

STOCK SALE AGREEMENT

THIS STOCK SALE AGREEMENT ("Agreement") made and entered into this 14 day of January, 2021 by and between **Michael Celenza** and **Tammy M. Celenza** ("Sellers"), and **Young D. Kwon** and **Eun D. Kwon**, ("Buyers");

WITNESSETH:

WHEREAS, **Apple Community Broadcasting, Inc.**, (the "Company") is the licensee of FM Translator W268AN (FX), Plainview, New York (FAC# 151700);

WHEREAS, Sellers are the owners of fifty percent (50%) of all the issued and outstanding stock of Company, which represents fifty percent (50%) control of the Company;

WHEREAS, Buyers desires to purchase all of the Sellers's stock held in the Company and Sellers desires to sell said stock to Buyers;

WHEREAS, Buyers and Sellers understand that this transfer of this controlling interest in the Company's Station may not be consummated without the prior consent of the Federal Communications Commission;

NOW, THEREFORE, in consideration of the mutual covenants and promises contained in this Agreement, and subject to the terms and conditions set forth, the parties, intending to be legally bound, agree as follows:

1. Definitions. Unless otherwise stated in this Agreement, the following terms shall have the following meanings:

(a) "Application" refers to an application for Consent to Transfer of Control of the Company, to be filed with the Federal Communications Commission.

(b) "Application Date" refers to the date upon which the Application will be filed with the Commission for its consent to the stock transfer(s) provided for by this Agreement.

(c) "Commission" (or "FCC") refers to the Federal Communications Commission, Washington, D.C.

(d) "Closing Date" shall take place within ten (10) business days of FCC initial approval (the "Closing"), or upon such other date as the parties may mutually agree to.

(e) "Closing Place" refers to the business offices of Company, or such other place as the parties may mutually agree upon.

2. Stock Bought and Sold. Subject to the terms and conditions of this Agreement and in reliance on the representations and warranties contained in it, the Buyers agrees to purchase from Sellers, and Sellers agree to sell to Buyers, fifty percent (50%) of the shares of stock of Company.

The Sellers represents and warrants that these shares constitute fifty percent (50%) of the issued stock. Buyers owns the remaining fifty percent (50%) of the Company stock.

3. The Purchase Price Consideration. The purchase price to be paid at Closing by Buyers to Seller for the stock shall be the sum of **One Hundred Fifty Thousand Dollars (\$150,000.00)** (the "Purchase Price").

4. Method of Payment. The Purchase Price shall be paid as follows:

(a) **Deposit.** Buyers shall make a cash deposit in the amount of **Fifteen Thousand Dollars (\$15,000.00)** (the "**Deposit**") with John C. Trent, Esquire (the "**Escrow Agent**") to be held in his attorney trust account (non-interest-bearing account). At Closing, the Deposit shall be disbursed to Seller and applied to the Purchase Price. If this Agreement is terminated by Seller pursuant to Article 13(b), the Deposit shall be disbursed to Seller. If this Agreement is terminated for any other reason, the Deposit shall be disbursed to Buyers. The parties shall each instruct the Escrow Agent to disburse the Deposit to the party entitled thereto and shall not, by any act or omission, delay or prevent any such disbursement. This obligation to instruct the Escrow Agent shall survive Closing.

(b) **Cash at Closing.** The sum of **One Hundred Fifty Thousand Dollars (\$150,000.00)** (including Escrow Deposit) shall be paid to Seller at Closing. Said cash sum shall be delivered to Seller *via* wire transfer (unless otherwise requested by Seller). Wire instructions will be provided to Buyers by Seller at or before the Closing.

5. Legal Notice of Transfer Application. Upon the filing of the Transfer application, the parties shall take the necessary steps to provide such Legal Notice concerning the filing as is required by the Rules of the Commission.

6. Sellers's Representations, Covenants, and Warranties. Sellers represents and warrants to Buyers:

(a) **Stock Ownership.** Sellers represents and warrants that they are the lawful record and beneficial fifty percent (50%) owner of the number of shares of the Company's membership stock; that they has full right, power and authority to sell and transfer such shares pursuant to this Agreement; that, during the term of this Agreement, no one will transfer or attempt to transfer any of such shares or subject such shares to any lien or encumbrance; and that the delivery of the shares to Buyers at the Closing will transfer to Buyers valid and lawful title to the shares, free and clear of any lien or encumbrance.

(b) **Licenses and Authorizations.** The Company is the holder of broadcast

licenses, authorizations and permits ("FCC Licenses") issued by the Commission. The licenses are validly existing authorizations for the operation of the facilities in question under the Communications Act of 1934, as amended, and the Rules and Regulations of the FCC.

7. Buyers' Representations, Covenants and Warranties. The Buyers hereby represents, warrants and covenants to the Sellers that:

(a) Authorization. Buyers has full power and authority to enter into this Agreement and the Agreement constitutes a valid and binding obligation in accordance with its terms.

(b) FCC Qualifications. Buyers possesses the legal, financial, technical and other qualifications necessary to obtain approval from the Commission to the Transfer of Control. Buyers knows of no reason why Buyers should not be found by the Commission to be fully acceptable and qualified to assume control of the Company. Buyers is financially and otherwise qualified to consummate this transaction as of the Closing Date without delay.

8. Conditions Precedent to Parties' Obligations; Closing. The foregoing obligations of Sellers and Buyers to perform under this Agreement are subject to the fulfillment prior to or at the Closing of each of the following conditions:

(a) Commission Approval. That the Commission shall have granted the transfer application and given its consent to the transfer of control of the Company from Sellers to Buyers.

(b) Representations and Warranties. The material representations and warranties of each party contained in this Agreement shall be true at and as of the time of Closing as though such representations and warranties were made at and as of such time.

(c) Performance. Each party shall have performed and complied with all material agreements and conditions required by this Agreement to be performed or complied with by it prior to or at the Closing.

(d) Resignations. The Sellers shall furnish to Buyers on the Closing Date their resignations as Company's officers and directors.

(e) Payment of Outstanding Obligations. The parties agree that as a requirement of closing the following outstanding obligations be paid on or before the Closing:

(i) Tower Lease- Communications Leasing Inc., current outstanding debt is \$14,110.81. Monthly lease is \$1,000.00 per month.

(ii) Black and Associates Insurance. Insurance has been paid by Sellers in the amount of \$775.16. Buyers are obligated to reimburse Sellers \$387.58.

(iii) Bank of America – Seller has paid \$44.51 to get account out of arrears. Buyers are obligated to reimburse Sellers \$22.25 at Closing.

(iv) Company CPA is owed for years 2018 and 2019 the sum of \$2,770.00. The parties will pay at Closing, \$1,385.00 each. The parties further recognize that there will be CPA changes for year 2020. The parties agree that those fees will be shared equally on a 50-50- basis.

(v) Cablevision. Current fee due is \$334.75. The parties will pay at closing \$167.37 each.

(vi) FCC Filing Fees and Legal Fees. The FCC filing fee due for FCC Form 345 Transfer of Control is \$160.00. This fee will be advanced Seller and Sellers will be reimbursing \$80.00 at closing. The parties agree that John C. Trent, Esq. shall be paid at closing for his legal fees associated with this transaction. The parties will split Mr. Trent's fees on a 50-50 basis and said sum shall be paid at Closing.

9. Indemnification of Sellers by Buyers. The Buyers will indemnify and hold the Sellers harmless against:

(a) New Liabilities. All liabilities of the Company arising out of any transaction of the Company entered into on or after the Closing Date or relating to any situation existing on or subsequent to such date;

(b) Claims Arising from Assumed and Obligations. All liabilities of or claims against the Company or Sellers arising out of:

(i) The conduct of the business of the Company on or subsequent to the Closing Date;

(ii) Any presently existing contract or commitment of the Company requiring payments or performance by the Company on or subsequent to the Closing Date;

(iii) Any contract or commitment entered into or made by the Company between the date hereof and the Closing requiring payments or performance by the Company on or subsequent to the Closing Date;

(c) Damages or Deficiencies. Any damage or deficiency resulting from any material misrepresentation, breach of warranty or non-fulfillment of any agreement on the part of the Buyers under this Agreement or from any material misrepresentation in any certificate or other instrument furnished or to be furnished by the Buyers pursuant to this Agreement; and

(d) Actions, Judgments, etc. Any and all actions, suits, proceedings, demands, assessments, judgments, costs and expenses incident to any of the foregoing.

10. Commission Consent. It is specifically understood and agreed that the consummation of this Agreement shall be in all respects subject to the prior approval of the Commission. Upon the execution of this Agreement, Buyers and Sellers shall proceed as expeditiously as practicable, and in no event later than ten (10) business days following execution of this Agreement, to file with the Commission the requisite application and other necessary instruments, and agree thereafter to prosecute the application in good faith and with all reasonable diligence and otherwise to cooperate with each other and to use their best efforts to obtain the requisite consent and approval promptly.

11. Time for Commission Consent. If the Commission has failed or refused to grant its written consent to the transfer of the stock of the Company from Sellers to Buyers within a period of one (1) year from the date of its acceptance for filing, this Agreement will terminate.

12. Nature and Survival of Representations. All statements contained in any certificate or other instrument delivered by or on behalf of either party, pursuant to or in connection with the transactions contemplated by this Agreement, shall be deemed representations, covenants and warranties hereunder. All representations and warranties made by either party to this Agreement shall survive the Closing for a period of one (1) year.

13. Termination. This Agreement may be terminated prior to Closing as follows:

- (a) by mutual written consent of Buyers and Seller;
- (b) by written notice of Seller to Buyers if Closing does not occur by the Closing

Date; or

(c) If the Commission no consented to the transfer of the stock of the Company within a period of one (1) year from the date of its acceptance for filing.

14. Specific Performance. In the event of failure by Seller to comply with the terms of this Agreement, the Buyers shall be entitled to an injunction restraining such failure or threatened failure and, subject to obtaining any necessary FCC consent, to enforcement of this Agreement by a decree of specific performance requiring compliance with this Agreement.

15. Liquidated Damages. If Seller terminates this Agreement pursuant to Section 10(b) then the Deposit shall be paid to Seller. Buyers acknowledges and agrees that Seller's recovery of such amount shall constitute payment of liquidated damages and not a penalty and that Seller's liquidated damages amount is reasonable in light of the substantial but indeterminate harm

anticipated to be caused by Buyers' material breach or default under this Agreement, the difficulty of proof of loss and damages, the inconvenience and non-feasibility of otherwise obtaining an adequate remedy, and the value of the transactions to be consummated hereunder

16. Other Documents. The parties shall execute such other documents as may be necessary for the implementation and consummation of this Agreement.

17. Choice of Law. This Agreement is being made and shall be construed and enforced in accordance with the laws of the State of New York.

18. Notices. All notices, demands, requests, or other communications which may be or are required to be given or made by any party to any party pursuant to this Agreement shall be in writing and shall be mailed by first-class registered or certified mail, return receipt requested, postage prepaid, or delivered by overnight air courier, and shall be deemed to have been duly delivered and received on the date of personal delivery, on the third day after deposit in the U.S. mail if mailed by registered or certified mail, postage prepaid and return receipt requested, on the day after delivery to a nationally recognized overnight courier service if sent by an overnight delivery service for next morning delivery, addressed as follows:

If to Sellers:

Michael Celenza
Tammy M. Celenza
41 Kathleen Crescent
Coram, NY 11727

If to Buyers:

Young D. Kwon
Eun D. Kwon
140 Post Road
Old Westbury, NY 11568

19. Filing Fees. All filing fees to be payable to the Commission in connection with the filing and processing of the necessary Transfer of Control application shall be payable by the parties on a 50-50 basis. Sellers shall advance the entire filing fee and Buyer will reimburse for its portion at Closing.

20. Entire Agreement. This Agreement, together with the attached Appendices, contains all of the terms agreed upon by the parties with respect to the subject matter hereof.

21. Headings. The headings of the paragraphs of this Agreement are for the convenience of reference only and do not form a part of this Agreement and in no way modify, interpret or construe the meanings of the parties.

22. Counterparts. This Agreement may be signed upon any number of counterparts with the same effect as if the signatures to each were upon the same Agreement.

23. Equipment and Facility. Seller shall provide all equipment and facility list with the operation manuals at the tower site within seven (7) days from this agreement date to Buyer.

24. Broker. Seller shall confirm and guarantee that no broker involved this transaction. If any claim from any broker, then Seller should be fully responsible.

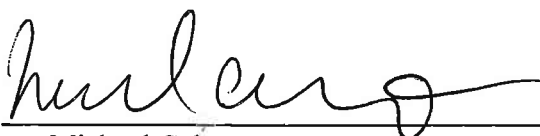
25. Conflict Waiver. The Parties have requested John C. Trent, Esq., to prepare and file all of the necessary documents with the FCC to transfer the stock to Buyers. The Parties recognize that by doing that he will be working for each side. Notwithstanding that fact, the Parties agree that it is in their best interest to have Mr. Trent do this work and as such the Parties do hereby agree and waive any conflict-of-interest claim associated with Mr. Trent's work in this matter. Further, in the event of a dispute between the Parties, Buyers agrees and understands that Mr. Trent will remain Sellers' counsel.

[SIGNATURE PAGE FOLLOWS]

SIGNATURE PAGE


IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first above written.

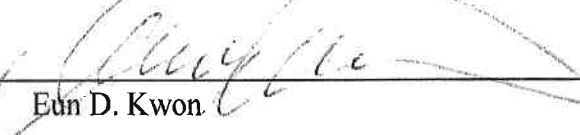
SELLERS:

By: 
Michael Celenza

By: 
Tammy M. Celenza

BUYERS:

By: 
Young D. Kwōn

By: 
Eun D. Kwon