

ASSET PURCHASE AGREEMENT

ASSET PURCHASE AGREEMENT, dated as of the 28 day of December, 2020 (the "Effective Date"), by and between **RITMO BROADCASTING LLC** a New Jersey Limited Liability Company ("Buyer") and **RADIO SHARON FOUNDATION**, a Rhode Island non-profit organization ("Seller").

WITNESSETH:

WHEREAS, Seller is licensee/permittee of FM translator W236AF, Burlington, NJ, n/k/a W253DG (FX), Trenton, NJ (98.5 MHz, FCC Facility ID #85965) (the "Station") pursuant to authorizations (the "Station Authorizations") issued by Federal Communications Commission (the "FCC");

WHEREAS, on the terms and conditions described herein, Seller desires to sell and/or transfer to the Buyer and Buyer desires to acquire certain assets (the "Purchased Assets") and the Station Authorizations owned or issued by Seller and used or useable in connection with the Station.

NOW, THEREFORE, in consideration of the foregoing and of the mutual promises herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follow:

1. SALE OF ASSETS AND ASSIGNMENT OF STATION AUTHORIZATIONS. On the Closing Date, subject to the terms and conditions of this Agreement, Seller shall sell, assign, transfer, convey and deliver to Buyer, and Buyer shall purchase, assume, and accept from Seller, all of the Purchased Assets, including all leasehold interests associated with the Station broadcasting facility and the Station Authorizations issued by the FCC for the Purchase Price to be paid as provided in Section 2.

2. PURCHASE PRICE AND METHOD OF PAYMENT. (a) The total consideration for the Purchased Assets and Station Authorizations (the "Purchase Price") shall be the sum of Three Hundred Thousand and no/100th Dollars (\$300,000.00). The Purchase Price shall be paid as follows: Within five (5) days after execution of this agreement and the filing of a Form 345 Assignment Application with the FCC, Buyer shall deliver the sum of Two Hundred and Twenty-Five Thousand Dollars (\$225,000.00) to Seller, which sum shall be deposited by the Seller (the "Deposit"). On the Closing Date, the Deposit shall be credited against the Purchase Price and Buyer shall pay to Seller the sum of Seventy-Five Thousand Dollars (\$75,000.00), plus or minus any applicable prorations, as the balance of the Purchase Price in immediate wire transfer or ACH available funds.

(b) **Closing Date.** The Closing ("Closing") of the transaction contemplated by this Agreement shall occur on a date mutually agreed upon by Buyer and Seller within ten (10) days following the date on which the FCC Consent to the Assignment

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Application become a Final Order, provided, however, that Buyers may elect, in its sole discretion, to proceed to Closing, on a date prior to Final Order.

3. **Seller's Representations, Warranties and Covenants.** Seller represents, warrants and covenants to Buyers that Seller is duly organized and in good standing under the law of the State of Rhode Island. Seller has all requisite power and authority to hold and use the Station Authorizations as now owned and use and conduct the business and operate the station as now conducted. The execution, delivery, and performance of this agreement by Seller have been duly authorized by all necessary actions on the part of the Seller have been duly executed and delivered by Seller and constitutes the legal, valid and binding obligation of Seller.

4. **CONDITIONS PRECEDENT.**

4.1 Mutual Conditions. The obligation of both Seller and Buyer to consummate this Agreement is subject to the satisfaction of each of the following conditions:

4.1.1 Commission Consent. The Commission shall have granted the Assignment Application within nine (9) months of the filing, and such grant shall be in full force and effect on the Closing Date. Closing will take place as set forth in Section 2(b).

4.1.2 Absence of Litigation. As of the Closing Date, no action, suit or proceeding seeking to enjoin, restrain, or prohibit the consummation of the transaction contemplated by this Agreement shall be pending before any court of the Commission or any other governmental body or authority.

4.1.3 No Breach. Neither Buyer nor Seller shall be in material breach of this Agreement.

4.2 Conditions to Buyer's Obligation. In addition to the satisfaction of mutual conditions contained in Section 4.1, the obligation of Buyer to consummate this Agreement is subject to the satisfaction of each of the following conditions:

4.2.1 Representations and Warranties. The representations and warranties of Seller to Buyer shall be true, complete and correct in all material respects as of the Closing Date with the same force and effect as if then made.

4.2.2 Compliance with Conditions. All of the terms, conditions, and covenants to be complied with or performed by Seller on or before the Closing Date shall have been duly complied with and performed in all material respects.

4.2.3 Validity of Station Authorizations. On the Closing Date, Seller shall be the owner and holder of the Station Authorizations to the extent that such authorizations can be owned or held by Seller under the Communications Act of

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1934, as amended, and the Station Authorizations shall be in unconditional full force and effect, valid for the balance of the current license terms applicable generally to radio station licensed to communities located in the State of New Jersey.

4.2.5 Closing Documents. Seller shall deliver to Buyer all of the Closing documents specified in Section 6, all of which documents shall be dated as of the Closing Date, duly executed, in a form reasonably acceptable to Buyer.

4.2.6 Third-Party Consents. At Closing, Seller shall deliver to Buyer all required third-party consents to Buyer's assumption of the Contracts such that Buyer will enjoy all the rights and privileges of Seller under the Contracts subject only to the same obligations as are binding on Seller pursuant to the Contract's present terms.

4.3 Conditions to Seller's Obligation. In addition to satisfaction of the mutual conditions contained in Section 4.1, the obligation of Seller to consummate this Agreement is subject to satisfaction of each of the following conditions:

4.3.1 Representations and Warranties. The representations and warranties of Buyer to Seller shall be true, complete, and correct in all material respects as of the Closing Date with the same force and effect as if then made.

4.3.2 Compliance with Conditions. All of the terms, conditions and covenants to be complied with, or performed by Buyer on or before the Closing Date shall have been duly complied with and performed in all material respects.

4.3.3 Payment. Buyer shall make the payments to Seller at Closing as provided in Section 2(a).

4.3.4 Closing Documents. Buyer shall deliver to Seller all the closing documents specified in Section 6, all of which documents shall be dated as of the Closing Date, duly executed, and in a form reasonably satisfactory to Buyer.

5. SATISFACTION OF CONDITIONS.

5.1 In General. Each party shall use its respective best efforts and cooperate with the other in good faith to the extent reasonably required in order to satisfy the condition to each party's obligations under this Agreement as set forth in Section 4 and fully to accomplish the transaction contemplated by this Agreement in an expeditious fashion. Neither party shall take or fail to take any action within such party's reasonable control, the effect of which would be to prevent or unreasonably delay the satisfaction of any condition to its or the other party's obligations contained in Section 4 or the consummation of this Agreement in accordance with its terms.

6. CLOSING DOCUMENTS. The following documents shall be executed and delivered at Closing.

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6.1.1 By Seller. Seller shall deliver to Buyer:

(a) A certificate executed by Seller attesting to Seller's compliance with the matters set forth in Section 4.

(b) One or more assignments transferring to Buyer all of the interests of Seller in and to the Station Authorizations, and all other license, permits, and authorizations issued by any federal, state, or local regulatory agencies that are used in or necessary for the lawful operation of the Station.

(c) One or more Assignments of leasehold interests in form suitable for recording, conveying good leasehold title to any Real Property associated with the Station.

6.1.2 By Buyer. Buyer shall deliver to Seller:

(a) A certificate executed by Buyer's President attesting to Buyer's compliance with the matters set forth in Section 4.

(b) The balance of the Purchase Price then due pursuant to Section 2(b).

(c) Counterpart assumptions of the Assignment of Station Authorizations and Assignment of leasehold interests.

6.1.3 Other Acts. The parties will also execute such other documents and perform such other acts, before and after Closing, as may be necessary for the complete implementation and consummation of this Agreement.

7. CONTROL OF STATION.

7.1 Prior to Consummation. This Agreement shall not be consummated until after the Commission has given its written consent thereto, and between the date of this Agreement and the Closing Date, Buyer shall not directly or indirectly control, supervise or direct, or attempt to control, supervise or direct, the operation of the Stations. Such control shall be the sole responsibility of the Seller.

7.2 Following Consummation. Upon consummation of the transactions contemplated in this Agreement on the Closing Date, Seller shall have no right to reassignment of the Station Authorization in the future, and may not reserve the right to use the facilities of the Stations in violation of § 73.1150 of the rules and regulations of the FCC.

8. TERMINATION.

8.1 Absence of Commission Consent. If the Commission has not granted the Assignment Application within nine (9) months after acceptance by

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the Commission of the Assignment Application ("Upset Date"), either party shall have the right to rescind its obligation with respect to the purchase and sale of the Station and terminate this Agreement. It is further provided, however, that no party may terminate this Agreement if such party is in default hereunder, or if a delay in any decision or determination by the Commission respecting the Assignment Application has been caused or materially contributed to (i) by any failure of such party to furnish, file or make available to the Commission information within its control; (ii) by the willful furnishing by such party of incorrect, inaccurate or incomplete information to the Commission; and (iii) by any other action taken by such party for the purpose of delaying the Commission's decision or determination respecting the Assignment Application. Upon such termination for failure of the Commission to act, the parties shall be released and discharged from any further obligation hereunder.

8.2 Designation for Hearing. The time for Commission approval provided in Section 8.1 notwithstanding, either party may terminate this Agreement upon written notice to the other, if for any reason, the Assignment Application is designated for hearing by the Commission, provided, however, that written notice of termination must be given within twenty (20) days after release of the Hearing Designation Order and that the party giving such notice is not in default and has otherwise complied with its obligations under this Agreement. Upon termination pursuant to this Section, the parties shall be released and discharged from any further obligation hereunder.

9. DEFAULT AND REMEDIES.

9.1 Material Breaches. A party shall be deemed to be in default under this Agreement only if such party has materially breached or failed to perform its obligations hereunder, and nonmaterial breaches or failures shall not be grounds for declaring a party to be in default, postponing the Closing or terminating this Agreement.

9.2 Opportunity to Cure. If either party believes the other to be in default hereunder, such party shall provide the other with written notice specifying in reasonable detail the nature of the default. If the default has not been cured within ten (10) days after delivery of that notice (or such additional reasonable time as the circumstances may warrant provided the party in default undertakes diligent, good faith efforts to cure the default within such ten (10) day period and continues such efforts thereafter), then the party giving such notice may exercise the remedies available to such party pursuant to this Section, subject to the right of the other party, to contest.

10. GENERAL PROVISIONS.

10.1 Attorneys' Fees. If either party initiates any litigation or arbitration against the other involving this Agreement, the prevailing party in such

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action shall be entitled to receive reimbursement from the other party for all reasonable attorneys' fees (including, but not limited to, licensed attorneys and/or paralegals) and other costs and expenses incurred by the prevailing party in respect of that litigation or arbitration, including any appeal, and such reimbursement may be included in the judgment or final order issued in that proceeding.

10.2 Expenses. Except as otherwise provided herein, all expenses involved in the preparation and consummation of this Agreement shall be borne by the party incurring same whether or not the transaction contemplated herein is consummated. All Commission filing fees for the Assignment Application shall be paid by either Seller or Buyer initially, however, the other party shall reimburse the paying party one-half of the filing fees at Closing. Any recording costs for other instruments of transfer, and all stamp, sales, use, and transfer taxes shall be paid by Seller.

10.3 Notices. All notices, requests, demands, and other communications pertaining to this Agreement shall be in writing and shall be deemed duly given when delivered personally or mailed by certified mail, return receipt requested, postage prepaid, or by overnight carrier that provides a written confirmation of delivery, addressed as follows:

- (a) If to Seller:
Radio Sharon Foundation

With a copy to, which will not constitute notice:

Anthony T. Lepore, Esq.
Radiotvlaw Associates, LLC
4101 Albemarle St NW #324
Washington, DC 20016
(202) 681-2201
anthony@radiotvlaw.net

- (b) If to Buyer:
Ritmo Broadcasting, LLC

With a copy to, which will not constitute notice:

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Either party may change its address for notices by written notice to the other given pursuant to this Section.

10.4 Prior Negotiations. This Agreement supersedes in all respects all prior and contemporaneous oral and written negotiation, understandings and agreements between the parties with respect to the subject matter hereof. All of said prior and contemporaneous negotiations, understandings and agreement are merged herein and superseded hereby.

10.5 Entire Agreement; Amendment. This Agreement and the Attachments and Appendices to this Agreement set forth the entire understanding between the parties in connection with the transaction contemplated herein, and there are no terms, conditions, warranties or representations other than those contained herein, referred to herein or provided for herein. Neither this Agreement nor any term or provision hereof may be altered or amended in any manner except by an instrument in writing signed by the party against whom the enforcement of any change is sought.

10.6 Choice of Laws. This Agreement is to be construed and governed by the laws of the State of New Jersey without reference to the choice of law rules utilized in that jurisdiction.

10.7 Third Parties. Nothing in this Agreement, whether expressed or implied is intended to: (i) confer any rights or remedies on any person other than the Seller, Buyer and their respective successors and permitted assigns; (ii) relieve or discharge the obligation or liability of any third party; or (iii) give any third party any right of subrogation or action against either Seller or Buyer.

10.8 Counterparts. This Agreement may be signed in any number of counterparts with the same effect as if the signature on each such counterpart were on the same instrument. Each of the counterparts, when signed, shall be deemed to be an original, and all of the signed counterparts together shall be deemed to be one and the same instrument.

10.9 Confidentiality. Neither party may disclose the existence of this offer/agreement without the prior written consent of the other party. The parties may jointly agree upon a press release or other public disclosure of this Agreement at a time agreed to by the parties.

10.10 Rebroadcast Consent. The Station currently rebroadcasts WPEN-HD3 as a primary originating station. WPEN-HD3 will remain the primary ("main") facility for the Station following the Closing and Seller shall deliver to Buyer at Closing the existing Rebroadcast Consent letter from WPEN-HD3 that authorizes Station to rebroadcast its programming.

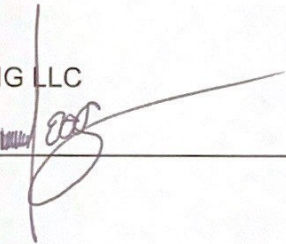
Signatures

Seller
RADIO SHARON FOUNDATION

By: _____
Quilvio N. Perdomo
Member

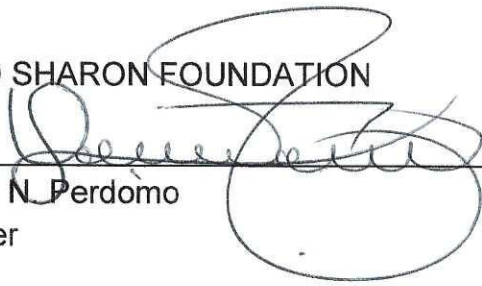
Buyers:
RITMO BROADCASTING LLC

By: _____
Miguel Amador
President

A handwritten signature in dark ink, appearing to be 'MA', is written over a horizontal line. The signature is stylized and extends slightly above and below the line.

Signatures

Seller
RADIO SHARON FOUNDATION

By: 
Quilvio N. Perdomo
Member

Buyers:
RITMO BROADCASTING LLC

By: _____
Miguel Amador
President