

ASSET PURCHASE AGREEMENT

by and among

COMPASS COMMUNICATIONS OF IDAHO, INC.

and

THE PROCTOR GROUP, INC.

Seller

BUCKALEW MEDIA, INC.

Buyer

for the Sale and Purchase of

Station KFXP(DT), Facility No. 78910, Pocatello, Idaho

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT ("Agreement"), made and entered into as of this 12th day of JUNE, 2015, by and between **COMPASS COMMUNICATIONS OF IDAHO, INC.**, a corporation organized under the laws of the State of Idaho ("Compass"), and **THE PROCTOR GROUP, INC.**, a corporation organized under the laws of the State of Texas ("Proctor Group") together, "Seller"), and **BUCKALEW MEDIA, INC.**, a corporation organized under the laws of the State of Texas ("Buyer").

WITNESSETH:

WHEREAS, Compass is the licensee of Station KFXP(DT), Facility No. 78910, Pocatello, Idaho (the "Station"); and

WHEREAS, Proctor Group is owner of the tangible personal property used in conjunction with the operation of the Station (the "Tangible Personal Property"); and

WHEREAS, Seller each owns or leases and desires to sell and/or assign, and Buyer desires to be assigned, certain of the assets, property, and business used in the operation of the Station; and

WHEREAS, the assignment of the licenses of the Station is subject to the prior approval of the Federal Communications Commission (the "Commission"); and

NOW, THEREFORE, the parties, intending to be legally bound, agree as follows:

SECTION 1 **ASSETS TO BE SOLD**

1.1 On the Closing Date, Seller shall sell, assign, transfer, convey, set over, and deliver to Buyer, and Buyer shall purchase and/or accept assignment of the following assets (hereinafter collectively the "Assets"), but not any Excluded Assets (defined below), free and clear of any security interests, claims, encumbrances, or liens (collectively, "Liens"), except for Permitted Liens and the "Assumed Obligations" (as defined in Paragraph 5.1). "Permitted Liens" shall consist only of (i) Liens for taxes, assessments, water, and sewer charges, license fees, and all other fees, special assessments, and charges assessed or imposed by a public body upon the Assets or any part thereof, provided such fees, assessments, or taxes are not yet due and payable or are being contested in good faith in an appropriate proceeding; (ii) zoning laws and ordinances; (iii) rights reserved to any governmental authority to regulate the affected property; (iv) liens that will be released at or prior to Closing, and (v) easements, rights of way, building and use restrictions, and other exceptions that do not in any material respect detract from the value of the property subject thereto or impair the use thereof in the ordinary course of the business of the Station:

1.1.1 **Authorizations.** All licenses, permits, and authorizations issued or granted by the Commission for the operation of the Station and all assignable applications filed

with the Commission for the Station (hereinafter "Commission Authorizations"), including those listed in **Schedule 1.1.1**; and all franchises, licenses, permits, and authorizations issued by any administrative body or licensing authority or governmental or regulatory agency, other than Commission Authorizations, that are used exclusively in connection with the operation of the Station (hereinafter "Other Authorizations"), if any.

1.1.2 **Tangible Personal Property**. All of Seller's rights in and to all fixed and tangible property used or held for use as part of the transmission equipment for the operation of the Station, and all other Seller's assets used in conjunction with the operation of the Station, including but not limited to that set forth on **Schedule 1.1.2**, together with replacements thereof, additions, and alterations thereto, and substitutions therefor, made between the date hereof and the Closing Date, except for any retirements or dispositions thereof made between the date hereof and Closing in the ordinary course of business (all hereinafter collectively the "Tangible Personal Property").

1.1.3 **Transmitter Site Lease**. Seller's lease for the tower currently used as the transmission location for the Station as set forth in **Schedule 1.1.3** ("Tower Lease").

1.1.4 **Business Records**. Copies of Seller's engineering records relating solely to the business or operation of the Station or to assets or agreements purchased or assumed by Buyer (hereinafter collectively "Business Records").

1.1.5 **Intellectual Property**. All of Seller's rights in and to any and all registered and unregistered trademarks, trade names, service marks, franchises, copyrights, including registrations and applications for registration of any of them, jingles, logos, slogans, licenses, patents, Internet domain names, Internet URLs, Internet web sites, content and databases, permits and privileges, and other intangible property rights and interests applied for, issued to or owned by Seller for use in the conduct of the business and operation of the Station, including the call letters "KFXP", "together with any additions thereto between the date hereof and the Closing Date (the "Intellectual Property"); and

1.1.6 **Records**. All files, records, books of account, and logs relating to the Station, including electronic copies thereof, including, without limitation, the Station's public inspection files, filings with the FCC related to the Station, invoices, statements, technical information and engineering data relating to the Station's Facilities, filings with the FCC and copies of all written Assumed Contracts to be assigned hereunder, to the extent that such items are in the possession of Seller;

1.2 **Excluded Assets**. Notwithstanding anything in this Agreement to the contrary, the Assets shall not include the following assets along with all rights, title, and interest therein which shall be referred to as the "Excluded Assets":

1.2.1 Any cash, cash equivalents, or similar type investments of Seller, such as certificates of deposit, Treasury bills, and other marketable securities on hand and/or in banks;

1.2.2 Seller's accounts receivable for services performed by Seller in connection with the operation of the Station prior to Closing ("Seller's Accounts Receivable");

1.2.3 Any claims, rights, and interest of Seller to any (i) refunds of taxes or fees of any nature whatsoever or (ii) deposits or utility deposits or prepaid expenses, which in each case relate solely to the period prior to the Closing Date;

1.2.4 Any fixed debt of Seller;

1.2.5 Any trade payables of Seller;

1.2.6 Any contracts of Seller not specifically assumed under this Agreement;

1.2.7 Seller's records or materials relating to Seller generally and not involving the Assets, including without limitation advertising reports, financial records, programming studies, consulting reports, computing software, marketing data, and business and personnel records; Seller's corporate and trade names; organizational documents; any records not relating exclusively to the Assets; and duplicate copies of records relating to the Station;

1.2.8 Contracts of insurance, including the cash surrender value thereof, and all insurance proceeds or claims made by Seller with respect to matters arising prior to the Closing Date;

1.2.9 Any pension, profit sharing, or cash or deferred (Section 401(k)) plans and trusts and the assets thereof and any other employee benefit plan or arrangement and the assets thereof, if any, maintained by Seller; and

1.2.10 Any rights and claims of Seller, whether mature, contingent, or otherwise, against third parties with respect to the Station and the Assets, to the extent arising during or attributable to any period prior to the Adjustment Time.

1.3 **Satisfaction of Liens.** Prior to or at Closing, Seller shall cause all Liens on or relating to any of the Assets (other than Permitted Liens), to be released, extinguished, and discharged in full, and shall deliver to Buyer instruments releasing, extinguishing, and discharging all such Liens, and all rights and claims of any holder(s) of any of such Liens with respect to any of the Assets (collectively the "Lien Release Instruments").

SECTION 2 **PURCHASE PRICE**

2.1 Purchase Price.

(a) In consideration of Seller's performance of this Agreement, the total purchase price (the "Purchase Price") to be paid by Buyer to Seller for the Station Assets shall be as follows: (i) the Station Authorizations for the sum of Ten Thousand Dollars (\$10,000.00) and (ii) the Tangible Personal Property for Four Hundred and Forty Thousand Dollars (\$440,000.00),

for the total amount of \$450,000.00, to be paid in cash at Closing. In addition, should Buyer opt to put the Station's spectrum into the upcoming FCC spectrum auction and is successful, Proctor Group shall be paid 30% of such amounts that are received above the sum of One Million Dollars, regardless of whether its current principal Gerald Proctor is living at the time of the auction.

2.2 **Additional Allocation of Purchase Price.** Seller and Buyer agree, if necessary, to engage in additional allocation of the Purchase Price among the Assets, which allocation schedule will be determined within sixty (60) days after the Closing (the "Allocation Schedule"). Seller and Buyer will each file an IRS Form 8594 consistent with the Allocation Schedule.

SECTION 3 **ADJUSTMENTS**

3.1 **Adjustment Time.** The "Adjustment Time" as used herein shall be 12:01 A.M. current local time on the Closing Date.

3.2 **Adjustment Items.**

3.2.1 The Purchase Price shall be increased or decreased as required to effectuate the proration of the revenue and expenses of the Station as of the Closing Date. All revenue and all expenses relating to the Station, including tower rent, business and license fees, utility charges, personal property taxes, and assessments levied against the Assets, annual regulatory fees imposed by the FCC, and similar prepaid and deferred items, shall be prorated between Buyer and Seller in accordance with Generally Accepted Accounting Principles and the principle that Seller shall be entitled to all revenue and shall be responsible for all expenses, costs, and obligations allocable to the period prior to the Closing Date and Buyer shall be entitled to all revenue and shall be responsible for all expenses, costs, and obligations allocable to the period on and after the Closing Date. Seller and Buyer shall cooperate and use commercially reasonable efforts to agree upon such prorations as soon as practicable prior to the Closing Date. Any adjustment to the Purchase Price pursuant to this Section 3.2 will, insofar as feasible, be determined and paid on the Closing Date, with final settlement and payment by the appropriate party no later than sixty (60) days following the Closing Date. The following items (the "Adjustment Items") to be prorated as of the Adjustment Time shall include:

(a) Rentals or other charges, payable or paid in respect of leasehold interests or tenancies, or leased transmitter sites, or other Real Property or equipment under any lease or tenancy of Real Property.

(b) Real and personal property taxes, assessments (including sewerage assessments and fees), and annual Commission Regulatory Fees levied or assessed against or otherwise paid or payable with respect to any of the Assets.

(c) Transferable license, permit, and registration fees, and like items.

(d) Charges for utilities (including but not limited to electricity, fuel, water, basic monthly telephone charges, long distance telephone calls, and sanitation and garbage disposal) furnished to or in connection with the Station.

(e) Unpaid or prepaid obligations of Seller with respect to any contract or agreement which Buyer assumes (if any).

(f) All other items of revenue or expense relating to the Assets, it being the intention of the parties that all operations and the business of the Station prior to the Adjustment Time shall be for the account of Seller, and all operations and the business of the Station after the Adjustment Time shall be for the account of Buyer, all in accordance with generally accepted accounting principles.

3.2.2 If the amount of any real or personal property tax or other regulatory fee to be prorated is not known on the Closing Date, such tax or fee shall be apportioned on the basis of the most recent tax assessment or based on the fees due in the prior year.

3.3 Buyer shall not be obligated to assume any obligations with respect to Seller's employees. All obligations for unused vacation time, severance fees, or other costs and expenses relating to Seller's employees shall remain solely expenses and obligations of Seller.

3.4 **Adjustments After Closing Date.** Except as provided in Section 3.2.2 of this Agreement, if the amount of any Adjustment Item(s) cannot be readily ascertained or agreed upon on the Closing Date, proration of such items shall be determined within sixty (60) days after the Closing Date and payment therefor shall be made to the party entitled thereto within five (5) business days after notice of such determination thereof has been given to Buyer or Seller, as the case may be.

SECTION 4 **APPLICATION TO AND CONSENT BY COMMISSION**

4.1 **Commission Consent.** Buyer and Seller acknowledge that consummation of the purchase and sale provided for herein and the performance of the obligations of Seller and Buyer under this Agreement is subject to the Commission's consent to the assignment of the Commission Authorizations from Seller to Buyer.

4.2 Application For Commission Consent.

(a) Seller and Buyer agree to proceed expeditiously and with due diligence and in good faith to use their commercially reasonable efforts and to cooperate with each other in seeking the Commission's approval of the transactions contemplated hereunder. Within five (5) business days after the date of this Agreement, each party shall have prepared its portion of an application on FCC Form 314 for Station KFXP(DT) to request Commission consent to assign the Commission Authorizations from Seller to Buyer (the "Assignment Applications") and shall have filed such portion of the Assignment Applications with the Commission. Each party further agrees to diligently prosecute the Assignment Applications and expeditiously prepare

Assignment Application amendments, respond to oral or written inquiries, and answer pleadings whenever such are required by the Commission or its rules.

(b) Seller shall standard expenses incurred for the preparation, filing, and prosecution of the Assignment Application. The parties agree that counsel for Seller shall file the Assignment Applications. All filing fees imposed by the Commission with respect to the Assignment Applications shall be paid by Seller.

(c) Buyer and Seller shall notify each other of all documents filed with or received from any governmental agency with respect to this Agreement or the transactions contemplated hereby. Buyer and Seller shall furnish each other with such information and assistance as the other may reasonably request in connection with their preparation and prosecution of any governmental filing hereunder.

(d) Each party agrees to comply with any reasonable condition imposed on it by the Commission, except that no party shall be required to comply with a condition that would have a material adverse effect upon it (except for conditions of general applicability) 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. Buyer and Seller shall oppose any efforts for reconsideration or judicial review of the grant by the Commission of the Assignment Applications (but nothing in this Section will limit any party's right to terminate this Agreement in accordance with the terms herewith).

SECTION 5

ASSUMPTIONS

5.1 **Liabilities.** The Assets shall be sold and conveyed to Buyer free and clear of all Liens of any type or amount created or suffered by Seller prior to the Closing Date, whether existing now or in the future, except for (i) Permitted Liens, and (ii) liabilities being assumed under the Assets (the "Assumed Obligations").

5.2 **Buyer's Assumed Obligations.** Buyer covenants and agrees to assume at Closing and discharge following the Closing all of the unperformed duties of Seller accruing after the Closing Date under the Assumed Obligations. Buyer shall assume such unperformed duties of Seller only to the extent that such duties accrue on or after Closing based on the operation of the Station after the Closing Date. Except as specifically assumed by Buyer in this Agreement, Buyer is not agreeing to, and shall not, assume any other liability, obligation, undertaking, expense, or agreement of Seller of any kind, absolute or contingent, known or unknown, and the execution and performance of this Agreement shall not render Buyer liable for any such liability, obligation, undertaking, expense, or agreement ("Excluded Obligations").

5.3 **Seller's Liability.** Seller shall remain liable for all Excluded Obligations.

SECTION 6
REPRESENTATIONS, WARRANTIES, AND COVENANTS OF SELLER

Seller each covenants, represents, and warrants as follows:

6.1 Organization and Standing.

6.1.1 Compass is a corporation organized and in good standing under the laws of the State of Idaho, and Proctor Group is a corporation organized and in good standing under the laws of the State of Texas, and each have the full power to own the Assets and to carry on the business of the Station as it is now being conducted and is qualified and in good standing in the State of Texas.

6.1.2 Seller each has the full power and authority to enter into this Agreement and to execute all of Seller's Closing Documents (as defined below) that require Seller's signatures.

6.2 **Binding Effect of Agreement.** This Agreement constitutes a valid and binding obligation of Seller enforceable against Seller in accordance with the terms of this Agreement, except in each case as such enforceability may be limited by bankruptcy, moratorium, insolvency, reorganization, or other similar laws affecting or limiting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law) (collectively, the "Enforceability Exceptions"). Upon execution, the Seller's Closing Documents will constitute valid and binding obligations of Seller enforceable against Seller in accordance with their terms except for the Enforceability Exceptions. The execution, delivery, and performance of this Agreement or any of Seller's Closing Documents do not violate any provisions of Seller's Articles of Organization, Operating Agreement, or By-Laws, or any contract provision or other commitment to which Seller or the Station are a party or under which they or their property is bound, or any judgment or order of which Seller has received notice, and will not result in the creation or imposition of any lien, charge, security interest, or encumbrance of any nature whatsoever upon any of the Assets except for Permitted Liens.

6.3 Leased Property and Tangible Personal Property.

6.3.1 **Leased Property.** Seller holds a lease for the rental of tower space at the currently authorized transmitter site for the Station (the "Tower Lease"). To the knowledge of Seller, there is no pending condemnation or similar proceeding affecting the real property which is subject to the tower Lease. The Tower Lease constitutes the only agreement used or held for use in the operation of the Station. Seller is not in breach of or in default under, nor has any event occurred which (with or without the giving of notice or the passage of time or both) would constitute a default by Seller under such agreement. To the knowledge of Seller, none of the lessors under any of such agreement is in breach thereof or in default thereunder. Seller has full right and power to occupy or possess, as the case may be, the site covered by each such agreement.

6.3.2 **Tangible Personal Property.** Schedule 1.1.2 hereto contains (i) a list of all material Tangible Personal Property owned by Seller that is used or useful in the operation of the Station. Except as provided in Schedule 1.1.2, Seller owns and has, and will have on the Closing Date, good and marketable title to the Tangible Personal Property. Each material item of Tangible Personal Property (i) is currently and at the time of Closing will be in good condition and repair, ordinary wear and tear excepted, (ii) has been maintained in a manner substantially consistent with generally accepted standards of good engineering practice, and (iii) is operating in full compliance, in all material respects, with the FCC Authorizations and rules and regulations of the FCC and FAA.

6.4 **Authorizations.** Seller is the authorized legal holder of all Commission Authorizations, none of which is subject to any restrictions or conditions which limit in any respect the operation of the Station as now operated except as may be set forth on the face of such authorizations and except for those of general applicability. All such Commission Authorizations are validly existing authorizations for the operation of the facilities described therein. There is no action pending or to the best of Seller's knowledge threatened before the Commission or other body to revoke, refuse to renew, suspend, or materially adversely modify any of the Commission Authorizations or, to Seller's knowledge, any action which may result in the issuance of any cease and desist orders or the imposition of any administrative sanctions whatsoever with respect to the Station or its operation.

6.6 **Litigation.** Except for proceedings affecting segments of the broadcasting industry in general, there is no complaint, claim, litigation, or judicial, administrative, or other proceeding of any nature, including, without limitation, a grievance, arbitration, or insolvency or bankruptcy proceeding pending, or to the best of Seller's knowledge, threatened (or to the best of Seller's knowledge, any investigation threatened) against the Station, Seller, or any of the Assets being sold or transferred to Buyer, which may (a) materially adversely affect the Assets or the Commission Authorizations to be assigned hereunder, or the operation of the Station in substantially the same manner as it is currently operated, or would subject Buyer to liability, (b) restrain or enjoin the Closing or the consummation of the transactions contemplated hereby, or (c) result in the revocation, material adverse modification, or suspension of the Commission Authorizations, or the issuance or imposition of any administrative sanction that would materially adversely affect the Assets or the Commission Authorizations, or the operation of the Station or subject Buyer to liability. In addition, there is no litigation or proceeding or, to the best of Seller's knowledge, any investigation or proceeding that has been threatened, which would result in a material adverse effect upon the Assets. Seller will give Buyer prompt notice of its discovery of any such basis or the institution or the threat of any such litigation, investigation, or proceeding. Seller is not in default in respect to any judgment, order, writ, injunction, decree, rule, or regulation of any applicable court or governmental body, which default could have a materially adverse effect on the Assets or the Station.

6.7 **Absence of Insolvency.** No insolvency proceedings of any character including without limitation, bankruptcy, receivership, reorganization, composition, or arrangements with creditors, voluntary or involuntary, affecting the Seller or any of the Station Assets, are pending or, to the best knowledge of Seller, threatened, and Seller has made no assignment for the benefit of creditors, nor taken any action with a view to, or which would constitute the basis for the institution of, any such insolvency proceedings.

SECTION 7

REPRESENTATIONS, WARRANTIES, AND COVENANTS OF BUYER

Buyer covenants, represents, and warrants as follows:

7.1 **Organization and Standing.** Buyer is a corporation organized and in good standing under the laws of the State of Texas.

7.2 **Authorization and Binding Obligation.** Buyer has all necessary power and authority to enter into this Agreement and all of Buyer's Closing Documents (as defined below) that require Buyer's signature. The execution, delivery, and performance of this Agreement (as of the date of execution of this Agreement and on the Closing Date) and the Buyer's Closing Documents (on the Closing Date) are or will be authorized by all necessary actions of Buyer. This Agreement constitutes a valid and binding obligation of Buyer enforceable against Buyer in accordance with the terms of this Agreement, except as such enforceability may be limited by the Enforceability Exceptions. Upon execution, the Buyer's Closing Documents will constitute valid and binding obligations of Buyer, enforceable against Buyer in accordance with their respective terms except for the Enforceability Exceptions.

7.3 **No Contravention.** The execution, delivery, and performance of this Agreement or any of Buyer's Closing Documents do not violate Buyer's Articles of Organization or By-Laws or any contract provision or other commitment to which Buyer is a party or under which it or its property is bound, or any judgment or order except as contemplated herein.

7.4 **Litigation.** Except for administrative rule making or other proceedings of general applicability to the broadcast industry, there is no litigation, proceeding, judgment, claim, action, investigation, or complaint threatened against or affecting it which would affect Buyer's authority or ability to carry out this Agreement.

7.5 **Buyer's Qualifications.** Buyer is legally, financially, and otherwise qualified to be the licensee of, acquire, own and operate the Station under the Communications Act and the rules, regulations, and policies of the Commission. There are no facts that would, under existing law and the existing rules, regulations, policies, and procedures of the Commission, disqualify Buyer as an assignee of the Commission Authorizations or as the owner and operator of the Station. No waiver of or exemption from any Commission rule or policy is necessary for the Commission's consent to the Assignment Applications to be obtained. There are no matters which might reasonably be expected to result in the Commission's denial or delay of approval of the Assignment Applications. Buyer has the financial ability to pay the Purchase Price.

7.6 **Bankruptcy.** No (i) voluntary or, to Buyer's knowledge, involuntary petition in bankruptcy, receivership, insolvency, (ii) reorganization with respect to Buyer, or (iii) petition to appoint a receiver or trustee of Buyer's property has, to Buyer's knowledge, been filed against Buyer. Buyer has not made any assignment for the benefit of its creditors, and has not permitted any judgment, execution, attachment, or levy against it or against any of its properties to remain outstanding or unsatisfied for more than thirty (30) days.

SECTION 8
SELLER'S AND BUYER'S CONDUCT OF BUSINESS PRIOR
TO CLOSING AND BUYER'S ACCESS TO INFORMATION

8.1 **Affirmative Covenants of Seller.** From the date of this Agreement until the Closing Date, except as may be provided in any Time Brokerage Agreement ("TBA") that may be entered into between Buyer and Seller, Seller shall have complete control and supervision of and sole responsibility for the Station or its operation, and during such period, except for Station KFXP(DT) which currently is silent, Seller shall:

8.1.1 Operate the Station in accordance in all material respects with the rules and regulations of the Commission and the Commission Authorizations and file all Commission ownership reports and other documents required to be filed with the Commission during such period and maintain copies of the Station's required Commission filings in the ordinary course of business.

8.1.2 Maintain all of the Tangible Personal Property in their current condition in the ordinary course of business.

8.1.3 Operate the Station in the ordinary course of business and substantially in the same manner as heretofore operated.

8.1.4 Use its commercially reasonable efforts to keep the Assets substantially intact, reasonable wear and tear excepted.

8.1.5 Deliver to Buyer within ten (10) business days after filing thereof with the Commission copies of any and all material reports, applications, and/or responses relating to the Station which are filed with the Commission on or prior to the Closing Date, including a copy of any Commission inquiries to which the filing is responsive (in the event of an oral Commission inquiry, Seller will furnish a written summary thereof).

8.1.6 Give prompt notice to Buyer of any occurrence that comes to Seller's attention that may constitute a misrepresentation, breach of warranty, or nonfulfillment of any covenant or condition on the part of the Seller or Buyer contained in this Agreement.

8.2 **Negative Covenants of Seller.** Between the date hereof and the Closing Date, Seller shall not, with respect to the Assets, the Station, or the operation thereof, without the consent of Buyer, which consent shall not be unreasonably withheld:

8.2.1 By any act or omission surrender, modify materially adversely, forfeit, or fail to renew under regular terms the Commission Authorizations, or give the Commission grounds to institute any proceeding for the revocation, suspension, or material adverse modification of any such Commission Authorization, or fail to prosecute with due diligence any pending applications with respect to such Commission Authorizations.

8.2.2 Other than in the usual and ordinary course of business, sell or dispose of any of the Assets; Seller shall replace all Assets thus disposed of in the usual and ordinary course of business with assets having utility at least equal to the utility of the Assets sold or otherwise disposed of.

8.2.3 Create or suffer or permit the creation of any Lien on any of the Assets except for Permitted Liens.

8.2.4 Fail to repair or maintain any of the Tangible Personal Property in accordance with Seller's normal standards of maintenance.

8.3 **Failure of Broadcast Transmissions.** Seller thereafter shall give prompt written notice to Buyer if any of the following (a "Specified Event") shall occur and continue for a period in excess of seventy-two hours: (i) the transmission of the regular broadcast programming of the Station in the normal and usual manner is interrupted or discontinued; or (ii) is operated at less than ninety percent (90%) of its licensed power. If prior to Closing the Station is off the air or operating at a power level that results in a material reduction in coverage (a "Broadcast Interruption"), then Seller shall use commercially reasonable efforts to return such station to the air and restore prior coverage as promptly as possible in the ordinary course of business.

8.4 **Access to Equipment and Information.** Between the date hereof and the Closing Date, Seller will give to Buyer and its authorized representatives and agents, including engineers, accountants, lawyers, and other representatives, reasonable access by prior appointment during reasonable business hours to the Assets. Seller shall furnish to Buyer such information and materials concerning the Assets as Buyer may reasonably request, so far as such access, information, and materials pertain to the operation of the Station. Seller also agrees that prior to the Closing Date, Buyer's engineer may inspect the Assets. Seller agrees to extend full cooperation to said engineer, including such access to the equipment and to logs pertaining thereto at such time or times as said engineer shall reasonably request, but upon reasonable prior notice to Seller.

8.5 **Restrictions on Buyer.** Other than as shall be provided pursuant to the terms of a TBA, Buyer shall not have any right to control the programming or operations of the Station prior to the Closing Date and Seller shall have complete control of the programming and operation of the Station between the date hereof and the Closing Date and shall operate the Station in conformity in all material respects with the requirements of law and this Agreement.

8.6 **Seller Covenants.** Seller shall give detailed written notice to Buyer promptly upon learning of the occurrence of any event that would cause or constitute a breach, or that would have caused a breach had such event occurred or been known to Seller prior to the date

hereof, of any of the representations or warranties contained in this Agreement. Seller shall use commercially reasonable efforts to cure any such event. Updates provided in order to comply with the covenant in this Section 8.6 will not have any impact on Buyer's Conditions to Closing or serve to limit Buyer's right to indemnification hereunder.

8.7 **Buyer's Covenants.** From the date of this Agreement until the Closing Date, Buyer covenants that it will take no action, or fail to take any action, that would disqualify it from becoming the licensee of the Station or delay the grant of the Assignment Applications by the Commission. Furthermore, Buyer shall give detailed written notice to Seller promptly upon learning of the occurrence of any event that would cause or constitute a breach, or that would have caused a breach had such event occurred or been known to Buyer prior to the date hereof, of any of the representations or warranties contained in this Agreement. Buyer shall use commercially reasonable efforts to cure any such event. Updates provided in order to comply with the covenant in this Section 8.7 will not have any impact on Buyer's Conditions to Closing or serve to limit Buyer's right to indemnification hereunder.

SECTION 9 **CONDITIONS FOR CLOSING**

9.1 **Closing.** Unless an earlier date is requested by Buyer, the Closing of the transactions contemplated by this Agreement (the "Closing") shall occur the later of: (i) not later than 12 months following the date of execution of the Option Agreement between the parties; or (ii) in the event a petition to deny has been filed against the Assignment Application, in which case closing shall occur within ten (10) business days after such grant has become a Final Order (the "Order") granting each Assignment Application, unless such requirement for finality is waived by Buyer in its sole discretion, in which case Closing shall occur within five business days of such waiver. In no event shall the parties be obligated to proceed to Closing if FCC approval has not been received, or if their respective conditions precedent to Closing set forth in Sections 9.2 and 9.3 have not been satisfied or waived. For purposes of this Agreement, the term "Final Order" shall mean an order of the Commission (including action duly taken by the Commission's staff, pursuant to delegated authority) which is not reversed, stayed, enjoined, or set aside, and with respect to which no timely request for stay, reconsideration, review, rehearing, or notice of appeal or determination to reconsider or review is pending, and as to which the time for filing any such request, petition, or notice of appeal or for review by the Commission, and for any reconsideration, stay, or setting aside by the Commission on its own motion or initiative, has expired. The Closing shall be accomplished on the Closing Date by exchanging the closing documents required by this Agreement and such other closing documents as the parties may reasonably require in person, by mail, by email, or air courier and by Buyer's delivery of the Purchase Price by wire transfer of immediately available funds.

If after Closing the Order is reversed or otherwise set aside, and there is an order of the Commission (or court of competent jurisdiction) requiring the re-assignment of the Commission Authorizations to Seller, then the purchase and sale of the Assets shall be rescinded. In such event, Buyer shall re-convey to Seller the Assets free and clear of Liens other than Permitted Liens, and Seller shall repay to Buyer the Purchase Price. Any such rescission shall be consummated on a mutually agreeable date within thirty days of the date such order becomes a

Final Order (or, if earlier, within the time required by such order). In connection therewith, Buyer and Seller shall each execute such documents (including execution by Buyer of instruments of conveyance of the Assets to Seller) and make such payments (including repayment by Seller to Buyer of the Purchase Price) as are necessary to give effect to such rescission.

9.2 **Conditions Precedent to Obligations of Buyer.** The obligation of the Buyer to consummate the Closing under this Agreement is subject to the satisfaction of each of the following express conditions precedent (provided that Buyer may, at its election, waive any of such conditions on or before the Closing Date, notwithstanding that such condition is not fulfilled) on the Closing Date:

9.2.1 Seller shall have delivered to Buyer the Seller's Closing Documents as described in Section 10.1 below.

9.2.2 Seller's representations and warranties contained in this Agreement shall each be true and correct in all material respects at and as of the Closing Date with the same force and effect as if each such representation or warranty was made at and as of such time, except in respect of such changes as are contemplated or permitted by this Agreement.

9.2.3 Seller shall have performed and complied in all material respects with all covenants, agreements, and obligations required by this Agreement to be performed or complied with by it prior to the Closing Date.

9.2.4 Seller shall be the holder of the Commission Authorizations.

9.2.5 The Commission shall have granted its consent to the Assignment Application for which Closing is occurring.

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

9.3 **Conditions Precedent to Obligations of Seller.** The obligation of the Seller to consummate the Closing under this Agreement is subject to the satisfaction of each of the following express conditions precedent (provided that Seller may, at its election, waive any of such conditions on or before the Closing Date, notwithstanding that such condition is not fulfilled) on the Closing Date:

9.3.1 Buyer shall have delivered to Seller the Buyer's Closing Documents as described in Section 10.2 below.

9.3.2 Each of Buyer's representations and warranties contained in this Agreement shall be true and correct in all material respects at and as of the Closing Date with the same force and effect as if each such representation or warranty was made at and as of such time, except in respect of such changes as are contemplated or permitted by this Agreement.

9.3.3 Buyer shall have performed and complied in all material respects with all covenants, agreements and obligations required by this Agreement to be performed or complied with by it prior to the Closing Date.

9.3.4 The Commission shall have granted its consent to the Assignment Application for which Closing is occurring.

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

SECTION 10

OBLIGATIONS AT CLOSING

10.1 **Closing Documents to be Delivered by Seller.** At each Closing, Seller shall deliver to Buyer the following ("Seller's Closing Documents"):

10.1.1 An executed Bill of Sale transferring to Buyer all Tangible Personal Property to be transferred hereunder, except as provided in Section 1.1.2 hereof.

10.1.2 An executed Assignment/Assumption Agreement assigning to Buyer the Assumed Obligations.

10.1.3 An executed Assignment of Licenses assigning the Commission Authorizations to Buyer.

10.1.4 An executed Assignment of Intangibles.

10.1.5 A certificate executed by Seller stating that the conditions set forth in Sections 9.2.2 and 9.2.3 have been satisfied.

10.1.6 A good standing certificate issued by the Secretary of State of Seller's jurisdiction of formation.

10.1.7 A certificate executed by Seller certifying the due authorization of this Agreement, together with copies of Seller's authorizing resolutions.

10.1.8 Any other instruments of conveyance, assignment, and transfer that may be reasonably necessary to convey, transfer, and assign the Assets from Seller to Buyer, free and clear of Liens, except for Permitted Liens.

10.2 **Closing Documents to be Delivered by Buyer.** At each Closing, in addition to the Purchase Price, Buyer shall deliver to Seller the following ("Buyer's Closing Documents"):

10.2.1 A certificate executed by Buyer stating that the conditions set forth in Sections 9.3.2 and 9.3.3 have been satisfied.

10.2.2 An Assignment/Assumption Agreement executed by Buyer assuming the Assumed Obligations (if any).

10.2.3 A good standing certificate issued by the Secretary of State of Buyer's jurisdiction of formation.

10.2.4 A certificate executed by Buyer certifying the due authorization of this Agreement, together with copies of Buyer's authorizing resolutions.

10.2.5 Such other documents and instruments of assumption that may be necessary to assume the Assumed Obligations.

SECTION 11 **BROKERAGE**

Seller and Buyer each represent and warrant to the other that each knows of no broker, finder, or intermediary who has been involved in the transactions provided for in this Agreement or who might be entitled to a fee or commission upon the consummation of such transactions.

SECTION 12 **INDEMNIFICATIONS**

12.1 **Breach of Seller's Agreements, Representations, and Warranties.** Subject to the limitations set forth herein, Seller shall indemnify and hold harmless Buyer from and against, any loss, damage, liability, obligation, deficiency, claim, suit, cause of action, demand, judgment, or expense (including without limitation, payments, fines, penalties, interest, taxes, assessments, and reasonable attorneys' fees and accounting fees), contingent or otherwise, whether incurred or asserted prior to or after the Closing Date, arising out of or sustained by reason of:

(a) any breach of any warranty or representation of Seller contained in this Agreement or in any certificate or other instrument furnished to Buyer pursuant to this Agreement or in connection with any of the transactions contemplated hereby;

(b) any default under any agreement of Seller included in this Agreement or in any certificate or other instrument furnished to Buyer pursuant to this Agreement or in connection with any of the transactions contemplated hereby;

(c) except for the Assumed Obligations, the operation of the Station or the ownership of the Assets prior to Closing (including, but not limited to, any and all claims, liabilities, and obligations arising or required to be performed by Seller under any lease, contract, or agreement prior to Closing);

(d) except for the Assumed Obligations, any transaction entered into by Seller or arising in connection with the Station or the operation of the business thereof or any of the Assets prior to the Closing; or

- (e) the Excluded Obligations.

12.2 **Breach of Buyer's Agreements, Representations and Warranties.** Buyer shall indemnify and hold harmless Seller from and against, any loss, damage, liability, obligation, deficiency, claim, suit, cause of action, demand, judgment, or expense (including without limitation, payments, fines, penalties, interest, taxes, assessments, and reasonable attorneys' fees and accounting fees), contingent or otherwise, whether incurred or asserted prior to or after the Closing Date, arising out of or sustained by reason of:

(a) any breach of any warranty or representation of Buyer contained in this Agreement or in any certificate or other instrument furnished to Seller pursuant to this Agreement or in connection with any of the transactions contemplated hereby;

(b) any default under any agreement of Buyer included in this Agreement or in any certificate or other instrument furnished to Seller pursuant to this Agreement or in connection with any of the transactions contemplated hereby;

(c) the operation of the Station or the ownership of the Assets subsequent to Closing;

(d) any transaction entered into by Buyer or arising in connection with the Station or the operation of the business thereof or any of the Assets subsequent to the Closing; or

- (e) the Assumed Obligations.

12.3 **Procedures.**

(a) The indemnified party shall give prompt written notice to the indemnifying party of any demand, suit, claim or assertion of liability by third parties that is subject to indemnification hereunder (a "Claim"), but a failure to give such notice or delaying such notice shall not affect the indemnified party's rights or the indemnifying party's obligations except to the extent the indemnifying party's ability to remedy, contest, defend, or settle with respect to such Claim is thereby prejudiced and provided that such notice is given within the time period described in Section 17.1.

(b) The indemnifying party shall have the right to undertake the defense or opposition to such Claim with counsel selected by it. In the event that the indemnifying party does not undertake such defense or opposition in a timely manner, the indemnified party may undertake the defense, opposition, compromise, or settlement of such Claim with counsel selected by it at the indemnifying party's cost (subject to the right of the indemnifying party to assume defense of or opposition to such Claim at any time prior to settlement, compromise or final determination thereof), *provided, however*, that no settlement may be entered into by the indemnified party without the mutual consent of the indemnifying party.

(c) Anything herein to the contrary notwithstanding: (i) the indemnified party shall have the right, at its own cost and expense, to participate in the defense, opposition, compromise, or settlement of the Claim; (ii) the indemnifying party shall not, without the

indemnified party's written consent, settle or compromise any Claim or consent to entry of any judgment which does not include the giving by the claimant to the indemnified party of a release from all liability in respect of such Claim; (iii) in the event that the indemnifying party undertakes defense of or opposition to any Claim, the indemnified party, by counsel or other representative of its own choosing and at its sole cost and expense, shall have the right to consult with the indemnifying party and its counsel concerning such Claim and the indemnifying party and the indemnified party and their respective counsel shall cooperate in good faith with respect to such Claim; and (iv) neither party shall have any liability to the other under any circumstances for special, indirect, consequential, punitive, or exemplary damages or lost profits or similar damages of any kind, whether or not foreseeable.

12.4 **Sole Remedy.** Except as provided to the contrary in this Agreement, the right to indemnification pursuant to this Section 12 shall be the sole and exclusive remedy of each party following the Closing in connection with any breach or other violation by the other party of its representations and warranties contained in this Agreement.

SECTION 13 **RISK OF LOSS**

The risk of any loss or damage to the Assets by fire, theft, breakage, explosion, earthquake, accident, flood, rain, storm, riot, act-of-God, or public enemy, or any other casualty or cause, reasonable wear and tear excepted, which impairs the ability of the Station to broadcast shall be borne by the Seller at all times before the Closing of this Agreement, and shall be borne by Buyer at all times from and after the Closing of this Agreement. If any such loss or damage occurs, Seller shall give prompt written notice of the loss or damage to Buyer, and Seller shall take all steps in the ordinary course of business to rebuild, replace, restore, or repair any such damaged property at its own cost and expense. In the event that Seller does not replace or restore in all material respects any such lost or damaged Asset or Assets having an aggregate replacement value of at least One Thousand Dollars (\$1,000) or which have a material adverse impact upon the operation of the Station by the time of Closing, then the parties shall proceed to Closing and Buyer shall accept the Assets in their then-current condition and the Purchase Price shall be reduced by the reasonably estimated cost to complete any such repair, replacement, or restoration as full satisfaction of any claim by Buyer against Seller with respect to the condition of any such Asset. Such reasonably estimated costs shall be agreed upon by the parties, but if the parties do not agree, costs will be determined by three qualified broadcast engineers, one selected by Buyer, one by Seller, and the third by the two engineers selected by the parties.

SECTION 14 **FEES AND EXPENSES**

Seller shall pay all attorneys' fees and expenses in connection with the negotiation, preparation and execution of this Agreement. Seller shall pay all filing fees associated with filing of the Assignment Applications. All other expenses incurred in connection with this transaction shall be borne by the party incurring same, except that Buyer shall be solely responsible for all governmental taxes, fees and charges applicable to the transfer of the Assets under this Agreement.

SECTION 15

BULK SALES LAW

The parties do not believe that any bulk sales or fraudulent conveyance statute applies to the transactions contemplated by this Agreement. Buyer therefore waives compliance by Seller with the requirements of any such statutes, and Seller agrees to indemnify and hold Buyer harmless against any claim made against Buyer by any creditor of Seller as a result of a failure to comply with any such statute.

SECTION 16

DEFAULT AND TERMINATION

16.1 **Termination.** This Agreement may be terminated prior to the Closing by either Buyer or Seller as the case may be, if the party seeking to terminate is not in material default or breach of this Agreement, upon written notice to the other promptly upon the occurrence of any of the following:

(a) by written notice of Buyer to Seller if Seller breaches its representations or warranties or defaults in the performance of its covenants contained in this Agreement and such breach or default is material in the context of the transactions contemplated hereby and is not cured within the Cure Period (as defined below);

(b) by written notice of Seller to Buyer if Buyer breaches its representations or warranties or defaults in the performance of its covenants contained in this Agreement and such breach or default is material in the context of the transactions contemplated hereby and is not cured within the Cure Period; *provided, however*, that the Cure Period shall not apply to Buyer's obligations to pay the Purchase Price at Closing;

(c) by Seller or Buyer if the Commission denies the Assignment Application or designates it for a trial-type hearing;

(e) if by six months from the date of execution of this Agreement the Closing has not been consummated by the parties to this Agreement.

16.2 A party shall be in "default" under this Agreement if it makes any material misrepresentation to the other party in connection with this Agreement, or materially breaches or fails to perform any of its representations, warranties, or covenants contained in this Agreement. Non-material breaches or failures shall not be grounds for declaring a party to be in default, postponing the Closing, or terminating this Agreement. If either party believes the other to be in default hereunder, the former party shall provide the other with written notice specifying in reasonable detail the nature of such default. The term "Cure Period" as used herein means a period commencing on the date Buyer or Seller receives from the other written notice of breach or default hereunder and continuing until the earlier of (i) fifteen (15) calendar days thereafter or (ii) the Closing Date determined under Section 9.1; *provided, however*, that if the breach or default is non-monetary and cannot reasonably be cured within such period but can be cured before the Closing Date determined under Section 9.1, and if diligent efforts to cure promptly commence, then the Cure Period shall continue as long as such diligent efforts to cure continue,

but not beyond the Closing Date determined under Section 9.1. Notwithstanding the foregoing, in the event of monetary default, time shall be of the essence, no notice shall be required or cure period afforded, and this Agreement may be terminated immediately.

16.3 Seller agrees that the Assets include unique property that cannot be readily obtained on the open market and that Buyer will be irreparably injured if this Agreement is not specifically enforced. Therefore, in the event of failure or threatened failure by Seller to comply with the terms of this Agreement, Buyer shall have the right specifically to enforce Seller's performance under this Agreement as its sole remedy, subject to obtaining any necessary Commission consent, and Seller agrees to waive the defense in any such suit that Buyer has an adequate remedy at law and to interpose no opposition, legal or otherwise, as to the propriety of specific performance as a remedy.

16.4 Buyer agrees that in the event Seller terminates this Agreement pursuant to Section 16.1(b), it is agreed that Seller shall be entitled to Ten Thousand Dollars (\$10,000.00) as liquidated damages as its sole and exclusive remedy for a breach by Buyer of this Agreement. The parties acknowledge and agree that payment of such amount shall constitute payment of liquidated damages and is not a penalty and that the liquidated damages amount is reasonable in light of the substantial but indeterminate harm anticipated to be caused by material breach or default under this Agreement, the difficulty of proof of loss and damages, the inconvenience and non-feasibility of otherwise obtaining an adequate remedy, and the value of the transactions to be consummated hereunder.

16.5 Except as provided by Section 16.4, the termination of this Agreement shall not relieve any party of any liability for breach or default under this Agreement prior to the date of termination.

SECTION 17

SURVIVAL OF WARRANTIES

17.1 All representations and warranties made in this Agreement shall survive the Closing for a period of one year, at which time they shall expire and be of no further force or effect. Any claim to indemnification in respect of a covenant or agreement shall be made within eighteen months of the Closing Date. In either case, if within such applicable period the indemnified party gives the indemnifying party written notice of a claim for breach thereof describing in reasonable detail the nature and basis of such claim, then such claim shall survive until the earlier of resolution of such claim or expiration of the applicable statute of limitations.

17.2 Except as set forth in this Agreement, neither the acceptance nor the delivery of property hereunder shall constitute a waiver of any covenant, representation, warranty, agreement, obligation, undertaking, or indemnification of Seller or Buyer contained in this Agreement, all of which shall, unless otherwise specifically provided, survive the Closing hereunder in accordance with the terms of this Agreement and shall be binding upon and inure to the benefit of all of the parties hereto, their heirs, legal representatives, successors, and assigns.

SECTION 18

NOTICES

18.1 Any notice, demand, or request required or permitted to be given under the provisions of the Agreement shall be in writing and shall be deemed to have been duly delivered on the date of personal delivery, on the date of confirmed facsimile transmission or confirmed delivery by a nationally recognized overnight courier service, or on the date of receipt if mailed by registered or certified mail, postage prepaid and return receipt requested, and shall be deemed to have been received if sent to the following addresses:

If to Seller:

The Proctor Group, Inc.
137 Magnolia Bend Dr.
Livingston, TX 77351
Telephone: (936) 252-1585
Email: broadcastbroker@livingston.net

Compass Communications of Idaho, Inc.
137 Magnolia Bend Dr.
Livingston, TX 77351
Telephone: (936) 252-1585
Email: broadcastbroker@livingston.net

If to Buyer:

Buckalew Media, Inc.
11675 Jollyville Road
Suite 100
Austin, TX 78759

Any party may change its address for notices by written notice to the other given pursuant to this Section. Any notice purportedly given by a means other than as provided in this Section shall be invalid and shall have no force or effect.

SECTION 19 **MISCELLANEOUS**

19.1 **Consultation.** Following Closing, Seller agrees that it will provide consultation services to Buyer on any and all matters pertaining to the operation of the Station and all matters concerning the upcoming broadcast spectrum auction. Seller shall be reimbursed travel expenses, as well as any out-of-pocket expenses that are incurred.

19.2 **Headings.** The headings of the Sections of this Agreement are for convenience of reference only, and do not form a part thereof, and do not in any way modify, interpret, or construe the meaning of the sections themselves or the intentions of the parties.

19.3 **Entire Agreement.** This Agreement (including the Schedules hereto) sets forth the entire agreement of the parties with respect to the subject matter hereof and is intended to supersede all prior negotiations, understandings, and agreements and cannot be altered, amended, changed, or modified in any respect unless each such alteration, amendment, change, or

modification shall have been agreed to by each of the parties hereto and reduced to writing in its entirety and signed and delivered by each party. No provision, condition, or covenant of this Agreement shall be waived by either party hereto except by a written instrument delivered to the other party and signed by the party consenting to and to be charged with such waiver. No party makes any representation or warranty with respect to the transactions contemplated by this Agreement except as expressly set forth in this Agreement.

19.4 **Binding Effect and Assignment.** This Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective successors and permitted assigns. Buyer may freely assign this Agreement to an entity under common control of Buyer upon written notice to Seller, provided that (i) any such assignment does not delay processing of the Assignment Application, grant of the Order or Closing, (ii) any such assignee delivers to Seller a written assumption of this Agreement and (iii) Buyer shall remain liable for all of its obligations hereunder. No assignment shall relieve any party of any obligation or liability under this Agreement. Nothing in this Agreement expressed or implied is intended or shall be construed to give any rights to any person or entity other than the parties hereto and their successors and permitted assigns.

19.5 **Additional Documents.** The parties hereto agree to execute, acknowledge, and deliver, at or after the Closing Date, such other and further instruments and documents as may be reasonably necessary to implement, consummate, and effectuate the terms of this Agreement, the effective vesting in Buyer of title to the Assets.

19.6 **Counterparts and Jurisdiction.** This Agreement shall be construed in accordance with the laws of the State of Idaho without regard to conflict of law provisions and the obligations of the parties hereto are subject to all federal, state, and local laws and regulations now or hereafter in force and to the rules, regulations, and policies of the FCC and all other government entities or authorities presently or hereafter to be constituted. Any action to enforce this Agreement shall be brought in the state or federal courts having jurisdiction over Bannock County, Idaho.

19.7 **Legal Actions.** If, notwithstanding the provisions of Section 14, either Seller or Buyer initiates any legal action or lawsuit against the other involving this Agreement, the prevailing party in such action or suit shall be entitled to receive reimbursement from the other party for all reasonable attorneys' fees and other costs and expenses incurred by the prevailing party in respect of that litigation, including any appeal, and such reimbursement may be included in the judgment or final order issued in such proceeding.

19.8 **Governing Law.** The parties agree that this Agreement and the transaction herein contemplated shall be interpreted, construed, and enforced under and according to the laws of the State of Idaho.

19.9 **Counsel.** Buyer and Seller each acknowledge that Dan J. Alpert, Esq. has drafted this Agreement, and that Dan J. Alpert has represented Seller in the past. Notwithstanding the forgoing, each party has been given an opportunity to consult with independent counsel in connection with the negotiation and preparation of this Agreement and, consequently, each party hereby waives the application of any rule of law to the effect that any provision of this

Agreement shall be interpreted or construed against the party whose counsel drafted that provision. Moreover, both parties hereby specifically waive any conflict of interest as may otherwise exist.

19.10 **Time is of the Essence.** Time shall be of the essence in this Agreement and the performance of each and every provision hereof.

19.11 **Severability.** If any term or provision of this Agreement or its application shall, to any extent, be declared to be invalid or unenforceable, so long as no party is deprived of the benefits of this Agreement in any material respect, the remaining terms and provisions shall not be affected and shall remain in full force and effect and to such extent are severable; *provided, however,* that nothing in this provision shall impair a party's rights pursuant to Sections 12 or 16 hereof.

19.12 **Publicity.** Seller and Buyer agree that, except as may be required by applicable law, all public announcements relating to this Agreement or the transactions contemplated hereby will be made only as may be agreed upon in writing by the parties, which consent shall not be unreasonably withheld.

19.13 **Confidentiality.** Buyer and Seller, and their respective employees, agents, and representatives, shall each keep confidential all non-public information obtained with respect to the other in connection with the negotiation and performance of this Agreement, except where such information is known or available through other lawful sources or where its disclosure is required in accordance with applicable law. If the transactions contemplated hereby are not consummated for any reason, Buyer and Seller, and their respective employees, agents, and representatives, shall return to the other, without retaining a copy thereof, any written information, including all financial information, obtained from the other in connection with this Agreement and the transactions contemplated hereby, and shall forever preserve the confidentiality of such information. The parties recognize that a breach of this covenant of confidentiality may cause substantial, irremediable harm to the other's business and therefore agree that injunctive relief would be appropriate to enforce any breach of this covenant.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed and executed by their proper individuals or officers thereunto duly authorized as of the day and year first above written.

SELLER:

**COMPASS COMMUNICATIONS OF
IDAHO, INC.**

By: Gerald Proctor
Gerald Proctor
President

THE PROCTOR GROUP, INC.

By: Gerald Proctor
Gerald Proctor
President

BUYER:

BUCKALEW MEDIA, INC.

By: Bob Buckalew
Name: Bob Buckalew
Title: President

LIST OF EXHIBITS AND SCHEDULES

- | | |
|----------------|------------------------------------|
| Schedule 1.1.1 | Commission Authorizations |
| Schedule 1.1.2 | List of Tangible Personal Property |
| Schedule 1.1.3 | Real Property and Leases |

SCHEDULE 1.1.1
Commission Authorizations

Station KFXP(DT), Facility No. 78910, Pocatello, Idaho

Auxiliary Station WPOP-469

SCHEDULE 1.1.2
List of Tangible Personal Property

Trevini Dell PE1750 PSIP generator Serial # 4TC4L61

Adtec 110BC Media Hub Pro HD Encoder

Harmonic BNG4 Mux Pro Serial # 020510012

Electrosys T613VZ 1kw UHF ATSC Transmitter Serial #08260588

SWR SWMPS28BF/31 Antenna, Coaxial Air Dryer and associated feed line

SCHEDULE 1.1.3

Description of Lease

There is no lease to be assumed.