

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM363865

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	ASSIGNMENT OF THE ENTIRE INTEREST AND THE GOODWILL		
SEQUENCE:	1		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Village Voice Media Holdings, LLC		01/08/2013	LIMITED LIABILITY COMPANY: DELAWARE
RECEIVING PARTY DATA			
Name:	Sound Publishing, Inc.		
Doing Business As:	Sound Publishing		
Street Address:	11323 Commando Rd W Unit Main		
City:	Everett		
State/Country:	WASHINGTON		
Postal Code:	98204		
Entity Type:	CORPORATION: WASHINGTON		
PROPERTY NUMBERS Total: 3			
Property Type	Number	Word Mark	
Registration Number:	3194119	SEATTLE WEEKLY	
Registration Number:	3138635	SEATTLE WEEKLY	
Registration Number:	2690516	BEST OF SEATTLE	
CORRESPONDENCE DATA			
Fax Number:	3603945863		
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i>			
Phone:	360-394-5860		
Email:	mgates@soundpublishing.com		
Correspondent Name:	Michael Gates		
Address Line 1:	11323 Commando Rd W Unit Main		
Address Line 4:	Everett, WASHINGTON 98204		
NAME OF SUBMITTER:	Michael Gates		
SIGNATURE:	/Michael Gates/		
DATE SIGNED:	11/30/2015		
Total Attachments: 49			
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ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (the "Agreement") is entered into this 8th day of January, 2013, (the "Agreement Date") by and between Seattle Weekly LLC, a Delaware limited liability company (the "Seller"), and Sound Publishing, Inc., a Washington corporation (the "Buyer").

WITNESSETH:

WHEREAS, the Seller is engaged in the publication and distribution of alternative newspapers, in print and online electronic versions, which print versions are distributed in Seattle (the "Business"); and

WHEREAS, Seller desires to sell to Buyer at the Closing, as hereinafter defined, and Buyer desires to purchase from Seller, certain assets of Seller and/or Village Voice Media Holdings, LLC (the "Parent") used exclusively in the Business, including, without limitation in connection with the publication of the print and online version of "Seattle Weekly" upon and subject to the terms and conditions contained herein;

WHEREAS, SF Weekly, LP ("SF"), an affiliate of Seller, and The San Francisco Newspaper Co., LLC, a Delaware limited liability company ("SFNC"), an affiliate of Buyer simultaneously desire to enter into an agreement pursuant to which such affiliate of Buyer, will purchase from SF certain assets of SF or its Parent that are used exclusively in the business carried on by SF in San Francisco, California (the "SF Transaction");

NOW, THEREFORE, IN CONSIDERATION of the premises and of the mutual representations, warranties and covenants which are made and to be performed by the respective parties, it is agreed as follows:

1. PURCHASE AND SALE OF ASSETS.

a. Assets. Subject to all of the terms and conditions of this Agreement, at the Closing, the Seller hereby agrees to sell, transfer and convey to Buyer, and Buyer agrees to purchase and acquire from Seller, free and clear of all liens, claims, charges, restrictions, security interests, equities, proxies, pledges or encumbrances of any kind, except as otherwise provided herein, all of the assets owned by either of the Seller or Parent used exclusively in the Business, including, without limitation, the assets as described in **Exhibit A** (the "Subject Assets"). Prior to Closing, Parent shall contribute or assign to Seller any of the Subject Assets owned by Parent, or otherwise cause such assets to be transferred to Buyer.

b. Excluded Assets. Notwithstanding the foregoing, the following assets of the Seller and Parent are expressly excluded from the purchase and sale contemplated hereby (the "Excluded Assets") and, as such, are not included in the Subject Assets:

(i) all cash, cash equivalents, and bank accounts held by the Seller as of the Closing;

(ii) the corporate seals, corporate records, tax records, minute books, transfer records, and other records related to the entity organization of the Seller;

(iii) all insurance policies and insurance plans of Seller, and all rights to applicable claims or proceeds thereof;

(iv) all personnel records, except as otherwise herein provided, and any other records that the Seller is required by law to retain its possession;

(v) any contracts or agreements of the Seller, Parent or any of the Excluded Entities that are not listed as Assumed Contracts on **Schedule 3**;

(vi) employee benefit plans and trusts or other assets attributable thereto;

(vii) all tax assets including any tax refunds and prepayments;

(viii) all rights to any actions, suits, causes of action or claims pending or available to be pursued by Seller or any Excluded Entity (as herein defined);

(ix) all rights that accrue to Seller under this Agreement (or any agreement or instrument entered into at Closing in connection herewith), the letter of intent between the parties hereto dated October 23, 2012 (the "Letter of Intent") or the Nondisclosure and Nonsolicitation Agreement between the Buyer and Parent dated April 17, 2012 (the "Nondisclosure Agreement");

(x) leases for any premises occupied or used by the Seller, and any security deposits associated therewith;

(xi) any deposits not included in **Section 1(b)(x)** above;

(xii) those assets set forth on **Exhibit B** attached hereto, and any intellectual property, software, hardware, technology or online platforms for the delivery of content or advertising listed therein which is currently utilized by the Seller;

(xiii) any and all assets related to backpage.com

(xiv) any season tickets owned by Seller or Parent; and

(xv) any other assets of Parent or any of the direct or indirect owners, members, affiliates or subsidiaries of Parent other than the Seller (collectively, the "Excluded Entities"), including, without limitation, any corporate records, personnel records, tax records, minute books, transfer records, or other records related to the corporate organization of the Excluded Entities, which are not used exclusively in, and do not exclusively relate to the Business, whether or not they include, in whole or in part, information that relates to the Seller (collectively, the "Excluded Assets").

c. Archived Content. Notwithstanding anything to the contrary set forth herein, the Subject Assets shall include all of Seller's right and interest in and to all archived editions of

Seattle Weekly and the content contained therein published prior to the Closing Date (“Archived Content” or “Content”) solely if and to the extent that Seller owns or has the right to use, distribute or re-publish such Content as of the Closing. Anything to the contrary herein notwithstanding, Buyer understands and agrees that: (i) to the extent such Content was written or created by a person that is not an employee of the Seller (“Third Party Creative Works”), the right to use any such Third Party Creative Works, in whole or in part, is subject to any written or oral agreements or understandings pertaining thereto, including, without limitation, freelancer and syndication agreements (“Third Party Creative Agreements”), and any third party ownership rights therein, including rights of one or more of the Excluded Entities; (ii) significant parts of the Archived Content are Third Party Creative Works, and the Third Party Creative Agreements are not included in the Subject Assets or Assumed Contracts, except for such agreements which relate solely to Content that was created exclusively for the Seller, and which are capable of being assigned without consent in connection with the transaction contemplated hereby; and (iii) Seller shall have no liability pursuant to this Agreement or otherwise for any Losses (herein defined) suffered or incurred by Buyer arising out of or resulting from any claims by third parties that Buyer has used, distributed or re-published Third Party Creative Works in violation of any third party rights therein.

2. CONSIDERATION.

a. Purchase Price. The parties agree that the purchase price for the Subject Assets shall be Five Hundred Thousand (\$500,000) Dollars (the “Purchase Price”), which shall be payable in cash in immediately available funds at the Closing.

b. Net Working Capital.

(i) Purchase. As part of this transaction, the Buyer will also purchase at the time of Closing the Net Working Capital (defined below) of the Seller for the sum of One Dollar (\$1.00). “Net Working Capital” shall be defined as the combined accounts receivable minus the combined accounts payable and accrued expenses, as recorded on the balance sheets of the Seller, prepared in a manner consistent with the Seller’s preparation of its balance sheets in the ordinary course, as of the Closing. Seller will conduct business in the ordinary course and operate in accordance with past practice with respect to accounts receivable, accounts payable, credit and collections between the date of this Agreement and the Closing.

(ii) Estimated Closing Working Capital. At the Closing, Seller shall prepare and deliver to Buyer a statement setting forth its good faith estimate of the Net Working Capital (excluding cash and cash equivalents) based upon the balance sheets of the Seller prepared in a manner consistent with the financials of the Seller (the “Estimated Closing Net Working Capital”), which statement shall contain an estimated balance sheet of the Seller as of the Closing Date (without giving effect to the transactions contemplated herein), a calculation of Estimated Net Working Capital (the “Estimated Closing Net Working Capital Statement”), and a certificate of the Chief Financial Officer of Seller that the Estimated Closing Working Capital Statement was prepared in a manner consistent with the past practice of the Seller as if such Estimated Closing Working Capital Statement was being prepared as of a fiscal year end.

(iii) Payment. If the Estimated Closing Net Working Capital is a negative number (i.e. less than zero), the Purchase Price payable at Closing pursuant to **Section 2(a)** will be decreased by the amount of the deficit. If the Estimated Closing Net Working Capital is a positive number, the Purchase Price payable pursuant to **Section 2(a)** will not be adjusted.

c. Post-Closing Date Purchase Price Adjustment.

(i) Closing Working Capital Statement. Promptly, on or after 90 days after the Closing Date, Buyer shall prepare and deliver to Seller (A) a statement setting forth its calculation of Net Working Capital as of Closing, excluding cash and cash equivalents (the "Closing Working Capital"), which statement shall be based upon the financial statements of the Seller as of the Closing (the "Closing Working Capital Statement"), and (B) actual collection of accounts receivable existing as of the Closing and included in Net Working Capital as of the 90th day following the Closing, which shall be certified by the Chief Financial Officer of Buyer and shall include a statement that the Closing Working Capital Statement was prepared using the same accounting methods, practices, principles, policies and procedures that were used by Seller in the preparation of the Estimated Closing Working Capital Statement, except that accounts receivable will include only accounts receivable actually collected as of such date.

(ii) Adjustment. If the amount of the Closing Working Capital is zero or greater, no adjustment shall be made. Subject to compliance by the Buyer with its obligations contained in **Section 2(c)(viii)** if the amount of the Closing Working Capital is less than zero, then Seller shall pay the deficit amount (the "Post-Closing Adjustment") to Buyer in cash upon expiration of the Review Period and Resolution Period as defined below (net of any payment made at Closing by Seller pursuant to **Section 2(c)(i)** above for any portion of such deficit amount already reflected in the Estimated Closing Net Working Capital and adjusted at Closing).

(iii) Review. After receipt of the Closing Working Capital Statement, Seller shall have 30 days (a "Review Period") to review the Closing Working Capital Statement prepared by Buyer. During the Review Period, Seller and Seller's accountants shall have full access to the relevant books and records of Buyer, the personnel of, and work papers prepared by, Buyer and/or Buyer's accountants to the extent that they relate to the Closing Working Capital Statement and to such historical financial information (to the extent in Buyer's possession) relating to the Closing Working Capital Statement as Seller may reasonably request for the purpose of reviewing the Closing Working Capital Statement and to prepare a Statement of Objections (defined below), provided, that such access shall be in a manner that does not interfere with the normal business operations of Buyer.

(iv) Objection. On or prior to the last day of such Review Period, Seller may object to the Closing Working Capital Statement by delivering to Buyer a written statement setting forth Seller's objections in reasonable detail, indicating each disputed item or amount and the basis for Seller's disagreement therewith (the "Statement of Objections"). If Seller fails to deliver the Statement of Objections before the expiration of the Review Period, the Closing Working Capital Statement and the related Post-Closing Adjustments reflected in the Closing Working Capital Statement shall be deemed to have been accepted by Seller. If Seller delivers the Statement of Objections before the expiration of the Review Period, Buyer and Seller shall negotiate in good faith to resolve such objections within 30 days after the delivery of the

Statement of Objections (the "Resolution Period"), and, if the same are so resolved within the Resolution Period, the Post-Closing Adjustment and the Closing Working Capital Statement with such changes as may have been previously agreed in writing by Buyer and Seller, shall be final and binding.

(v) Resolution of Disputes. If Seller and Buyer fail to reach an agreement with respect to all of the matters set forth in a Statement of Objections before expiration of the Resolution Period, then any amounts remaining in dispute ("Disputed Amounts" and any amounts not so disputed, the "Undisputed Amounts") shall be submitted for resolution to an impartial nationally recognized firm of independent certified public accountants, other than Seller's Accountants or Buyer's Accountants, appointed by mutual agreement of Buyer and Seller (the "Independent Accountants") who, acting as experts and not arbitrators, shall resolve the Disputed Amounts only and make any adjustments to the Post-Closing Adjustment and the Closing Working Capital Statement. The parties hereto agree that all adjustments shall be made without regard to materiality. The Independent Accountants shall only decide the specific items under dispute by the parties and their decision for each Disputed Amount must be within the range of values assigned to each such item in the Closing Working Capital Statement, and the Statement of Objections, respectively.

(vi) Fees of the Independent Accountants. Seller shall pay a portion of the fees and expenses of the Independent Accountants equal to 100% multiplied by a fraction, the numerator of which is the amount of Disputed Amounts submitted to the Independent Accountants that are resolved in favor of Buyer (that being the difference between the Independent Accountants' determination and Seller's determination) and the denominator of which is the total amount of Disputed Amounts submitted to the Independent Accountants (that being the sum total by which Buyer's determination and Seller's determination differ from the determination of the Independent Accountants). Buyer shall pay that portion of the fees and expenses of the Independent Accountants that Seller is not required to pay hereunder.

(vii) Determination by Independent Accountants. The Independent Accountants shall make a determination as soon as practicable within 30 days (or such other time as the parties hereto shall agree in writing) after their engagement, and their resolution of the Disputed Amounts and their adjustments to the Closing Working Capital Statement and/or the Post-Closing Adjustment shall be conclusive and binding upon the parties hereto.

(viii) Collection of Accounts Receivable. On and after the Closing Date, Buyer shall use reasonable commercial efforts, consistent with Buyer's past practice and industry standards to collect all accounts receivables of the Business which existed as of the Closing and included in Net Working Capital (the "Acquired Receivables"). Without limiting the generality of the foregoing, such efforts will include (i) sending monthly invoices and reminder accounts, and (ii) follow-up email and telephone calls where usually employed. Buyer shall not, however, be obligated to institute legal proceedings to collect any such Acquired Receivables or to turn any of such Acquired Receivables over to a collection agency. Buyer shall provide Seller with notice on each of the 30th, 60th and 90th day following the Closing of the Acquired Receivables which have been collected as of such date as well as any disputes of which Buyer is then aware regarding payment of such Acquired Receivables. Amounts received from account debtors as payment of any of the Acquired Receivables due from such account debtors shall be applied

against the oldest outstanding Acquired Receivable due from such account debtor. The foregoing rule regarding priority of application of payments shall also apply to any Returned Receivables (as defined below) but only with respect to, and to the extent of, amounts received by Buyer from the relevant account debtor within 60 days after the Returned Receivable is assigned to Seller (the "Continuing Payment Period"). Buyer shall not settle, discount or compromise any Acquired Receivable without Seller's prior consent.

In the event that Buyer has not received payment on any of the Acquired Receivables on or before the 90th day following the Closing despite compliance with the above procedures and Buyer seeks a Post-Closing Adjustment pursuant to this Section 2(c) as a result of such shortfall in Acquired Receivables, then, concurrently with receipt of payment of any adjustment, Buyer shall assign to Seller such Acquired Receivables which remain unpaid as of such date (the "Returned Receivables") and Seller shall thereafter be free to pursue collection of such Returned Receivables for its own account, at its own cost and expense using such lawful means as Seller may deem appropriate and Seller shall be entitled to retain all monies collected in respect thereof, and shall have no obligation to account to Buyer therefor. Any amounts received by Buyer with respect to a Returned Receivable (either specifically so designated by the account debtor or due to the rule regarding priority of application during the Continuing Payment Period) shall be promptly paid by Buyer to Seller or any party designated in writing by Seller and any amounts received by Seller on account of any Acquired Receivables still owned by Buyer shall be paid promptly to Buyer by Seller. Seller shall have the right to verify in a reasonable manner and upon reasonable advance notice to Buyer the application of payments by Buyer to Acquired Receivables and Returned Receivables.

d. Allocation of Purchase Price. Within thirty (30) days after the Closing Date, Seller shall deliver a schedule allocating the Purchase Price (including any Assumed Liabilities treated as consideration for the Subject Assets for tax purposes) (the "Allocation Schedule"). The Allocation Schedule shall be prepared in accordance with Section 1060 of the Code. The Allocation Schedule shall be deemed final unless Buyer notifies Seller in writing that Buyer objects to one or more items reflected in the Allocation Schedule within thirty (30) days after delivery of the Allocation Schedule to Buyer. In the event of any such objection, Seller and Buyer shall negotiate in good faith to resolve such dispute; provided, however, that if Seller and Buyer are unable to resolve any dispute with respect to the Allocation Schedule within thirty (30) days after the delivery of the Allocation Schedule to Buyer, such dispute shall be resolved by Independent Accountants (who may but need not be the same Independent Accountants appointed pursuant to **Section 2(c)(v)**). The fees and expenses of such Independent Accountants shall be borne equally by Seller and Buyer. Seller and Buyer agree to file their respective IRS Forms 8594 and all federal, state and local tax returns in accordance with the Allocation Schedule.

e. Non-assignable Assets.

(i) Notwithstanding anything to the contrary in this Agreement, and subject to the provisions of this **Section 2(e)**, to the extent that the sale, assignment, transfer, conveyance or delivery, or attempted sale, assignment, transfer, conveyance or delivery, to Buyer of any Subject Asset would result in a violation of applicable law, or would require the consent, authorization, approval or waiver of a person who is not a party to this Agreement or an affiliate of a party to

this Agreement (including any Governmental Authority), and such consent, authorization, approval or waiver shall not have been obtained prior to the Closing, this Agreement shall not constitute a sale, assignment, transfer, conveyance or delivery, or an attempted sale, assignment, transfer, conveyance or delivery, thereof; provided, however, that, subject to the satisfaction or waiver of the conditions contained in **Section 10**, the Closing shall occur notwithstanding the foregoing without any adjustment to the Purchase Price on account thereof. Following the Closing, Seller and Buyer shall use commercially reasonable efforts, and shall cooperate with each other, to obtain any such required consent, authorization, approval or waiver, or any release, substitution or amendment required to novate all liabilities and obligations under any and all assigned contracts or other liabilities that constitute Assumed Liabilities, as herein defined, or to obtain in writing the unconditional release of all parties to such arrangements, so that, in any case, Buyer shall be solely responsible for such liabilities and obligations from and after the Closing Date; provided, however, that neither Seller nor Buyer shall be required to pay any consideration therefor. Once such consent, authorization, approval, waiver, release, substitution or amendment is obtained, Seller shall sell, assign, transfer, convey and deliver to Buyer the relevant Subject Asset to which such consent, authorization, approval, waiver, release, substitution or amendment relates for no additional consideration. Applicable sales, transfer and other similar Taxes in connection with such sale, assignment, transfer, conveyance or license shall be paid by Buyer in accordance with **Section 9(c)**.

(ii) To the extent that any Subject Asset and/or Assumed Liability cannot be transferred to Buyer following the Closing pursuant to this **Section 2(e)**, Buyer and Seller shall use commercially reasonable efforts to enter into such arrangements (such as subleasing, sublicensing or subcontracting) to provide to the parties the economic and, to the extent permitted under applicable Law, operational equivalent of the transfer of such Subject Asset and/or Assumed Liability to Buyer as of the Closing and the performance by Buyer of its obligations with respect thereto. Buyer shall, as agent or subcontractor for Seller pay, perform and discharge fully the liabilities and obligations of Seller thereunder from and after the Closing Date. To the extent permitted under applicable law, Seller shall, at Buyer's expense, hold in trust for and pay to Buyer promptly upon receipt thereof, such Subject Asset and all income, proceeds and other monies received by Seller to the extent related to such Subject Asset in connection with the arrangements under this **Section 2(e)**. Seller shall be permitted to set off against such amounts all direct costs associated with the retention and maintenance of such Subject Assets. Notwithstanding anything herein to the contrary, the provisions of this **Section 2(e)** shall not apply to any consent or approval required under any antitrust, competition or trade regulation law, which consent or approval shall be governed by **Section 14**.

(iii) Anything to the contrary herein notwithstanding, Seller will request that the software vendors set forth in **Schedule 2(e)(iii)** approve the Seller's transfer of the software licenses set forth in such Schedule to Buyer at no cost to the Seller. Seller's obligation to Buyer is only to request the vendors' approval for such transfer. In the event Seller is unsuccessful in gaining said approval, Seller shall have no further obligation to the Buyer, and all of such license agreements shall be thereafter deemed Excluded Assets to the extent that consent to transfer is not obtained. If Seller is successful in gaining approval of such software vendors for the transfer of licenses, Buyer agrees to assume all obligations pursuant to such license agreements arising on or after the Closing, including without limitation, all royalties, transfer costs, fees of any kind or maintenance of the software so transferred, all of which shall be deemed Assumed Contracts.

3. ASSUMED LIABILITIES

Buyer agrees to assume, pay, perform and discharge when due, the following obligations of Seller:

(i) to perform and fulfill all obligations of Seller pursuant to those agreements listed on **Schedule 3** which are required to be performed or fulfilled on or after the Closing Date (but excluding any liabilities arising out of any breaches or failure to perform by Seller occurring prior to the Closing) (“Assumed Contracts”);

(ii) all current liabilities of the Seller included in Net Working Capital, including without limitation all trade payables;

(iii) the Buyer Retained Employee Obligations as defined in Section 5(c) hereof; and

(iv) all obligations and liabilities arising out of or relating to Buyer’s ownership and operation of the Business and the Subject Assets, on or after the Closing (collectively, the “Assumed Liabilities”).

4. THE CLOSING.

a. Closing Date. The closing of the transactions contemplated hereunder (the “Closing”) shall take place at the offices of White and Williams LLP at such time as the parties may agree but, subject to **Section 17** hereof, not later than January 8, 2013 and shall occur simultaneously with the SF Transaction. The term “Closing Date” as used herein shall be defined as the date upon which the Closing occurs.

b. Seller’s Obligations at Closing. At Closing, Seller shall deliver to Buyer the following instruments and documents on the terms and subject to the conditions set forth in this Agreement, in form and substance reasonably satisfactory to Buyer and its counsel:

(i) A Bill of Sale as to the Subject Assets;

(ii) Specific assignments, proper for filing, as to registrations of any intellectual property rights which are included in the Subject Assets;

(iii) An Assignment and Assumption Agreement relating to Assumed Liabilities;

(iv) Subject to the provisions of **Section 2(e)** above, all third party consents required to transfer the Subject Assets and assign the Assumed Contracts as contemplated by this Agreement which have been received on or prior to the Closing Date;

(v) evidence of release of all liens on the Subject Assets;

(vi) Copies of amendments to the organizational documents of Seller, to be filed after Closing, changing the name of the Seller to one not including "Seattle Weekly" or any similar name.

(vii) A copy of resolutions of the General Partner, Managers or authorized officers of the Seller, authorizing the execution, delivery and performance of this Agreement and the other documents referred to herein to be executed by Seller, and the consummation of the transactions contemplated hereby;

(viii) An executed copy of the Transition Services Agreement, as hereinafter defined;

(ix) Within five (5) days of the Closing Date, a schedule setting forth the accounts receivable, accounts payable and accrued expenses of Seller to be assumed by Buyer as of the date which is five (5) business days prior to the Closing Date; and

(x) An executed copy of such other agreements as shall be reasonably required in order to consummate the transactions contemplated hereunder.

c. Buyer's Obligations at Closing. At Closing, Buyer shall deliver to Seller the following on the terms and subject to the conditions set forth in this Agreement in form and substance reasonably satisfactory to Seller:

(i) The Purchase Price in cash as provided in **Section 2(a)** above;

(ii) Appropriate assumptions as provided in **Section 3** above;

(iii) A copy of resolutions of the General Partner, Managers or authorized officers of Buyer, authorizing the execution, delivery and performance of this Agreement and the other documents referred to herein to be executed by Buyer, and the consummation of the transactions contemplated hereby;

(iv) An Assignment and Assumption Agreement relating to Assumed Liabilities;

(v) An executed copy of the Transition Services Agreement, as hereinafter defined; and

(vi) An executed copy of such other agreements as shall be reasonably required in order to consummate the transactions contemplated hereunder.

d. Buyer's Obligations After Closing. After the Closing, Buyer will permit Seller to review and copy any of the business records of Seller that have been delivered to Buyer at any time requested by Seller for the preparation of tax returns, for the defense of tax returns previously filed, for the purpose of preparing financial statements for periods of time during which Seller owned the Subject Assets, and to enable defense of claims by Buyer or by third parties relating to conduct pursuant to this Agreement or to the operation of the Subject Assets prior to the Closing. In order to facilitate the foregoing, or for any other reasonable purpose, for a

period of seven (7) years after the Closing, Buyer shall: (i) retain the books and records of Seller (including personnel files) relating to periods prior to the Closing in a manner reasonably consistent with the prior practices of Seller; (ii) provide Seller with thirty (30) days written notice prior to destruction of any books and records at any time after Closing; and (iii) upon reasonable notice, afford the Seller's representatives reasonable access (including the right to make, at Seller's expense, photocopies), during normal business hours, to such books and records, however Buyer shall in no event be obligated to provide the other party with access to any books or records where such access would violate any law.

5. EMPLOYEES

a. No Obligation to Employees. Buyer will provisionally hire all existing employees of Seller ("Provisionally Hired Employees"). Except as specifically set forth in this Agreement, Buyer does not assume any obligation to any present or past employee of Seller as a result of this transaction and Seller shall satisfy any and all of Seller's obligations to any present or past employee of Seller nor shall the Buyer assume any severance liability under Seller's policies or plans or become liable to compensate any Provisionally Hired Employees, except as specifically provided herein.

b. Employment Offers. Buyer's provisional employment terms offered to Provisionally Hired Employees shall be at salaries comparable to their current salary and with benefits consistent with benefits provided by Buyer to its other employees in similar employment positions. With respect to Provisionally Hired Employees who are not terminated by Buyer on or before January 31, 2013 as provided in Section 5(c) and are retained by the Buyer ("Retained Employees"), after the expiry of the Employee Termination Period (as hereafter defined), Buyer shall offer employment terms to such employees comparable to its other employees in similar positions taking into account the responsibilities and experience of such employees. Such terms of employment shall include coverage for health and other employee benefits under its policies from and after February 1, 2013 with respect to the Retained Employees. Buyer assumes all obligations to such Retained Employees accruing after the Closing (the "Buyer Retained Employee Obligations") and will indemnify and hold harmless Seller from any such obligations to Retained Employees.. Notwithstanding the foregoing, Seller will pay amounts owing to Retained Employees representing accrued vacation pay, if any, ("Retained Vacation Accrual") due and payable to such Retained Employees for the period prior to Closing.

c. Terminated Employees. During the period commencing on the Closing Date and ending January 31, 2013 (the "Employee Termination Period"), Buyer may terminate the employment of any Provisionally Hired Employees by delivering written notice of such termination prior to the expiration of the Employee Termination Period to the Provisionally Hired Employees whom Buyer wishes to terminate (the "Terminated Employees") and to the Seller. Seller will retain responsibility for severance and accrued vacation, if any, due to the Terminated Employees pursuant to Seller's policies in effect as of the Closing ("Reassumed Employee Termination Obligations") and Buyer assumes no responsibility with respect to such obligations other than with respect to severance or other commitments made by Buyer without the express consent of Seller, and provided further, that Buyer shall be solely responsible for all compensation due and payable to such Provisionally Hired Employees for the period commencing on the Closing and up to the termination of any Provisionally Hired Employees by

Buyer, and for any obligations, liabilities, claims, suits, actions or proceedings arising out of any violation of law by Buyer with respect to any of such employees, including, without limitation, any claims that Buyer violated any Laws relating to taxes and withholding, social security, disability or other statutorily mandated contributions, workers' compensation, unemployment, immigration, equal employment opportunity, discrimination or similar matters during the time that any of the Provisionally Hired Employees are employed by Buyer (including during the Employee Termination Period) such liabilities referenced in this proviso being referred to herein as "Buyer Responsible Employee Obligations". Seller shall also be responsible for delivery of notices to such employees under COBRA as provided in **Section 5(e)** below.

d. Personnel Records. The Subject Assets do not include the personnel records of Seller's employees. Those personnel records remain the property of Seller, but Buyer may have access to and may copy such personnel records as Buyer may require for a period of five years from the Closing Date solely with respect to Retained Employees who continue in the employ of Buyer after the Employee Termination Period. If Buyer employs, at Closing or at a later date, any of Seller's employees, and such employees continue in the employ of Buyer after the Employee Termination Period, Seller agrees to transfer the personnel records for Retained Employees to Buyer upon receipt of authorization from the applicable employees. If Seller delivers those personnel records to Buyer, Seller may have access to and may copy those records at any time for up to five years following the delivery of the records as needed for any business, regulatory or tax purpose.

e. Notifications. Seller agree to timely comply with all Laws and regulations applicable to their employees in relation to this transaction including, without limitation, the federal Worker Adjustment and Retraining Notification Act (WARN). Seller will provide all of Seller's employees the requisite notices under the Consolidated Omnibus Budget Reconciliation Act of 1986 ("COBRA") and will proceed as required by that law. Buyer agrees to notify Seller as soon as practicable after determining that an employee will not be retained in accordance with **Section 5(b)** hereof, and in any case not later than January 31, 2013, of any of Seller's employees that are employed by Buyer after the Closing and the eligibility of those employees to participate in any benefit plans of Buyer, so Seller can comply with COBRA.

6. REPRESENTATIONS AND WARRANTIES BY SELLER.

Seller and Parent jointly and severally represent and warrant to Buyer as follows:

a. General Representations.

(i) Due Execution. The execution and delivery of this Agreement, and the consummation of this transaction by the Seller is duly authorized, and no further authorization, corporate or otherwise, is necessary on the part of any of them. There are no consents or approvals which Seller requires in order to enter into the transactions contemplated hereunder.

(ii) Organization, Good Standing and Qualification. The Seller is duly organized, existing, and in good standing under the Laws of the State of Delaware, and in any other state or jurisdiction where the nature of its business, past, present, or intended, requires such qualification. The Seller has all requisite corporate power and authority to carry on its

business as now conducted and possesses all governmental and other permits, licenses and other authorizations necessary to own, lease or operate its assets and properties as now owned, leased and operated and to carry on its business as presently conducted.

(iii) Clear Title. Upon Closing, except as otherwise expressly provided herein or the Schedules or Exhibits hereto, Buyer shall acquire title to the Subject Assets, subject to no other liens, claims or restrictions.

(iv) Tax Matters. The Seller has duly and timely filed all federal, state, local, and foreign tax returns (including income, excise, unemployment, social security, occupation, franchise, property, sales and use taxes, import duties or charges, or other assessments and all penalties and interest in respect thereof (collectively "Taxes")), and paid all federal, state, local, and foreign taxes due. There are no tax liens (other than liens for current Taxes not yet due) upon, or which could be asserted in the future upon, any of the Subject Assets.

(v) Debts or Claims. Except as set forth in **Schedule 6(a)(v)**, the Seller has no encumbrances, debts, obligations or claims against Seller's assets that limit the right of Seller to use or transfer the Subject Assets, or which would restrict the Buyer's right to use the Subject Assets after Closing in the ordinary course of operating the Business consistent with past practice.

(vi) Pending Litigation. To the best of the Seller's knowledge, there is no legal or administrative suit, action, order, decree, arbitration, governmental investigation or other proceeding pending or threatened, involving the Seller or the Subject Assets, other than those as listed in **Schedule 6(a)(vi)**. To the best of the Seller's knowledge, there are no facts or situations that are reasonably likely to result in any legal or administrative suit, action, arbitration, governmental investigation or other proceeding, involving the Seller or the Subject Assets, or which would restrict the Buyer's right to use the Subject Assets after Closing in the ordinary course of operating the Business consistent with past practice.

(vii) Right to Use Intellectual Property. Except as set forth in Schedule 6(a)(vii): (1) Seller or Parent is the owner of the Intellectual Property set forth in Section 4 of Exhibit A (the "Intellectual Property"); and (2) Seller is not aware of any adverse claim as to any such Intellectual Property.

(viii) Restrictive Contracts and Commitments. The Seller is not a party to, subject to or obligated under any agreement, commitment, contract or obligation, whether written or oral, express or implied, that limits the right of the Seller to use or transfer the Subject Assets, or which would restrict the Buyer's right to use the Subject Assets after Closing in the ordinary course of operating the Business consistent with past practice.

(ix) Compliance with Applicable Law. To the best of the Seller's knowledge, the Seller is presently duly complying in all material respects, in the conduct of its business and the ownership of its assets with all applicable Laws, whether statutory or otherwise, rules, regulations, orders, ordinances, judgments and decrees of all governmental authorities (collectively, "Laws"). The Seller has not received any notice of a possible violation of any applicable Laws, or any other Law or requirement relating to or affecting the Seller.

(x) No Other Obligations. The Seller does not know of any basis for the assertion against the Seller of any liability or obligation of any nature that limits the right of the Seller to use the Subject Assets in the ordinary course of the Business or to transfer the Subject Assets as contemplated hereby, or which would restrict the Buyer's right to use the Subject Assets after Closing in the ordinary course of operating the Business consistent with past practice.

(xi) Non-Contravention. Except as listed in **Schedule 6(a)(xi)**, the execution and delivery of this Agreement and all agreements, documents and instruments executed and delivered by the Seller pursuant hereto and the performance of the transactions contemplated by this Agreement and such other agreements, documents and instruments, do not and will not: (i) violate or result in a violation of, conflict with or constitute or result in a violation of or default (whether after the giving of notice, lapse of time or both) or loss of benefit under any material contract or obligation to which the Seller is a party or by which its assets are bound, or any provision of the certificate of incorporation, by-laws or other constitutive document of the Seller; (ii) violate or conflict with in any material way, or result in a material violation of, or constitute a material default (whether after the giving of notice, lapse of time or both) under, any provision of any Law, or any order of, or any restriction imposed by, any court or Governmental Authority applicable to the Seller; (iii) require from the Seller any notice to, declaration or filing with, or consent or approval of any Governmental Authority or other third party; or (iv) violate or result in a violation of, or constitute a default (whether after the giving of notice, lapse of time or both) under, accelerate any obligation under, or give rise to a right of termination of, any material agreement, permit, license or authorization to which the Seller is a party or by which the Seller is bound.

(xii) Brokers. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement based upon any arrangements made by or on behalf of the Seller.

b. Employment Representations And Warranties.

(i) Compliance with Laws. To the best of Seller's knowledge, the Seller has been, and continue to be, in compliance with any and all applicable Laws and regulations regarding employees, including, but not limited to, employment practices, terms and conditions of employment, wages and hours, occupational safety and health, workers compensation insurance obligations, unemployment fund contributions, the provisions of the National Labor Relations Act, and the employment of non-residents under the Immigration Reform and Control Act of 1986.

(ii) No Collective Bargaining. The Seller is not a party to any union or collective bargaining agreement.

c. Financial Representations. The Income Statement for the eleven month period ended November 30, 2012 attached hereto as Schedule 6(c) are pro forma statements prepared in accordance with the books, records and accounts of the Seller and presents fairly in all material respects the revenues of the Business as of the dates and periods indicated thereon; provided, however, that such Income Statement does not include certain inter-company revenue derived

from affiliates of Seller which will not continue after the Closing, but does include intercompany revenues from national advertising as delineated in such Income Statement. The Seller has no knowledge of any facts which are reasonably likely to result in revenues between December 1, 2012 and Closing being materially less than for the prior monthly periods during calendar year 2012, other than differences caused by ordinary course seasonal fluctuations and variations from issue to issue. The foregoing is not intended to and does not guarantee or represent that future revenues will be consistent with past revenues or that such results are achievable by Buyer and Seller makes no representations regarding financial projections or profitability of the Business or the continuation of any relationships with particular advertisers.

d. Contracts. With respect to Assumed Contracts, all such contracts are valid and binding obligations of Seller, and to the Knowledge of Seller, of each other party thereto and each is in full force and effect, except to the extent that such enforcement is limited by or subject to (i) applicable bankruptcy, insolvency, reorganization, moratorium or other similar Laws, now or hereafter in effect, relating to creditors' rights generally and (ii) equitable remedies of specific performance and injunction and other forms of equitable relief and may be subject to equitable defenses and to the discretion of the courts before which any proceeding therefor may be brought. Seller has performed all material obligations required to be performed by it under each Assumed Contract as of the date hereof in all material respects and to the Knowledge of Seller, Seller is not in material defaults under any of the material terms of any Assumed Contracts, that individually or in the aggregate, have had or are reasonably likely to have a material adverse effect on the Business as operated by Seller in the ordinary course consistent with past practice.

e. Advertisers. Seller has provided Buyer with "run lists" by issue of advertisers who have advertised in Seattle Weekly LLC during the fourth quarter of 2012. Such run lists are accurate and complete in all material respects.

f. No Other Representations and Warranties. Except for the representations and warranties contained in this **Section 6**, (including the related portions of the Schedules), neither Seller, Parent nor any other person has made or makes any other express or implied representation or warranty, either written or oral, on behalf of Parent or Seller, including any representation or warranty as to the accuracy or completeness of any information regarding the Business and the Subject Assets furnished or made available to Buyer and its representatives, or as to the future revenue, profitability or success of the Business, or any representation or warranty arising from statute or otherwise in law.

7. ACTUAL KNOWLEDGE.

Any representations or warranties made as to "Seller's actual knowledge and belief" or to the "best of Seller's knowledge" or words of like import shall be deemed to be breached only if Jeff Mars or Scott Tobias had actual knowledge of the falsity of such representation or of the breach of such warranty.

8. REPRESENTATIONS AND WARRANTIES BY BUYER.

a. Due Execution and Resources. The execution and delivery of this Agreement, and all other agreements, documents and instruments executed and delivered by the Buyers as

contemplated hereby, and the consummation of this transaction by the Buyer, are duly authorized, and no further authorization, corporate or otherwise, is necessary on the part of any of them. Buyer has the adequate resources to pay the Purchase Price at Closing as required herein. There are no consents or approvals which Buyer requires in order to enter into the transactions contemplated hereunder. This Agreement and all documents executed by the Buyer pursuant hereto are valid and binding obligations of the Buyer, as the case may be, enforceable in accordance with their terms.

b. Organization, Good Standing and Qualification. The Buyer is duly organized, existing, and in good standing under the Laws of the State of Delaware, and in any other state or jurisdiction where the nature of its business, past, present, or intended, require such qualification. Buyer has full corporate power and authority to own its properties and to carry on its business as now conducted and proposed to be conducted, to enter into and perform this Agreement and the agreements contemplated hereby to which it is a party, and to carry out the transactions contemplated hereby and thereby. Buyer possesses all governmental and other permits, licenses and other authorizations to own, lease or operate its assets and properties as now owned, leased and operated and to carry on its business as presently conducted.

c. Non-Contravention. The execution and delivery of this Agreement and all agreements, documents and instruments executed and delivered by the Buyer pursuant hereto and the performance of the transactions contemplated by this Agreement and such other agreements, documents and instruments, do not and will not:

(i) violate or result in a violation of, conflict with or constitute or result in a violation of or default (whether after the giving of notice, lapse of time or both) or loss of benefit under any material contract or obligation to which the Buyer is a party or by which its assets are bound, or any provision of the certificate of incorporation, by-laws or other constitutive document of the Buyer;

(ii) violate or conflict with in any material way, or result in a material violation of, or constitute a material default (whether after the giving of notice, lapse of time or both) under, any provision of any Law, or any order of, or any restriction imposed by, any court or Governmental Authority applicable to the Buyer;

(iii) require from the Buyer any notice to, declaration or filing with, or consent or approval of any Governmental Authority or other third party; or

(iv) violate or result in a violation of, or constitute a default (whether after the giving of notice, lapse of time or both) under, accelerate any obligation under, or give rise to a right of termination of, any material agreement, permit, license or authorization to which the Buyer is a party or by which the Buyer is bound.

d. Brokers. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement based upon any arrangements made by or on behalf of the Buyer.

9. OTHER AGREEMENTS.

a. Confidentiality and Press Releases. Seller and Buyer each agree that as an express term of this Agreement and as a condition of entering into this Agreement and providing the consideration as set forth herein:

(i) They will each treat confidentially all Confidential Information (herein defined) and any other information relating the other party and their business or operations that may be furnished to them or their agents and representatives, whether furnished before or after the date of this Agreement, whether furnished orally or in writing or gathered by inspection, and regardless of whether specifically identified as "confidential," together with any analyses, compilations, studies or other documents furnished. "Confidential Information" means all information disclosed by the provider thereof or their representatives (collectively, the "Provider") to the recipient thereof or recipient's representatives (collectively, the "Recipient") related to the Seller, the Parent, their affiliates, or the Business, the Buyer or the transactions contemplated hereby, whether or not reduced to writing and whether or not patentable or protectable by copyright or the law of trade secrets, which is not generally known to others. "Confidential Information" includes, but is not limited to, information such trade secrets, technical know-how, concepts, ideas, policies, guidelines, procedures, practices, research and product development activities, business plans and marketing plans, financial, statistical and accounting information, personnel information, patient information, litigations, disputes, investigations, competitive market information, pricing, terms of contracts with suppliers, contractors, customers, clients, patients or users of their services, terms of proposals submitted to potential suppliers, contractors, customers, clients, patients or users of their services, and similar information, as well as, for the avoidance of doubt, information disclosed by Provider relating to employees, contractors, customers, clients, patients or users of services which, if released, would cause an unlawful invasion of privacy or any compilation or summary of information or data including as prepared by Recipient or its representatives that contains or is based on any of the foregoing. Notwithstanding the foregoing, "Confidential Information" shall not include information which:

(1) at the time of disclosure to the Recipient is or thereafter becomes part of the public domain through no act or omission of the Recipient or its representatives;

(2) was in the Recipient's lawful possession prior to the disclosure to the Recipient, as shown by written records in existence prior to such disclosure;

(3) is hereafter lawfully disclosed to the Recipient by a person under no obligation of confidentiality to Provider with respect to such information; or

(4) is hereafter independently developed, as shown by written records maintained contemporaneously with such development, by a representative of the Recipient having no knowledge of or access to any Confidential Information disclosed hereunder.

The Recipient shall have the burden of demonstrating that information which would otherwise constitute Confidential Information is within the scope of one or more of the immediately preceding four subparagraphs.

(ii) Recipient agrees not to use any of the Confidential Information for any purpose other than the evaluation and consummation of the transactions contemplated hereby. Recipient agrees after having been furnished with Confidential Information, such information will be kept confidential by Recipient and its representatives: provided, however, that any of such Confidential Information may be disclosed to those Recipient's representatives who need to know such Confidential Information for the purpose of evaluating and consummating the transactions contemplated hereby (it being understood that such representatives shall be informed by Recipient of the confidential nature of such information and shall be directed by Recipient to treat such information confidentially in accordance with this Agreement and Recipient guaranties such compliance by such representatives). Recipient agrees not to alter, decompile, disassemble, reverse engineer, or otherwise modify any Confidential Information received hereunder and the mingling of the Confidential Information with Recipient's own information shall not affect the confidential nature or ownership of the same as stated hereunder.

(iii) Recipient will be responsible for any breach of this Agreement by its representatives and for any claims, losses, liabilities and damages resulting therefrom. Recipient agrees to take, at its sole expense, all best efforts measures, including, but not limited to, court proceedings, to restrain its representatives from unauthorized disclosure or use of the Confidential Information. If the transaction contemplated hereby requires participation, directly or indirectly, by a third party, Recipient agrees that such third party will execute a confidentiality agreement satisfactory to Provider prior to disclosure to such third party of any Confidential Information.

(iv) Without the prior consent of the Provider, which shall not be unreasonably withheld, Recipient will not, and will direct its representatives not to, disclose to any third person, either the fact that discussions or negotiations are taking place concerning a possible transaction, or any of the terms, conditions or other facts with respect to any such possible transaction, including the status thereof. Notwithstanding the foregoing and the provisions of this **Section 9**, the parties agree that Buyer is aware the Seller is talking to other potential buyers of the Subject Assets.

(v) In the event that Recipient or anyone to whom Recipient supplies the Confidential Information is requested pursuant to, or is required by, applicable law, regulation, legal process or stock exchange rule to disclose any of the Confidential Information or information covered above, Recipient will provide prompt written notice of such event to Provider and will furnish or disclose only that portion of the Confidential Information or information which Recipient is advised by counsel it is legally required so to do and, if applicable under the circumstances, will exercise its reasonable efforts to obtain reliable assurance that confidential treatment will be accorded such information.

(vi) Recipient acknowledges and agrees that this Agreement and the disclosure of Confidential Information by Provider or its representatives do not constitute a license to use such Confidential Information (other than as contemplated by this Agreement). Without limitation, Recipient will not use the Confidential Information to distribute or sell or provide any services based upon or incorporating Confidential Information. The Confidential Information may include patents and other intellectual property protected by patent laws or intellectual property laws (whether U.S. laws or laws of other countries). Nothing herein shall be deemed to

limit, modify, alter or diminish all remedies that may be available to Provider under such laws for any unauthorized use of Confidential information.

(vii) Buyer agrees not to contact any representatives of Seller or Parent regarding the transaction contemplated hereby, directly or indirectly, without the prior written consent of Seller or Parent. When such consent has been granted, Buyer further agrees to communicate with Seller or Parent about the transaction contemplated hereby only through designated contact persons unless Seller and Parent otherwise agree in writing. Seller makes no representation or warranty as to the accuracy or completeness of the Confidential Information provided to Buyer.

(viii) Seller and Buyer will not release any information to the public with regard to this Agreement, or the transactions contemplated hereby. The terms of this Agreement and any negotiations in connection herewith shall remain confidential between the parties and their legal and professional representatives, provided, however that Seller may disclose the existence of this Agreement to their lenders and to any third party in order to obtain such consents as are required to consummate the transactions contemplated hereby. The parties hereto will not, and will cause each of their representatives and affiliates not to issue or cause the publication of any press release or other public announcement with respect to this Agreement or the transactions contemplated hereby without the prior written consent of the other parties hereto; provided, however, that a party may, without the prior consent of the other parties hereto, issue or cause publication of any such press release or public announcement to the extent that such party reasonably determines, after consultation with legal counsel, such action to be required by law or by the rules of any applicable self-regulatory organization, in which event such party will use its commercially reasonable efforts to allow the other parties hereto reasonable time to comment on such press release or public announcement in advance of its issuance.

(ix) All materials furnished to the other in connection with consideration and negotiation of the transaction contemplated hereby shall remain the exclusive property of the Provider and shall not be used by the Recipient for any purpose other than evaluation and negotiation of the proposed transaction. Any materials furnished shall not be disseminated by the Recipient to any other individual or entity, with the exception of legal counsel or accountants for Buyer and the Seller in connection with the proposed transaction, financial institutions and/or lenders for either Seller or Buyer, and other professional agents or representatives of either of Seller or Buyer. Any dissemination of such materials to a Recipient's employees, board, or agents as permitted hereby shall be on a need to know basis. Recipient agrees to promptly, upon the request at any time of Provider, return the Confidential Information without retaining any copy thereof or any notes, excerpts or summaries relating thereto. That portion of Confidential Information which consists of analyses, compilations, studies or other documents prepared by Recipient, or by its representatives, will be either retained or kept confidential and subject to the terms of this Agreement. The parties mutually agree to return or destroy any materials provided to the Recipient pursuant to this Agreement upon request of the Provider at any time and upon the termination of this Agreement, provided however, that Buyer shall not be required to return or destroy such materials, which relate to the Subject Assets and/or the Assumed Liabilities, and may use such materials in connection with the conduct of the Business if the transaction contemplated hereby closes.

(x) Seller and Buyer each represent and warrant to the other that it has carefully read the terms and conditions of this Agreement and has discussed with its legal counsel its terms and conditions, its reasonableness and its legal consequences. Based upon the foregoing, Seller and Buyer each agree that (1) the provisions of this Section 9(a) are reasonable in all respects; and, (2) this Section 9(a) does not impose any undue hardship on any party and that this Section 9(a) is no broader than reasonably necessary to afford each of the parties with desired protection.

(xi) Seller and Buyer each acknowledge, consent and agree that, if it breaches or attempts to breach or otherwise violate any of the provisions of this Agreement, the other party would suffer irreparable harm. Accordingly, in addition to any other remedies that the parties may have under this Agreement or otherwise, the non-breaching party shall be entitled, in addition to any other remedies which are made available to it at law or in equity, to apply to any court of competent jurisdiction for an injunction restraining the breaching party from committing or continuing any breach or violation of this Agreement, and without being required to furnish a bond or other security. Nothing in this Agreement shall be construed as prohibiting the non-breaching party from pursuing any other remedy or remedies, including, without limitation, recovery of damages.

b. Use of Trade Names. After Closing, the Seller shall not (and shall cause its affiliates, subsidiaries, members, managers, owners, partners, employees, officers and directors) not to: (i) apply for or register in any manner, form or jurisdiction whatsoever the name "Seattle Weekly.", or any variations thereof, (ii) interfere with or seek to prevent the Buyer's, application or registration of the name "Seattle Weekly", or variations thereof, including any and all proprietary rights therein and thereto; or (iii) use (or permit any third party to use) in any manner, form or jurisdiction whatsoever, the name "Seattle Weekly", or any variation thereof.

c. Transfer Taxes. All transfer, documentary, sales, use, stamp, registration and other such taxes and fees (including any penalties and interest) incurred in connection with this Agreement and the transactions contemplated hereby and any other similar tax that may be imposed, shall be paid,, by Buyer when due, and the Buyer will file all necessary tax returns and other documentation with respect to all such transfer, documentary, sales, use, stamp, registration and other taxes and fees, and, if required by applicable Law, the Buyer will join in the execution of any such tax Returns and other documentation.

d. Bulk Sales Laws. The parties hereby waive compliance with the provisions of any bulk sales, bulk transfer or similar Laws of any jurisdiction that may otherwise be applicable with respect to the sale of any or all of the Subject Assets to Buyer.

e. Further Action and Assurances. Each of the parties hereto shall use its commercially reasonable efforts to take or cause to be taken all appropriate action, do or cause to be done all things necessary, proper or advisable and execute and deliver such documents and other papers, as may be required to carry out the provisions of this Agreement and consummate and make effective the transactions contemplated by this Agreement. The parties hereto covenant and agree, that at any time after Closing and the signing of this Agreement at the request of the other party hereto, to promptly execute and deliver any additional documents and instruments and perform any additional acts that may be reasonably necessary or desirable to effectuate and

perform more fully the provisions of this Agreement and the assignment and assumption provided for herein.

10. CLOSING CONDITIONS

a. Closing Conditions of the Buyer. The obligations of the Buyer to consummate the Closing shall be subject to compliance by the Seller with the agreements herein contained and to the fulfillment to the satisfaction of, or the waiver by, the Buyer on or before and at the Closing Date of the following conditions:

(i) Representations and Warranties. The representations and warranties of the Parent and Seller contained in this Agreement shall be true and correct as of the date of this Agreement and as of the Closing Date (except to the extent that any such representation or warranty speaks as of a particular date, in which case such representation or warranty shall be true and correct as of such other date);

(ii) Performance and Obligations of the Seller. The Seller shall have performed or complied with all agreements and covenants required by this Agreement to be performed or complied with by them on or prior to the Closing Date;

(iii) Delivery of Closing Documents. The Seller shall have delivered, or shall have caused to be delivered, to the Buyer, the documents set forth in **Section 4(b)**; and

(iv) No Litigation. No temporary restraining order, preliminary or permanent injunction or other order issued by any court of competent jurisdiction or other legal or regulatory restraint or provision challenging Buyer's proposed acquisition of the Subject Assets, or limiting or restricting Buyer's conduct or operation of the business of the Company (or its own business) following the transactions contemplated by this Agreement shall be in effect, nor shall any proceeding brought by an administrative agency or commission or other governmental authority or instrumentality, domestic or foreign, seeking any of the foregoing be pending.

b. Closing Conditions of the Seller. The obligations of the Seller to consummate the Closing shall be subject to compliance by the Buyer with the agreements herein contained and to the fulfillment to the satisfaction of, or the waiver by, the Seller on or before and at the Closing Date of the following conditions:

(i) Representations and Warranties. The representations and warranties of the Buyer contained in this Agreement shall be true and correct as of the date of this Agreement and as of the Closing Date (except to the extent that any such representation or warranty speaks as of a particular date, in which case such representation or warranty shall be true and correct as of such other date);

(ii) Performance and Obligations of the Buyer. The Buyer shall have performed or complied with all agreements and covenants required by this Agreement to be performed or complied with by them on or prior to the Closing Date;

(iii) Delivery of Closing Documents. The Buyer shall have delivered, or shall have caused to be delivered, to the Seller, the Purchase Price and documents set forth in Section 4(c); and

(iv) No Litigation. No temporary restraining order, preliminary or permanent injunction or other order issued by any court of competent jurisdiction or other legal or regulatory restraint or provision challenging Buyer's proposed acquisition of the Subject Assets, or limiting or restricting Buyer's conduct or operation of the business of the Company (or its own business) following the transactions contemplated by this Agreement shall be in effect, nor shall any proceeding brought by an administrative agency or commission or other governmental authority or instrumentality, domestic or foreign, seeking any of the foregoing be pending.

(v) SF Transaction. Buyer and Seller shall have simultaneously closed the SF Transaction.

11. INDEMNITY.

a. Indemnification by Seller and Parent.

Seller and Parent, jointly and severally, agree to defend, indemnify and hold harmless Buyer and each of Buyer's affiliates, officers, directors, employees, agents, successors and assigns (collectively, "Buyer Indemnified Parties") and shall reimburse Buyer Indemnified Parties for, from and against each claim, loss liability, cost and expense (including without limitation, interest, penalties, costs of preparation and investigation, and the reasonable fees, disbursements and expenses of attorneys, accountants and other professional advisors) (individually, a "Loss" and collectively, "Losses") directly or indirectly relating to, resulting from or arising out of:

(i) any materially inaccurate representation, or material breach of warranty by or of Seller contained herein, in any Schedule hereto, or in any certificate, document or instrument delivered to Buyer pursuant hereto;

(ii) the conduct of the business operations of the Seller or the operation of the Subject Assets prior to the Closing Date or the actions or omissions of the directors, managers, officers, shareholders, employees or agents of the Seller prior to the Closing Date, other than Losses arising from the Assumed Liabilities;

(iii) any material breach or nonfulfillment of any covenant, agreement or other obligation by or of Seller contained herein, in any Schedule hereto, or in any certificate, document or instrument delivered to Buyer pursuant hereto;

(iv) any Taxes owed by Seller, except as otherwise expressly herein provided;

(v) any Excluded Assets;

(vi) obligations to employees of Seller arising out of their employment prior to the Closing; including without limitation the Retained Vacation Accrual and any Reassumed Employee Termination Obligations; and

(vii) any other Loss incidental to any of the foregoing or to the enforcement of this Section.

b. Indemnification by Buyer.

Buyer agrees to defend, indemnify and hold harmless Seller and Parent, and each of their affiliates, officers, directors, employees, agents, successors and assigns (“Seller Indemnified Parties”; together with the Buyer Indemnified Parties collectively, “Indemnified Parties” and individually, an “Indemnified Party”) and shall reimburse the Seller Indemnified Parties for, from and against each all Losses, directly or indirectly relating to, resulting from or arising out of:

(i) any materially inaccurate representation, or material breach of warranty by or of Buyer contained herein, in any Schedule hereto, or in any certificate, document, or instrument delivered to Seller pursuant hereto;

(ii) the Assumed Liabilities;

(iii) the conduct of the business operations of the Buyer or the operation of the Business and/or the Subject Assets on or after the Closing Date or the actions or omissions of the directors, managers, officers, shareholders, employees or agents of the Buyers after to the Closing Date;

(iv) any material breach or nonfulfillment of any covenant, agreement, or other obligation by or of Buyer contained herein, in any Schedule hereto, in or in any certificate, document or instrument delivered to Seller pursuant hereto;

(v) any Taxes owed by Buyer;

(vi) any obligations to employees with respect to their employment by Buyer after the Closing including, without limitation the Buyer Retained Employee Obligations and Buyer Responsible Employee Obligations; and

(vii) any other Loss incidental to any of the foregoing or to the enforcement of this Section.

c. Expiration.

(i) Except as set forth in **Section 11(c)(ii)**, the representations, and warranties set forth in this Agreement will survive Closing and will continue until the date which is twelve (12) months after the Closing Date (the “Expiration Date”), at which time all representations and warranties, except as set forth in **Section 11(c)(ii)**, will expire.

(ii) The following will survive Closing and will continue until the date that is 30 days after the expiration of the applicable statute of limitations period for indemnification for any claims, actions or proceedings arising from (i) fraud by Seller or Buyer; or (ii) any breaches of representations and warranties in **Section 6(a)(iii) and (iv)** .

(iii) None of the covenants or other agreements contained in this Agreement shall survive the Closing Date other than those which by their terms contemplate performance after the Closing Date, and each such surviving covenant and agreement shall survive the Closing for the period of performance thereof as contemplated by its terms.

(iv) Notwithstanding the foregoing, no representations, warranty or covenant will expire to the extent that an Indemnified Party has provided written notice to the other party of such person's claim for indemnification prior to the applicable Expiration Date.

d. Insurance Proceeds. Despite any other provision in this **Section 11**, with respect to indemnification, the amount of Losses required to be paid by any indemnifying party in any year will be reduced to the extent of any amounts an Indemnified Party actually receives pursuant to the terms of the insurance policies (if any) covering an indemnification claim (determined after giving effect to any increase in premiums resulting therefrom). In the event that such insurance proceeds are received after the indemnification payment to which Losses relate is paid, the Indemnified Party shall remit to the indemnifying party the lesser of (i) such insurance proceeds and (ii) the amount of the Losses. The Indemnified Party shall use its commercially reasonable efforts to recover under insurance policies or indemnity, contribution or other similar agreements for any Losses prior to seeking indemnification under this Agreement.

e. Terms. The party against whom any claims are asserted under this **Section 11** is referred to herein as an "Indemnifying Party". The terms "material" or "materially" for the purposes of this **Section 11** shall be defined as involving individually, or in the aggregate, at least Twenty Five Thousand Dollars (\$25,000.00).

f. Limitations. Anything herein to the contrary notwithstanding, the indemnification provided for in this **Section 11** shall be subject to the following limitations:

(i) It is expressly understood that the parties or their affiliates are simultaneously entering into a purchase agreement related to the SF Transaction (the "SF Agreement"). The Deductible and Limitation amounts set forth in Sections 11(f)(ii) and (iii) hereunder are intended to apply to all indemnification obligations of the applicable Indemnifying Party under both this Agreement and the SF Agreement as if both transactions were consummated pursuant to a single agreement with a single Deductible and Limitation amount in the aggregate of \$50,000 and \$250,000 respectively. Further, for the avoidance of doubt, when referring to claims asserted by Buyer all references to Indemnifying Party shall mean Parent and Seller in the aggregate regardless of whether Buyer asserts such claims against only Seller, only Parent or both (i.e. there shall be one aggregate Deductible and Limitation amount for Parent and Seller).

(ii) An Indemnifying Party shall not be liable to the Indemnified Party for indemnification based on breach of representations or warranties set forth herein until the aggregate amount of all Losses in respect of such indemnification (together with any Losses in respect of such indemnification under the SF Agreement) exceeds Fifty Thousand Dollars (\$50,000.00) (the "Deductible"), in which event the Indemnifying Party shall only be required to pay or be liable for Losses in excess of the Deductible.

(iii) The aggregate amount of all Losses for which an Indemnifying Party shall be liable based on breach of representations or warranties set forth herein and/or in the SF Agreement shall in no event exceed Two Hundred Fifty Thousand Dollars (\$250,000.00) in the aggregate (the "Limitation") but such limit shall not apply to the Seller's obligations under **Section 5**.

(iv) Each Indemnified Party shall take, and cause its Affiliates to take, all reasonable steps to mitigate any Loss upon becoming aware of any event or circumstance that would be reasonably expected to, or does, give rise thereto, including incurring costs only to the minimum extent necessary to remedy the breach that gives rise to such Loss.

(v) All statements contained in any Schedule or in any Exhibit hereto shall be deemed representations and warranties for all purposes of this Agreement.

(vi) If, at any time prior to Closing, Buyer has knowledge of any inaccuracy in or breach of any of the representations or warranties contained **Section 6(a)** of this Agreement, Buyer shall promptly send written notice thereof to Seller. Seller shall have the opportunity to cure such inaccuracy or breach within ten (10) business days of receipt of such notice. In the event that Seller is unable to cure such breach or inaccuracy within such period, and such breach or inaccuracy would result in Buyer having an indemnification claim under **Section 11(a)** if such breach or inaccuracy had been discovered after the Closing, Seller shall have the option to terminate this Agreement pursuant to **Section 17(a)(v)**; provided, however that if Seller does not elect to terminate this Agreement pursuant to the foregoing, then upon Closing, Seller shall indemnify Buyer for such breach or inaccuracy pursuant to **Section 11(a)** hereof on the same basis as if the breach or inaccuracy had been discovered by Buyer after the Closing. Nothing in this Section 11(f)(v) shall in any event give Buyer any right to terminate this Agreement except as expressly provided in **Section 17** hereof.

(vii) In no event shall any Indemnifying Party be liable to any Indemnified Party for any punitive, incidental, consequential, special or indirect damages, including loss of future revenue or income, loss of business reputation or opportunity relating to the breach or alleged breach of this Agreement, or diminution of value or any damages based on any type of multiple.

g. Indemnification Procedures.

(i) Third Party Claims. If any Indemnified Party receives notice of the assertion or commencement of any action, suit, claim or other legal proceeding made or brought by any person who is not a party to this Agreement or an affiliate of a party to this Agreement or a representative of the foregoing (a "Third Party Claim") against such Indemnified Party with respect to which the Indemnifying Party is obligated to provide indemnification under this Agreement, the Indemnified Party shall give the Indemnifying Party prompt written notice thereof. The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that the Indemnifying Party forfeits rights or defenses by reason of such failure. Such notice by the Indemnified Party shall describe the Third Party Claim in reasonable detail, shall include copies of all material written evidence thereof and shall indicate the estimated amount, if reasonably

practicable, of the Loss that has been or may be sustained by the Indemnified Party. The Indemnifying Party shall have the right to participate in, or by giving written notice to the Indemnified Party, to assume the defense of any Third Party Claim at the Indemnifying Party's expense and by the Indemnifying Party's own counsel, and the Indemnified Party shall cooperate in good faith in such defense. In the event that the Indemnifying Party assumes the defense of any Third Party Claim, subject to **Section 11(g)(ii)**, it shall have the right to take such action as it deems necessary to avoid, dispute, defend, appeal or make counterclaims pertaining to any such Third Party Claim in the name and on behalf of the Indemnified Party. The Indemnified Party shall have the right, at its own cost and expense, to participate in the defense of any Third Party Claim with counsel selected by it subject to the Indemnifying Party's right to control the defense thereof. If the Indemnifying Party elects not to compromise or defend such Third Party Claim or fails to promptly notify the Indemnified Party in writing of its election to defend as provided in this Agreement, the Indemnified Party may, subject to **Section 11(g)(ii)** pay, compromise, defend such Third Party Claim and seek indemnification for any and all Losses based upon, arising from or relating to such Third Party Claim. Seller and Buyer shall cooperate with each other in all reasonable respects in connection with the defense of any Third Party Claim, including making available (subject to the provisions of **Section 11(g)(ii)**) records relating to such Third Party Claim and furnishing, without expense (other than reimbursement of actual out-of-pocket expenses) to the defending party, management employees of the non-defending party as may be reasonably necessary for the preparation of the defense of such Third Party Claim.

(ii) Settlement of Third Party Claims. Notwithstanding any other provision of this Agreement, the Indemnifying Party shall not enter into settlement of any Third Party Claim without the prior written consent of the Indemnified Party (which consent shall not be unreasonably withheld or delayed), except as provided in this **Section 11(g)(ii)**. If a firm offer is made to settle a Third Party Claim without leading to liability or the creation of a financial or other obligation on the part of the Indemnified Party and provides, in customary form, for the unconditional release of each Indemnified Party from all liabilities and obligations in connection with such Third Party Claim and the Indemnifying Party desires to accept and agree to such offer, the Indemnifying Party shall give written notice to that effect to the Indemnified Party. If the Indemnified Party fails to consent to such firm offer within ten (10) days after its receipt of such notice, the Indemnified Party may continue to contest or defend such Third Party Claim and in such event, the maximum liability of the Indemnifying Party as to such Third Party Claim shall not exceed the amount of such settlement offer. If the Indemnified Party fails to consent to such firm offer and also fails to assume defense of such Third Party Claim, the Indemnifying Party may settle the Third Party Claim upon the terms set forth in such firm offer to settle such Third Party Claim. If the Indemnified Party has assumed the defense of such claim, it shall not agree to any settlement without the written consent of the Indemnifying Party (which consent shall not be unreasonably withheld or delayed).

(iii) Direct Claims. Any claim by an Indemnified Party on account of a Loss which does not result from a Third Party Claim (a "Direct Claim") shall be asserted by the Indemnified Party giving the Indemnifying Party prompt written notice thereof. The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that the Indemnifying Party forfeits rights or defenses by reason of such failure. Such notice by the Indemnified Party shall describe the Direct Claim in reasonable detail, shall include copies of all material written evidence thereof

and shall indicate the estimated amount, if reasonably practicable, of the Loss that has been or may be sustained by the Indemnified Party. The Indemnifying Party shall have thirty (30) days after its receipt of such notice to respond in writing to such Direct Claim. During such thirty (30) day period, the Indemnified Party shall allow the Indemnifying Party and its professional advisors to investigate the matter or circumstance alleged to give rise to the Direct Claim, and whether and to what extent any amount is payable in respect of the Direct Claim and the Indemnified Party shall assist the Indemnifying Party's investigation by giving such information and assistance (including access to the Indemnified Party's premises and personnel and the right to examine and copy any accounts, documents or records) as the Indemnifying Party or any of its professional advisors may reasonably request. If the Indemnifying Party does not so respond within such thirty (30) day period, the Indemnifying Party shall be deemed to have rejected such claim, in which case the Indemnified Party shall be free to pursue such remedies as may be available to the Indemnified Party on the terms and subject to the provisions of this Agreement.

(iv) Setoff Against Promissory Note. In connection with the SF Transaction, an affiliate of Buyer is providing a promissory note in the amount of \$250,000 (the "Promissory Note") in partial payment of the purchase price. The parties hereto acknowledge and agree that Buyer shall have a right of setoff against amounts due and owing under such Promissory Note for any Losses due and owing from Seller or Parent under the Indemnification provisions of either the SF Agreement or this Agreement. In accordance with the foregoing, in the event that Buyer asserts any right to indemnification pursuant to this Section 11 as to which either (A) Seller and/or Parent, on the one hand, and Buyer, on the other hand, mutually agree that such claims are indemnifiable pursuant to this Section 11 and as to the amount of Losses for which indemnification is due and owing hereunder or (B) it is finally determined by a court of competent jurisdiction that Buyer is entitled to indemnification hereunder for such Losses in accordance herewith, then, Buyer shall be entitled to setoff the amount of such Losses so determined to be due and owing against the amount due under the Promissory Note.

12. REMEDIES.

a. The parties acknowledge and agree that except as set forth in **Section 9(a) and Section 9(b)**, their sole and exclusive remedy with respect to any and all claims for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement, shall be pursuant to the indemnification provisions set forth in **Section 11**. In furtherance of the foregoing, each party hereby waives, to the fullest extent permitted under Law, any and all rights, claims and causes of action for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement it may have against the other parties hereto and their Affiliates and each of their respective representatives arising under or based upon any law, except pursuant to the indemnification provisions set forth in **Section 11**.

b. Nothing set forth in this **Section 12** shall limit any person's right to seek and obtain equitable or other relief to which any person shall be entitled in the case of fraud, willful misconduct or willful breach of the provisions of this Agreement.

13. **TAX TREATMENT.** The parties agree to file all subsequent tax returns consistently with the terms of this Agreement and any allocation contained herein.

14. **TRADE REGULATION REVIEW.** Each party agrees to review all aspects of the transaction as contemplated by this Agreement to determine if any aspect of the transaction could present a risk of violating any state or federal law or regulation as to anti-trust, trade practices, or business combinations. If either party, on advice of counsel, determines that there is an unacceptable risk of such violation, at any time before Closing, that party may terminate their obligation to purchase or sell hereunder by written notice to the other parties. Neither party believes this transaction violates any such law or regulation and therefore each party will bear its own costs and expenses if any claim is made any person or agency that a violation of such Laws or regulations has occurred.

15. **EXPENSES AND ABSENCE OF COMMISSIONS.**

a. **Expenses.** All fees and expenses incurred by the Seller, including without limitation legal fees and expenses, in connection with this Agreement will be borne by Seller; and all fees and expenses incurred by Buyer, including without limitation, legal fees and expenses, in connection with this Agreement will be borne by Buyer.

b. **No Commissions.** Each party represents and warrants to each other party that such party has not incurred any liability for commissions, finder's fee, or similar claims in connection with this transaction.

16. **TRANSITION SERVICES**

The Seller and Buyer will enter into an Agreement at Closing relating to the provision by the Seller to the Buyer of certain services after Closing (the "Transition Services Agreement") in the form of and as set forth in **Exhibit C** attached hereto.

17. **TERMINATION**

a. **Termination.** This Agreement may be terminated at any time prior to the Closing Date solely as follows:

(i) by mutual written consent of the Buyer and the Seller;

(ii) by either the Buyer, on the one hand, or the Seller, on the other hand, by written notice to the other if any governmental authority of competent jurisdiction shall have issued an injunction or taken any other action (which injunction or other action the parties hereto shall use their commercially reasonable efforts to lift) that permanently restrains, enjoins or otherwise prohibits the consummation of the transactions contemplated by this Agreement, and such injunction or other action shall have become final and non-appealable;

(iii) by the Seller, if the Closing shall not have occurred on or prior to January 8, 2013 (the "Termination Date"); provided, however, that Seller may, in its sole and absolute discretion, elect to extend the Termination Date for a period of up to fourteen (14) days, which

election shall be exercised by written notice to Buyer providing for an extended Termination Date (the "Extended Termination Date");

(iv) by either the Buyer or the Seller, if the Closing shall not have occurred at any time prior to 11:59 p.m. (New York time) on the "Extended Termination Date"; or

(v) by Seller if: (1) Buyer notifies Seller that it is aware of a breach or inaccuracy in Seller's representations and warranties set forth in **Section 6(a)** of this Agreement, and (2) Seller is unable to cure such breach or inaccuracy prior to Closing and Seller elects to terminate this Agreement as permitted by **Section 11(f)(v)**.

b. Effect of Termination. In the event of the termination of this Agreement as above provided, written notice thereof shall be given to the other party or parties, and this Agreement shall forthwith become null and void and have no effect and there shall be no further liability hereunder on the part of the Buyer, the Seller or their respective directors, officers, managers, equity holders, employees and/or affiliates, except for the agreements contained in **Section 9(a)**, and except as set forth in the following sentence. In the event that this Agreement is terminated by Seller pursuant to **Section 17(a)(iii)** or **(iv)** and such failure to close is not the result of Seller's failure to satisfy the conditions to Closing set forth in **Section 10(a)** hereof, then the Deposit provided by Buyer's affiliate pursuant to the Letter of Intent (the "Deposit") shall be deemed non-refundable and may be retained by Seller, provided, however, that the foregoing shall not be deemed liquidated damages or a measure of actual damages suffered by Seller as a result of Buyer's failure to close, and Seller may pursue all available remedies with respect thereto. For clarity, time is of the essence and the Deposit is and shall remain non-refundable in accordance with the Letter of Intent. Nothing herein is intended to modify the terms of the Letter of Intent relating to the Deposit. In the event of any inconsistency between this Agreement and the Letter of Intent relating to the Deposit, the Letter of Intent shall control.

18. NOTICES

All notices and other communications hereunder shall be in writing and shall be furnished by hand delivery, overnight courier, or registered or certified mail to the parties at the addresses set forth below. Any such notice shall be duly given upon the date it is delivered to the addresses shown below, addressed as follows:

If to Seller:

Mr. Scott Tobias
Village Voice Media Holdings, LLC
969 Broadway
Denver, Colorado 80203
Attention: Scott Tobias

with a copy to:

White and Williams LLP
One Penn Plaza, Suite 4110

New York, New York 10119
Attention: Lori S. Smith, Esq.

If to Buyer:

Sound Publishing, Inc.
19351 8th Avenue NE Suite 106
Poulsbo, WA 98370
Attn.: Gloria Fletcher
Fax: (360) 394-5829
Email: gfletcher@soundpublishing.com

with copies to:

Patterson Adams, Barristers & Solicitors
402-707 Fort Street,
Victoria, BC V8W 3G3
Attention: L.B. Jamieson.
Phone: (250) 383-8312
Telecopy: (250) 360-2979
Email: lbj@pattad.com

and:

Black Press Ltd.
3175 Beach Drive
Victoria, British Columbia
V8R 6L7
Attention: David Black
Phone: (250) 480-3220
Telecopy: (250) 480-3219
Email: dblack@blackpress.ca

19. MISCELLANEOUS.

a. Non-Disparagement. Buyer and Seller shall use their best efforts to ensure that their respective officers, directors and management level employees do not, and do not cause or encourage any other individuals to make any public or private statements (whether orally or in writing) that disparage, denigrate or malign the other party or such other party's respective affiliates, businesses, activities, operations, affairs, reputations or prospects or any of their respective affiliates, officers, employees, directors, partners, agents, or equityholders.

b. Successors and Assigns. All the terms and provisions of this Agreement shall be binding upon, shall inure to the benefit of and shall be enforceable by the respective heirs, successors, assigns and legal or personal representatives of the parties hereto.

c. Entire Agreement. This Agreement, including the Schedules, exhibits, lists and other documents and writings referred to herein or delivered pursuant hereto, which form a part hereof, contains the entire understanding of the parties with respect to its subject matter. There are no restrictions, agreements, promises, warranties, covenants or undertakings other than those expressly set forth herein or therein. This Agreement supersedes all prior discussions, negotiations, agreements and understandings between the parties with respect to its subject matter, and any such are merged herein and barred hereby except that the provisions of the Letter of Intent relating to the Deposit shall survive in accordance with its terms unless and until the transactions contemplated hereby are consummated.

d. Amendments. This Agreement may not be amended except by a written instrument setting forth as an express purpose the amendment of this Agreement, which written instrument is duly executed by all parties or their respective heirs, successors, assigns or legal personal representatives. This Agreement may not be amended orally, by implication or by conduct. Any condition to a party's obligations hereunder may be waived but only by a written instrument signed by the party entitled to the benefits thereof.

e. No Waiver. The failure or delay of any party at any time or times to require performance of any provision or to exercise its rights with respect to any provision hereof, shall in no manner operate as a waiver of or affect such party's right at a later time to enforce the same.

f. Headings. The captions, section and paragraph headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretations of this Agreement.

g. Severability. The invalidity of any term or terms of this Agreement shall not affect any other term of this Agreement, which shall remain in full force and effect.

h. Counterparts. This Agreement may be executed simultaneously in one or more counterparts, with the same effect as if the signatories executing the several counterparts had executed one counterpart, provided, however, that the several executed counterparts shall together have been signed by all parties. All such executed counterparts shall together constitute one and the same instrument.

i. Time is of the Essence. The parties agree that time is of the essence under this Agreement.

j. Governing Law. This Agreement shall be governed by and construed in accordance with internal Laws of the state of Delaware, without giving effect to any choice or conflict of law provision or rule (whether of the state of Delaware or any other jurisdiction) that would cause the application of Laws of any jurisdiction other than those of the state of Delaware.

k. Litigation. Any litigation brought in relation to this Agreement, the Closing, the transactions herein contemplated, or matters related thereto shall be brought only in the courts located in Delaware, to the service of process from which all persons or entities signing this Agreement agree that they are bound. Should any litigation arise among the parties in relation to

this Agreement, the Closing, the transactions herein contemplated, or matters related thereto, it is understood that the prevailing party shall be entitled to recover in addition to any other remedy at law, any and all of its costs and expenses, including, but not limited to, attorney's fees, discovery costs, court reporter costs, transcript costs, expert fees, travel, court costs, and the like.

I. Construction. The parties acknowledge and agree that each of them has participated in the negotiation of this Agreement and has been represented by adequate counsel that they have selected to represent them. They have each discussed the terms and conditions of this Agreement with their selected counsel, understand such terms and conditions and believe that this accurately reflects their agreement. The parties agree that any rule of law requiring construction of a document against a party by reason of such party having prepared such document shall not apply to this Agreement, it being agreed that this Agreement is the result of an arm-length negotiation between the parties and both parties have contributed substantially and materially to the drafting and negotiation of this Agreement.

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the parties hereto on the date and year first above written.

[SIGNATURES ON FOLLOWING PAGE]

SELLER:

SEATTLE WEEKLY, LLC

By: New Times Media, LLC, its sole member

BY: _____
NAME: John E. Brunst
TITLE: Vice President and Chief Financial
Officer

BUYER:

SOUND PUBLISHING, INC.

BY: *Maria A. Fletcher*
NAME: *Gloria G. Fletcher*
TITLE: *President*

Solely with respect to Sections 6 and 11
hereof:

**VILLAGE VOICE MEDIA HOLDINGS,
LLC**

BY: _____
NAME: John E. Brunst
TITLE: Vice President and Chief Financial
Officer

[Signature Page to Asset Purchase Agreement – Seattle Weekly LLC]


SELLER:

BUYER:

SEATTLE WEEKLY, LLC

SOUND PUBLISHING, INC.


By: New Times Media, LLC, its sole member

BY: 
NAME: John E. Brunst
TITLE: Vice President and Chief Financial Officer

BY: _____
NAME: _____
TITLE: _____

Solely with respect to Sections 6 and 11 hereof:

VILLAGE VOICE MEDIA HOLDINGS, LLC

BY: 
NAME: John E. Brunst
TITLE: Vice President and Chief Financial Officer

[Signature Page to Asset Purchase Agreement – Seattle Weekly LLC]

EXHIBIT A

THE SUBJECT ASSETS AS REFERRED TO IN THE ASSET PURCHASE AGREEMENT BETWEEN SEATTLE WEEKLY, LLC, AND SOUND PUBLISHING, INC.

1. The accounts receivable of Seller as set forth on the Net Working Capital Statement.
2. The following equipment and software all of which is provided as is, where is, based on a count as of December 4, 2012, and may not represent the exact number of each item as of Closing:

(i) Equipment

PC Desktops:	37 (Windows XP Professional)
Mac Desktops:	19 (Mac OS X)
Apple iPads	6
Servers – Linux:	1
Server – Windows:	5 (Windows Server 2003 Standard Edition)
Servers – Novell:	1 SUSE Linux Enterprise Server 10
Phone System Servers	3 (Windows 2000)
Phone System – Inter-Tel (owned by Seller)	

(ii) Software

Microsoft Office:	30 (Office 2003 -25, Office 2007-3, Mac Office 2008-2)
Adobe CS:	6 (v5.5)
Adobe Acrobat:	8
Adobe InCopy	2 (CS5)

(iii) Miscellaneous Equipment

B/W Laser:	12
Color Laser:	2
APC:	2
Switches:	4
Firewall:	1
Fax Machines:	7
Canon Copiers:	2
TV/DVD Player:	1
Projector:	1
Scanners:	4
Shredder:	1

2. The following vehicle which is provided as is, where is :

One (1) 2003 Chevy Van

3. The following racks in as is where is condition and all numbers are based on a count as of December 4, 2012 may not represent the exact number of each item as of Closing:

Wire racks: 1 shelf- 187
2 shelf- 95
3 shelf- 68
Pedestal Boxes: 246
Stand-alone outside boxes: 702
Hanging Baskets: 125

4. The following furniture in as is where is condition and all numbers are based on a count as of December 4, 2012 and may not represent the exact number of each item as of Closing:

Desks: 26
Cubicles: 4
Office Chairs: 103
Guest Chairs: 32
Conference Chairs: 35
Easy Chairs: 10
Folding Chairs: 8
Couches: 3
Conference Tables: 5
Coffee Tables: 3
Tall work tables: 2
Other tables: 11
Bookcases: 68
Storage Racks: 16
Printer stands: 15
Filing Cabinets: tall-70; short-77

5. Any and all rights of Seller under the Assumed Contracts as set forth in **Schedule 3.**

6. Any and all rights of Seller in the Intellectual Property of Seller used exclusively in the Business as follows:

- (i) Any and all rights of Seller to the name "Seattle Weekly";
- (ii) The following websites, domains or domain names of Seller:

seattlebestoftheweb.com
seattledailydeals.com
seattleweekly.com
seattleweekly-insider.com

(iii) The following trademarks of Seller:

Registration Number	Word Mark	Class
3,194,119	SEATTLE WEEKLY	41
3,138,635	SEATTLE WEEKLY	16
2,690,516	BEST OF SEATTLE	16,41

EXHIBIT B

THE EXCLUDED ASSETS AS REFERRED TO IN THE ASSET PURCHASE AGREEMENT BETWEEN SEATTLE WEEKLY, LLC, AND SOUND PUBLISHING, INC.

- A. All assets as set forth in **Section 1(b)**.

- B. The following Intellectual Property and technology assets are additional Excluded Assets (**Section 1(b)(xii)**):
 - (i) DTI software (this software will be setup in a standalone mode to be used for up to three months following Closing. DTI will be contacted for assignment of these licenses, if requested; but there is no assurance that Seller will be successful in obtaining consent to assign such license).
 - (ii) Great Plains software/FRX software and related hardware
 - (iii) All software, hardware, advertising solutions, internet connectivity, third party content, commerce solutions, and contracts related to the production and operation of the website
 - (iv) Credit card processing software and any related hardware.
 - (v) Payroll processing/service agreement with ADP
 - (vi) Anti-virus software
 - (vii) FTP server related to accepting/processing camera ready art.
 - (viii) Corporate Intranet/Portal related applications (ex: CRM, Ad Index, Digital Operations, Ad Index, etc.)
 - (ix) Centralized backup hardware & software
 - (x) Production images agreement (Jupiter images)
 - (xi) 1099 Processing (Greenshades)

EXHIBIT C

SEE ATTACHED
TRANSITION SERVICES AGREEMENT

**SEATTLE WEEKLY, LLC
DISCLOSURE SCHEDULES**

These Disclosure Schedules are made and given pursuant to Section 6 of the Asset Purchase Agreement, dated as of January 8, 2012 (the "*Agreement*"), by and between Seattle Weekly, LLC and Sound Publishing, Inc. related to the sale of certain assets of Seattle Weekly, LLC (the "*Company*"). All capitalized terms used but not defined herein shall have the meanings as defined in the Agreement, unless otherwise provided. The section numbers below correspond to the section numbers of the representations and warranties in the Agreement; *provided, however*, that any information disclosed herein under any section number shall be deemed to be disclosed and incorporated into any other section number under the Agreement where such disclosure would be appropriate.

Nothing in these Disclosure Schedules is intended to broaden the scope of any representation or warranty contained in the Agreement or to create any covenant. Inclusion of any item in these Disclosure Schedules (1) does not represent a determination that such item is material or establish a standard of materiality, (2) does not represent a determination that such item did not arise in the ordinary course of business, (3) does not represent a determination that the transactions contemplated by the Agreement require the consent of third parties, and (4) shall not constitute, or be deemed to be, an admission to any third party concerning such item. These Disclosure Schedules include brief descriptions or summaries of certain agreements and instruments, copies of which are available upon reasonable request. Such descriptions do not purport to be comprehensive, and are qualified in their entirety by reference to the text of the documents described.

SCHEDULE 2(e)(iii)
Software Vendors

The following License Agreements shall be assumed to the extent consent to assignment is required and is able to be obtained by Seller in accordance with Section 2(e)(iii) of this Agreement. The quantity of licenses assigned under each agreement shall be in the amounts set forth on Exhibit A:

- 1) Adobe CS License Agreement (used in Production Design).
- 2) MAC- OS License– Associated with the Mac Desktops.

The following Seat Licenses relating to Seller will be transferred, in part, to the extent that such transfer is able to be obtained by Seller:

- 1) Managing Editor Premium Site Support Agreement dated March 13, 2006, expiring March 8, 2013; ALS (v5.6), VVMH agreement that requires SF Weekly specific license assignment. Note: Phone support maintenance only.
- 2) Microsoft Windows and Office Volume Licensing Enterprise Agreement dated February 6, 2012 with open expiration date (Associated with the PC Desktops and Windows Servers); VVMH agreement that requires SF Weekly specific license assignment .
- 3) Novell Corporate License Agreement dated March 20, 200, expiring May 30, 2013; (Local Backup Server); VVMH agreement that requires SF Weekly specific license assignment.
- 4) Omnetic, Inc. Agreement dated March 1, 2011; for Google: Email– VVMH agreement that requires SF Weekly specific license assignment – 46 Google accounts.
- 5) Polytrope: Circulation VVMH agreement that requires SF Weekly specific license assignment
- 6) Postini- Google Email Spam Filtering VVMH agreement that requires SF Weekly specific license assignment

SCHEDULE 3
Assumed Contracts

The following contracts shall be assumed to the extent consent to assignment is required and is able to be obtained by Seller;

A. Vendor Agreements:

- 1) Atlas Networks: Back-up internet connectivity (month-to-month agreement)
- 2) Argens Alarm System Monitoring (month -to-month agreement)
- 3) Barnes and Noble ePeriodical Distribution Agreement dated May 15, 2012; expiration date May 31
- 4) Century Link: Circulation warehouse DSL
- 5) DTI Business System- System Procurement Agreement dated February 20, 2004 (v 8.9.4) Class/Display/AR-8 seats; Class Pagination-1seat [Note: No Active Maintenance Agreement]
- 6) Mitel PRI Trunk Agreement expiration August 1, 2013
- 7) Ricoh/Ikon Copier Maintenance Agreement (month-to-month agreement)
- 8) T-Mobile: Circulation Manager's phone (month-to month agreement)
- 9) Xerox Copier Lease; expiration date November 30, 2013
- 10) XO LD, Local Phone & WAN Service Order Agreement dated July 12, 2012, expiring July 12, 2015

B. The Software License Agreements as set forth in Schedule 2(e)(iii).

C. Annual Memberships:

- 1) AAN: Membership paid through December 31, 2012
- 2) Seattle Convention and Visitor's Bureau: Membership paid through March 30, 2013

D. Copyright Agreement between Seller and Pearson Education for article reprint dated October 1, 2012

E. The following Advertising and Trade Agreements between Seller and its advertisers with associated agreement effective dates listed below:

<u>Company Name/Advertiser</u>	<u>Effective Date</u>	<u>Expiration date</u>
5th Avenue Theater	2/1/2012	8/31/2013
88 Keys	10/10/2012	10/12/2013
Advanced Holistic Health	7/25/2012	7/25/2013
Americana	7/3/2012	7/3/2013
Aoki	10/10/2012	10/11/2013
Bainbridge Organic Distillers	2/1/2012	1/29/2013
Bang Bar	3/14/2012	3/16/2013
Barriga Ilena	7/18/2012	1/9/2013?
Bedrooms and More	10/24/2012	3/19/2013
Bellevue Arts Museum	2/1/2012	1/31/2013
Bleacher's Pub	4/18/2012	4/18/2013
Book It Repertory Theatre	2/8/2012	2/7/2013
Brian Oates	9/26/2012	9/26/2013
Brower's Café	11/21/2012	2/13/2013
Busch Media Group	10/22/2012	12/31/2012
Cannon Law Group	4/10/2012	4/18/2013
Central Cinema	10/17/2012	10/19/2013
Crossroads Shopping Center	1/1/2012	12/31/2012
Dry Fly Distilling	2/15/2012	2/10/2013
Eyeballs	8/1/2012	7/31/2013
Eyes on Fremont	10/3/2012	10/3/2013
Gage Academy of Art	7/1/2012	6/30/2013
Gameworks and World Sports Grille	11/1/2012	2/1/2013
Grand Illusions	9/19/2012	9/19/2013
The Green Skunk	9/26/2012	9/18/2013
The Grill on Broadway	11/7/2012	2/4/2013
Jazz Alley	6/6/2012	6/6/2013
Jemil's Big Easy	10/24/2012	4/17/2013
KCTS9 (Trade Agreement)	2/1/2012	12/31/2012
KUOW 94.9 FM (Trade Agreement)	7/1/2012	6/30/2013
Laredo's	9/26/2012	9/26/2013
Lighthouse Roasters	9/5/2012	2/28/2013
Los Agaves	5/2/2012	5/2/2013
Love Zone	10/23/2012	1/24/2013
Lunchbox Laboratory	1/18/2012	1/19/2013

Mae's Phinney Ridge Café	3/21/2012	3/20/2013
Maximillien	5/16/2012	5/5/2013
Mutual Fish	10/31/2012	4/25/2013
The Myers Group	1/4/2012	12/31/2012
Neighborhood Grille	1/18/2012	1/19/2013
Norrgard's Optik	3/14/2012	3/1/2013
Ohana	8/8/2012	8/2/2013
Ozzie's	9/12/2012	9/12/2013
PCC Natural Markets	1/1/2012	12/31/2012
Poquitos	7/3/2012	7/4/2013
Sasquatch Books (Trade Agreement)	1/1/2012	12/31/2012
Seattle Mariners (Trade Agreement)	11/28/2012	12/31/2013
Seattle Reproductive	10/10/2012	1/31/2013
Seattle Reproductive Medicine	8/8/2012	2/1/2013
Seattle Theatre Group/STG Presents	5/30/2012	5/29/2013
Sholdt Design	8/1/2012	7/31/2013
Siam Thai Cuisine	5/16/2012	5/10/2013
SIFF Cinema	7/1/2012	6/30/2013
Skarbos	2/1/2012	2/1/2013
Sole Food Shoes/Kid's Club	4/18/2012	4/18/2013
Steffan Vanel	8/22/2012	8/22/2013
Stellar Pizza	6/27/2012	6/26/2013
Stuffed Cakes	10/31/2012	1/23/2013
Swissa Jewelers	5/23/2012	5/23/2013
Teatro Zinzanni (Trade Agreement)	7/11/2012	7/10/2013
Tractor Tavern	9/5/2012	9/7/2013
Triangle Pub	4/18/2012	4/12/2013
The Triple Door	11/14/2012	11/13/2013
Turgeon Raine Jewelers	5/16/2012	5/15/2013
University Seafood and Poultry	10/28/2012	10/23/2013
University VW and Audi	11/18/2012	2/20/2013
Vegetarians of Washington	3/20/2013	3/27/2013
Volterra	5/23/2012	5/18/2013

F. The Freelance Agreements between Seller and its artists, photographers, writers with associated agreement effective dates listed below:

<u>Artist/Photographer</u>	<u>Effective Date</u>

Nick Adams	11/21/2012
Rick Anderson	8/4/2012
Aaron Bagley	6/13/2012
Polly Becker	6/18/2012
Brian Bell	5/18/2012
Sandra Billups	1/23/2012
Travis Bone	5/1/2012
Josh Boulet	11/21/2012
Jen Chiu	5/1/2012
Richard Clever	5/21/2012
Sarah Elson	12/3/2012
Michael Gaughan	2/1/2012
Andrew Gospe	1/24/2012
Caeleb Hanereur	5/7/2012
Erika Hobart	not dated
Ernest Jasmin	8/21/2012
Rachel Bell Krampfner	3/26/2012
Jeva Lange	6/20/2012
Cameron Lewis	10/31/2012
Patrick O'Connor	5/23/2012
Azaria Podplesky	9/5/2012
Keegan Prosser	4/3/2012
Justin Renteria	7/10/2012
Aimee Riordan	1/9/2012
Tiffany Ryan	4/3/2012
Terra Sullivan	10/30/2012
Jesse Sykes	4/23/2012
Johnathan Walczak	2/28/2012
Kate Wright	11/19/2012

G. The following Driver Agreements between Seller and its drivers with associated agreement effective dates listed below:

<u>Driver Name</u>	<u>Effective Date</u>
John Brooks Coehlo	1/19/2005
Paul Freese	2/23/2005
Bob Greer	1/26/2005

Juan Gutierrez	2/28/2011
David Jette	12/5/2012
Barry Johnson	8/15/2006
Dennis Katz	1/19/2005
Maxwell Kraus	12/18/2011
Douglas Latta	8/16/2008
Paul Lenikovicuius	12/10/2002
Andrew McMullen	11/18/2008
Craig Mauer	3/13/2008
Jon MacKenzie	2/18/2004
Dean Mustard	11/6/2002
Ruben Surenyants	3/27/2003
Jeff Swanstrom	3/8/2001
Lee Taylor	12/5/2012
Unique Distribution Services	2/15/2001
Preston Washington	9/9/2004
Max Hohlbein	12/5/2012

SCHEDULE 6(a)(v)
Liens and Encumbrances

None other than as set forth below or pursuant to the terms of the Assumed Agreements set forth on Schedule 3.

1. The trademarks, Best of Seattle, is subject to certain security interests filed with the Patent and Trademark Office by certain banks. The loans related to such security interests were satisfied years ago and Seller will use its best efforts to have such liens released as soon as possible. There can be no assurance that the liens will be released prior to the Closing.

SCHEDULE 6(a)(vi)

Litigation

None

SCHEDULE 6(a)(vii)
Claims against Intellectual
Property

None

SCHEDULE 6(a)(xi)

Required Consents:

Argens Alarm System Monitoring

Atlas Networks

Century Link

DTI Business System

Google: Email

Managing Editor

Mitel

Xerox- copier lease

XO Communications (local, WAN, LD)