

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (the “**Agreement**”) is made and entered into as of this 25th day of March, 2015, by and among The Presence Radio Network, Inc., a Maine non-profit corporation (the “**Buyer**”), and Decelles-Smith Media, Inc., a Maine corporation (the “**Seller**”) (Seller and Buyer are collectively referred to herein as the “**Parties**”):

RECITALS

WHEREAS, Seller holds a license granted by the Federal Communications Commission (“**FCC**”) for AM Broadcast Station WEGP, 1390 kHz, Presque Isle, Maine, FCC Facility ID # 9423 (“**the Station**”); and

WHEREAS, Seller owns all of the real property and tangible and intangible personal property used and useful in the operation of the Station; and

WHEREAS, the Seller desires to sell and/or assign and the Buyer desires to purchase and/or assume such assets, authorizations and goodwill of the Station in order to serve the public interest, convenience and necessity; and

WHEREAS, the grant by the FCC of an application on FCC Form 314 for Commission consent for assignment of license of the Station (which application will contain this Agreement), is an express condition precedent to the obligation of the Parties to consummate this Agreement; and

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Transfer of Assets.

1.1. Purchase and Sale of Assets. On the Closing Date, as hereinafter defined, in consideration of the covenants, representations and obligations of Buyer hereunder, and subject to the conditions hereinafter set forth, Seller shall sell, transfer, convey, assign and deliver to Buyer, and Buyer shall purchase from Seller pursuant to the Sale Order (as defined in Section 9(a) below), all of Seller's rights, title and interests in and to the following assets (collectively, the “**Assets**”):

1.1.1. License and Authorizations. The Seller's rights in and to the assignable licenses, permits and other authorizations issued to Seller by any governmental authority and used solely in the operation of the Station, including the license for the Station as issued by the FCC in File No. BL-20080504AHC, granted November 10, 2008, as most recently renewed on March 24, 2014 in File No. BR-20131118BCQ for the Station's current license term to expire on April 1, 2022, together with the license for broadcast auxiliary station WPNF819, and all of Seller's right in and to the call letters of the Station.

1.1.2. Real Property Interests. All of Seller's right, title and interest in fee simple absolute to the following real property interests, a true description of the metes and

bounds of which are attached hereto as **Schedule 1.1.2**: (a) the Station's transmitter building, antenna tower and ground system consisting of two parcels of land located at 353 Chapman Road, Presque Isle, Maine (the "Real Estate") in fee simple absolute. The licensed transmitter site NAD27 coordinates of 46° 39' 15" North Latitude and 68° 03' 00" West Longitude are within the metes and bounds of the Real Estate, as are all towers, structures, ground system, guy wires and guy anchors associated with the Station; and (b) the real property at 28 Houlton Road, Presque Isle, Maine, where the Station's main studio is located. The conveyances of both property interests will include all buildings, structures and appurtenances situated upon said real estate, as well as all rights and easements of ingress and egress to and from one or more public roads.

1.1.3. Tangible Personal Property. All of those items of equipment and tangible personal property specifically situated at the Station and listed on **Schedule 1.1.3** attached hereto and incorporated herein by this reference (collectively, the "**Personal Property**"). The Personal Property shall expressly exclude any equipment or other tangible personal property held by any Seller pursuant to a lease, rental agreement, contract, license or similar arrangement (an "**Excluded Contract**") where Buyer does not assume the underlying lease, rental agreement, contract, license or similar arrangement relating to such personal property at the Closing. This Personal Property shall be delivered to Buyer subject to paragraph 6.5 and Schedule 6.5 below.

1.1.4. Intangible Rights. All of Seller's right in and to all registered and unregistered trademarks, trade names, service marks, franchises and copy rights, including registrations and applications for registration of any of them, and all jingles, logos, slogans, licenses, patents, Internet domain names, Internet URLs, Internet web sites, content and data bases, permits, privileges, and other intangible rights and interests applied for, issued to or owned by Seller for use solely in the operation of the Station and listed on **Schedule 1.1.4** attached hereto and incorporated herein by this reference.

1.1.5. Programming and Copyrights. All programs and programming materials and elements, music libraries and software of whatever form or nature owned, leased or licensed by Seller and used or held for use solely in connection with the operation of the Station on the Closing Date, whether recorded on tape or any other media or intended for live performance, and whether completed or held in production and any related common law and statutory copyrights owned by Seller or used or held for use solely in connection with the operation of the Station, or licensed or sublicensed to Seller in connection therewith, but excluding any software or other material held by Seller pursuant to a license or other contract where Buyer does not assume the underlying contract.

1.1.6. Business Records. All records, books of accounts, sales correspondence, invoices, and related files and statements solely relating to the operation of the Station; the content of the Station's local public inspection files, including copies of filings with the FCC related to the Station and all FCC logs regarding the Station in the possession of Seller as of the Closing Date and all other records as are required to be maintained under the rules and regulations of the FCC; and all other technical information and engineering data solely relating to the operation of the Station in the possession of Seller, but excluding Seller's entity records

and other governance material and any materials containing privileged communications and any other materials which are subject to the attorney-client or any other privilege.

1.1.7. Assumed Contracts. Other than those items listed on **Schedule 1.1.7** and incorporated herein by reference, Buyer shall not require Seller to assume and assign any other contracts or leases under this Agreement.

1.2. Excluded Assets. Notwithstanding anything to the contrary in this Agreement, the Assets shall be limited to the items specifically identified or described in Section 1.1 above and shall in any event exclude all of the following (collectively, the “**Excluded Assets**”): (i) all cash and cash equivalents; (ii) those items specifically excluded pursuant to the provisions of Section 1.1 above; (iii) all rights, claims or causes of action relating to the Excluded Assets; (iv) any equity interests of any Seller; (v) the Seller’s rights under this Agreement and the consideration payable by Buyer hereunder; (vi) all life insurance policies owned by Seller; (vii) insurance proceeds, claims and causes of action with respect to or arising in connection with (A) any contract which is not assigned to Buyer at the Closing, or (B) any item of tangible or intangible property not acquired by Buyer at the Closing; (viii) any contract or agreement which is not assumable and assignable as a matter of applicable law; (ix) all rights and claims in or to any refunds or credits of or with respect to any taxes, assessments or similar charges paid by or on behalf of Seller, in each case to the extent applicable to any period prior to the Closing; (x) tax records, minute books, stock transfer books and corporate seals of any Seller; (xi) Seller’s accounts receivable; and (xii) any Asset, other than Personal Property and the FCC license listed on Schedule 1.1.1, used by Seller in connection with the operation of any other Station or business owned by Seller and/or its principals and which, in Seller’s sole determination, cannot be sold and assigned to Buyer to the extent it conflicts with any other agreement(s) to which Seller is party.

1.3. Instruments of Transfer. The sale, assignment, transfer, conveyance and delivery of the Assets to Buyer shall be made by assignments, bill of sale, and other instruments of assignment, transfer and conveyance provided for in Section 4 below and such other instruments as may reasonably be requested by Buyer to sell, transfer, convey, assign and deliver the Assets to Buyer, but in all events only to the extent that the same do not impose any monetary obligations upon Seller or in any other respect increase in any material way the burdens imposed by the other provisions of this Agreement upon Seller.

2. Consideration.

2.1. Purchase Price. The purchase price for the Assets shall consist of the following components (collectively, the “**Purchase Price**”):

2.1.1. At Closing, cash consideration to be paid by Buyer for the Assets (the “**Cash Component of the Purchase Price**”) in the amount of SIXTY-SEVEN THOUSAND FIVE HUNDRED DOLLARS (\$67,500.00) in lawful money of the United States of America; and

2.1.2. Buyer is not assuming any trade payables or barter account deficits of the Seller.

2.1.3. The Purchase Price shall be paid as follows:

(a) As of the date hereof Buyer has deposited into an escrow (the “**Escrow**”) with Harold Bausemer, the principal of RadioStationsForSale.net, 41 Herbert Road, Braintree, Massachusetts 02184-5507 (the “**Escrow Holder**”) an initial deposit tendered with the Letter of Intent of THREE THOUSAND THREE HUNDRED SEVENTY FIVE DOLLARS (\$3,375.00); (the “**Deposit**”) in immediately available, good funds, pursuant to joint escrow instructions to be delivered to the Escrow Holder on or before the Execution Date. In turn, the Escrow Holder shall immediately deposit the Deposit into an interest-bearing account. The Deposit shall become nonrefundable upon the termination of the transaction contemplated by this Agreement by reason of Buyer's default of any obligation hereunder (a “**Buyer Default Termination**”), it being agreed that Seller shall not have the right to so terminate this Agreement unless Buyer has failed to cure the applicable default within five (5) days following its receipt of written notice thereof from Seller.

(b) At the Closing, the Deposit (and any interest accrued thereon) shall be credited and applied toward payment of the Purchase Price. Also at the Closing, Buyer shall deliver to Seller by wire transfer or cashier's check the cash sum of NINETEEN THOUSAND ONE HUNDRED TWENTY-FIVE DOLLARS (\$19,125.00).

(c) **Also on** the Closing Date, Buyer shall deliver a secured Promissory Note in a form acceptable to Seller and its counsel in the principal amount of FORTY-FIVE THOUSAND DOLLARS (\$45,000.00), non-interest bearing, with two (2) equal semi-annual payments of TWENTY-TWO THOUSAND FIVE HUNDRED DOLLARS (\$22,500.00) each: the first such payment will be due on the ONE HUNDRED EIGHTY-THIRD (183rd) day subsequent to the Closing Date as defined below; and the second such payment will be due on the first anniversary of the Closing Date as defined below. Buyer shall execute an appropriate Security Agreement and/or Mortgage and Deed of Trust instrument giving as security the most senior purchase money security interests possible in the above-described real property, personal property and general intangibles (including but not limited to the proceeds of the sale of the Station's license to a third party). The parties agree and understand that under applicable judicial precedents, Buyer is unable to grant to Seller a lien or other hypothecation on the FCC license for the Station.

(d) **In the event the Deposit becomes nonrefundable by reason of a Buyer Default Termination, Escrow Holder shall immediately disburse the Deposit and all interest accrued thereon to Seller to be retained by Seller for its own account. If the transactions contemplated herein terminate by reason of (A) Seller's material default under this Agreement, it being agreed that Buyer shall not have the right to so terminate this Agreement unless Seller has failed to cure the applicable default within five (5) days following receipt of written notice thereof from Buyer, or (B) the failure of a condition to Buyer's obligations hereunder, the Escrow Holder shall return to Buyer the Deposit (together with all interest accrued thereon), but less Escrow Holder's escrow fees and charges.**

2.1.4. Finally, Seller will donate one or more of the asset classes listed in paragraph 1 above. As a part of the Closing, Buyer will deliver to Seller a certificate or other

instrument containing language satisfactory to Seller and its counsel evidencing that Seller has made such donation to Buyer.

2.2. Assumed Liabilities and Indemnification. Buyer is not assuming any liabilities of Seller.

2.3. Purchase Price Allocation. Promptly following (but not later than fifteen (15) days after) the Closing Date, Buyer shall prepare and deliver to Seller for their review and consideration a schedule (the “**Allocation Schedule**”) allocating the Purchase Price among the various assets comprising the Assets in accordance with Treasury Regulation 1.1060-1 (or any comparable provisions of state or local tax law) or any successor provision. If Seller disagrees with or raise objections to the Allocation Schedule, Buyer and Seller will promptly negotiate in good faith to resolve such objections. If the Parties are able to agree upon the allocation of the Purchase Price, Buyer and Seller shall report and file all tax returns (including any amended tax returns and claims for refund) consistent with such mutually agreed upon Purchase Price allocation, and shall take no position contrary thereto or inconsistent therewith (including in any audits or examinations by any taxing authority or any other proceedings). Buyer and Seller shall file or cause to be filed any and all forms (including U.S. Internal Revenue Service Form 8594), statements and schedules with respect to such allocation, including any required amendments to such forms. If, on the other hand, the Parties are unable to mutually agree upon the manner in which the Purchase Price should be allocated, Buyer and Seller shall be free to make their own respective allocations of the Purchase Price for tax purposes. Notwithstanding any other provisions of this Agreement, in the event the Parties mutually agree upon the allocation of the Purchase Price, the provisions of this Section 2.3 shall survive the Closing.

2.4. Assignment and Assumption of Contracts. There are no contracts to be assigned or assumed hereunder.

3. Application to and Consent by the Federal Communications Commission.

3.1. Commission Consent. Consummation of the transactions contemplated herein and the performance of the obligations of Seller and Buyer under this Agreement are subject to the condition that the FCC or its staff shall have given its consent in writing, without any condition that would have a Material Adverse Effect (as defined in Section 3.2.3 below), on Buyer or Seller, to the assignment of the FCC authorization from Seller to Buyer.

3.2. Application for FCC Consent.

3.2.1. Seller and Buyer agree to proceed expeditiously and with due diligence and to use their commercially reasonable best efforts and to cooperate with each other in seeking the FCC’s approval of the assignment of the FCC authorization from Seller to Buyer. Within five (5) business days of the date hereof, the Parties shall cooperate with each other and shall prepare and file with the FCC a Form 314 application (the “**Assignment Application**”) and all information, data, exhibits, resolutions, statements, and other material necessary and proper in connection with such Assignment Application, including, but not limited to, a showing by Buyer that its ownership of the Station shall comply with the FCC rules regarding multiple ownership of radio broadcasting stations within a market, 47 C.F.R. § 73.3555, and the decisions

implementing those rules (the “**FCC Ownership Rules**”). Each Party further agrees expeditiously to prepare amendments to the Assignment Application whenever such amendments are required by the FCC or its rules. Without limiting the foregoing, in the event that the FCC staff should require additional information regarding Buyer’s compliance with the FCC Ownership Rules, Buyer shall promptly supply such information, at its own expense, and use its commercially reasonable best efforts to seek an expeditious grant of the Assignment Application.

3.2.2. Except as otherwise provided herein, each Party will be solely responsible for the expenses incurred by it in the preparation, filing and prosecution of its respective portion of the Assignment Application. All filing fees imposed by the FCC exclusively with regard to the Assignment Application shall be shared equally by Seller and Buyer; provided that Buyer will make a showing pursuant to 47 C.F.R. §1.1116(c) that said application is exempt from the requirement to pay an application processing fee.

3.2.3. Each Party agrees to comply with any condition imposed on it by the FCC, except that no Party shall be required to comply with a condition which would have a Material Adverse Effect upon it unless the condition was imposed as the result of a circumstance which constitutes a breach by that party of any of its representations, warranties, or covenants in this Agreement. “**Material Adverse Effect**” means a condition, event or circumstance which would materially restrict, limit, increase the cost or burden of, or otherwise materially impair the right of Buyer or Seller to the ownership, use, control or operation of the Assets and Station consistent with their present use, operation or condition; provided, however, that any conditions, event or circumstance which requires that the Assets be operated in accordance with a condition similar to that contained in the FCC authorization as it exists as of the date of this Agreement or that affect the Station’s market or the broadcasting industry, generally, shall not be deemed a Material Adverse Effect. Buyer and Seller shall oppose any efforts for reconsideration or judicial review of the grant by the FCC of consent to the assignment and transfer describe in the Assignment Application (but nothing in this Section shall limit any party’s right to terminate this Agreement pursuant to Sections 3.4 and 5.3 of this Agreement).

3.3. Notice of Application. Seller shall, at its expense, give due notice of the filing of the Assignment Application by broadcasting on the Station, or by such other means, as may be required by the rules and regulations of the FCC.

3.4. Delay in Approval of Application. Either Party may, at its option, terminate this Agreement by five (5) business days’ prior written notice to the other Party, without liability to the other Party, if the FCC has not granted the Assignment Application by September 7, 2015 (the “**Upset Date**”), and such termination shall be without liability to the other Party contained herein by the terminating Party; provided, however, that Seller shall have the right to extend the Upset Date for an additional thirty (30) days in its sole discretion. In the event of termination pursuant to this Section 3.4, each Party shall bear its own expenses, and the Escrow Holder shall promptly deliver to Buyer the Deposit (including all interest earned thereon). In the event that this Agreement is terminated in accordance with the terms of this Section 3.4, notwithstanding anything to the contrary set forth in this Agreement, upon such termination the Parties hereto shall have no further obligations or liabilities hereunder or to the other Party to this Agreement.

4. Closing Transactions.

4.1. Closing. The Closing of the transactions provided for herein (the “**Closing**”) shall take place at the offices of Buyer's counsel, or at such other place, or in such other manner, as the parties may agree.

4.2. Closing Date. The Closing shall be held on a non-holiday weekday no later than ten (10) calendar days subsequent to the grant of the FCC Form 314 application by the FCC or its staff acting pursuant to delegated authority, provided that: (a) no request for stay by the FCC is pending, no such stay is in effect, and the deadline for filing a request for any such stay has passed; (b) no appeal, petition for rehearing or reconsideration, or application for review is pending before the FCC; (c) the FCC has not initiated reconsideration or review of the Assignment Application on its own motion; and (d) no appeal to a court, or request for stay by a court, of the FCC’s action regarding the Assignment Application is pending or in effect. Until this Agreement is either terminated or the Parties have agreed upon an extended Closing Date, the Parties shall diligently continue to work to satisfy all conditions to Closing and the transaction contemplated herein shall close as soon as such conditions are satisfied or waived in writing.

4.3. Seller's Deliveries to Buyer at Closing. On the Closing Date, Seller shall make the following deliveries to Buyer:

4.3.1. Real property deeds of general warranty in a form acceptable to Buyer and its counsel for all real property to be sold hereunder;

4.3.2. One or more bills of sale, duly executed by Seller substantially in a form acceptable to Buyer and its counsel, pursuant to which Seller transfers their respective rights, title and interests in and to the Personal Property to Buyer (the “**Bill of Sale**”).

4.3.3. An “Assignment of FCC License”, duly executed by Seller, substantially in the form acceptable to Buyer and its counsel, pursuant to which Seller assigns to Buyer its right, title and interest in and to the FCC License for the Station (the “**Assignment of FCC License**”).

4.3.4. Any such other documents, funds or other things reasonably contemplated by this Agreement to be delivered by Seller to Buyer at the Closing.

4.4. Buyer's Deliveries to Seller at Closing. On the Closing Date, Buyer shall make or cause the following deliveries to Seller:

4.4.1. That portion of the Cash Component of the Purchase Price to be delivered by Buyer directly to Seller at the Closing under Section 2.1 (and Buyer shall cause Escrow Holder to deliver the Deposit to Seller as contemplated in Section 2.1.4(b) hereof).

4.4.2. Any such other documents, funds or other things reasonably contemplated by this Agreement to be delivered by Buyer to Seller at the Closing.

4.5. Sales, Use and Other Taxes. Any sales, purchases, transfer, stamp, documentary stamp, use or similar taxes under the laws of the states in which any portion of the Assets is located, or any subdivision of any such state, which may be applicable and payable by reason of the sale of the Assets under this Agreement or the transactions contemplated herein (collectively, “**Transfer Taxes**”) shall be borne and timely paid by Buyer. Buyer shall prepare and timely file all relevant tax returns required to be filed in respect of such Transfer Taxes and shall timely pay all such Transfer Taxes.

4.6. Possession. Right to possession of the Assets shall transfer to Buyer on the Closing Date. Seller shall transfer and deliver to Buyer on the Closing Date such keys, locks and safe combinations and other similar items as Buyer may reasonably require, and which are in Seller’s possession, to obtain occupation and control of the Assets, and shall also make available to Buyer at their then existing locations the originals of all documents in Seller's possession that are required to be transferred to Buyer by this Agreement.

5. Conditions Precedent to Closing.

5.1. Conditions to Seller's Obligations. Seller's obligation to make the deliveries required of Seller at the Closing Date and otherwise consummate the transaction contemplated herein shall be subject to the satisfaction or waiver in writing by Seller of each of the following conditions:

5.1.1. All of the representations and warranties of Buyer contained herein shall continue to be true and correct at the Closing in all material respects.

5.1.2. Buyer shall have executed and delivered to Seller the Assignment Agreement and Assignment of FCC License.

5.1.3. Buyer shall have delivered, or shall be prepared to deliver to Seller at the Closing, all cash and other documents required of Buyer to be delivered at the Closing including such portion of the Cash Component of the Purchase Price to be delivered by Buyer directly to Seller at the Closing under Section 2 hereof.

5.1.4. Buyer shall have delivered to Seller appropriate evidence of all necessary corporate action by Buyer in connection with the transactions contemplated hereby, including, without limitation: (i) certified copies of resolutions duly adopted by Buyer's directors approving the transactions contemplated by this Agreement and authorizing the execution, delivery, and performance by Buyer of this Agreement; and (ii) a certificate as to the incumbency of officers of Buyer executing this Agreement and any instrument or other document delivered in connection with the transaction contemplated by this Agreement.

5.1.5. No action, suit or other proceedings shall be pending before any court, tribunal or governmental authority seeking or threatening to restrain or prohibit the consummation of the transaction contemplated by this Agreement, or seeking to obtain substantial damages in respect thereof, or involving a claim that consummation thereof would result in the violation of any law, decree or regulation of any governmental authority having appropriate jurisdiction.

5.1.6. Buyer shall have substantially performed or tendered performance of each and every covenant on Buyer's part to be performed which, by its terms, is required to be performed at or before the Closing.

5.1.7. The FCC shall have issued its consent to the transfer and assignment of the Seller's FCC license associated with the Station and authorization to Buyer and before such consent has become a Final Order by no later than October 30, 2015, provided that Buyer may waive this condition and close on grant.

5.2. Conditions to Buyer's Obligations. Buyer's obligation to make the deliveries required of Buyer at the Closing, and to otherwise close the transaction contemplated herein, shall be subject to the satisfaction or waiver in writing by Buyer of each of the following conditions:

5.2.1. Seller shall have substantially performed or tendered performance of each and every covenant on Seller's part to be performed which, by its terms, is required to be performed at or before the Closing.

5.2.2. All representations and warranties of Seller contained herein shall continue to be true and correct at the Closing in all material respects.

5.2.3. Seller shall have executed and be prepared to deliver to Buyer the Assignment Agreement, the Bill of Sale and the Assignment of FCC License.

5.2.4. Seller shall have delivered, or shall be prepared to deliver to Buyer at the Closing, all other documents required of Seller to be delivered at the Closing.

5.2.5. No action, suit or other proceedings shall be pending before any court, tribunal or governmental authority seeking or threatening to restrain or prohibit the consummation of the transaction contemplated by this Agreement, or seeking to obtain substantial damages in respect thereof, or involving a claim that consummation thereof would result in the violation of any law, decree or regulation of any governmental authority having appropriate jurisdiction.

5.2.6. The FCC shall have issued its consent to the transfer and assignment of the Seller's FCC license associated with the Station and authorization to Buyer and such consent has become a Final Order by no later than December 31, 2016.

5.3. Termination. If any of the above conditions is neither satisfied nor waived in writing on or before the date by which the condition is required to be satisfied, a Party who is not then in default hereunder may terminate this Agreement by delivering to the other written notice of termination. Any waiver of a condition shall be effective only if such waiver is stated in writing and signed by the waiving Party; provided, however, that the consent of a Party to the Closing shall constitute and be deemed to constitute a waiver by such party of any conditions to Closing not satisfied as of the Closing Date.

6. Seller's Representations and Warranties. Seller hereby makes the following representations and warranties to Buyer:

6.1. Organization, Standing and Power. Seller has all requisite entity power and authority to own, lease and operate their respective properties, to carry on their business as now being conducted and, upon obtaining the Sale Order, will have the power and authority to execute, deliver and perform this Agreement and all writings relating hereto.

6.2. Authorization of Seller. Subject to the Seller obtaining the Sale Order, the execution and delivery of this Agreement, the consummation of the transaction herein contemplated, and the performance of, fulfillment of and compliance with the terms and conditions hereof by Seller do not and will not in any material respect: (i) conflict with or result in a breach of the articles of incorporation, by-laws or other organizational documents of Seller; (ii) violate any statute, law, rule or regulation, or any order, writ, injunction or decree of any court or governmental authority; or (iii) violate or conflict with or constitute a default under any agreement, instrument or writing to which Seller is a party or by which Seller or their assets or properties may be bound.

6.3. Material Contracts. **Schedule 6.3** attached hereto sets forth a complete list of all of the material contracts to which Seller is a party or by which it is bound and that are used in or directly related to Seller's operation of the Station or by which the Assets may be bound or affected (collectively, the "**Material Contracts**"). To the best of its knowledge, Seller has provided Buyer with true and complete copies of all Material Contracts.

6.4. Labor. Seller is not a party to any labor or collective bargaining agreement. There are no unfair labor practice charges, grievances or complaints pending or, to the knowledge of Seller, threatened by or on behalf of any current or former employee or group of employees of Seller, except in each case as would not reasonably be expected to result in material liability to Buyer.

6.5. Repairs. On or before the Closing Date, Seller shall have made repairs to Station equipment as described in Schedule 6.5 to the reasonable satisfaction of Buyer and its engineering consultant(s).

7. Buyer's Warranties and Representations. In addition to the representations and warranties contained elsewhere in this Agreement, Buyer hereby makes the following representations and warranties to Seller:

7.1. Organization, Standing and Power. Buyer is a non-profit corporation duly organized, validly existing and in good standing under the laws of the State of Maine. Buyer has all requisite entity power and authority to own, lease and operate its properties, to carry on its business as now being conducted and to execute, deliver and perform this Agreement and all writings relating hereto.

7.2. Authorization of Buyer. The execution, delivery and performance of this Agreement and all writings relating hereto by Buyer have been duly and validly authorized. The execution and delivery of this Agreement, the consummation of the transaction herein contemplated, and the performance of, fulfillment of and compliance with the terms and

conditions hereof by Buyer do not and will not: (i) conflict with or result in a breach of the articles of incorporation, by-laws or other organizational documents of Buyer; (ii) violate any statute, law, rule or regulation, or any order, writ, injunction or decree of any court or governmental authority; or (iii) violate or conflict with or constitute a default under any agreement, instrument or writing of any nature to which Buyer is a party or by which Buyer or its assets or properties may be bound.

7.3. Qualification. Buyer is legally, financially and otherwise qualified to be the licensee of, acquire, own and operate the Station under the Communication Act of 1934 as amended 47 U.S.C. § 151, *et seq.* and the applicable rules and regulations of the FCC, 47 CFR Part 1, *et seq.* To Buyer's knowledge, there are no facts that would disqualify Buyer as an assignee of the FCC license associated with the Station or as the owner and operator of the Station.

7.4. Financing. Buyer has available sufficient funding to enable Buyer to consummate the purchase of the Assets from Seller and otherwise to perform all of Buyer's obligations under this Agreement.

8. Access to Records and Properties of Seller. From and after the date of this Agreement until the Closing Date, Seller shall afford to Buyer's officers, independent public accountants, counsel, lenders, consultants and other representatives, reasonable access for examination at reasonable times to the Assets and all records directly pertaining to the Assets or the Station. Buyer, however, shall not be entitled to access to any materials containing privileged communications or information about employees, disclosure of which might violate an employee's reasonable expectation of privacy. Buyer expressly acknowledges that nothing in this Section 10 is intended to give rise to any contingency to Buyer's obligations to proceed with the transaction contemplated herein.

9. Covenants of Seller.

9.1. Pending the Closing. From the date hereof until the Closing, or any termination of this Agreement in accordance with Sections 3.4 or 5.3 hereof, the Seller shall:

9.1.1. not take or intentionally omit to take any action which could reasonably be expected to result in a breach of any of Seller's representations and warranties hereunder;

9.1.2. promptly disclose to Buyer any information relating to Seller's representations and warranties hereunder that Seller becomes aware of after the date hereof, which makes any information previously provided to Buyer incomplete or incorrect in any material respect and all information regarding any material damage to, or material loss of, any of the Assets;

9.1.3. use its commercially reasonable efforts to cause all of the conditions to the obligations of Buyer under Section 5.2 to be satisfied on or prior to the Closing Date and to make commercially reasonable efforts to obtain, prior to the Closing, in writing (copies of which shall be delivered to Buyer) all consents, waivers or approvals of all third

parties and governmental entities which are necessary for the consummation by Seller of the transactions contemplated by this Agreement; and

10. Employment Matters. On or before the Closing Date, Seller shall transfer or terminate, at Seller's sole discretion, any of Seller's employees working in connection with the daily operation of the Station. Buyer shall not assume any employment agreements or employee benefit plans of any of Seller's employees.

11. Miscellaneous.

11.1. Damage and Destruction; Condemnation. Seller shall promptly notify Buyer of the occurrence of any material damage to or destruction of the Assets that occurs prior to the Closing Date. In the event of any uninsured damage to or destruction of the Assets prior to the Closing Date the cost of which to repair would total \$1,000.00 or less, then such damage or destruction shall have no effect whatsoever on the Purchase Price or Buyer's or Seller's obligation to close. Should any uninsured damage or destruction to the Assets occur prior to the Closing Date the cost of which to repair would total more than \$1,000.00, then unless Seller causes the same to be repaired and restored in all material respects prior to the Closing Date (in which case the Purchase Price shall be unaffected and the parties shall proceed with the Closing as though such damage, destruction or proceedings had never occurred or been initiated), Buyer's sole remedy shall be to receive a dollar-for-dollar reduction in the Purchase Price in an amount equal to the sum of (i) the cost of such repairs, less (ii) the amount of any insurance proceeds with respect thereto assigned to Buyer at the Closing, and consummate the transaction contemplated herein. If any uninsured damage or destruction to the Assets occurs prior to the Closing Date the cost of which to repair would total \$50,000.00 or more, then irrespective of whether the same can be repaired and/or restored prior to the Closing Date, Buyer shall have the right and option to either (i) terminate this Agreement and the transaction contemplated herein, or (ii) elect to receive, as its sole and exclusive remedy by reason of such damage or destruction, a Purchase Price reduction in the amount of \$50,000.00 and consummate the transaction contemplated herein as though the damage or destruction had never occurred or been initiated. In all other events or in the event that Buyer elects to consummate the purchase pursuant to clause (ii) above, (a) all insurance or condemnation proceeds, including business interruption and rental loss proceeds, collected by or paid to Seller prior to the Closing Date, shall be credited against the Purchase Price on Buyer's account or the Purchase Price shall be adjusted by an amount agreed between Buyer and Seller, and (b) all entitlement to all other insurance or condemnation proceeds arising out of such damage or destruction or proceedings and not collected prior to the Closing Date shall be assigned to Buyer at the Closing. Notwithstanding anything to the contrary in this Agreement, the risk of loss or damage to the Assets shall unconditionally shift to the Buyer on the Closing Date. For avoidance of doubt, Buyer and Seller intend that the provisions of this Section 11.1 shall control over any right or remedy to which the Buyer may otherwise be entitled under this Agreement by reason of the occurrence of any event subject to this Section 11.1.

11.2. Attorneys' Fees. In the event that either party hereto brings an action or other proceeding to enforce or interpret the terms and provisions of this Agreement, the prevailing party in that action or proceeding shall be entitled to recover from the non-prevailing party all such fees, costs and expenses (including, without limitation, all court costs and

reasonable attorneys' fees) as the prevailing party may directly suffer or incur in the pursuit or defense of such action or proceeding.

11.3. Reasonable Access to Records and Certain Personnel. In order to facilitate Seller's efforts to administer and close the Cases (including, without limitation, the preparation of filings in the Cases and state, local and federal tax returns and other filings, reconciliation of claims filed in the Cases, removal of corporate and other records and information relating or belonging to entities other than the Seller), for a period of three (3) years following the Closing, the Buyer shall permit Seller's counsel and other professionals and counsel for any successor to Seller and their respective professionals (collectively, "**Permitted Access Parties**") reasonable access to the financial and other books and records relating to the Assets or the Station and the systems containing such information, books and records, which access shall include (a) the right of such Permitted Access Parties to copy, at such Permitted Access Parties' expense, such documents and records as they may reasonably request in furtherance of the purposes described above, and (yy) Buyer's copying and delivering to the relevant Permitted Access Parties such documents or records as they may reasonably request, but only to the extent such Permitted Access Parties furnish Buyer with reasonably detailed written descriptions of the materials to be so copied and the applicable Permitted Access Party reimburses the Buyer for the reasonable costs and expenses thereof,.

11.4. Notices. Unless otherwise provided herein, any notice, tender, or delivery to be given hereunder by any Party to the other may be effected by personal delivery in writing, or by registered or certified mail, postage prepaid, return receipt requested, and shall be deemed communicated as of the date of mailing. Mailed notices shall be addressed as set forth below, but each Party may change his address by written notice in accordance with this Section 12.4.

To Seller: Decelles-Smith Media, Inc.
578 East Main Street
Newport, VT 05855
Attn: Mr. Paul Decelles, President

With a copy to: Frank E. Bemis, Esquire
Bemis & Rossignol
427 Main Street
Presque Isle, ME 04769

To Buyer: The Presence Radio Network, Inc.
Post Office Box 10660
Portland, Maine 04104
Attn: Mrs. Cynthia Nickless, VP/Exec. Director

With a copy to: Dennis J. Kelly, Esquire
Law Office of Dennis J. Kelly
Post Office Box 41177
Washington, DC 20018-0577

11.5. Entire Agreement. This instrument and the documents to be executed pursuant hereto contain the entire agreement between the parties relating to the transfer, conveyance, sale and assignment of the Assets. Any oral representations or modifications concerning this Agreement or any such other document shall be of no force and effect excepting a subsequent modification in writing, signed by the Party to be charged. This Agreement shall supersede and renders null and void and of no further force and effect any prior writings by and between Seller and Buyer relative to the Station.

11.6. Modification. This Agreement may be modified, amended or supplemented only by a written instrument duly executed by all the Parties hereto.

11.7. Closing Date. All actions to be taken on the Closing pursuant to this Agreement shall be deemed to have occurred simultaneously, and no act, document or transaction shall be deemed to have been taken, delivered or effected until all such actions, documents and transactions have been taken, delivered or effected.

11.8. Severability. Should any term, provision or paragraph of this Agreement be determined to be illegal or void or of no force and effect, the balance of the Agreement shall survive.

11.9. Captions. All captions and headings contained in this Agreement are for convenience of reference only and shall not be construed to limit or extend the terms or conditions of this Agreement.

11.10. Further Assurances. Each Party hereto will execute, acknowledge and deliver any further assurance, documents and instruments reasonably requested by any other Party for the purpose of giving effect to the transaction contemplated herein or the intentions of the Parties with respect thereto; provided that nothing herein shall be deemed to require any Party to execute or deliver any such further assurance, document or instrument to the extent that the same could in any material way increase the burdens, obligations or liabilities otherwise imposed upon such Party by this Agreement.

11.11. Waiver. No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of other provisions, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

11.12. Brokerage Obligations. Seller and the Buyer each represent and warrant to the other that such Party has incurred no liability to any real estate or business chance broker or other broker or agent with respect to the payment of any commission regarding the consummation of the transaction contemplated hereby other than Seller's contractual obligation to pay the firm RadioStationsForSale.net, 41 Herbert Road, Braintree, Massachusetts 02184-5507. Subject to the foregoing, it is agreed that if any claims for commissions, fees or other compensation, including, without limitation, brokerage fees, finder's fees, or commissions are ever asserted against Buyer or Seller in connection with this transaction, all such claims shall be handled and paid by the Party whose actions form the basis of such claim and such Party shall indemnify, defend (with counsel reasonably satisfactory to the party entitled to indemnification),

protect and save and hold the other harmless from and against any and all such claims or demands asserted by any person, firm or corporation in connection with the transaction contemplated hereby.

11.13. Payment of Fees and Expenses. Except as provided in Section 11.2 above, each party to this Agreement shall be responsible for, and shall pay, all of its own fees and expenses, including those of its counsel, incurred in the negotiation, preparation and consummation of the Agreement and the transaction described herein. Buyer is a non-profit corporation, and the FCC Form 314 application is therefore exempt from the payment of an FCC application filing fee pursuant to 47 C.F.R. §1.1116(c)

11.14. Non-Survival of Representations and Warranties. The representations and warranties respectively made by Seller and Buyer in this Agreement and in any certificate or instrument delivered hereunder will expire as of the first anniversary of the Closing. Subsequent to the first anniversary of the Closing, no claim with respect to any breach of any representation or warranty contained in this Agreement may be pursued or maintained (either hereunder or otherwise) against any Party. The Parties hereto agree that the covenants contained in this Agreement to be performed at or after the Closing shall survive the Closing hereunder, and each Party hereto shall be liable to the other after the Closing for any breach thereof.

11.15. Assignments. Neither this Agreement nor any rights or obligations under it are assignable, except that Buyer may assign or delegate its rights hereunder to a newly formed entity to benefit from the provisions of this Agreement; provided, however, that Buyer shall remain liable for all obligations under this Agreement.

11.16. Binding Effect. Subject to the provisions of Section 11.15, above, this Agreement shall bind and inure to the benefit of the respective heirs, personal representatives, successors and assigns of the Parties hereto.

11.17. Applicable Law; Venue. This Agreement shall be governed by and construed in accordance with the laws of the state of Maine. Venue for any action hereunder shall be the courts of Cumberland County, Maine.

11.18. Good Faith. All Parties hereto agree to do all acts and execute all documents reasonably required to carry out the terms of this Agreement and to act in good faith with respect to the terms and conditions contained herein before and after Closing.

11.19. Construction. In the interpretation and construction of this Agreement, the parties acknowledge that the terms hereof reflect extensive negotiations between the Parties and that this Agreement shall not be deemed, for the purpose of construction and interpretation, drafted by either Party hereto.

11.20. Counterparts. This Agreement may be signed in counterparts. The Parties further agree that this Agreement may be executed by the exchange of facsimile signature pages provided that by doing so the Parties agree to undertake to provide original signatures as soon thereafter as reasonable under the circumstances.

11.21. Time is of the Essence. Time is of the essence in this Agreement, and all of the terms, covenants and conditions hereof.

11.22. Interpretation and Rules of Construction. In this Agreement, except to the extent that the context otherwise requires:

11.22.1. when a reference is made in this Agreement to an Article, Section, Exhibit or Schedule, such reference is to an Article or Section of, or an Exhibit or a Schedule to, this Agreement, unless otherwise indicated;

11.22.2. the headings and captions used in this Agreement are for reference purposes only and do not affect in any way the meaning or interpretation of this Agreement;

11.22.3. whenever the words “include,” “includes” or “including” are used in this Agreement, they are deemed to be followed by the words “without limitation”;

11.22.4. the words “hereof,” “herein” and “hereunder” and words of similar import, when used in this Agreement, refer to this Agreement as a whole and not to any particular provision of this Agreement;

11.22.5. all terms defined in this Agreement have the defined meanings when used in any certificate, instrument or other document made or delivered pursuant hereto, unless otherwise defined therein;

11.22.6. the definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms;

11.22.7. any law defined or referred to herein or in any agreement or instrument that is referred to herein means such law or statute as from time to time amended, modified or supplemented, including by succession of comparable successor laws;

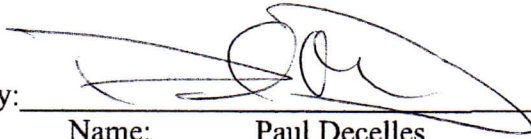
11.22.8. references to a person or entity are also to its permitted successors and assigns; and

11.22.9. the use of “or” is not intended to be exclusive unless expressly indicated otherwise.

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

SELLER:

DECELLES-SMITH MEDIA, INC.

By: 
Name: Paul Decelles
Title: President

BUYER:

THE PRESENCE RADIO NETWORK, INC.

By: _____
Name: Craig Foster
Title: Chairman, Board of Directors

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

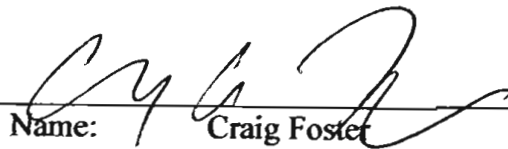
SELLER:

DECELLES-SMITH MEDIA, INC.

By: _____
Name: Paul Decelles
Title: President

BUYER:

THE PRESENCE RADIO NETWORK, INC.

By:  _____
Name: Craig Foster
Title: Chairman, Board of Directors