement shall have been duly performed.

**11.2 No Litigation.** Prior to the Closing, no litigation, investigation or proceeding of any kind shall have been instituted or threatened which would adversely affect or relate materially to the Assets or business or operation of the Station, and there shall have been no changes subsequent to the date hereof in the condition, financial or otherwise, of the Station or of the Assets or operation of the Station, except for changes in the ordinary course of business or changes contemplated hereby.

**11.3 Commission Licenses.** At the Closing, the Licenses shall be assigned and transferred to Assignee, shall be valid and existing authorizations in every respect for the purpose of operating the Station, issued by the Commission under the Communications Act of 1934, as amended, for the full term ending April 1, 2021, and shall contain no adverse modifications of the terms thereof as of the date of execution of this Agreement.

**11.4 Consents.** Prior to the Closing, all consents by third parties that are required by the provisions of this Agreement with respect to agreements, leases and contacts to be assigned hereunder shall have been obtained in writing and shall be in full force and effect.

**11.5 Changes.** Prior to the Closing, there shall have been no change subsequent to the date hereof in the operation or condition, financial or otherwise, of the Assets or the Station except for changes in the ordinary course of business

none of which individually or in the aggregate, shall be materially adverse to the operation or condition, financial or otherwise, of the Assets or the Station.

**11.6 Environmental Audit.** Prior to 5:00 p.m. on March, 31 2014, at Assignee's option, an environmental audit and review of the condition of the real and personal property of the Station will be conducted by a consultant selected by Assignee and at Assignee's expense, the results of which shall be acceptable to Assignee in Assignee's sole discretion.

**11.7 Due Diligence Review.** Prior to 5:00 pm on March, 31, 2014, Assignee shall have completed a due diligence investigation of the business, properties and operations of the Assignor and Station (including the Environmental Audit pursuant to Section 11.6 hereof), which investigation results in Assignor being satisfied, in Assignee's sole discretion, as to the operations of the Assignee and the business, properties and operations of the Station. Assignee shall be deemed to have waived the right to conduct the Due Diligence Review if not completed on or before 5:00 p.m. on March, 31, 2014.

**XII. Performance By Assignor.** Assignor's performance is subject to the satisfaction of each of the following conditions at or prior to the Closing hereunder:

**12.1 Payments, etc.** All payments which are due and payable by Assignee on or before the Closing Date hereunder shall have been paid in accordance with the terms of this Agreement, and Assignee shall have executed all of the documents required of it herein.

**12.2 Representations and Warranties.** Assignee's representations and warranties contained herein shall, to the extent applicable, be true at the time of Closing, as though made at and as of such time.

**12.3 Performance.** Assignee shall have performed and complied with all agreements, obligations and conditions required by this Agreement to be so performed or complied with prior to or at the Closing hereunder.

**12.4 Litigation.** No litigation, investigation or proceeding of any kind shall have been instituted or threatened which would adversely affect the ability of Assignee or its corporate assignee to comply with the provisions of this Agreement.

**XIII. Rights of Indemnification.**

**13.1** It is understood and agreed that Assignee does not assume and shall not be obligated to pay, any liabilities of the Assignor under the terms of this Agreement or otherwise, and shall not be obligated to perform any obligations of the Assignor, of any kind or manner except by reason of contracts expressly assigned to and assumed by Assignee hereunder, and with respect to such

contracts, Assignee shall assume only such obligations which arise and accrue subsequent to the Closing hereunder or as is herein provided. The Assignor hereby agrees to indemnify and hold harmless Assignee, its successors and assigns (collectively "Indemnified Parties," and individually, "Indemnified Party") from and against:

- a. Any and all claims, liabilities and obligations of every kind and description, contingent or otherwise, arising from or related to the ownership or operation of the Station or the Assets prior to the Closing hereunder including, but not limited to, any and all claims, liabilities and obligations arising or required to be performed prior to the Closing hereunder under any contract or instrument assumed by any Indemnified Party hereunder.
- b. Any and all damage or deficiency resulting from any misrepresentations, breach of warranty, or nonfulfillment of any agreement on the part of the Assignor under this Agreement, arising out of events occurring prior to the Closing, or from any misrepresentation in or omission from any certificate or other instrument furnished to any Indemnified Party pursuant to this Agreement or in connection with any of the transactions contemplated hereby; and
- c. Any and all actions, suits, proceedings, damages, assessments, judgments, costs and expenses, including reasonable attorneys' fees incurred by any Indemnified party as a result of Assignor's failure or refusal to compromise or defend any claim incident to, or otherwise fail to comply with, the foregoing provisions.
- d. Any claims against Assignor made under this Section 13.1 must be made within ninety (90) days of the Closing, otherwise it is barred. The WWJC, Inc. corporate existence shall be maintained for a period of ninety (90) days after closing and WWJC, Inc. shall retain in its accounts and not distribute a minimum of Forty Thousand Dollars (\$40,000.00) of the Purchase Price for such a period of time.

**13.2** If any claim or liability shall be asserted against any Indemnified Party which would give rise to a claim by such Indemnified party against Assignor for indemnification under the provisions of this section, such Indemnified Party shall promptly notify the Assignor in writing of the same and the Assignor shall be entitled at its own expense to compromise or defend any such claim.

**13.3** Assignee herewith agrees to indemnify and hold harmless the Assignor, its successors and assigns from and against:

- a. Any and all claims, liabilities and obligations of every kind and description, contingent or otherwise arising from or related to the operation of the Station subsequent to the Closing hereunder including, but not limited to, any and all claims, liabilities and obligations arising or required to be performed subsequent to Closing hereunder any contract or instrument assumed by Assignee;
- b. Any and all damage or deficiency resulting from any misrepresentations, breach of warranty, non-fulfillment of any agreement or obligation assumed or required to be assumed by Assignee under this Agreement or from any misrepresentation on or omission from any certificate or other instrument furnished to the Assignor pursuant to this Agreement, or in connection with any of the transactions contemplated hereby; and
- c. Any and all actions, suits, proceedings, damages, assessments, judgments, costs and expenses including reasonable attorneys' fees incurred by Assignor as the result of Assignee's failure or refusal to defend or compromise any claim incident to, or otherwise fail to comply with, any of the foregoing provisions.

**13.4** If any claim or liability shall be asserted against the Assignor which would give rise to a claim by the Assignor against Assignee for indemnification under the provisions of this section, the Assignor shall promptly notify Assignee of the same, and Assignee shall be entitled at its own expense to compromise or defend any such claim.

**XIV. Risk of Loss.** The risk of any loss or damage, including, but not limited to any damage affecting the operation of the Station, or destruction to any of the Assets to be transferred hereunder from fire or other casualty or any other cause shall be borne by the Assignor at all times prior to the Closing hereunder. Upon the occurrence of any loss or damage to any material property or assets to be transferred hereunder as a result of fire, casualty or any other causes prior to Closing, Assignor shall notify Assignee of same in writing immediately, stating with particularity the extent of such loss or damage incurred, the cause thereof if known and the extent to which restoration, replacement and repair of the Assets lost or destroyed will be reimbursed under any insurance policy with respect thereto. Subject to the provisions hereof, Assignee shall have the right (but not the obligation) exercisable within ten (10) days after receipt of such notice from Assignor to: (i) elect to consummate the Closing and accept the property in its "then" condition, in which event Assignor shall assign all rights under any insurance claim covering the loss; and pay over any proceeds under any such insurance policy theretofore received by Assignor with respect thereto and Assignor will have no further obligation to Assignee with respect to the condition of the affected Assets or ; (ii) to terminate this Agreement.

**XV. Assignor's Performance at Closing.** At the Closing hereunder, the Assignor will:

- 15.1** Deliver to Assignee assignments of the licenses and authorizations set forth at Schedule 1.1.b. transferring the same to Assignee in customary form and substance.
- 15.2** Deliver to Assignee a bill of sale and all other appropriate documents and instruments in a form and substance acceptable to counsel for Assignee assigning good and marketable title to all personal property used and useful in the operation of the Station, including that described on Schedule 1.1.a.1, free and clear of any mortgages, liens, attachments, conditional sales contracts, claims or encumbrances of any kind whatsoever. Any applicable State of Minnesota sales tax shall be paid by Assignee.
- 15.3** Deliver to Assignee such assignments and further instruments of transfer as Assignee may reasonably require to effectuate the assignment to it of those contracts, leases and agreements to be assumed by Assignee.
- 15.4** Deliver to Assignee its certification confirming the amount of the barter balance at Closing.
- 15.5** If the adjustments and assumptions provided for in Section III of this Agreement result in a net amount owing by the Assignor to Assignee, then the net amount of such adjustments and assumptions shall be treated as a reduction in the purchase price.
- 15.6** Deliver to Assignee a certified copy of a resolution of the Assignor's Board of Directors authorizing the execution of this Agreement and the consummation of the transactions described herein, together with all other consents and approvals which counsel for Assignee may reasonably request.

**XVI. Assignee's Performance at Closing.** At the Closing, Assignee will:

- 16.1** Deliver to Assignor, in cash or by wire transfer, the monies payable at the Closing as set forth in the appropriate provisions of Section II hereof.
- 16.2** Deliver to Assignor a certified copy of the resolution of Assignee's Board of Directors ratifying and authorizing the execution of this Agreement and the consummation of the transactions described herein.

**XVII. Default Prior to Closing.**

- 17.1** In the event of a material breach of this Agreement prior to Closing by Assignor of its representations, warranties, covenants and obligations hereunder, not cured within thirty (30) days after written notice to that effect from Assignee, Assignee shall have the option to: (i) terminate this Agreement and sue for damages; and/or (ii) bring an action to enforce the terms of this Agreement by decree of specific performance, it being agreed that the Assets



to be transferred hereunder are unique and not readily available in the open market, and for any damages resulting from Assignor's breach.

- 17.2** In the event of a material breach prior to closing by Assignee of its representations and obligations hereunder, not cured within thirty (30) days after written notice to that effect from Assignor, Assignor shall have the right to terminate this Agreement and sue for damages.

**XVIII. Assignor Consent to Contingent Application.** Assignor hereby consents to Assignee's filing of a contingent application to modify the Station classification to a Nonprofit Educational. Assignee shall bear all costs in connection with such application and shall indemnify, defend and hold harmless Assignor from any claims that might arise from such application. Assignee shall cancel or withdraw the application if the Closing does not occur prior to July 1, 2014.

**XIX. General Provisions.**

- 19.1 Representations.** Both Assignor and Assignee represent that they are legally qualified, empowered, and able to enter into this Agreement.
- 19.2 Integration.** This Agreement, together with the Schedules and Exhibits hereto and that one certain Deposit Agreement of even date herewith, sets forth all of the obligations, covenants and agreements between Assignee and Assignor with respect to the subject matter hereof, and there are no obligations, covenants or agreements, either oral or written, between them other than herein set forth (or incorporated herein by reference). No modification, alteration, amendment change or addition to this Agreement or waiver of any rights or obligations hereunder shall be binding upon Assignee or Assignor unless reduced to writing and signed by them.
- 19.3 No Waiver, Remedies Cumulative.** No failure or delay on the part of Assignor or Assignee in exercising any right or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of Assignor or Assignee herein provided are cumulative and are not exclusive of any right or remedies which it may otherwise have.
- 19.4 Construction.** This Agreement shall be deemed a contract under the laws of Minnesota and shall be construed and enforced in accordance with the laws the State of Minnesota without regard to the rules for conflicts of laws. Venue shall be in Minnesota District Court sitting in Duluth, Minnesota.

- 19.5 Headings; Numbering.** The headings of the provisions for this Agreement are included for convenience only, and no such heading shall in any way alter the meaning of any provision.
- 19.6 Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of Assignor, Assignee and their respective successors and assigns, except that Assignor may not assign or transfer its rights hereunder without the prior written consent of Assignee.
- 19.7 Notices.** Any notice, statement, request or demand given to or made upon any party hereto in accordance with the provisions of this Agreement shall, unless otherwise provided in this Agreement, be deemed to have been given or made when timely deposited in the mail, first class, postage prepaid, addressed to the party as follows:

**If to Assignor:**

Ted Elm  
President & General Manager  
WWJC, Inc.  
1120 E. McCuen Street  
Duluth, MN 55808

**with copies to:**

Steven C. Overom  
31 West Superior Street  
Suite 402  
Duluth, MN 55802

**If to Assignee:**

Victor Eliason  
VCY America, Inc.  
3434 W Kilbourn Avenue  
Milwaukee, WI 53208-3313

**with copies to:**

Joseph P. Benkert  
Joseph P. Benkert, P.C.  
5712 South Sheridan Blvd.  
Littleton, CO 80123

or in accordance with any written notice given in accordance with this Section 18.7 from any party to all the parties hereto.

**19.8 No Joint Venture.** The parties agree that nothing herein shall constitute a joint venture between them. The parties acknowledge that call letters, trademarks and other intellectual property shall at all times remain the property of the respective parties and that neither party shall obtain any ownership interest in the other party's intellectual property by virtue of this Agreement.

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

**19.10 Severability.** The invalidity or unenforceability of any term or provision of this Agreement, or the application of such term or provision to any person or circumstances, shall not impair or affect the remainder of this Agreement and its application to other persons and circumstances, and the remaining terms and provisions hereof shall not be invalidated but shall remain in full force and effect.

## **XX. Additional Provisions**

**20.1 Asset Status Date.** Assignee inspected the Station Assets on January 9, 2014. Anything to the contrary herein notwithstanding, the Station Assets shall be conveyed at Closing in substantially the same condition they were in on January 9, 2014. Assignor does not know of any violations of any applicable local, state and federal laws and regulations including the current applicable zoning code with respect to the Real Property.

**20.2 "As is Where Is" Purchase.** Assignee acknowledges that it has been given full and unfettered access to inspect, test and otherwise determine the physical condition of the Assets and subject to the provisions of this Agreement accepts the Assets in the condition they are in at the date of Closing.

### **20.3 Minnesota Real Estate Purchase Agreement Provisions.**

**20.3.1 Possession.** Assignor shall deliver possession of the Real Estate to Assignee free and clear of personal property not be sold to Assignee on the Closing Date.

**20.3.2 Closing Documents.** On the Closing Date, Assignor shall execute and deliver to Assignee

**20.3.2.1** A Warranty Deed.

**20.3.2.2** A Standard form of Seller's affidavit stating that there are no unsatisfied judgments of record, no actions pending in any state

of federal courts, no tax liens and no bankruptcy proceedings filed against Assignor; that no labor or materials have been furnished to the Real Property since one hundred twenty (120) days preceding the Closing Date for which payment has not been made; and there are no unrecorded interests related to the property.

20.3.2.3 An Affidavit stating that Assignor is not a foreign person for purposes of the Internal Revenue Code, and stating Assignor's United States Taxpayer Identification Number as well as any other information required for this Sale under the Internal Revenue Code and its regulations.

20.3.2.4 All other documents reasonably determined by Assignee to be necessary to transfer the Real Property to Assignee.

20.3.3 **Examination of Title.** Within fifteen (15) business days after execution of this Agreement, Assignor shall furnish Assignee with a commitment for an ALTA Owner's Title Insurance Policy for the full amount of the purchase price. The Title Commitment shall commit to delete or insure over the standard exceptions which relate to (i) parties in possession, (ii) unrecorded easements, (iii) survey matters, (iv) unrecorded mechanics liens, (v) gap period (effective date of commitment to date Deed is recorded), (vi) unpaid taxes, assessments and unredeemed tax sales prior to the date of Closing. Assignee shall have fifteen (15) business days after receipt of the Commitment for Title Insurance to provide Assignor with written objections thereto. Assignee shall be deemed to have waived any title objection not made within the fifteen (15)-day period. Assignee acknowledges that in order to obtain the commitment to delete or insure over certain of the standard exceptions that a survey may be required. Assignee waives the requirement for insuring over or deletion to the extent a survey is required by the title company to delete or insure over such exceptions if Assignee chooses not to obtain a survey. Assignee is responsible for the entire cost of any survey.

20.3.4 **Title Corrections and Remedies.** Assignor shall have 120 days from receipt of Assignee's written title objections to make title marketable. Upon receipt of Assignee's title objections, Assignor shall, within ten (10) business days, notify Assignee of Assignor's intention to make title marketable within the 120-day period. Liens or encumbrances for liquidated amounts which can be released by payment or escrow from proceeds of closing shall not delay the closing. Cure of the defects by Assignor shall be reasonable, diligent, and prompt. Pending correction of title, all payments required herein and the closing shall be postponed.

- 20.3.4.1 If notice is given and Assignor makes title marketable, then upon presentation to Assignee of documentation establishing that title has been made marketable, and if not objected to in the same time and manner as the original title objections, the Closing shall take place within ten (10) business days or on the scheduled Closing Date, whichever is later
- 20.3.4.2 If notice is given and Assignor proceeds in good faith to make title marketable but the 120-day period expires without the title being made marketable, Assignee may declare this Agreement terminated by notice to Assignor, neither party shall be liable for damages hereunder to the other, and earnest money shall be refunded to Assignee.
- 20.3.5 **Intent to Render Title Marketable.** If Assignor does not give notice of intention to make title marketable, or if notice is given but the 120-day period expires without title being made marketable, Assignee may as permitted by law do one or more of the following:
  - 20.3.5.1 Proceed to Closing.
  - 20.3.5.2 Terminate this Agreement by notice as provided herein, in which case, this Agreement shall be void and all earnest money paid hereunder shall be refunded to Assignee.
- 20.3.6 **Survey.** Assignee may obtain a current survey of the Real Property depicting the location of the boundaries of the Real Property and the location of all improvements, easements including utility easements and rights-of-way on the Real Property at the Assignee's entire cost and expense.
- 20.3.7 **Default by Assignee.** If title is marketable, or is made marketable as provided herein and Assignor is not otherwise in breach hereof, and Assignee defaults in any of the agreements herein, Assignor may terminate this Agreement as provided by statute and retain the earnest money paid by Assignee to Assignor as liquidated damages.
- 20.3.8 **Default by Assignor.** If title is marketable, or is made marketable as provided herein, and Assignor defaults in any of the agreements herein, Assignee may seek specific performance within six months after such right of action arises.
- 20.3.9 **Warranty Deed.** Subject to performance by Assignee, Assignor shall deliver a warranty deed conveying marketable title subject only to: (a) building and zoning laws, ordinances, state and federal regulations; (b)

reservation of any minerals or mineral rights (c) restrictions relating to the use or improvement of the Real Property without effective forfeiture provisions whether of record or not, which do not prevent Assignor's use of the property and operation of the Station consistent with current use and operation and/or the rules and regulations of the Federal Communications Commission; (d) utility and drainage easements which do not interfere with present improvements; and (e) easements and restrictive covenants whether of record or not which do not interfere with the current use of the Real Property.


- 20.3.10 **Real estate taxes.** Real estate taxes due and payable in the year of Closing shall be prorated between Assignor and Assignee on a calendar year basis to the actual Closing Date. Assignor shall pay real estate taxes payable in the years prior to Closing Date. Assignee shall pay real estate taxes payable in the years subsequent to Closing Date. Assignor shall pay no later than Closing any deferred real estate taxes or special assessments payment which is required as a result of the closing of this sale.
- 20.3.11 **Assessments.** Assignor shall pay on the Closing Date all installments of special assessments certified for payment with the real estate taxes due and payable in the year of closing. Assignor shall pay on Closing Date all other special assessments levied as of the date of this Agreement.
- 20.3.12 **Prorations.** All items customarily prorated and adjusted in connection with the closing of the sale of the Property, including but not limited to rents and operating expenses, shall be prorated as of the Closing Date. It shall be assumed that Assignee will own the Property for the entire date of the Closing.
- 20.3.12.1 Assignor shall pay all costs in connection with obtaining the Title Insurance Commitment required to be provided under Section 20.3.3 hereof and Assignee shall pay all costs in connection with obtaining any Survey and the premiums for an Owner's Policy and/or Lender's Policy issued pursuant to such commitment.
- 20.3.12.2 Assignee and Assignor shall each pay one-half (1/2) of the closing fee of any title company that closes this transaction. The parties shall each pay the usual and customary fees and charges related to the closing that are normally paid by Assignor and/or Assignee, as the case may be. For example, Assignor shall pay the deed tax and the recording fees for putting marketable title into Assignor and Assignee shall pay the recording fee for the Warranty Deed and any closing costs related to any mortgage obtained by Assignee to fund the purchase.

- 20.3.13 **Survival of Agreement.** The terms, conditions, and warranties of this Agreement shall not be merged into the warranty deed, but shall, where applicable, survive the delivery of the warranty deed from Assignor to Assignee.
- 20.3.14 **Well Disclosure.** Attached to this Agreement as Exhibit 19.2.13 is completed Minnesota Department of Health Well Disclosure Certificate, which Seller certifies is accurate to the best of its knowledge.
- 20.3.15 **Individual Sewage Treatment System (St. Louis County).** Assignor shall cause any Individual Sewage Treatment System (“ISTS”) on the Property to be inspected by a certified ISTS inspector in accordance with St. Louis County Ordinance #55. The result of such inspection shall be provided to St. Louis County and Assignee. Assignee agrees to pay the any cost to upgrade or replace the existing ISTS if required by such inspection.

[SIGNATURES APPEAR ON NEXT PAGE]

**IN WITNESS WHEREOF**, the parties hereto have caused these presents to be executed and through their duly authorized officers on the day and year first above written.

**ASSIGNOR:**

By:   
\_\_\_\_\_  
Ted Elm, President  
WWJC, Inc.

**ASSIGNEE:**

By:   
\_\_\_\_\_  
Victor Eliason, Vice President  
VCY America Inc.



**Schedule 1.1.a.1.**  
Scheduled Assets

Computer - Office
Printer HP LaserJet 4050
Phone AT&T
Transmitter Nautel 10KW
Mixer Mackie SR32-4-VLZ PRO
Computer Monitor AGM CW-19
Computer Monitor Dell 1503FP
Speakers Yamaha NS-10M Studio
Microphone Electro-Voice 309A Shock Mount
Microphone Electro-Voice RE-20
Microphone Electro-Voice RE-27NO
Computer Monitor (5) Various
Computer Monitor AG-Neovo F-417
Microphone Sennheiser 421-4-5
Computer Monitor HP
Computer (3) Automation PC
Computer Dell
UPS Power Backup Belkin
Computer Lenovo Desktop PC
Computer Accessory Remote KVM Dominion KX 432
Computer Networking Switch Catalyst 2900 XL
Computer Networking Modem ZyXEL PX 5001Z
Computer Studio
Automation Scott Studios SS16 SS
Automation Scott Studios SS 16 PB
Automation Scott Studios SS 16 Prod PB
Automation RDS 8x4 Routing Switcher
Satellite 3.0 m dish
Satellite Receiver 1 - Unity 4000
Satellite Receiver 2 - Westport
EAS Gorman Redlich
EAS TFT EAS911
CRL Time Squencer
CRL Audio Processor
CRL Audio Processor
CRL Audio Processor
CRL Audio Processor Internet Stream
240 foot tower Rohn 55
10 KW Gates ATU
350 ft transmission line
Modulation Monitor Belar
CR1604-VL2

**Schedule 1.1.a.2.**

Excluded Assets

- Contributor's List and Records
- Lobby Furniture
- Lawn Mower
- Accounts Receivable, Cash, Bank Deposits, Investment Securities
- Various Items of Personal Property Not Owned by Assignor
- Metal Shipping Container

**Schedule 1.1.b.**

Licenses, Permits and Authorizations

Federal Communications Commission License for WWJC

Facility ID: 74191

CDBS ID NO: 305499

**Schedule 1.1.c.**

Agreements, Leases and Contracts

NONE

**Schedule 1.1.d.**

Intellectual Property Rights

WWJC(AM) Call sign and all associated graphics

**Schedule 1.1.f.1**

**Legal Descriptions of Real Property**

Block K Inc Riparian Rights Ex RY ROW and Ex a strip 100 feet wide for extended McCuen Street and Ex that part N of Spirit Lake RY ROW and S of river St & Ex Part SWLY of the SWLTY R/W Line of DM & IR RY & Nly of Nly line of Ely Extension of McCuen Street, Manufacturer's Division of New Duluth.



## PROPERTY DETAILS REPORT

St. Louis County, Minnesota



Date of Report: 12/28/2013 10:53:47 AM

General Details						
Parcel ID:	010-3160-00420					
Title Holder:	BRDCT TWIN PORTS CHR					
Document Department:	-					
Document Number:	-					
Document Date:	-					
Plat Name:	MANUFACTURERS DIVISION OF NEW DULUTH					
Legal Description Details						
Plat Name:	MANUFACTURERS DIVISION OF NEW DULUTH					
	Section	Township	Range	Lot	Block	
Description:	BLOCK K INC RIPARIAN RIGHTS EX RY R OF W AND EX A STRIP 100 FT WIDE FOR THE EXTENDED MCCUEN STREET AND EX THAT PART N OF THE SPIRIT LAKE RY R OF W AND S OF RIVER ST & EX PART SWLY OF THE SWLY R/W LINE OF DM&IR RY & NLY OF THE NLY LINE OF ELY EXTENSION OF MCCUEN ST					
Taxpayer Details						
Taxpayer Name	W W J C INCORPORATED					
and Address:	1120 E MCCUEN ST DULUTH MN 55808					
Parcel Details						
Property Address:	1120 E MCCUEN ST, DULUTH					
School District:	709					
Tax Increment District:	-					
Title Holder:	BRDCT TWIN PORTS CHR					
Property/Homesteader:	-					
Assessment Details (2013 Payable 2014)						
Class Description:	Charitable Institutions		Homestead Description:		Non-Homestead	
	Class Code (Legend)	Land EMV	Bldg EMV	Total EMV	Def Land EMV	Def Bldg EMV
	730	\$0	\$0	\$0	\$0	\$0
	<b>Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Land Details						
Area Sq. Feet:	1,009,824					
Waterfront:	-					
Water Front Feet:	0.00					
Water Code & Desc:	-					
Gas Code & Desc:	-					
Sewer Code & Desc:	-					



## PROPERTY DETAILS REPORT

St. Louis County, Minnesota



Date of Report: 12/28/2013 10:53:47 AM

Building 1 Details							
Building Type	Year Built	Main Floor Sq. Ft.	Gross Area Sq. Ft.	Basement % Fin.	Style Code & Desc.		
BROADCAST CENTER	1947	816	1,632	-	-		
Segment	Story	Width	Length	Area	Foundation		
BAS	2	34	24	816	-		

Building 2 Details							
Building Type	Year Built	Main Floor Sq. Ft.	Gross Area Sq. Ft.	Basement % Fin.	Style Code & Desc.		
GARAGE	1963	624	624	-	DETACHED		
Segment	Story	Width	Length	Area	Foundation		
BAS	1	26	24	624	-		

Sales Reported to the St. Louis County Auditor							
No Sales information reported.							

Assessment History							
Year	Class Code (Legend)	Land EMV	Bldg EMV	Total EMV	Def Land EMV	Def Bldg EMV	Net Tax Capacity
2013 Payable 2014	730	\$9,700	\$35,500	\$45,200	\$0	\$0	\$0
	Total	\$9,700	\$35,500	\$45,200	\$0	\$0	\$0
2012 Payable 2013	730	\$9,700	\$35,500	\$45,200	\$0	\$0	\$0
	Total	\$9,700	\$35,500	\$45,200	\$0	\$0	\$0



**Exhibit 1.1.f.2**

Real Property Leases

NONE

**Schedule 6.21**

**Insurance Coverage Limits**

\$266,000 on the building.  
\$72,000 on contents  
\$65,000 on business income and extra expense  
\$100,000 on tower  
\$50,000 on transmitter  
\$25,000 on broadcast equipment  
\$90,000 on business income  
Deductible \$1,000

**Schedule 6.3**

**Violations of Law or Regulations**

NONE

## **Schedule 6.5**

### Liens, Etc.

#### **Claims, Liens, Encumbrances, Security Interests, Equities, Charges or Restrictions To Be Discharged At Closing**

- Superior Savings Bank Mortgage.

#### **Permitted Liens**

- None.

#### **Assets Not Present But Necessary, In Good Operating Condition And Repair, Capable Of Operating The Station As Specified In The Station's License**

- None.

**EXHIBIT 19.2.13**

<b>COUNTY USE ONLY</b>  	<b>MINNESOTA DEPARTMENT OF HEALTH</b> Well Management Section, P.O. Box 64975, St. Paul, Minnesota 55164-0975 651-201-4587 or 800-383-9808 <b>WELL DISCLOSURE CERTIFICATE</b> <i>PLEASE TYPE OR PRINT ALL INFORMATION</i> Person filing deed must include a \$50 fee payable to the county recorder.	<b>MDH USE ONLY</b>  
--------------------------------	---	-----------------------------

**A. PROPERTY LOCATION LEGAL DESCRIPTION**  
 Attach a legal description of the property.

County	Section No.	Township No.	Range No.	Quarter (or Government Lot)
Lot No(s).	Block No.	Addition Name		Outlot
Tract				
Property Street Address				
City/Township			ZIP Code	Property ID No./Parcel No. (optional)

**B. PROPERTY BUYER MAILING ADDRESS AFTER CLOSING**

First Name	Middle Initial	Last Name
Company Name (if applicable)		
Mailing Address		
Mailing Address		
City	State/Province	ZIP Code
Telephone No. (including area code)		

Provide Name of Seller (please print) \_\_\_\_\_

**C. CERTIFICATION BY SELLER**  
 I certify that the information provided on this certificate is accurate and complete to the best of my knowledge.

\_\_\_\_\_  
 Signature of Seller or Designated Representative of Seller      Date

**D. CERTIFICATION BY BUYER**  
 For fulfillment of a contract for deed, the buyer or person authorized to act on behalf of the buyer, must sign a Well Disclosure Certificate if there is a well on the property.

In the absence of a seller's signature, the buyer, or person authorized to act on behalf of the buyer may sign this Well Disclosure Certificate. No signature is required by the buyer if the seller has signed above.

Based on disclosure information provided to me by the seller or other available information, I certify that the information on this certificate is accurate and complete to the best of my knowledge.

\_\_\_\_\_  
 Signature of Buyer or Designated Representative of Buyer      Date

**IMPORTANT NOTE:** The Minnesota Department of Health (MDH) will follow-up with the property buyer regarding any wells disclosed as not in use. If a well is not in use, the property owner must either return the well to use, have the well sealed by a licensed well contractor, or obtain an annual maintenance permit from the MDH for \$175. A copy of this Well Disclosure Certificate should be provided to the property buyer at the time of closing.



**MINNESOTA DEPARTMENT OF HEALTH**  
**WELL DISCLOSURE CERTIFICATE**  
 PLEASE TYPE OR PRINT ALL INFORMATION

Indicate Total Number of  
 Wells on Property \_\_\_\_\_

Fill out a separate well information page if more than **two** wells are located on the property.

<b>E. WELL LOCATION LEGAL DESCRIPTION</b>						
<b>WELL #1</b> – If the property legal description has more than one section, township, or range number; quarter (or government lot); or lot or block number; provide specific legal description information regarding the physical location of this well.						
County		Section No.	Township No.	Range No.	Quarter (or Government Lot)	
Lot No.	Block No.	Addition Name		Outlot	Tract	MN Unique Well No. or Sealing Record No.
<b>WELL STATUS</b> (Check only one box) WELL IS: <input type="checkbox"/> In Use (1) <input type="checkbox"/> Not in Use (2) <input type="checkbox"/> Sealed by Licensed Well Contractor (3)* <i>*Call MDH to verify sealing record is on file.</i>						Date of Well Construction or Sealing
If the well has been sealed by someone other than a licensed well contractor or a licensed well sealing contractor, check the well status as not in use. Also see "IMPORTANT NOTE" on page 1. If well is not in use, is there an MDH variance for this well? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, provide the variance tracking number (TN) _____						Name of Licensed Well Contractor  If the well is not in use, is there an MDH maintenance permit for this well? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, provide the permit number _____
<b>WELL #2</b> – If the property legal description has more than one section, township, or range number; quarter (or government lot); or lot or block number; provide specific legal description information regarding the physical location of this well.						
County		Section No.	Township No.	Range No.	Quarter (or Government Lot)	
Lot No.	Block No.	Addition Name		Outlot	Tract	MN Unique Well No. or Sealing Record No.
<b>WELL STATUS</b> (Check only one box) WELL IS: <input type="checkbox"/> In Use (1) <input type="checkbox"/> Not in Use (2) <input type="checkbox"/> Sealed by Licensed Well Contractor (3)* <i>*Call MDH to verify sealing record is on file.</i>						Date of Well Construction or Sealing
If the well has been sealed by someone other than a licensed well contractor or a licensed well sealing contractor, check the well status as not in use. Also see "IMPORTANT NOTE" on page 1. If well is not in use, is there an MDH variance for this well? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, provide the variance tracking number (TN) _____						Name of Licensed Well Contractor  If the well is not in use, is there an MDH maintenance permit for this well? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, provide the permit number _____
<b>SKETCH MAP</b> – Sketch the location of the well(s) and include estimated distances from roads, streets, and buildings. <b>If more than one well on property, use the well location number above to identify each well.</b> The location of the well(s) must be provided. If the location of a well is not known, have the well located by a person qualified to locate wells, such as a licensed well contractor.						

Information provided on this form is classified as public information under Minnesota Statutes, Chapter 13.  
 To request this document in another format, call 651-201-4600. Deaf and hard-of-hearing: TTY 651-201-5797.  
 Visit the MDH Well Management Section, Well Disclosure Program website at: [www.health.state.mn.us/divs/eh/wells/disclosures](http://www.health.state.mn.us/divs/eh/wells/disclosures).  
 HE-01387-12                      IC# 140-0385                      orig\well disclosure certificate-instructions 7/21/2011R